IMPORTANT NOTICE

NOT FOR DISTRIBUTION DIRECTLY OR INDIRECTLY IN OR INTO THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED BELOW) OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached supplemental information memorandum. You are advised to read this disclaimer carefully before accessing, reading or making any other use of the attached supplemental information memorandum. In accessing the attached supplemental information memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

Restrictions: The attached supplemental information memorandum is being furnished in connection with an offering of notes exempt from registration under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") solely for the purpose of enabling a prospective investor to consider the subscription for or purchase of the securities described therein.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF NOTES FOR SALE IN THE UNITED STATES ("U.S.") OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. ANY NOTES TO BE ISSUED HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR ANY OTHER JURISDICTION AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE U.S., OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS AND THE NOTES ARE BEING OFFERED AND SOLD OUTSIDE OF THE U.S. IN RELIANCE ON REGULATION S OF THE SECURITIES ACT.

THE ATTACHED SUPPLEMENTAL INFORMATION MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON WITHOUT THE PRIOR WRITTEN CONSENT OF THE DEALERS (AS DEFINED BELOW) AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS ELECTRONIC COMMUNICATION OR THE ATTACHED SUPPLEMENTAL INFORMATION MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE SECURITIES LAWS OF OTHER JURISDICTIONS.

UNDER NO CIRCUMSTANCES SHALL THE ATTACHED SUPPLEMENTAL INFORMATION MEMORANDUM CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THE NOTES IN ANY JURISDICTION IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL.

Confirmation of Your Representation: By accessing the attached supplemental information memorandum you confirm to each of Heeton Holdings Limited (the "**Issuer**"), CIMB Bank Berhad, Singapore Branch and United Overseas Bank Limited (together the "**Dealers**") that (i) you understand and agree to the terms set out herein, (ii) you are not and the e-mail address which you have provided and to which the attached supplemental information memorandum has been sent is not in the U.S., its territories and possessions, (iii) you consent to delivery of the attached supplemental information memorandum and any amendments or supplements thereto by electronic transmission, (iv) you will not transmit the attached supplemental information memorandum (or any copy of it or part thereof) or disclose, whether orally or in writing, any of its contents to any other person except with the prior written consent of the Dealers and (v) you acknowledge that you will make your own assessment regarding any credit, investment, legal, taxation or other economic considerations with respect to your decision to subscribe for or purchase any notes described therein.

By accepting this e-mail and accessing the attached supplemental information memorandum, if you are an investor in Singapore, you (A) represent and warrant that you are either (i) an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore (the "SFA")) pursuant to Section 274 of the SFA or (ii) an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore, and (B) agree to be bound by the limitations and restrictions described therein. Any reference to the SFA is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

The attached supplemental information memorandum has been made available to you in electronic form. You are reminded that documents or information transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Issuer, the Dealers or any person who controls any of them nor any of their respective directors, officers, employees, agents, representatives or affiliates accepts any liability or responsibility whatsoever in respect of any discrepancies between the supplemental information memorandum distributed to you in electronic format and the hard copy version.

Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of Heeton Holdings Limited, CIMB Bank Berhad, Singapore Branch or United Overseas Bank Limited to subscribe for or purchase any of the notes described therein, and access has been limited so that it shall not constitute in the United States or elsewhere a general solicitation or general advertising (as those terms are used in Regulation D under the Securities Act) or directed selling efforts (as defined in Regulation S under the Securities Act).

The attached supplemental information memorandum or any materials relating to the offering of notes do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering of notes be made by a licensed broker or dealer and the dealers or any affiliate of the dealers is a licensed broker or dealer in that jurisdiction, the offering of notes shall be deemed to be made by the dealers or such affiliate on behalf of the Issuer in such jurisdiction. The attached supplemental information memorandum may only be communicated to persons in the United Kingdom in circumstances where section 21(1) of the Financial Services and Markets Act 2000 does not apply.

You are reminded that you have accessed the attached supplemental information memorandum on the basis that you are a person into whose possession the attached supplemental information memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the attached supplemental information memorandum, electronically or otherwise, to any other person. If you have gained access to this transmission contrary to the foregoing restrictions, you are not authorised and will not be able to subscribe for or purchase any of the notes described therein.

Actions that You May Not Take: If you receive the attached supplemental information memorandum by e-mail, you should not reply by e-mail, and you may not subscribe or purchase any notes described therein by doing so. Any reply e-mail communications, including those you generate by using the “Reply” function on your e-mail software, will be ignored or rejected.

You are responsible for protecting against viruses and other destructive items. If you receive the attached supplemental information memorandum by e-mail, your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

Supplemental Information Memorandum dated 24 June 2026 to Information Memorandum dated 25 July 2016

HEETON HOLDINGS LIMITED

(Incorporated in the Republic of Singapore on 7 July 1976)
(UEN/Company Registration No. 197601387M)

S$90,000,000 5.50 PER CENT. NOTES DUE 2030 PURSUANT TO THE S$300,000,000 Multicurrency Debt Issuance Programme

This Supplemental Information Memorandum (the "**Supplemental Information Memorandum**") is issued solely in respect of the S$90,000,000 5.50 per cent. Notes due 2030 (the "**Notes**") by Heeton Holdings Limited (the "**Issuer**"). This Supplemental Information Memorandum is supplement to, and should be read in conjunction with, the Information Memorandum dated 25 July 2016 (the "**Original Information Memorandum**" and, together with this Supplemental Information Memorandum, the "**Information Memorandum**") and all other documents that are deemed to be incorporated by reference therein in relation to the S$300,000,000 Multicurrency Debt Issuance Programme (the "**Programme**") of the Issuer. This Supplemental Information Memorandum supersedes the Supplemental Information Memorandum dated 4 January 2018 and should not be read in conjunction with the same. Save to the extent defined in this Supplemental Information Memorandum, terms defined or otherwise attributed meanings in the Original Information Memorandum have the same meaning when used in this Supplemental Information Memorandum. References in the Original Information Memorandum and this Supplemental Information Memorandum to "this Information Memorandum" mean the Original Information Memorandum as supplemented by this Supplemental Information Memorandum. To the extent that the Original Information Memorandum is inconsistent with this Supplemental Information Memorandum, the terms of this Supplemental Information Memorandum shall prevail.

This Supplemental Information Memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act 2001 of Singapore, as amended from time to time (the "**SFA**"). Accordingly, this Supplemental Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes to be issued by the Issuer pursuant to the Programme may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore.

Any reference to the "SFA" is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

Application will be made to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for permission to deal in and the listing of and quotation for the Notes. Such permission will be granted when the Notes have been admitted to the Official List of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Approval in-principle from, admission to the Official List of, and the listing of and quotation for the Notes, on the SGX-ST is not to be taken as an indication of the merits of the Issuer, its subsidiaries, its associated companies (if any), the Programme or the Notes.

The Notes will initially be represented by a Global Certificate which will be registered in the name of The Central Depository (Pte) Limited ("**CDP**") on or about the date of issue of the Notes.

An investment in the Notes involves certain risks. For a discussion of these risks see the section "*Investment Considerations*" of the Original Information Memorandum (as supplemented by the section "*Investment Considerations*" of this Supplemental Information Memorandum).

Dealers

CIMB UOB

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APPENDICES

NOTICE

CIMB Bank Berhad, Singapore Branch and United Overseas Bank Limited (the "**Relevant Dealers**") have been appointed by the Issuer to jointly lead-manage the issue of the Notes.

This Supplemental Information Memorandum contains information with regard to the Issuer, its subsidiaries and associated companies (if any) and the Notes. The Issuer, having made all due and careful enquiries, confirms that this Supplemental Information Memorandum (read together with the Original Information Memorandum) contains all information which is material in the context of the Programme and the issue and offering of the Notes, that the information contained in the Original Information Memorandum (as supplemented by this Supplemental Information Memorandum) is true and accurate in all respects, the opinions, expectations and intentions expressed in this Supplemental Information Memorandum (read together with the Original Information Memorandum) have been carefully considered, and that there are no other facts the omission of which in the context of the issue and offer of the Notes would or might make any such information or expressions of opinion, expectation or intention misleading in any respect.

No person has been authorised to give any information or to make any representation other than those contained in this Supplemental Information Memorandum in connection with the Programme and the issue, offer or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Issuer or the Relevant Dealers. The delivery or dissemination of this Supplemental Information Memorandum at any time after the date of this Supplemental Information Memorandum does not imply that the information contained in this Supplemental Information Memorandum or any part of this Supplemental Information Memorandum is correct at any time after such date. Save as expressly stated in this Supplemental Information Memorandum, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of the Issuer or any of its subsidiaries or associated companies (if any). Neither this Supplemental Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme and the issue of the Notes may be used for the purpose of, or in connection with, and does not constitute an offer of, or solicitation or invitation by or on behalf of the Issuer or the Relevant Dealers to subscribe for or purchase, the Notes in any jurisdiction or under any circumstances in which such offer, solicitation or invitation is unlawful, or not authorised or to any person to whom it is unlawful to make such offer, solicitation or invitation. The distribution and publication of this Supplemental Information Memorandum (or any part thereof) or any such other document or information (or any part thereof) and the offer of the Notes in certain jurisdictions may be prohibited or restricted by law. Persons who distribute or publish this Supplemental Information Memorandum (or any part thereof) or any such other document or information or into whose possession this Supplemental Information Memorandum (or any part thereof) or any such other document or information (or any part thereof) comes are required to inform themselves about and to observe any such prohibitions and restrictions and all applicable laws, orders, rules and regulations.

The Notes have not been, and will not be, registered under the Securities Act (as defined in the Information Memorandum) or with any securities regulatory authority of any state or other jurisdiction of the United States and the Notes are subject to U.S. tax law requirements and restrictions. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act).

Neither this Supplemental Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme or the Notes shall be deemed to constitute an offer of, or solicitation or invitation by or on behalf of the Issuer or the Relevant Dealers to subscribe for or purchase any of the Notes.

This Supplemental Information Memorandum and any other documents or materials in relation to the issue, offering or sale of the Notes have been prepared solely for the purpose of the initial sale by the Relevant Dealers of the Notes. This Supplemental Information Memorandum and such other documents or materials are made available to the recipients thereof solely on the basis that they are institutional investors (as defined in Section 4A of the SFA) or accredited investors (as defined in Section 4A of the SFA) and may not be relied upon by any person other than persons to whom the Notes are sold or with whom they are placed by the Relevant Dealers or for any other purpose. Recipients of this Supplemental Information Memorandum shall not reissue, circulate or distribute this Supplemental Information Memorandum or any part thereof in any manner whatsoever.

Neither the issue nor delivery of this Supplemental Information Memorandum (or any part thereof) nor the issue, offering, purchase, subscription for or sale of the Notes shall, under any circumstances, constitute a representation, or give rise to any implication, that there has been no change in the prospects, results of operations or general affairs of the Issuer or any of its subsidiaries or associated companies (if any) or any statement of fact or the information herein since the date hereof or the date on which this Supplemental Information Memorandum has been most recently amended or supplemented.

Neither Relevant Dealer has separately verified the information contained in this Supplemental Information Memorandum. None of the Relevant Dealers or any of its officers, employees or agents is making any representation, warranty or undertaking, expressed or implied, as to the merits of the Notes or the subscription for, purchase or acquisition thereof, the creditworthiness or financial condition or otherwise of the Issuer or its subsidiaries or associated companies (if any). Further, neither Relevant Dealer makes any representation or warranty as to the Issuer, its subsidiaries or associated companies (if any) or as to the accuracy, reliability or completeness of the information set out herein (including the legal and regulatory requirements pertaining to Sections 274 and 275 or any other provisions of the SFA) and in the documents which are incorporated by reference in, and form part of, this Supplemental Information Memorandum.

Neither this Supplemental Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme or the issue of the Notes is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer or the Relevant Dealers that any recipient of this Supplemental Information Memorandum or such other document or information (or such part thereof) should subscribe for or purchase any of the Notes. A prospective purchaser shall make its own assessment of the foregoing and other relevant matters including the financial condition and affairs and the creditworthiness of the Issuer and its subsidiaries and associated companies (if any), and obtain its own independent legal or other advice thereon, and its investment shall be deemed to be based on its own independent investigation of the financial condition and affairs and its appraisal of the creditworthiness of the Issuer and its subsidiaries and associated companies (if any). Accordingly, notwithstanding anything herein, none of the Relevant Dealers or any of their officers, employees or agents shall be held responsible for any loss or damage suffered or incurred by the recipients of this Supplemental Information Memorandum or such other document or information (or such part thereof) as a result of or arising from anything expressly or implicitly contained in or referred to in this Supplemental Information Memorandum or such other document or information (or such part thereof) and the same shall not constitute a ground for rescission of any purchase or acquisition of any of the Notes by a recipient of this Supplemental Information Memorandum or such other document or information (or such part thereof).

To the fullest extent permitted by law, neither Relevant Dealer accepts any responsibility for the contents of the Information Memorandum (as supplemented by this Supplemental Information Memorandum) or for any other statement, made or purported to be made by either Relevant Dealer or on its behalf in connection with the Issuer, the Group (as defined in the Information Memorandum), the Programme or the issue and offering of the Notes. Each Relevant Dealer accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of the Information Memorandum (as supplemented by this Supplemental Information Memorandum) or any such statement.

Any subscription for, purchase or acquisition of the Notes is in all respects conditional on the satisfaction of certain conditions set out in the Programme Agreement (as defined in the Original Information Memorandum) and the issue of the Notes by the Issuer pursuant to the Programme Agreement. Any offer, invitation to offer or agreement made in connection with the purchase or acquisition of the Notes or pursuant to this Supplemental Information Memorandum shall (without any liability or responsibility on the part of the Issuer or the Relevant Dealers) lapse and cease to have any effect if (for any other reason whatsoever) the Notes are not issued by the Issuer pursuant to the Programme Agreement.

Any discrepancies in the tables included in the Original Information Memorandum (as supplemented by this Supplemental Information Memorandum) between the listed amounts and totals thereof are due to rounding.

The distribution of this Supplemental Information Memorandum and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Supplemental Information Memorandum comes are required by the Issuer and the Relevant Dealers to inform themselves about and to observe any such restrictions. The attention of recipients of this Supplemental Information Memorandum is drawn to the restrictions on resale of the Notes and the distribution of the Original Information Memorandum and this Supplemental Information Memorandum set out under "Subscription, Purchase and Distribution" on pages 84 to 88 of this Supplemental Information Memorandum.

Any person(s) who is/are invited to purchase or subscribe for the Notes or to whom this Supplemental Information Memorandum is sent shall not make any offer or sale, directly or indirectly, of any Notes or distribute or cause to be distributed any document or other material in connection therewith in any country or jurisdiction except in such manner and in such circumstances as will result in compliance with any applicable laws and regulations.

It is recommended that persons proposing to subscribe for, purchase or otherwise acquire any of the Notes consult their own legal, financial and other advisers before subscribing for, purchasing or acquiring the Notes. Prospective purchasers of Notes are advised to consult their own tax advisers concerning the tax consequences of the acquisition, ownership or disposal of Notes.

Website addresses or references in this Supplemental Information Memorandum are included for reference only, and the contents of such websites are not incorporated by reference into, and do not form part of, this Supplemental Information Memorandum.

PRIIPS REGULATION - PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is either one (or both) of the following: (i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018; or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024. Consequently, no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") for offering, selling or distributing the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

CORPORATE INFORMATION

Board of Directors	:	Toh Giap Eng (Chairman) Toh Gap Seng (Alternate Director to Toh Giap Eng) Hoh Chin Yiep Tan Chuan Lye Lee Bee Wah Li Hiaw Ho @ Li Hsi Ping
Company Secretary	:	Chew Bee Leng
Registered Office	:	60 Paya Lebar Road #08-36 Paya Lebar Square Singapore 409051
Auditors to the Issuer	:	Ernst & Young LLP One Raffles Quay North Tower #18-01 Singapore 048583
Relevant Dealers	:	CIMB Bank Berhad, Singapore Branch 30 Raffles Place # 04-01 CIMB Plaza Singapore 048622 United Overseas Bank Limited 80 Raffles Place #03-01 UOB Plaza 1 Singapore 048624
Legal Advisers to the Relevant Dealers	:	Allen & Gledhill LLP One Marina Boulevard #28-00 Singapore 018989
Legal Advisers to the Issuer	:	WongPartnership LLP 12 Marina Boulevard Level 28 Marina Bay Financial Centre Tower 3 Singapore 018982
Issuing and Paying Agent, Transfer Agent and Registrar	:	DBS Bank Ltd. 1 Venture Ave #05-06, Perennial Business City Singapore 608521
Trustee for the Noteholders	:	DBS Trustee Limited 12 Marina Boulevard Marina Bay Financial Centre Singapore 018982

AMENDMENTS TO THE ORIGINAL INFORMATION MEMORANDUM

(A) The first and second paragraphs of the cover page of the Original Information Memorandum shall be deleted in their entirety and substituted therefor the following:

"This Information Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of notes (the "**Notes**") and perpetual securities (the "**Perpetual Securities**" and, together with the Notes, the "**Securities**") to be issued from time to time by Heeton Holdings Limited (the "**Issuer**") pursuant to the Programme may not be circulated or distributed, nor may the Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore (the "**SFA**")) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore.

Any reference to the "**SFA**" is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time."

(B) The section "NOTICE" appearing on pages 2 to 5 of the Original Information Memorandum will be amended as follows:

(a) by deleting the second paragraph appearing on page 3 of the Original Information Memorandum in its entirety and substituting therefor the following:

"The Securities have not been, and will not be, registered under the Securities Act (as defined herein) and include Securities in bearer form that are subject to U.S. tax law requirements and restrictions. Subject to certain exceptions, the Securities may not be offered, sold or (in the case of Securities in bearer form) delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act)."; and

(b) by deleting the fourth paragraph appearing on page 3 of the Original Information Memorandum in its entirety and substituting therefor the following:

"This Information Memorandum and any other documents or materials in relation to the issue, offering or sale of the Securities have been prepared solely for the purpose of the initial sale by the relevant Dealers of the Securities from time to time to be issued pursuant to the Programme. This Information Memorandum and such other documents or materials are made available to the recipients thereof solely on the basis that they are institutional investors (as defined in Section 4A of the SFA) or accredited investors (as defined in Section 4A of the SFA) and may not be relied upon by any person other than persons to whom the Securities are sold or with whom they are placed by the relevant Dealers as aforesaid or for any other purpose. Recipients of this Information Memorandum shall not reissue, circulate or distribute this Information Memorandum or any part thereof in any manner whatsoever."

(C) The section "DEFINITIONS" appearing on pages 7 to 10 of the Original Information Memorandum will be amended as follows:

(a) by deleting the definitions of "Companies Act", "ITA", "Latest Practicable Date", "SFA", and "Trust

Deed" appearing on pages 7 to 10 of the Original Information Memorandum in their entirety and substituted with the following:

""**Companies Act**"	:	The Companies Act 1967 of Singapore, as amended or modified from time to time.
"**ITA**"	:	Income Tax Act 1947 of Singapore, as amended or modified from time to time.
"**Latest Practicable Date"**	:	2 June 2026
"**SFA**"	:	Securities and Futures Act 2001 of Singapore, as amended or modified from time to time.
"**Trust Deed**"	:	The Trust Deed dated 18 July 2013 made between (1) the Issuer, as issuer, and (2) the Trustee, as trustee, as supplemented by the supplemental trust deed relating to the Notes to be dated on or around 7 July 2026 made between the same parties, and as further amended, varied or supplemented from time to time."; and

(b) by inserting the following definition of "£" and "Pound Sterling" immediately after the definition of "US$" or "US dollars" appearing on page 10 of the Original Information Memorandum:

""**£**" or "**Pound Sterling**"	:	The lawful currency for the time being of the United Kingdom of Great Britain and Northern Ireland.".

(D) The words "Companies Act, Chapter 50 of Singapore" appearing under the sub-section ""Redemption at the Option of Noteholders upon Change of Shareholding Event" under the section "SUMMARY OF THE PROGRAMME" appearing on page 14 of the Original Information Memorandum will be deleted in their entirety and substituted therefor with the words "Companies Act 1967 of Singapore".

(E) The section "TERMS AND CONDITIONS OF THE NOTES" appearing on pages 26 to 58 of the Original Information Memorandum will be amended as follows:

(a) the words "Companies Act, Chapter 50 of Singapore" appearing in Condition 6(e)(iii)(1) and Condition 10(2) will be deleted in their entirety and substituted therefor with the words "Companies Act 1967 of Singapore";

(b) the words "Part IX of the Companies Act, Chapter 50 of Singapore" appearing in Condition 10(p) will be deleted in their entirety and substituted therefor with the words "Part 9 of the Companies Act 1967 of Singapore"; and

(c) the words "Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore" appearing in Condition 18 will be deleted in their entirety and substituted therefor with the words "Contracts (Rights of Third Parties) Act 2001 of Singapore".

(F) This section replaces the section "THE ISSUER" appearing on pages 88 to 122 of the Original Information Memorandum in its entirety.

THE ISSUER

1. HISTORY AND OVERVIEW

1.1 History

The Issuer was incorporated in Singapore on 7 July 1976 as a private limited company under the name of Heeton Development Private Limited. On 26 December 2002, the Issuer was converted into a public company and effected a name change to Heeton Holdings Limited.

Pursuant to a restructuring exercise in December 2002 undertaken in connection with the initial public offering of the Issuer, the Issuer became the holding company of the Group. On 8 September 2003, the shares in the capital of the Issuer were admitted to the Official List of the SGX Sesdaq (now known as the Catalist Board of the SGX-ST), and on 31 August 2007, the Issuer was upgraded to the SGX-ST Main Board.

The Group's business consists of hospitality, property investment, property development, property management, and other related corporate activities. The Group's net asset value as at 31 December 2025 is approximately S$411.0 million. As at the Latest Practicable Date, the Issuer has a total market capitalisation of approximately S$124.2 million.

1.2 Overview

The Group is primarily involved in the business of hospitality, property investment and property development in Singapore and overseas.

Heeton Holdings Limited ("**Heeton**") first entered the property development business in 1968 under the stewardship of its founder, the late Toh Khai Cheng, as a developer of small residential properties. In the 1980s, it took on residential developments of a larger scale and ventured into mixed developments, thus establishing its presence in the property development industry. Over the years, it has also extended its business presence to the UK, Japan, Thailand, Bhutan, China, Malaysia and Vietnam.

The Group has a niche in developing distinctive and quality residential properties in choice locations. To date, the Group had completed more than 50 projects both locally and overseas.

Other than independent developments, the Group has formed strong partnerships with other established property developers to develop properties locally and regionally. Such properties include Park Colonial at Woodleigh Lane, an executive condominium development in Westwood Avenue, Westwood Residences, REZI 24 at Lorong 24 Geylang, Affinity at Serangoon, NEWest at West Coast Way, KAP and KAP Residences at King Albert Park, High Park Residences at Fernvale Road in Sengkang and more recently, Tenet, an executive condominium at Tampines Street 62.

In 2012, the Group ventured into the UK market with its maiden residential development project in London, The Britton, followed by The Earlington. Both were well-received during their respective launches.

Besides developing properties, the Group has also steadily acquired a portfolio of investment properties in the various segments of the property markets, including the commercial and retail markets. The strength in the Group's property development activities is supported by a stable portfolio of investment properties such as Tampines Mart, Sun Plaza, as well as Adam House.

In 2011, the Group ventured into the hospitality sector via a significant stake in Heeton Concept Hotel Pattaya (previously known as Mercure Hotel Pattaya), located in the popular tourist destination of Pattaya, Thailand. The Group's hospitality segment has expanded since with the acquisition of hospitality assets around the world, particularly in the UK, and also in Japan and Singapore. As at the Latest Practicable Date, the Group has a portfolio of 15 hotels (of which one has been leased out) including DoubleTree by Hilton London Kensington, Heeton Concept Hotel Kensington London, Heeton Concept Hotel Luma Hammersmith London, Holiday Inn

Express Hotel Manchester City Centre Arena, Heeton Concept Hotel – City Centre Liverpool, Hampton by Hilton Leeds City Centre, Hotel Indigo Glasgow, Stewart by Heeton Concept Aparthotel Edinburgh, and Heeton Concept Aparthotel, Queen Street Edinburgh in the UK, Heeton Concept Hotel Pattaya as well as Hotel Baraquda Pattaya by Heeton in Thailand, Super Hotel Sapporo Susukino in Japan, Dawa at Hilltop by Heeton in Bhutan, Dorsett Changi City Singapore and Link Hotel Singapore in Singapore. Please refer to Section 3.3 (*Hospitality*) below for a description of the Group's hospitality business.

In relation to its property management business, the Group generally manages its investment properties, such as Tampines Mart, Sun Plaza and Adam House. In connection with its management of the properties, the Group also undertakes to organise promotional and marketing activities for them. The Group also manages the operations of all of its nine hotels in the UK.

Going forward, the Group remains mindful of persistent headwinds, including elevated operating and labour costs, tightening margins in the hospitality sector, and ongoing macroeconomic and geopolitical uncertainty. Nonetheless, the Group's core markets continue to present a mixed but navigable outlook and the Group remains confident of its capabilities and strengths. The Group will focus on operational discipline, prudent risk management, differentiated hospitality offerings and value-adding acquisitions, both independently and through strategic partnerships, while carefully navigating evolving market conditions. It will leverage innovation in areas such as automation and digitalisation to drive efficiency gains, whilst actively managing its balance sheet.

The Group's three businesses, which comprise hospitality, property investment and property development, have demonstrated resilience in FY2025, amidst a challenging and volatile global environment. Post-pandemic tourism has continued to grow across the Group's hospitality markets in the UK, Japan, Thailand and Singapore.

However, the global economy continues to face much uncertainty, with potential headwinds such as ongoing geopolitical tensions, global tariffs and trade wars, changes in governmental monetary or fiscal policy, volatile interest rates, and macroeconomic softness in certain countries and regions. The US-Israel war with Iran in late February 2026 has also added a new wave of volatility and complexity. The Group is monitoring the situation as it develops, including its disruption to aviation routes through the Persian Gulf, the uncertainty it has introduced over energy and other costs, and its likely impact on travel demand and booking patterns across the Group's markets in the near term.

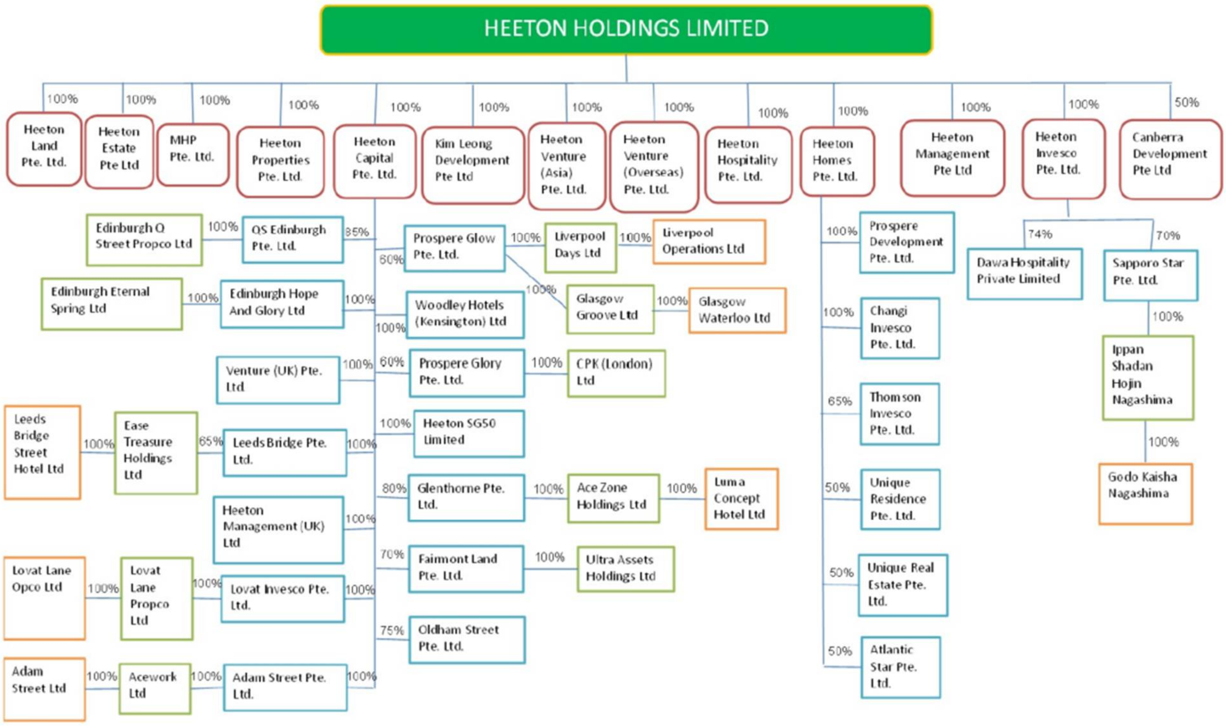
Despite these headwinds, the Group remains cautiously optimistic. In respect of the Group's business in the UK, rising operating costs are expected to continue to pressure margins. The Group seeks to navigate these headwinds by growing revenue from its UK hotel operations, while maintaining operational discipline, prudent risk management, and active balance sheet management. In respect of the Group's business in Singapore, the Group's Dorsett Changi City Singapore Hotel and its second Singapore hotel investment, the Link Hotel Singapore, undertaken as part of a consortium in early 2026, are expected to position the Group well to participate in Singapore's growth. Further, the Group's Singapore retail malls, Sun Plaza and Tampines Mart, continue to provide a stable base of recurring income. The Group remains focused on protecting margins, maintaining financial resilience and capturing compelling opportunities as and when they arise.

As part of the Group's property development growth strategy, the Group has also participated in the Upper Thomson Road (Parcel A) project through a joint venture. This partnership will accelerate the development of a fully integrated residential and commercial property at the site, strengthening the Group's development pipeline and enhancing long-term value creation for the Group.

The Group remains deeply committed to its corporate social responsibility ("**CSR**") and sustainability values. It invests in operational upgrades and curated programmes to support these initiatives, including community outreach and wider use of energy-saving appliances across its properties and maintains regular communication and engagement with its stakeholders and employees. The Group will also continue building on its CSR and Environmental, Social and Governance commitments, recognising that sustainable practices are integral to its long-term growth.

2. GROUP STRUCTURE

The Group structure as at the Latest Practicable Date is set out as follows:



Group Structure as at 2 June 2026 on subsidiaries and joint venture companies

3. BUSINESS

The primary businesses of the Group are hospitality, property investment and property development. In addition, the Group also engages in property management as its non-core business.

The Group's revenue from its various business segments for FY2025, FY2024 and FY2023 are as follows:

	FY2025		FY2024		FY2023	
	FY2025 Revenue (S$'000)	**%**	**FY2024 Revenue (S$'000)**	**%**	**FY2023 Revenue (S$'000)**	**%**
Hospitality	67,628	83.31	64,679	82.75	55,966	82.48
Property investment	12,835	15.81	12,622	16.15	11,433	16.85
Property development	-	0	-	0	-	0
Corporate	717	0.88	859	1.10	458	0.67

3.1 Hospitality

The Group's business in the hospitality sector is based both within and outside Singapore as at the Latest Practicable Date.

The Group intends to tap on the future growth in this sector to further deepen its involvement in this area. To this end, the Group has identified and is currently exploring viable opportunities in the tourism and hospitality sector.

3.1.1 Hospitality/hotel properties in UK

As at the Latest Practicable Date, the Group's hospitality portfolio in UK comprises nine hotels, some of which are operated as hotel franchises by agreement with international companies such as Hilton Worldwide and InterContinental Hotels Group.

In 2019, after five years of experience in managing a portfolio of UK hotels and wide-ranging research into consumer trends and preferences, the Group established the Heeton Concept Hotel brand as its own hospitality mark, aimed at addressing a perceived gap in the market for stylish and affordable short-term accommodation. Targeted mainly at the millennial market, Heeton Concept Hotel offers a fresh perspective on the hotel landscape, focusing on hospitality essentials in inspirational settings. The brand celebrates stylish functionality and sophistication in simplicity; the brand premise aims to strip away the excesses of traditional hospitality to focus on key hotel deliverables while retaining a sense of unique identity. Each Heeton Concept Hotel property is expected to be individually themed with a look and feel heavily influenced by local heritage. The LUMA hotel in Hammersmith was relaunched as Heeton Concept Hotel Luma Hammersmith, the first and flagship embodiment of the brand concept. This was followed by the launch of Stewart by Heeton Concept Aparthotel Edinburgh in 2020, Heeton Concept Hotel City Centre Liverpool in 2020, the Heeton Concept Hotel Kensington London in 2022 and Heeton Concept Aparthotel, Queen Street Edinburgh in 2025.

In October 2018, the Group acquired its first and second hospitality assets in Scotland with the acquisition of Stewart Apartments (renamed the Stewart by Heeton Concept Aparthotel Edinburgh) and Hotel Indigo Glasgow respectively.

In April 2019, the Group led a consortium comprising KSH Holdings Limited and Ho Lee Group Pte Ltd to acquire the Crowne Plaza London Kensington. The Crowne Plaza London Kensington is located in the Royal Borough of Kensington & Chelsea, a prime location in the heart of London that is within walking distance of many top tourist attractions, historical landmarks and luxury shopping districts, while offering excellent connectivity to Central London and Heathrow Airport. Refurbished in 2015, the hotel offers enhancement potential to create value and generate revenue growth. The Crowne Plaza London Kensington has been rebranded in 2021 as the DoubleTree by Hilton London Kensington under a franchise agreement with Hilton and is managed by the Group.

3.1.2 Hospitality/hotel properties in Thailand

The Group's hospitality portfolio in Thailand comprises two hotel properties as at the Latest Practicable Date, with an 86.74 per cent. stake in Heeton Concept Hotel Pattaya (previously known as Mercure Hotel Pattaya) and a 38.98 per cent. stake in Hotel Baraquda Pattaya by Heeton (previously known as Hotel Baraquda Pattaya MGallery Collection), both of which are located in the popular tourist destination of Pattaya, Thailand. The Group's investment in Heeton Concept Hotel Pattaya is the Group's first venture into the hospitality industry and both the hotels in Pattaya were rebranded in 2023.

3.1.3 Hospitality/hotel properties in Japan

The Group's hospitality portfolio in Japan consists of one hotel property as at the Latest Practicable Date, namely a 20.00 per cent. stake in Super Hotel Sapporo – Susukino, which is operated by a third party.

3.1.4 Hospitality/hotel properties in Bhutan

The Group's hospitality portfolio in Bhutan, consists of one hotel property as at the Latest Practicable Date, namely a 74.00 per cent stake in Dawa at Hilltop by Heeton. This is a hotel resort on a plot of freehold land in Gewog Lungmi, Paro, acquired in 2018. The 87-room resort/villa is a 5-star luxury resort, and is one of the largest in Bhutan, one of the region's most exclusive tourist destinations, and represents the Group's first hospitality venture in the country. With Bhutan's increasing popularity amongst the cognoscenti, the hotel resort has established the Group's presence in a key emerging market and raised its profile in the international hospitality sector.

3.1.5 Hospitality/hotel properties in Singapore

The Group's hospitality portfolio in Singapore consists of two hotel properties as at the Latest Practicable Date, namely a 20.00 per cent stake in Dorsett Changi City Singapore and a 20.00 per cent. stake in Link Hotel Singapore. The former is located in Changi Business Park Central and has 419 hotel rooms, while the latter is located in Tiong Bahru and has 274 hotel rooms.

3.1.6 Hospitality/hotel properties in China

In China, the Group has completed the construction of a 236-room hotel in Gaobeidian, Hebei Province (but the hotel has yet to commence operations). The hotel would include restaurants, a gym, multipurpose rooms and meeting rooms. This is Heeton's first hospitality venture in China.

3.1.7 Details of hospitality/hotel properties

(a) Details of hospitality/hotel properties in UK as at 31 December 2025

Name of development	Location / Type of development	Tenure	Number of hotel rooms	Group's stake (%)
Double Tree by Hilton London Kensington	100 Cromwell Road, London, United Kingdom / Hotel	Freehold	163	60.00
Heeton Concept Hotel Kensington London	15-25 Hogarth Road, Kensington, London, United Kingdom / Hotel	Freehold	118	100.00
Heeton Concept Hotel Luma Hammersmith London	28-36 Glenthorne Road, Hammersmith, London, United Kingdom / Hotel	Freehold	89	80.00
Holiday Inn Express Manchester City Centre Arena	2-4 Oxford Road Manchester, United Kingdom / Hotel	Freehold	147	30.00
Heeton Concept Hotel City Center Liverpool	James Street, Liverpool, United Kingdom / Hotel	Freehold	154	60.00
Hampton by Hilton Leeds City Centre	1 Gower St, Leeds, United Kingdom / Hotel	Freehold	121	65.00
Hotel Indigo Glasgow	74 Waterloo Street, Glasgow, Scotland / Hotel	Leasehold (175 years from 1 Oct 2018)	94	60.00
Stewart by Heeton Concept Aparthotel Edinburgh	10 Young Street, Edinburgh, Scotland / Hotel	Freehold	31 units aparthotel	100.00
Heeton Concept Aparthotel, Queen Street Edinburgh	74-77 Queen Street, Edinburgh, Scotland / Hotel	Freehold	82 units aparthotel	85.00

(b) Details of hospitality/hotel properties in Thailand as at 31 December 2025

Name of development	Location / Type of development	Tenure	Number of hotel rooms	Group's stake (%)
Heeton Concept Hotel Pattaya	484 Moo 10, Soi Pattaya Sai Song 15 off Pattaya Sai Song Road, Nongprue Subdistrict Banglamung District, Cholburi Province, Thailand / Hotel	Freehold	247	86.74
Hotel Baraquda Pattaya by Heeton	485/1 Moo 10, Pattaya Sai Song Road, Nongprue Subdistrict, Banglamung District, Cholburi Province, Thailand / Hotel	Freehold	72	38.98

(c) Details of hospitality/hotel properties in Japan as at 31 December 2025

Name of development	Location / Type of development	Tenure	Number of hotel rooms	Group's stake (%)
Super Hotel Sapporo Susukino	2-8-7 Minami, 6 Jonishi, Chuo-ku Sapporo-shi, Hokkaido, Japan / Hotel	Freehold	164* (and 66 residential & 4 retail units)	20.00
Smile Hotel Sapporo#	1-13-7 Minami-Shichijo Nishi, Sapporo, Japan / Hotel	Freehold	123*	70.00

* Leased to third party to operate

Sold on 30 April 2026

(d) Details of hospitality/hotel properties in Bhutan as at 31 December 2025

Name of development	Location / Type of development	Tenure	Number of hotel rooms	Group's stake (%)
Dawa at Hilltop by Heeton	Gewog Lungmi, Paro, Bhutan / Hotel	Freehold	87	74.00

(e) Details of hospitality/hotel properties in Singapore as at 31 December 2025

Name of development	Location / Type of development	Tenure	Number of hotel rooms	Group's stake (%)
Dorsett Changi City Singapore	3 Changi Business Park Central 1, Singapore 486037 / Hotel	Leasehold (60 years from April 2009)	419	20.00
Link Hotel Singapore (acquired in January 2026)	50 Tiong Bahru Road, Singapore 168733 / Hotel	Leasehold (100 years from 1 January 1967)	274	20.00

(f) Details of hospitality/hotel properties in China as at 31 December 2025

Name of development	Location / Type of development	Tenure	Number of hotel rooms	Group’s stake (%)
TBC	Yongle Road, Gaobeidian City, Hebei Province, China / Hotel	Leasehold	236	28.57%

3.1.8 Description of Hospitality/Hotel Properties

(a) Description of hospitality/hotel properties in UK

<u>DoubleTree by Hilton London Kensington</u>

Housed behind a historic Georgian façade, the DoubleTree by Hilton London Kensington is located in the Royal Borough of Kensington & Chelsea, a prime location in the heart of London that is within walking distance of many top tourist attractions, historical landmarks and luxury shopping districts. It also offers excellent connectivity to Central London and Heathrow Airport.

The freehold property sits on nearly one acre of land with substantial frontage onto Cromwell Road, one of the main arterial routes into Central London. It has 163 stylishly designed ensuite bedrooms, a restaurant, a bar, a fully-equipped gym, as well as conference and events facilities. The hotel offers enhancement potential to create value and generate revenue growth. The hotel is currently managed by Heeton's hospitality division.

<u>Heeton Concept Hotel Kensington London (15 – 25 Hogarth Road Kensington, London, United Kingdom)</u>

Heeton Concept Hotel Kensington London is a freehold property that houses 118 guest rooms. With Earl's Court Station a three-minute walk away and direct links to Heathrow Airport & Central London, it is perfect for both business & leisure travellers. The hotel's personality shines through its locally inspired design of Albertopolis. The Natural History Museum, Science Museum, Royal Albert Hall, Kensington Palace & Earls Court Exhibition Centre are all within a short distance away. Chelsea and Fulham football grounds are also easily reached. The Heeton Concept Hotel Kensington London is a compact boutique hotel that juxtaposes Victorian architectural features with modern decor based on the rich history of the Kensington area.

<u>Heeton Concept Hotel Luma Hammersmith London</u>

The Heeton Concept Hotel Luma Hammersmith London is located at 28-36 Glenthorne Road, London, W6 0LS, UK and comprises 89 bedrooms. The hotel is within two-minutes' walk from Hammersmith Underground Station in London and is well connected to many places of interest. Hyde Park, the largest Royal Park in London, is a mere 15-minutes drive away while Harrods offers world-class shopping in nearby Knightsbridge and the Natural History Museum in South Kensington is a London icon.

The hotel is managed by Heeton's hospitality division and operates under the brand Heeton Concept Hotel Luma Hammersmith London. This is the Group's first Heeton-branded hotel. Several more Heeton-branded hotels have since been rolled out, with plans for further expansion of this brand currently in development.

<u>Holiday Inn Express Manchester</u>

This 12-storey hotel comprises of 147 bedrooms and its address is 2-4 Oxford Road Manchester, M1 5QA, UK. Located within walking distance to the Manchester Oxford Road railway station and also a short distance from the Manchester Piccadilly station, visitors can easily travel to the rest of Greater Manchester and UK. The hotel is managed by world-leading hotel operator, InterContinental Hotels Group, under the Holiday Inn Express brand name. The hotel is targeted to attract both leisure travellers as well as business visitors.

<u>Heeton Concept Hotel City Centre Liverpool</u>

The Heeton Concept Hotel City Centre Liverpool is located in the heart of the city centre. The 154-room hotel is set in Liverpool's business district, a 10-minute walk from the famous Albert Dock. It features stylish rooms, free WiFi throughout and 24-hour dining with views over the River Mersey.

With fresh, modern décor, the spacious bedrooms at Heeton Concept Hotel City Centre Liverpool will offer luxury bathroom, screen satellite television and air conditioning. The restaurant at Heeton

Concept Hotel City Centre Liverpool serves traditional British cuisine, and the contemporary bar offers beverages and light snacks.

Just 500 metres from Liverpool ONE Shopping Centre, Heeton Concept Hotel City Centre Liverpool is a 15-minute walk from Lime Street Railway Station. Tate Liverpool and The Beatles Story are a 15-minute walk away.

Hampton by Hilton Leeds City Centre

The 121-bedroom hotel is located within a five-minute walk from the City Centre, off Regent Street and New York Road - Leeds City Centre's two main thoroughfares. It is also near the Leeds railway station that connects the city directly to London and other parts of the country.

In April 2017, the Group entered into a franchise agreement with international hotel chain operator Hilton for a 121-bedroom hotel. The hotel is operated under the brand Hampton by Hilton and operations commenced in December 2019. The Group targets to capture the demand from increasing visitor numbers following a number of high-quality retail and leisure projects in the city centre.

Hotel Indigo Glasgow

Hotel Indigo Glasgow, which is a few minutes' walk away from the Glasgow Central station and the various underground stations connecting its location to the rest of the city, is well placed for Glasgow's CBD, tourist attractions and premium shopping districts. The airport is a short 15-minute drive away. Built in 1892, the hotel is a Victorian building of importance - originally an electric power station, the first to be built in Glasgow - its gothic proportions and imposing architectural identity have been retained with its reincarnation as one of the city's most prestigious hotels.

The five-storey hotel with 94 well-appointed rooms operates under a franchise agreement with the InterContinental Hotels Group, and is managed by Heeton's hospitality division. The Indigo is the hospitality giant's upmarket lifestyle brand.

Stewart by Heeton Concept Aparthotel Edinburgh

The Stewart by Heeton Concept Aparthotel is situated in the New Town sector of Edinburgh, the capital of Scotland and a UNESCO World Heritage Site. It offers proximity to the city's premium shopping districts and world-famous tourist attractions including the majestic Edinburgh Castle. The aparthotel is located within walking distance from the railway station and has a variety of restaurants in the surrounding areas. The airport is also a 7-mile drive away. Featuring 31 apartment units, the Stewart by Heeton Concept Aparthotel is managed by Heeton's hospitality division under the brand Heeton Concept Hotel. The apartments include a fully equipped kitchen, lounge and Wi-Fi service.

Heeton Concept Aparthotel, Queen Street Edinburgh

The Heeton Concept Aparthotel, Queen Street Edinburgh is a 82-unit aparthotel that was acquired in December 2024 through a joint venture and rebranded in January 2025. Located in Edinburgh's UNESCO World Heritage-listed New Town, the aparthotel offers a comfortable stay in one of the city's iconic neighbourhoods. It is a short walk from Edinburgh Castle, Old Town, and St. James Quarter, and provides a base to explore Scotland's capital. The aparthotel caters to all types of travellers and provides space and amenities for a memorable stay, featuring F&B options like a pastry-style breakfast and lifestyle bar/lounge, as well as amenities such as a lobby lounge and meeting room.

(b) Description of hospitality/hotel properties in Thailand

Heeton Concept Hotel Pattaya (previously known as Mercure Hotel Pattaya)

The Heeton Concept Hotel Pattaya is a well-established resort located in the popular city of Pattaya, two hours south of Bangkok, capital of Thailand. It offers a blend of contemporary design and traditional furnishings in a convenient location just a short walk from the beach.

The purpose-built hotel features 247 good size bedrooms on seven levels, built around one of the largest free-form swimming pools in the city. All bedrooms are appointed in function and style with the modern comforts of internet, wifi, flat screen LED televisions connected to cable, mini bars and room safes. Hotel facilities include an in-house spa, business centre, exercise room and a tour desk.

The hotel is well located in the heart of the city close to the entertainment district known as Walking Street. Acquired by Heeton as a freehold investment in 2010, the property is managed by Compass under a management agreement.

Hotel Baraquda Pattaya, By Heeton (previously known as Hotel Baraquda Pattaya, MGallery Collection)

Hotel Baraquda Pattaya, by Heeton is a freehold hotel that has eight storey (with mezzanine and basement) hotel block buildings and a swimming pool. The hotel comprises 72 guest rooms, a cavernous lobby, s.e.a restaurant, and Deep Sea Bar.

It is approximately 600 metres from South Pattaya Road and approximately 1.05 km from Central Pattaya Road. It is located in the heart of a bustling city, and the property offers easy access to a myriad of retail and entertainment options, with the beach only one street away. It is currently operated by Compass under a management agreement.

(c) Description of hospitality/hotel properties in Japan

Super Hotel Sapporo – Susukino (2-8-7 Minami 6 Jo Nishi, Chuo-ku, Sapporo, Hokkaido Prefecture, Japan)

Super Hotel Sapporo is a freehold hotel with 164 rooms built over 15 floors. The hotel is within walking distance of two subway stations: one-minute to Hosuisusukino Station (along the Toho Line) and three-minutes to Susukino Station (along the Nanboku Line). Both stations are just two stops away from the main transit hub of Sapporo Station, which is also served by the Japan Railway that connects to the rest of Hokkaido and Japan. Additionally, it is located in the Susukino area, which is next to the CBD in Sapporo City.

Susukino area is a large entertainment and shopping district with numerous restaurants, bars and night-life establishments. It is an ideal location for many business travellers for ease of commuting to work at other parts of the CBD during the day and enjoying relaxation activities within the area at night.

(d) Description of hospitality/hotel properties in Bhutan

Dawa at Hilltop by Heeton

Dawa at Hilltop by Heeton is a hotel resort on a plot of freehold land in Gewog Lungmi, Paro. The site was acquired in 2018 and the development of the hotel was completed in 2025. The 87-room resort/villa is a 5-star luxury resort, and is one of the largest in Bhutan, one of the region's most exclusive tourist destinations, and represents the Group's first hospitality venture in the country.

(e) Description of hospitality/hotel properties in Singapore

Dorsett Changi City Singapore

Dorsett Changi City Singapore is located in Changi Business Park Central and has 419 hotel rooms, and is well-positioned to serve business and leisure travellers from nearby Changi Airport, especially the airport's upcoming Terminal 5. The Group also entered into a joint venture with Atelier Capital Changi and Dorsett Hospitality International, with the latter managing the hotel operations.

Link Hotel Singapore

Link Hotel Singapore is located along Tiong Bahru Road in the heritage-rich Tiong Bahru estate and comprises approximately 274 rooms across two conserved Art Deco apartment blocks connected by a link bridge. The hotel is well-positioned to serve both business and leisure travellers, benefiting from its proximity to the Central Business District, Orchard Road and key lifestyle destinations, as well as convenient access to nearby MRT stations such as Outram and Tiong Bahru. As Heeton's second Singapore hotel investment, the Link Hotel Singapore, undertaken as part of a consortium in early 2026, positions the Group well to participate in the continued growth of Singapore's tourism and hospitality sector.

(f) Description of hospitality/hotel properties in China

The Group has completed the construction of the 236-room hotel in Gaobeidian, Hebei Province. The hotel would include restaurants, a gym, multipurpose rooms and meeting rooms.

3.2 Property Investment

The Group is also actively involved in the area of property investment particularly in Singapore, with the Group's portfolio of investment properties comprising mainly residential units, retail spaces and commercial offices.

The investment properties held by the Group provide the Group with a source of recurring income and help to strengthen the Group's earning base. The Group appraises each and every potential investment based on potential capital appreciation and rental yield to assess its feasibility and viability. It often retains units of properties it develops as the cost of purchase is lower as compared to acquiring properties from third parties.

The Group's growth in the Singapore property investment industry is underpinned by a stable portfolio of investment properties which currently consists of Tampines Mart, 62 Sembawang Road and Sun Plaza, all of which are managed by the Group's subsidiaries or joint venture companies.

The Group also has investment properties in the UK, such as Adam House, a serviced office building in London.

The Group plans to continue to hold these investment properties to generate recurring income. The Group also intends to expand its property investment portfolio in the event that it identifies suitable opportunities.

3.2.1 Details of Investment Properties

The tables below summarise the details of the investment properties which are held by the Group as at 31 December 2025.

(a) Investment Properties in Singapore

Name of property	Location / Type of property	Tenure	Approximate Lettable Area (sq m)	Number of units	Group's stake (%)
Tampines Mart	Blocks 5, 7, 9 and 11 Tampines Street 32 / Retail and Commercial	Leasehold term of 99 years from 1 May 1993	7,900	97 shops and 58 wet market stalls	100
Sun Plaza	30 Sembawang Drive / Retail and Commercial	Leasehold term of 99 years from 26 June 1996	14,530	131	50
62 Sembawang Road	62 Sembawang Road / Transport Facilities	Estate in Perpetuity	1,239	1	100
223@ Mountbatten	223 Mountbatten Road / Commercial	Leasehold term of 15 years from 20 February 2012	10,447	90	16

(b) Investment Properties in UK

Name of development	Location / Type of development	Tenure	Approximate total Lettable Area (sq m)	Number of units	Group's stake (%)
Adam House	7-10 Adam Street London United Kingdom / Serviced Office	Freehold	966	35 office units and 209 desks	100.0

3.2.2 Description of Investment Properties held by the Group

As at the Latest Practicable Date, the Group has four investment properties in Singapore and one investment property in the UK.

(a) <u>Description of Investment Properties (in Singapore)</u>

<u>Tampines Mart (Blocks 5, 7, 9 & 11 Tampines Street 32)</u>

Tampines Mart, located along Tampines Street 32, comprises a two-storey retail cum food court building (block 9), two double-storey retail buildings (block 5 and 11) and one building housing a wet market (block 7). Collectively, Blocks 5, 9 and 11 comprises 97 retail shop units, 58 wet market stalls and a covered car park. The total lettable floor area is approximately 7,900 sq m. The Group's major tenants in this property include McDonalds, Burger King, Kentucky Fried Chicken, Giant Supermarket, Anytime Fitness and Koufu.

<u>Sun Plaza (30 Sembawang Drive)</u>

Sun Plaza is an investment property developed and operated by a joint-venture company, Canberra Development Pte Ltd, where the Group holds a stake of 50 per cent. The Group completed major refurbishment work at Sun Plaza in May 2015. It is a five-storey retail podium with two basement levels within a 12-storey mixed development. Within minutes of train and bus services, the property is at the heart of a transport network with easy access to the rest of the city and the main causeway leading to Malaysia. Local amenities in the Sembawang area include country clubs, academic institutions and retail malls.

The mall features retail shops, restaurants/cafés, F&B outlets, banks, a supermarket, a food court and specialty shops from Basement 1 to the 3rd storey, education/enrichment centres on the 4th storey and a community library on the 5th storey. Adequate car parking lots are provided at Basement 2, 4th and 5th storeys. The retail property has a total lettable area of approximately 14,573 sq m. The Group's major tenants in this property include NTUC Fairprice, Koufu, National Library Board, Haidilao, Scarlett, McDonalds and Kentucky Fried Chicken.

<u>Property at 62 Sembawang Road</u>

The site at 62 Sembawang Road is currently leased out as a petrol kiosk under a lease agreement with Chevron Singapore Pte Ltd for a period of five years commencing on 1 January 2023. The petrol kiosk is currently operating under the "Caltex" brand name. The freehold site has a total land area of 1,239 sq m.

<u>223@Mountbatten (223 Mountbatten Road)</u>

223@Mountbatten is 15-year leasehold development. It comprises a three-storey L-shaped transitional office building with a total of 90 office units. It was developed by one of the Group's joint-venture companies, in which the Group has a stake of 16 per cent., and has obtained its TOP in January 2013. This property comprises a total lettable floor area of 10,447 sq m. The anchor tenants are Eton House Pre-School Pte Ltd and HFSE International School Pte. Ltd.

(b) <u>Description of Investment Property in UK</u>

<u>Adam House (7-10 Adam Street, The Strand, London, United Kingdom)</u>

Adam House is a building comprising four adjacent period houses converted into commercial premises. It currently operates as serviced offices. It is situated in the heart of London's West End close to Trafalgar Square, a location with easy access to Covent Garden, Embankment and Charing Cross stations. It is a Grade II* listed terrace of four buildings, currently used as a high-quality business centre with 35 office units and offering services including hot-desking, conference facilities, events and function rental, etc.

3.3 Property Development

The Group's property development business is focused on and committed towards the development of distinctive and high-quality residential properties in Singapore's choice districts and overseas, where the Group has experienced considerable success in Kuala Lumpur (Malaysia), Bangkok (Thailand) and London (UK).

In China, the Group is involved in the Sino-Singapore Health City Project in Gaobeidian, Hebei Province, a mixed-use residential and commercial township project. As at 31 December 2025, 47.3% of the units launched for both phase 1 and phase 2 (comprising 2,144 units in total) have been sold. The Group has also completed the construction of a 236 keys hotel in 2024 pending decisions on the official opening in Gaobeidian.

The Group's property development business primarily involves identifying viable and suitable opportunities for investment and sourcing for potential acquisition and development prospects. Before acquiring or bidding for any land, the Group typically carries out feasibility studies to evaluate the viability, profitability, and potential risk in the proposed development project. As part of the process, the Group also actively considers the necessary approvals required from the relevant authorities, the amount of financing required as well as relevant macroeconomic factors. In order to spread the risks normally associated with bigger projects, the Group may work with joint venture partners. In such cases, the Group ensures that the joint venture arrangement will be aligned with Heeton's interests in relation to its level of involvement, influence, required funding and the level of inherent project risk.

Recognising the need for diversity in its property development portfolio given the volatility of the luxury residential property market, the Group has branched out into other types of real estate development including conventional residential properties, commercial and retail developments, and mixed-use developments.

3.3.1 Property Development Business in Singapore

The Group has established itself as a niche player in the property development market in Singapore, with a development portfolio of apartments, condominiums, terrace houses, semi-detached houses, bungalows, shopping centres and an office building in Singapore.

In May 2015, together with Koh Brothers Group Limited, the Group launched Singapore's first bike-themed executive condominium development, Westwood Residences, in Jurong West, Singapore. The 480-unit 99-year leasehold project was the second executive condominium to be launched in Jurong in 18 years. The Group also launched another private condominium development project, High Park Residences, with Chip Eng Seng Corporation Ltd and KSH Holdings Limited in July 2015. While sales performances for the projects were expected to be modest in the current circumstances then, High Park Residences' take up rate performed beyond expectations and was a huge success with 100.0% of units sold within a few months after its launch. The development was a huge success, winning several top awards in PropertyGuru Asia Property Awards 2017.

Some of the joint venture partners of the Group include Koh Brothers Group Limited, KSH Holdings Limited, Ho Lee Group Pte Ltd, Lian Beng Group Pte Ltd, Acrophyte Pte. Ltd. (formerly known as Chip Eng Seng Corporation Ltd), Zap Piling Pte Ltd, Oxley Holdings Limited, QJ-OS Pte. Ltd., Santarli Construction Pte. Ltd. and S1F Pte Ltd. Examples of notable projects developed pursuant to these joint ventures include Sun Plaza, Lincoln Suites, Sky Green, High Park Residences, Westwood Residences, The Lumos, Park Colonial, Affinity at Serangoon, and Tenet.

As at the Latest Practicable Date, the Group has two property projects in Singapore in the process of development, both of which being residential and commercial developments.

3.3.2 Property Development Business in Thailand

As part of the Group's expansion strategy in Thailand, the Group has leveraged on the knowledge and expertise of its Thai partners to undertake property development projects through joint venture companies incorporated in Thailand.

The Group made its first foray into the Thai property development industry in 2005 when it incorporated Heeton Venture (Asia) Pte. Ltd. to participate in the development of DLV20 in Bangkok.

The Group's property development business in Thailand is primarily focused on the development of residences and its property portfolio includes condominium development and service apartments located in the prime districts of Bangkok. Over the years, the Group has established its presence in the Thai property development sector, with notable developments such as Click Denim, Click Condo and DLV20 in Bangkok. These developments were completely sold out.

The Group completed the development of Haus[23] in May 2014. The 236-apartment condominium is located in the Chatuchak District of the Bangkok Metropolis, close to the Ladprao Station of Bangkok's mass rapid transit system which makes it accessible to the central business district. The property consists of 236 units of residential condominium and as at 31 December 2025, 99.6% of the development has been sold.

3.3.3 Property Development Business in UK

The Group has also expanded its property development business into UK. In 2012, it launched its maiden development, The Britton, an upmarket project comprising 15 apartments, which were well received and sold out within a short time of its launch.

Much encouraged by this success, the Group commenced its next project in London, The Earlington, comprising 15 exclusive apartments located a few minutes' walk from Earl's Court underground station and within easy reach of Heathrow Airport, the West End and the city. All units in Earlington have been sold.

In July 2015, the Group led a consortium in a bid to acquire a strategic parcel of land in Leeds, the financial capital of the north of the UK. The development of the 2.45 acre mixed-use site is now an important component of a much heralded regeneration scheme spearheaded by the Leeds City Council.

The Leeds development project was conceived as a multi-phase enterprise, the first of which is the 121-room Hampton by Hilton Leeds City Centre, completed in December 2019. There are three more floors that have been completed to shell and core and could accommodate additional 71 bedrooms to bring the total room inventory to 192 rooms.

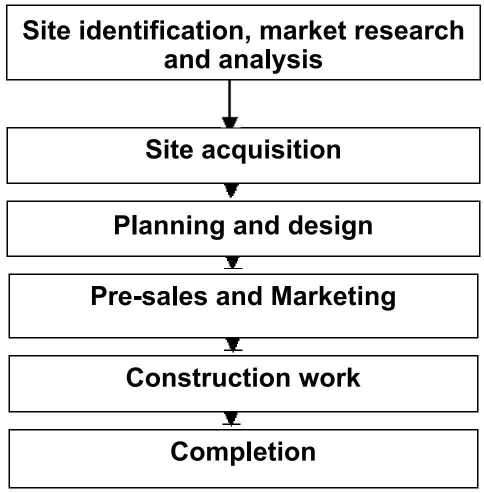
The Group obtained planning approvals from the local city council for the next phase of the Leeds development for the construction of five buildings ranging from 13 storeys to 31 storeys and consisting of up to 678 apartments, residential amenity areas, commercial units and associated car parking, public realm and landscaping, access and servicing arrangements, and other associated works.

3.3.4 Property Development Business in Malaysia

In partnership with The Lion Group, American International Group Investments, and Koh Maju, the Group launched its first Malaysian property development, Twins, in Kuala Lumpur in 2007, under the joint venture company, Panareno Sdn Bhd. Twins is located within one of Malaysia's most sought after residential enclaves, Damansara Heights, fronting Jalan Damanlela and adjacent to Jalan Johar. It also enjoys easy access to major and commercial shopping areas and the SPRINT Highway, one of the busiest expressways in Malaysia. This development offers 318 units of luxury residential suites constructed as two 36-storey blocks and was completed in 2011. All units in this development have been sold.

3.3.5 Development Process

The diagram below summarises the stages and elements of the Group's property development process:-



(a) <u>Site Identification, Market Research and Analysis</u>

The Group regularly reviews development opportunities that may present themselves through its network of agents, pro-active scouting, and public tenders. Before acquiring or bidding for any land, the Group typically carries out feasibility studies to evaluate the viability, profitability, and potential risk in the proposed development project. As part of the process, the Group also actively considers the necessary approvals required from the relevant authorities, the amount of financing required as well as relevant macroeconomic factors. In order to spread the risks normally associated with bigger projects, the Group may work with joint venture partners. In such cases, the Group ensures that the joint venture arrangement will be aligned with Heeton's interests in relation to its level of involvement, influence, required funding and the level of inherent risk.

(b) <u>Site Acquisition</u>

Upon satisfactory results of a site and potential development assessment, the Group will then proceed to bid for or make an offer to acquire the available site within a pre-determined price range to ensure the profitability of the undertaking.

(c) <u>Planning and Design</u>

After acquiring the site, the Group's management will proceed to engage a team of professional consultants, including architects, interior designers, registered surveyors, mechanical and electrical engineers, and civil and structural engineers. In selecting these firms, the Group considers their pricing, qualifications, reliability, quality of work, reputation, size and portfolio. These professional consultants formulate the design of the site make-up, architecture and interior design, and specifications of the development such as the number of units to be built, floor area of the units and materials to be used. Approvals, licences and building plan clearances necessary for the sale and construction of the project will also be obtained at this stage.

The design contractors will develop a detailed concept plan and provide the architectural, structural and construction design and drawings. The development team constantly monitors the progress and quality of the design teams to ensure they meet its required standards. In general, the Group will choose the design for a particular property development that most meets its conceptual requirements and which in its opinion would be the most marketable in the prevailing climate.

The Group also manages all the property projects it initiates; detailed budgeting, costing and planning are part of its project management brief.

(d) Pre-sales and Marketing

The Group markets its completed development projects through marketing agents it engages. In line with its marketing strategy, the Group generally sells the property in advance of its construction completion. The Group also conducts the sales and administers the collection of progress payments from the purchasers as part of its property management services.

Based on the approved design and building plan for the proposed development, showrooms will be built by professional contractors in preparation for the project launch. The Group's management will be responsible for formulating the marketing strategy for the project, while external consultants will be engaged to execute the necessary marketing and sales activities, including media advertising, design, production and distribution of promotional materials. Sales and marketing agents will be engaged to handle sales of the development through exhibitions at the Group's showrooms during project launches and through other channels.

(e) Construction Work

Prior to commencement of construction, a main contractor will be selected and appointed, based on factors such as its licensed qualifications, financial status, reliability, track record, ability to commit to the project timeline, and quality of workmanship and finishing. Main contractors are typically selected through an invitation tender process. Once a main contractor is appointed, the construction work will commence. The Group usually contracts its construction work to experienced and qualified construction companies.

The Group's contractors are also subject to its internal quality control procedures, including examination of materials and supplies, on-site inspection and production of progress reports. The Group's management and project team will manage and supervise the progress of each construction stage of the project closely, with the assistance of architects and other professional consultants the Group engages, to ensure that building standards are met and the project will be completed within the set budget and scheduled timeline. Construction progress payments are then made following certification by a quantity surveyor based on the amount of work completed as per the construction contracts. In the event of delay in construction, damages payable by the contractor would be offset against payments due to them. For unsatisfactory quality of workmanship, the contractors are required to carry out the requisite rectification works.

(f) Completion

Once construction works are completed, an application will be submitted to the Building and Construction Authority for the TOP to be issued in respect of the development. Upon issuance of the TOP, the Group will arrange for purchasers to take possession of the individual units as soon as practicable.

Sale and purchase would usually include a defects liability period, typically 12 months from the date the purchasers receive the notice of vacant possession in respect of the premises, during which the Group will be responsible for making good any defects within the Group's scope of work in the premises.

3.3.6 Land Bank

The Group replenishes its land bank by acquiring land through public tenders conducted by government agencies such as the Urban Redevelopment Authority and the Housing and Development Board, collective sales, as well as land sale by private owners.

The Group takes a cautious stand towards land banking and adopts the policy of a diversified land bank consisting of both leasehold and freehold lands. In selecting land for acquisition, factors taken into consideration include the location, proximity to amenities and the surrounding area of the land. In addition, the Group estimates the holding period and holding cost required as the profitability of any property development project is dependent on the financing cost of purchase of the land. To minimise risk, the Group may team up with other property companies to jointly bid for land for development purposes.

Please refer to the table at Section 3.3.7(d) below for a breakdown of the total land bank held by the Group as at 31 December 2025.

3.3.7 Details of Property Developments

The Group's portfolio (past and present) of development properties includes apartments, condominiums, semi-detached houses, bungalows, commercial and retail units and hotels, in Singapore, Malaysia, Thailand, the UK and China, some of which are joint developments through partnerships with established property developers. As at 31 December 2025, the Group has been involved in the development of more than 50 development projects.

The tables below summarise the details of the Group's (within and outside Singapore) (i) completed property developments in the past nine years, (ii) properties under development, and (iii) land bank.

(a) Completed Property Developments (in Singapore) in the past nine years as at 31 December 2025

Name of development	Location / Type of development	Tenure	Approximate total Gross Floor Area (sq m)	Residential Units	Shop Units	% sold as at 31 Dec 2025	Group's stake (%)	Launch Date	Completion Date
Floraville, Floravista & Floraview	2/A/B – 20A/B/C Cactus Road / Commercial and Residential	Freehold	11,549	140	28	100.0	12.25	August 2013	August 2017
Rezi 3Two	48-60 Lorong 32 Geylang Road / Residential	Freehold	3,455	65	N/A	100.0	10.0	November 2013	June 2017
Westwood Residences	180 to 196 Westwood Avenue / Residential	Leasehold term of 99 years from April 2014	48,397	480	N/A	100.0	20.0	May 2015	October 2017
121 Collection on Whitley	121 Whitley Road / Residential	Freehold	2,108	9	N/A	100.0	30.0	April 2016	February 2017
Trio	7 to 19 Sam Leong Road / Commercial	Freehold	3,445	N/A	43	41.9	15.0	May 2014	January 2018
High Park Residences	40 Fernvale Road / Residential / Commercial	Leasehold term of 99 years from November 2014	112,300	1,390	9	100.0	20.0	July 2015	March 2019

Park Colonial	Woodleigh Lane / Residential	Leasehold term of 99 years from October 2017	58,640	805	N/A	100.0	20.0	July 2018	December 2021
REZI 24	31-51 Lorong 24 Geylang / Residential	Freehold	7,493	110	N/A	100.0	10.0	March 2019	January 2023
Affinity at Serangoon	Serangoon North Ave 1 / Residential	Leasehold term of 99 years from May 2018	84,935	1,052	5	100.0	5.0	June 2018	June 2023
Tenet	Tampines Street 62 / Residential	Leasehold term of 99 years from July 2021	64,020	618	N/A	99.5	8.0	December 2022	September 2025

(b) Completed Property Developments in UK in the past nine years as at 31 December 2025

Name of development	Location / Type of development	Tenure	Approximate total Gross Floor Area (sq m)	Units	Shop Units	% sold as at 31 Dec 2025	Group's stake (%)	Launch Date	Completion Date
Heeton Concept Hotel Luma Hammersmith London	28-36 Glenthorne Road, Hammersmith, London, United Kingdom / Hotel	Freehold	2,388	89 hotel rooms	N/A	N/A	80.0	April 2017	April 2017
Hampton by Hilton Leeds City Centre	1 Gower St, Leeds, United Kingdom / Hotel	Freehold	8,505	121 hotel rooms	N/A	N/A	65.0	January 2020	December 2019

(c) Ongoing Property Developments in Singapore as at 31 December 2025

Name of development	Location / Type of development	Tenure	Approximate total Gross Floor Area (sq m)	Residential Units	Shop Units	% sold as at 31 Dec 2025	Group's stake (%)	Launch Date/ Expected Launch Date	Targeted Completion Date
To be confirmed	Upper Thomson Road (Parcel A) / Residential with Commercial (purchase completed in January 2026)	Leasehold term of 99 years from October 2025	53,729	596	1	N/A	3.25	2027	2030
Narra Residences	Dairy Farm Walk / Residential with Commercial	Leasehold term of 99 from July 2025	49,443	540	4	N/A	5.0	January 2026	2029

(d) Ongoing Property Developments and Land Bank in UK as at 31 December 2025

Name of development	**Location / Type of development**	**Tenure**	**Approximate total Gross Internal Area (sq m)**	**Residential Units**	**Shop Units**	**% sold as at 31 Dec 2025**	**Group's stake (%)**	**Expected Launch Date**	**Targeted Completion**
To be confirmed	New York Road, Leeds as registered at the Land Registry under title number WYK592211 / Commercial	Freehold	70,667	To be confirmed	To be confirmed	–	70.0	To be confirmed	To be confirmed

3.3.8 Description of Property Developments

(a) Description of Completed Property Developments (in Singapore) in the past nine years

Floraville, Floravista & Floraview (2/A/B – 20A/B/C Cactus Road)

This tripartite freehold development is located on the southern side of Yio Chu Kang Road, about 14.5 km from the city centre. The immediate locality comprises low-rise residential estates to the east and industrial developments to the west. Residential developments nearby include Sunrise Villa, Sunrise Gardens, Grande Vista and Cabana. Prominent developments nearby include ST Electronics, Maybank Centre, Techpoint, Econ International Building, and Amoy Quee Camp.

Floraville, Floravista and Floraview comprise 50 residential units, 28 commercial units and 90 residential units respectively. The developments have swimming pools, wading pools, gymnasium, pavilion and barbeque facilities. The total gross floor area of the two developments is approximately 11,549 sq m.

This development was launched in August 2013 and the residential units of the development have been fully sold. The remaining 26 commercial units have been reclassified as investment properties. TOP for this development was granted in August 2017.

Rezi 3Two (48-60 Lorong 32 Geylang Road)

The site of this development is located along Lorong 32 Geylang, off Guillemard Road and Geylang Road and is only minutes away from the Paya Lebar Commercial Hub, Katong, Singapore Sports Hub, Old Airport Food Centre & Kinex Shopping Centre (formerly OneKM Shopping Mall). The immediate vicinity comprises a mixture of high-rise apartments and shophouses and is highly accessible via PIE, KPE, ECP and CTE.

The freehold development comprises an eight-storey residential building comprising 65 exclusive units with a wide range of facilities including a leisure pool and two sky terraces with spa alcove, outdoor gym, gourmet dining and multi-storey car park, and has a total gross floor area of approximately 3,455 sq m. This development was launched in November 2013 and has been fully sold. The Group has obtained the TOP for this development in June 2017.

Westwood Residences (180 to 196 Westwood Avenue)

In May 2015, together with Koh Brothers Group Limited, the Group launched Singapore's first bike-themed executive condominium development, Westwood Residences, in Jurong West, Singapore. The 480-unit 99-year leasehold project is the second executive condominium to be launched in Jurong in 18 years.

The site is located along Westwood Avenue and opposite Singapore's first eco-business park. It is approximately 1.7 km away from Boon Lay and Pioneer MRT stations where large-scale shopping centres can be found, alongside other recreational centres such as Jurong West Sports and Recreation Centre and Jurong Safra Club.

This development was launched in May 2015 and has been fully sold. The Group obtained the TOP for this development in October 2017.

121 Collection on Whitley (121 Whitley Road)

121 Collection on Whitley is a freehold property development located on the southern flank of Whitley Road, between two cul-de-sacs. It is approximately 6.5 km away from the city centre. The immediate locality is generally residential in character with residential developments such

as Villa Chancerita, Espana, Villa Des Flores and conventional landed houses located nearby. Prominent landmarks nearby include Catholic Junior College, St. Joseph's Institution, the former Police Academy and Thomson Medical Centre.

The mixed landed housing development consists of four pairs of two-storey semi-detached dwelling houses each with an attic, basement and swimming pool and one two storey detached dwelling house with an attic, basement and swimming pool, comprising a total gross floor area of approximately 2,108 sq m.

This development was launched in April 2016 and sale of units was by special invitation only due to the exclusivity and uniqueness of each unit. The Group obtained the TOP for this development in February 2017 and all units have been fully sold.

Trio (7 to 19 Sam Leong Road)

Trio is located along Sam Leong Road, which is off Jalan Besar. It is located approximately 3.0 km from the city centre. The immediate vicinity comprises low-rise shophouses, commercial-cum-residential developments and shopping complexes. Prominent developments in the vicinity include City Square Residences, City Square Mall, Mustafa Centre, Serangoon Plaza, Parkroyal on Kitchener Road, New World Centre, Verdun House and Jalan Besar Plaza. Located in the vicinity are numerous backpackers' hostels and budget hotels.

This freehold site was acquired by the Group and its joint venture partners in December 2012 for the purpose of commercial development. The proposed development of the freehold site is the erection of 43 shop-units with a total gross floor area of approximately 3,445 sq m.

This development was launched in May 2014 and as at 31 December 2025, 41.9% of the development has been sold. The Group obtained the TOP for this development in January 2018.

High Park Residences (40 Fernvale Road)

The development site is located at the junction of Fernvale Road and Sengkang East Way. Developments within the immediate vicinity comprise Sengkang Riverside Park, Fernvale Point, The Seletar Mall and educational institutions such as Sengkang Green Primary School and Pei Hwa Secondary School. The Thanggam LRT station is within five-minutes' walk from the property. Connectivity to the Seletar Expressway (SLE), Tampines Expressway (TPE) and Central Expressway (CTE) facilitate access to various parts of the island.

This development was launched in July 2015 and has been fully sold. The Group obtained the TOP for this development in March 2019.

Park Colonial (3 Woodleigh Lane)

The property is located along Woodleigh Lane, off Upper Serangoon Road and situated near the town centre of Serangoon New Town. The immediate vicinity includes several civic and community institutions such as Stamford American International School, Bidadari Park (under construction), Cedar Primary School and PUB Recreation Club, amongst others. Woodleigh MRT station is located within walking distance and accessibility to other parts of the island is facilitated by the PIE.

The Woodleigh Site has a lease term of 99 years comprising 58,640 sq m of total gross floor area. The development built on the Woodleigh Site has full condominium facilities and comprises 16-storey residential blocks having 805 residential units.

This development was launched in July 2018 and has been fully sold. The Group has obtained TOP for this development in December 2021.

REZI 24 (31-51 Lorong 24 Geylang)

On 11 December 2017, Development 24 Pte. Ltd., an investee company (of which 10% is owned by the Group) exercised an option from a vendor (the "**Lorong 24 Geylang Option**") to purchase the freehold properties known as 31 to 51 (ODD) Lorong 24 Geylang Singapore on Lots 01717W, 01718V, 01719P, 01720W, 01721V, 97922N, 97921K, 97920A, 97919N, 97918K, 97917A and 97916T all of Mukim 25 (collectively, the "**Lorong 24 Geylang Properties**").

The proposed development is an 8-storey residential block with 110 apartment units of a maximum allowable gross floor area of approximately 7,493.25 sq m.

This development was launched in March 2019 and has been fully sold. The Group has obtained TOP for this development in January 2023.

Affinity at Serangoon (Serangoon North Avenue 1)

On 26 July 2017, the tender submitted by Oxley Serangoon Pte. Ltd. for the collective purchase of the property known as Serangoon Ville at 128, 129, 130, 131, 132, 133, 134, Serangoon North Avenue 1, Singapore (the "**Serangoon Ville Property**") at the purchase price of S$499,000,000, was duly accepted by the owners of the Serangoon Ville Property. The Issuer has a 5% effective interest in Oxley Serangoon Pte. Ltd., which is a joint venture company. The purchase was completed in March 2018.

The Serangoon Ville Property is a former HUDC estate which has been privatised. The site area is approximately 27,583.9 sq m. Oxley Serangoon Pte. Ltd. has applied for the grant of a fresh 99-year lease.

This development was launched in June 2018 and has been fully sold. The Group has obtained TOP for this development in June 2023.

Tenet (Tampines Street 62)

The property is located on the north-eastern side of Tampines Street 62, off Tampines Avenue 12 and Tampines Expressway, and some 19 km from the city centre.

Prominent developments nearby include Tampines Eco Green Park, White Sands, Pasir Ris Bus Interchange and Hitachi Square, just to name a few.

Tenet has a lease term of 99 years and has a proposed total gross floor area of 64,020 sq m. The proposed development is a 618-unit executive condominium comprising 11 blocks of 15-storey residential apartments and one block of multi-storey carparks with common basement carparks and communal facilities.

This development was launched in December 2022 and as at 31 December 2025, 99.5% of the development has been sold.

(b) Description of Completed Property Developments (outside Singapore) in the past nine years

UK

Heeton Concept Hotel Luma Hammersmith London

The Heeton Concept Hotel Luma Hammersmith London is located at 28-36 Glenthorne Road, London, W6 0LS, UK and comprises 89 bedrooms. The hotel is within two-minutes' walk from Hammersmith Underground Station in London and is well connected to many places of interest. Hyde Park, the largest Royal Park in London, is approximately 15-minutes drive away while Harrods offers world-class shopping in nearby Knightsbridge and the Natural History Museum in South Kensington is a London icon.

The Group completed the construction of this hotel in April 2017. The hotel is managed by Heeton's hospitality division and operates under the brand Heeton Concept Hotel Luma Hammersmith London. This is the Group's first Heeton-branded hotel. Several more Heeton-branded hotels have since been rolled out, with plans for further expansion of this brand currently in development.

Hampton by Hilton Leeds City Centre

The 121-bedroom hotel is located at 1 Gower Street, LS27BP, Leeds, United Kingdom, within a five-minute walk from the City Centre, off Regent Street and New York Road - Leeds City Centre's two main thoroughfares. It is also near the Leeds railway station that connects the city directly to London and other parts of the country.

In April 2017, the Group entered into a franchise agreement with international hotel chain operator Hilton for a 121-bedroom hotel. The hotel is operated under the brand Hampton by Hilton and operations commenced in December 2019. The Group targets to capture the demand from increasing visitor numbers following a number of high-quality retail and leisure projects in the city centre. The Group has commenced work to fit-out an additional 71 bedrooms to bring the total room inventory to 192 rooms in 2026.

(c) Description of Ongoing Property Developments (in Singapore)

Narra Residences

In July 2025, Dairy Farm Walk JV Development Pte. Ltd., a consortium comprising SNC2 Realty Pte. Ltd., Apex Asia Alpha Investment Two Pte. Ltd., BHCC Development (Projects) Pte. Ltd., Soon Li Heng Civil Engineering Pte. Ltd. and Kay Lim Realty Pte. Ltd. completed the purchase of the site at Lot 02920V of MK16 / Land Parcel 984 at Dairy Farm Walk (the "**Narra Residences**"). The site is held on a 99-year leasehold tenure commencing from July 2025. The Group has 5% effective interest in Dairy Farm Walk JV Development Pte. Ltd.

Narra Residences has a proposed total gross floor area of 49,443 sq m. The proposed development is a condominium comprising 3 blocks of 6-storey, 2 blocks of 13-storey and 2 blocks of 16-storey building with total 540 residential units and 4 shops with 1 basement carpark, swimming pool, communal facilities and landscape deck. This development was launched in January 2026.

Upper Thomson Road (Parcel A)

On 28 January 2026, the Issuer announced that its wholly owned subsidiary, Heeton Homes Pte. Ltd., entered into a joint venture agreement with Astra Horizon Ventures Pte. Ltd. ("**Astra**") and Hong Heng Company Private Limited ("**Hong Heng**") in relation to a proposed joint venture pursuant to which a new joint venture company known as Thomson Invesco Pte. Ltd. was incorporated in Singapore for the purpose of investing into 5% of the equity interest of two target companies, Wee Hur Thomson (Residential) Pte. Ltd. and Wee Hur Thomson (Commercial) Pte. Ltd. in connection with the development of a single, integrated residential with commercial at first storey development on a land parcel at Upper Thomson Road (Parcel A). Astra is a private company limited by shares incorporated in Singapore on 25 October 2024 and its entire share capital is held in equal shares by Mr Toh Giap Eng, the executive chairman of the Issuer and a controlling shareholder of the Issuer, and his spouse. Hong Heng is a private company limited by shares incorporated in Singapore on 18 November 1958 and is a substantial shareholder of the Issuer, holding 16.82% equity interest in the Issuer. The shareholding interest of Hong Heng is held as to 66.28% by Mr Toh Giap Eng and his associates.

The purchase of the land parcel was completed in January 2026 and has a proposed total gross floor area of 53,729 sq m.

(d) <u>Description of Ongoing Property Developments and Land Bank (outside Singapore)</u>

<u>UK</u>

<u>Leeds/Hampton by Hilton Leeds City Centre (New York Road, Leeds as registered at the Land Registry under title number WYK592211 / Hotel and Residential)</u>

The approximately 2.45 acre site is located within a five-minute walk of the City Centre, off Regent Street and New York Road - Leeds City Centre's two main thoroughfares. It is also near the Leeds railway station that connects the city directly to London and other parts of the country.

The first phase of the proposed masterplan, which was approved by the Leeds City Council's city plans panel involves the transformation of an existing office building into a 121-bedroom hotel with meeting rooms, conference facilities, a gym, a bar and a restaurant. The hotel occupies approximately 15% of the total site area.

In April 2017, the Group entered into a franchise agreement with international hotel chain Hilton for the hotel to be operated under the brand, Hampton by Hilton and operations commenced in December 2019. The hotel currently has 121 bedrooms, a restaurant, lobby bar, a gym and working areas available to guests. There are three more floors that have been completed to shell and core and this would accommodate an additional 71 bedrooms to bring the total room inventory to 192 rooms.

The remaining phases of the development proposal are expected to deliver five buildings ranging from 13 storeys to 31 storeys and consisting of up to 678 apartments, residential amenity areas, commercial units and associated car parking, public realm and landscaping, access and servicing arrangements, and other associated works.

3.4 PROPERTY MANAGEMENT

In relation to its property management business, the Group generally manages its investment properties, such as Tampines Mart, Sun Plaza and Adam House. In connection with its management of the properties, the Group also undertakes to organise promotional and marketing activities for them. The Group also manages the operations of all of its nine hotels in UK.

3.4.1 Property Management in Singapore

The Group engages in the business of property management in Singapore, and does so through either its subsidiaries or joint venture companies. For example, the Group is involved in the property management of Tampines Mart and Sun Plaza, properties which form the Group's stable portfolio of investment properties. Providing adequate property management services to these investment properties complements the fact that these properties are an important source of recurring income for the Group.

3.4.2 Property Management in UK

The Group manages the operations of the following hotels in UK: DoubleTree Kensington by Hilton London, Heeton Concept Hotel Kensington London, Heeton Concept Hotel Luma Hammersmith London, Holiday Inn Express Manchester, Heeton Concept Hotel – City Centre Liverpool, Hampton by Hilton Leeds City Centre, Hotel Indigo Glasgow, Stewart by Heeton Concept Aparthotel Edinburgh, Heeton Concept Aparthotel, Queen Street Edinburgh.

4. MARKETING AND BUSINESS DEVELOPMENT

The Group's marketing team is responsible for the marketing of all its development and investment properties. The marketing team is involved in the development of marketing schemes, media advertising, sale of properties, process and monitoring of sale and rental or properties as well as the administration of collection of progress payment from the Group's purchasers.

Besides in-house marketing, the Group often engages external real estate agencies as managers for some of its properties in securing customers and tenants. Such agencies include established names like Propnex Realty Pte Ltd, and Knight Frank Pte Ltd which are qualified real estate agencies with extensive networks in Singapore.

5. COMPETITIVE STRENGTHS

The Group believes that it possesses the following competitive strengths to enable it to perform in a highly competitive and global hospitality, property investment and property development industry:

(a) Experienced and committed management team

The Issuer has an experienced and established management team that has successfully led its operations through rapid organic growth while progressively expanding its portfolio of high-quality property development projects and venturing into the hospitality sector.

The Group's management team consists of a group of Directors and Executive Officers each with many years of experience in the property industry. Its Executive Chairman, Mr Toh Giap Eng, has been involved in property investment and development since the early 1980s. Its Chief Executive Officer and Executive Director, Mr Hoh Chin Yiep, has over 30 years of experience in the property industry and was one of the founders of Propnex.

The Group's Directors are also assisted by a group of managers who on average have more than 20 years of experience in property-related businesses each. The Group has a relatively simple and flat corporate structure and its management team adopts a hands-on management approach, working very closely with staff at all levels of the Group. Hence, the Group believes that it has an advantage over its major competitors who operate on a larger scale as the Group is able to respond faster to changes in market conditions.

(b) Established track record and reputation

Having been in the property-related business for 50 years, the Group has, over the years, established itself as a reliable developer of residential properties. To date, the Group has successfully completed more than 50 property projects. The Group has also retained some of the retail properties units and hotels developed by it as investments.

The Group ensures the quality of design, materials, finishing and construction through collaboration with leading architects, designers and contractors. Demand for its developments is illustrated by the fact that the Group has been able to achieve strong sales for its completed property development projects in the past, with projects such as High Park Residences at Fernvale Road being fully sold within a few months of its launch.

The Group's wealth of experience and expertise in the property development industry in Singapore also allows it to keep abreast of market trends in the property industry and to better cater to the requirements of its target consumers by conceptualising and creating new and unique designs and lifestyle themes for its property developments. This helps to differentiate the Group's projects amid the growing competition.

(c) Focused business direction and strategy

Unlike other players in the industry who are involved in other businesses such as construction and trading of building materials, the Group concentrates mainly on the business of hospitality, property investment, and property development, as the Group believes that these other activities are best handled by external professionals so that its management team can focus on sourcing for potential land bank and the management of its property development, investment and hospitality projects. With respect to its property development business, the Group expects to develop more medium-sized residential property projects while maintaining a diversified portfolio of investment properties including retail shop units, commercial office units and apartments. With respect to its hospitality business, the Group will be looking to further expand its current portfolio of hotels.

(d) Ability to complete development projects within relatively short periods

In land-scarce Singapore, development sites may not be made available for acquisition at regular intervals. Thus, it is vital for the Group to turn around its property development projects within a short period of time. This allows the Group to harness its financial resources efficiently to capitalise on suitable market opportunities as and when they arise for the continual growth of its business. The Group typically aims to launch its property projects within a year from site purchase, where practicable. This also helps the Group to lower its exposure to fluctuations in market conditions and reduce its borrowing costs. The Group has in the past delivered completed projects within a relatively short construction period, typically within 36 months.

(e) Committed to delivering quality homes

As a boutique property developer, the Group is committed to delivering distinctive and high-quality homes in Singapore's choice districts to its customers. The Group targets high-end consumers who value luxurious living and a finer lifestyle and ensures that the design concepts of its developments meet the expectations of, and appeal to, its target home buyers. Moreover, the Group also ensures that its units are completed with quality workmanship and fittings to deliver a luxurious home-living experience for its home buyers with a good balance of aesthetic and practical benefits.

(f) Established business relationships and extensive networks

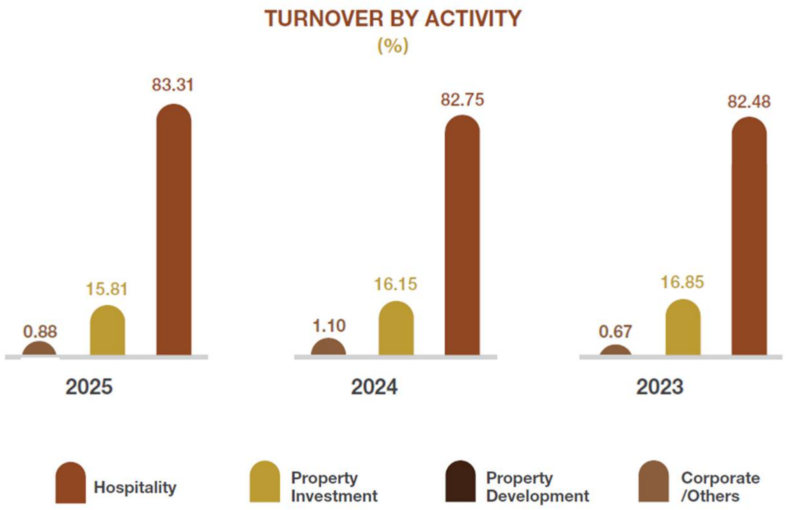
With considerable experience in the industry, the Group's Executive Chairman, Chief Executive Officer and its executive officers have developed strong relationships with an extensive network of contractors, financiers and consultants, whose professional advice and participation are pivotal in the success of a property development project. The Group's established business relationships with these external suppliers and consultants enable the

Group's project team to manage its contractors effectively and produce quality developments in a timely and efficient manner. Moreover, the Group's project team is also in close contact with various property agents who may provide it with first-hand information on development sites which are available for sale, private tenders or auction, allowing the Group to capitalise on suitable market opportunities for future growth.

(g) Diversified revenue stream and financial strength

The Group's revenue streams are diversified on various levels. Its revenues are derived from four operating segments, namely hospitality, property investment, property development, and corporate, and it engages in various activities, including development, operation, leasing, and sale.

The Group's percentage of turnover by activity for FY2025, FY2024 and FY2023 are as follows:



As outlined above, its property development portfolio is well-diversified. Firstly, the portfolio consists of various types of properties, including commercial, residential, retail, office, hospitality, and mixed properties. Secondly, the portfolio is geographically diversified, with customers and properties located across the UK, Thailand, Japan, Bhutan, Singapore, Malaysia, and China.

The Group's revenue based on the geographical location of customers and assets respectively are as follows:

Country	FY2025 Revenue (S$'000)	FY2024 Revenue (S$'000)	FY2023 Revenue (S$'000)
Singapore	10,635	10,728	9,472
United Kingdom	68,234	65,637	56,882
Japan	1,657	1,795	1,503
Others	654	–	–
Total	81,180	78,160	67,857

6. BUSINESS STRATEGIES

The Group's business strategies and future plans for the growth and expansion of its business are as follows:

(a) Growth towards becoming a global boutique hotelier

As the Group continues to expand its presence in new markets while building more partnerships around the world and developing the Heeton brands, the Group is progressing towards fulfilling its vision of becoming a global boutique hotelier. As part of this strategy, the Group will also continuously look into yield-accretive hotel acquisitions.

The Group achieved a milestone in September 2024 with its first hotel purchase in Singapore as part of a consortium, which has rebranded to "Dorsett Changi City Singapore". This hotel is well-positioned to serve business and leisure travellers from nearby Changi Airport, and thus expected to contribute positively to the Group. It also marks the Group's entry into the Singapore hospitality market, and is an indication of further expansion of the Group's global hospitality aspirations. Since then, Dorsett Changi City Singapore has expanded from 313 rooms to 419 rooms. The Group embarked on its second hotel investment in Singapore, the Link Hotel, in January 2026.

Additionally, the Group has fully launched Heeton Concept Aparthotel Queen Street Edinburgh, which was acquired in December 2024 and become operational in early 2025. Another milestone to highlight is the Group's successful opening of an 87-room 5-star hotel in Paro, Bhutan, named the "Dawa at Hilltop by Heeton", which is one of the largest in the country.

Heeton's growth strategy for its hospitality business going forward will be centered on expanding the "*Heeton Concept*" and "*By Heeton*" brand through property conversions and acquisitions, optimising operational efficiencies to enhance profitability, making targeted marketing efforts to capitalise on the post-pandemic tourism recovery; and exploring new markets and opportunities to build sustainable, recurring revenue streams.

(b) Acquisition of new development sites

To ensure sustainable growth for the Group, it is essential to acquire land sites in order to maintain a sustainable property development pipeline. The Group strives to acquire sufficient land sites to support a development pipeline of about three to five years on a continual basis. Thus, the Group intends to continue sourcing for development sites that are located at vibrant and accessible areas with well-developed amenities. This will position the Group to expand the Group's project profiles and capitalise on suitable development opportunities during favourable market conditions. The Group will also monitor the property market closely for new preferences among potential home buyers or emerging trends in the property market to adjust its land acquisition strategy accordingly.

(c) Expansion into other property segments

The Group expects potential buyers of private residential properties in Singapore to take a cautious approach towards their home purchase plans, following the introduction of the anti-speculation measures, and progressive tax that will potentially increase the tax bill of property buyers.

The Group believes that it will be beneficial for the long-term growth of the Group to secure larger sites and/or more landmark locations for prominent developments. Through the strengthening of the Group's capital resources and financial position, the Group may be able to tap into new business opportunities that may allow the Group to acquire larger plots of development sites or sites at more premier locations, through the government land sale programme or other public or private tenders.

(d) Strengthen and Maintain the Group's position in foreign markets

In addition to growing the Group's existing business in residential and commercial developments, the Group also intends to leverage on its experience and expertise in property development and hospitality in Singapore and overseas via expansion into foreign markets. The Group intends to selectively explore potential opportunities to strengthen its presence in foreign markets such as UK and Japan, by continually sourcing for suitable property development and investment projects as well as hotels in good locations. The Directors believe that maintaining the Group's presence in foreign markets supports business stability and diversification, while strengthening its operations in Singapore will drive the Group's long-term growth. The Group intends to actively tap on its existing relationships with its joint venture partners in these regions to deepen its presence in these foreign markets.

The Group will be selective in assessing variable projects in UK and Asia.

Concurrently, the Group intends to build on its existing business in Singapore. The Group will be proposing definitive plans to renovate and/or otherwise redevelop its investment properties. The Group also carries out active lease management by engaging with stakeholders for the renewal of leases in respect of its investment properties.

(e) Acquisitions, joint ventures or strategic alliances

In addition to growing organically, the Group intends to expand by entering into acquisitions, joint ventures or strategic alliances with parties who create synergies with its existing business. In the event the Group identifies suitable targets for acquisitions or plans for joint ventures and/or strategic alliances, it may co-operate with financial intermediaries to assist it in achieving its objective of expanding its business. The Group believes that its status as a listed company will position it to take advantage of such opportunities as and when it arises. In addition, it may mitigate its risks, particularly for its larger projects, by entering into joint ventures or strategic alliances.

Some of the notable developments, property investments and hospitality investments undertaken by the Group in conjunction with its joint venture partners include Sun Plaza, High Park Residences, Park Colonial, Affinity at Serangoon, DoubleTree by Hilton London Kensington, Dorsett Changi City Singapore.

(f) Continued diversification of property development portfolio and revenue stream

The Group intends to leverage on its property development expertise to expand into other property segments. The Directors believe that the Group's strategy of diversifying its property development portfolio will mitigate the risk of over-reliance on any one property segment for revenue. The Group may retain the whole or a portion of its commercial property developments for lease.

The Group expects the lease and management income as well as hotel operations to generate additional and recurrent revenue stream which will help to mitigate risks associated with economic cycles and market volatility which the property market is subject to. This also places the Group in a better position compared to other less diversified property developers to weather any downturn in the local property market.

(g) Continued exploration and consideration of possible alternative related investment opportunities

The Group intends to continually explore investment alternatives related to its core businesses in order to boost its revenue. The Directors believe that this strategy will continue to maintain the Group's competitiveness and profitability, and to remain responsive to trends in the Group's business.

(h) Leveraging on the brand name and goodwill of the Group's hotel managers

The Group intends to set its focus on certain basic strategic themes with regard to its business in the hospitality industry. First, the Group takes the view that there will be value in optimising and leveraging on the existing brand name and marketing goodwill that has been accumulated by the particular hotel brand that the Group may have appointed as hotel managers. Second, as global travel increases and customers are more aware of the various options available to them, the Group aims to provide the best value to its customers and a high standard of quality in terms of the hotel rooms and service.

(i) Portfolio rationalisation and capital recycling

The Group will seek to rationalise its hospitality portfolio from time to time in order to recycle capital and reinvest in high-growth potential hospitality assets, ensuring a more dynamic and future-ready portfolio. As part of this strategy, Smile Hotel Sapporo, Smile Hotel Asakusa and ibis Hotel Gloucester have been divested to recycle capital for future acquisition or investment opportunities.

7. INSURANCE

The Group maintains insurance policies for all its assets, including all of its land bank, properties under development, investment properties, hotels, equipment and employees. The Group covers its employees, including its management, professional and administrative staff with workmen's compensation, medical and hospitalisation insurance. In particular, the Group maintains liabilities insurance policies for its Directors and officers. The Group also has public liability insurance and money insurance. For its assets, the risks covered by the policies include all natural disasters, theft, vandalism and public liability which are normally incurred by companies in Singapore in similar industries. However, the Group's all risk insurance does not cover acts of God, war or civil disorder. The Group also insures for public liabilities for claim by third parties in respect of bodily injury and damage arising out of properties and other assets owned by the Group. The Group's business interruption insurance coverage varies by geography but generally provides protection mainly for losses arising from physical damage to insured property, along with certain extensions or exclusions, which are in line with companies in similar industries in such geographies.

The Group requires its contractors to be covered by contractor's all risks and work injury compensation insurances during the construction period and maintenance period of the relevant project. Upon TOP being obtained, the responsibility of insuring each individual unit will typically pass to the purchasers. In the case of unsold development properties, the Group will take up insurance for each of such individual unit. In the case of completed properties, the Group, or the management corporation of the relevant development will take up fire and public liability insurance in relation to common property.

8. DIRECTORS AND KEY MANAGEMENT

The Group's key management as at Latest Practicable Date is set out below:

8.1 Board of Directors

The Group's Board of Directors supervises the management of the business and affairs of the Issuer. Certain information on the business and working experience of the Issuer's Directors is set out below:

(a) Mr Toh Giap Eng (*Executive Chairman*)

Formerly the Chief Executive Officer and Executive Deputy Chairman of the Group, Mr Toh was appointed Executive Chairman of the Board with effect from 1 January 2022. Mr Toh's responsibilities are to identify and secure investment and development opportunities in new markets, explore and develop related or new business ventures, and provide overall stewardship and governance for the Group. Mr Toh began his career in the banking and finance industry and holds a Bachelor of Arts (Business), United Kingdom. Mr Toh is also a member of the Nominating Committee.

(b) Mr Hoh Chin Yiep Ivan (*Executive Director and Chief Executive Officer*)

Mr Hoh was appointed the Executive Director of the Group on 19 June 2020. He is also the Chief Executive Officer where he oversees the Group's businesses and implements the directions, strategies and plans of the Board. Mr Hoh co-founded and was previously the Managing Director at PropNex International - the project marketing arm of PropNex. He is a veteran in both the local and overseas property scenes and possesses immense experience in the fields of real estate and project marketing over the span of 30 years. Prior to joining Heeton, Mr Hoh was Executive Director, Director and Head of Department of various agencies and real estate development consultancies including Knight Frank, HSR and OrangeTee.

(c) Mr Toh Gap Seng (*Alternate Director to Mr Toh Giap Eng*)

Mr Toh was appointed Alternate Director to Mr Toh Giap Eng on 1 January 2022. He has more than 40 years of experience in property development and investment business. Mr Toh is currently the Executive Director of Hong Heng Company Private Limited.

(d) Dr Lee Bee Wah (*Non-executive, Independent Director*)

Dr. Lee Bee Wah was appointed Independent Director of the Company on 27 April 2022 and is the Chairman of the Nominating Committee and a member of the Remuneration Committee and Audit Committee. A licensed professional engineer who served as a Member of Parliament from 2006 to 2020, she holds a Master of Science (Engineering) from the University of Liverpool, UK and a Bachelor of Civil Engineering from Nanyang Technological University, Singapore. She became the first woman President of the Institution of Engineers Singapore in 2008 and was conferred an Honorary Doctorate by The University of Liverpool in July 2011. In addition to her current role as Group Director of Meinhardt (Singapore) Pte. Ltd, Dr. Lee is an independent Director of MYP Ltd, and sits on the Board of Mandai Park Holdings Pte. Ltd., the Building and Construction Authority, MJL Media Pte. Ltd. and Ocean Sky International Limited. She also chairs the Nanyang Technological University School of Civil & Environmental Engineering Advisory Committee.

(e) Mr Li Hiaw Ho (*Non-executive, Independent Director)*

Mr. Li Hiaw Ho was appointed Independent Director of the Company on 6 June 2022. He is the chairman of the Remuneration Committee and a member of the Audit Committee. Mr. Li graduated with a Diploma in Urban Valuation from the University of Auckland, New Zealand. After working for the Inland Revenue Department of Singapore's Property Tax Division, he joined CBRE where he was at various times Head of Valuation, Head of Asset Services and Head of Research. Over his 34 years with CBRE he built up its Valuation and Advisory Services as one of the leading real estate valuation teams in Singapore. Since his retirement in 2016, Mr. Li has continued his association with CBRE as a Consultant.

(f) Mr Tan Chuan Lye, Richard (*Non-executive, Lead Independent Director*)

Mr Tan was appointed Independent Director of the Company on 9 September 2019. He is the Lead Independent Director, the Chairman of the Audit Committee and a member of the Nominating and Remuneration Committee. Mr Tan is a retired partner of KPMG in Singapore and until recently taught at the National University of Singapore as an Adjunct Associate Professor. Mr Tan is an independent member of the Asia Advisory Board of EFG Bank AG and the chairman of its Asia Audit & Risk Committee. He is an independent director of Kingsmen Creatives Limited, Sompo Insurance Singapore Pte Ltd, Synapxe Pte Ltd, Berjaya Sompo Insurance Berhad and QAF Limited, where he serves either as the chairman or a member of the Audit & Risk Committee and its other board committees.

8.2 Key Management

(a) Mr Toh Giap Eng (*Executive Chairman*)

Please refer to the write-up under the section "*The Issuer ─ Directors and Key Management ─ Board of Directors*" on page 45 of this Supplemental Information Memorandum.

(b) Mr Hoh Chin Yiep Ivan (*Executive Director and Chief Executive Officer*)

Please refer to the write-up under the section "*The Issuer ─ Directors and Key Management ─ Board of Directors*" on page 45 of this Supplemental Information Memorandum.

(c) Ms Heng Lee Cheng, Cheryl (*Chief Financial Officer*)

Ms Heng is the Chief Financial Officer of the Group. Appointed in July 2012, she is responsible for the Group's finance, treasury, and corporate activities. Ms Heng had several years of experience in the auditing and accounting profession before she joined the Group in April 2000. She holds a Bachelor of Accountancy from the Nanyang Technological University of Singapore and is a Chartered Accountant of Singapore.

(d) Mr Liu Chun Bong, Edwin (*Chief Investment Officer, United Kingdom and Europe*)

Mr Liu joined the Group in 2012 and currently serves as Chief Investment Officer and Managing Director (UK & Europe). He provides strategic leadership to the Group's real estate investment and development, while overseeing its hospitality portfolio across the region. He works closely with the Singapore head office to pursue key investment and growth opportunities, with a particular focus on the hotel and living sector. In 2017, he spearheaded the launch of the Group's lifestyle hotel brand, HEETON CONCEPT HOTEL, and has continued to lead its expansion. Drawing on more than two decades of experience in the UK and Southeast Asia, Edwin brings extensive knowledge and international perspective. He is also a Chartered Architect in the UK and holds two Bachelor's degrees in Architecture.

(e) Mr Jeryl Sing Seet Wei (*Group General Manager*)

Mr Sing joined the Group as the Group General Manager in January 2023. He assists the Chief Executive Officer in business development, investment and acquisition, overseeing all aspects of property development and managing the Group's commercial and hospitality properties across Asia.

Mr Sing graduated from the University of Melbourne with a Bachelor of Commerce, double majoring in finance and marketing. He has been involved in property development for over 15 years. Before joining Heeton he was the General Manager for BBR Development.

(f) Ms Eemin Loh Yi Xuan (*Manager, Human Resource and Administration*)

Ms Loh joined the Group in March 2001 as Personal Assistant to the Executive Chairman. In July 2010, she was appointed Manager, Human Resources and Administration. In this capacity, she is responsible for formulating human resource and administration policies, overseeing payroll and managing staff welfare and development initiatives. Ms Loh holds a Graduate Diploma in Business Management from University of Bradford (UK) and Master of Social Science from Swinburne University of Technology (Australia).

(G) The section "Risks relating to the Notes" appearing on pages 136 to 138 of the Original Information Memorandum will be amended as follows:

1. by inserting the following as new risk factors:

*"**Application of Singapore insolvency and related laws to the Issuer may result in a material adverse effect on the Noteholders***

There can be no assurance that the Issuer will not become bankrupt, unable to pay its debts or insolvent or be the subject of judicial management, schemes of arrangement, winding-up or liquidation orders or other insolvency-related proceedings or procedures. In the event of an insolvency or near insolvency of the Issuer, the application of certain provisions of Singapore insolvency and related laws may have a material adverse effect on Noteholders. Without being exhaustive, below are some matters that could have a material adverse effect on Noteholders.

Where the Issuer is insolvent or close to insolvent and the Issuer undergoes certain insolvency procedures, there may be a moratorium against actions and proceedings which may apply in the case of judicial management, schemes of arrangement and/or winding-up in relation to the Issuer. It may also be possible that if a company related to the Issuer proposes a creditor scheme of arrangement and obtains an order for a moratorium, the Issuer may also seek a moratorium even if the Issuer is not in itself proposing a scheme of arrangement. These moratoriums can be lifted with court permission and in the case of judicial management, additionally with the permission of the judicial manager. Accordingly, if for instance there is any need for the Trustee to bring an action against the Issuer, the need to obtain court permission or the judicial manager's permission may result in delays in being able to bring or continue legal proceedings that may be necessary in the process of recovery.

Further, Noteholders may be made subject to a binding scheme of arrangement where the majority in number (or such number as the court may order) representing at least 75% in value of creditors and the court approve such scheme. In respect of such schemes of arrangement, there are cram-down provisions that may apply to a dissenting class of creditors. The court may (notwithstanding a single class of dissenting creditors) approve a scheme provided that an overall majority in number representing at least 75% in value of the creditors meant to be bound by the scheme and who were present and voting (either in person or by proxy) at the relevant meeting have agreed to it and provided that the scheme does not unfairly discriminate and is fair and equitable to each dissenting class and the court is of the view that it is appropriate to approve the scheme. In such scenarios, Noteholders may be bound by a scheme of arrangement to which they may have dissented.

The Insolvency, Restructuring and Dissolution Act 2018 of Singapore (the "**IRD Act**") was passed in the Parliament of Singapore on 1 October 2018 and came into force on 30 July 2020. The IRD Act includes a prohibition against terminating, amending or claiming an accelerated payment or forfeiture of the term under, any agreement (including a security agreement) with a company that commences certain insolvency or rescue proceedings (and before the conclusion of such proceedings), by reason only that the proceedings are commenced or that the company is insolvent. This prohibition is not expected to apply to any contract or agreement that is, or that is directly connected with, the Notes. However, it may apply to other related contracts that are not found to be directly connected with the Notes.

The Issuer's ability to comply with its obligation to repay the Notes may be dependent upon the earnings of, and distributions by, the members of the Group and future performance of the Group

The Issuer's ability to comply with its obligation to repay the Notes may depend on the earnings of the Group and the distribution of funds amongst members of the Group, primarily in the form of dividends. Whether or not the members of the Group can make distributions to the Issuer will depend on distributable earnings, cash flow conditions, restrictions that may be contained in the debt instruments of its members, applicable law and other arrangements. These restrictions could reduce the amount of distributions that the Issuer receives from its members, which would restrict the Group's ability to fund its business operations and the Issuer's ability to comply with its payment obligations under the Notes.

Further, the ability of the Issuer to make scheduled principal or interest payments on its indebtedness, including the Notes, and to fund its growth aspirations, will depend on the Group's future performance and its ability to generate cash, which to a certain extent is subject to general economic, financial, competitive, legislative, legal, regulatory and other factors, as well as other factors discussed in the section "Investment Considerations" in the Original Information Memorandum (as supplemented by the section "Investment Considerations" in this Supplemental Information Memorandum), many of which are beyond the control of the Issuer. If the Issuer's future cash flow from operations and other capital resources are insufficient to pay its debt obligations, including the Notes, or to fund its other liquidity needs, it may be forced to sell assets, attempt to restructure or refinance its existing indebtedness. No assurance can be given that the Issuer would be able to accomplish any of these measures on a timely basis or on satisfactory terms or at all.

Noteholders are exposed to financial risk

Interest payment, where applicable, and principal repayment for debt occur at specified periods regardless of the performance of the Issuer and/or the Group. The Issuer may be unable to make interest payments or, where applicable, principal repayments under the Notes should it suffer a serious decline in net operating cash flows.

The Issuer may not be able to redeem the Notes upon the due date for redemption thereof

The Issuer will be required to redeem the Notes at maturity. At such date, the Issuer may not have sufficient cash in hand and may not be able to arrange financing to redeem the Notes in time, or on acceptable terms, or at all. The Issuer's failure to repay, repurchase or redeem the Notes could constitute an event of default under such Notes, which may also constitute a default under the terms of the Issuer's other indebtedness (if any)."; and

2. *by deleting the risk factor "Singapore tax risk" appearing on page 136 of the Original Information Memorandum in its entirety and substituting therefor the following:*

"***Singapore tax risk***

The Notes are intended to be "qualifying debt securities" for the purposes of the Income Tax Act 1947 of Singapore (the "**ITA**"), subject to the fulfilment of certain conditions more particularly described in the section "Singapore Taxation" in the Original Information Memorandum (as supplemented by the section "Singapore Taxation" in this Supplemental Information Memorandum).

However, there is no assurance that the conditions for "qualifying debt securities" will be met or that the Notes will continue to enjoy the tax concessions in connection therewith should the relevant tax laws be amended or revoked at any time.".

(H) The section below replaces the sections "RISKS RELATING TO THE GROUP'S BUSINESS", "RISKS RELATING TO THE GROUP'S BUSINESS IN SINGAPORE", "RISKS RELATING TO THE GROUP'S BUSINESS IN THE UK", "RISKS RELATING TO THE GROUP'S BUSINESS IN THAILAND", "RISKS RELATING TO THE GROUP'S BUSINESS IN JAPAN", "RISKS RELATING TO THE GROUP'S BUSINESS IN AUSTRALIA", and "RISKS RELATING TO THE GROUP" appearing on pages 139 to 156 of the Original Information Memorandum in its entirety.

RISKS RELATING TO THE GROUP

(a) The Group may be affected by any changes in the general economic, regulatory, political and social conditions in the countries in which it has operations

The Group currently has operations in Singapore, the UK, Japan, Thailand, Bhutan, China, Malaysia and Vietnam and is further looking to expand its hospitality and property development businesses overseas. As a result, its businesses and future growth are dependent on the economic, regulatory, political, and social conditions of these countries. The Group's business and prospects may also be materially and adversely affected by inflation, interest rates, currency fluctuations, government policies, price and wage controls, exchange control regulations, industry laws and regulations, taxation, expropriation, social instability, trade wars, risks of nationalisation, weakening economies and other political, legal, economic or diplomatic developments in or affecting the markets in these countries (including barriers to the repatriation of profits and regulations relating to the industries in which the Group has operations). The Group has no control over such conditions and developments and any changes in such conditions and developments may have a material adverse effect on its business, financial condition, results of operations and prospects.

For example, Thailand has, in the past, been affected by political upheavals, internal strife, civil commotions and epidemics. The recurrence of these political and social conditions may affect the Group's ability to operate or conduct business in these countries.

Further, if there are policy changes involving trade barriers which serve to limit or prevent international trade, the Group's overseas operations will also be affected. Some governments may request additional funds or tariffs in exchange for the right to acquire property or invest in their countries, which would have an effect on the profits of the Group. In addition, the income and gains derived from investments in property in other countries may be subject to various types of taxes, including income tax and capital gains tax. Dividends or repayment of shareholders' loans from the Group's overseas subsidiaries may be subject to withholding tax if there are no tax treaties between Singapore and those countries which exempt or reduce such withholding tax.

The legal and regulatory regimes in these countries may be uncertain and subject to unforeseen changes. The interpretation or application of laws and regulations in these countries may be unclear and could affect issues such as rights to real property. Should such risks materialise, the Group's business and financial condition may be adversely affected. The Group has no control over such conditions and developments and can provide no assurance that such conditions and developments will not have a material adverse effect on its business, profitability, results of operations and financial condition.

Furthermore, repatriation of investment income, capital and the proceeds from sales of securities by foreign investors such as the Group may require certain governmental registration and approval. If the governments of the countries in which the Group operates tighten or otherwise change their laws and regulations relating to the repatriation of their local currency, the ability of the Group's overseas operations to repatriate profits may be affected and accordingly, the Group's cash flow will be adversely affected.

(b) Ongoing uncertainty about the financial stability of global markets could have a material adverse effect on the Group's businesses, financial condition and results of operations

The global credit markets have experienced, and may continue to experience, volatility liquidity disruptions and declining investor confidence. These conditions have, in the past, resulted in the consolidation, failure or near failure of a number of financial institutions in the banking and insurance industries and could lead to tighter lending conditions or reduced availability of financing for the Group. While there have been periods of stability in these markets, the environment has become more unpredictable. Recent and anticipated changes in United States ("**U.S.**") trade policy have created ongoing uncertainties in international trade relations, and it is unclear what future actions governments may take with respect to tariffs or other international trade agreements and policies. Any trade war, including the ongoing changes to the tariffs imposed by the U.S. and the international responses, could lead to increased volatility in global financial markets, elevated inflationary pressures and supply chain disruptions. The impact of the tariffs on individual economies, as well as on business activity and travel demand, remains uncertain.

Economic factors, including, without limitation, changes in interest rates and inflation, changes in gross domestic product, economic growth, employment levels and consumer spending, consumer and investment sentiment, property market volatility and the availability of debt and equity capital could adversely affect the Group's cost of funding, loan portfolios, liquidity, businesses, prospects, financial condition and results of operations. Since 2022, there has been a rapid increase in the interest rate environment as a response to inflationary pressures and hawkish monetary policy. In particular, the U.S. Federal Reserve raised the interest rates 11 times between March 2022 and July 2023. Nonetheless, while the U.S. Federal Reserve had since lowered its policy rate to the range of 3.5% to 3.75% since December 2025, it has noted that developments in the Middle East are contributing to a high level of uncertainty about the economic outlook. Similarly, the Bank of England (the United Kingdom's central bank), which had hiked its key interest rate several times over the same period, has maintained its rates at 3.75% since December 2025 citing similar concerns over the conflict in the Middle East which has created significant uncertainty for global energy prices.

Recent and anticipated changes in U.S. trade policy have created ongoing uncertainties in international trade relations, and it is unclear what future actions governments may take with respect to tariffs or other international trade agreements and policies. For example, since President Trump commenced his second presidency in January 2025, the U.S. has announced and implemented successive tariff measures affecting a range of trading partners. Most recently, following U.S. court developments relating to certain earlier tariff measures, the U.S. announced in February 2026 a temporary broad-based tariff on imports, initially set at 10% and with public statements indicating that the rate may be increased (including to 15%) during the temporary period. This has had an adverse impact on business sentiments, investor confidence, demand and supply of goods and services globally, and has created regulatory, reputational, business and market risks for the Group. In particular, the escalation of trade disputes and any ensuing retaliatory actions by such trading partners, could have an impact on tariffs, duties, and other barriers imposed on importers of goods between territories, which may in turn directly or indirectly affect the Group's business, financial condition, and results of operations, by increasing the prices of products, weakening consumer spending power, or otherwise causing economic instability. Heightened tensions across the geopolitical landscape could also have implications for the Group. The ongoing geopolitical and trade tensions between the U.S. and China, and extending to the United Kingdom, the European Union and other countries, have adversely affected global business sentiment, investor confidence, and the demand and supply of goods and services. These developments also give rise to regulatory, reputational, operational and market risks for the Group.

In addition, conflicts in Eastern Europe between Russia and Ukraine and in the Middle East such as between Hamas and Israel and between the U.S. and Israel against Iran have also disrupted financial markets and adversely impacted supply chains and macro-economic conditions. The U.S. – Israel and Iran conflict in particular has resulted in the imposition of a blockade of the Strait of Hormuz, a critical maritime chokepoint through which a significant proportion of the world's oil and liquefied natural gas supplies pass. The blockade has led to severe disruptions to the global supply of oil and other commodities, contributing to sharp increases in energy prices, elevated freight and transportation costs, and broader inflationary pressures across the global economy. These conditions have, in turn, adversely affected consumer and investor confidence, increased borrowing costs and reduced the availability of capital in international financial markets. There can be no assurance that the conflict or the blockade will be resolved in the near term or that conditions will not deteriorate further.

These factors could have myriad effects on the Group’s businesses, each of which may adversely affect the Group’s performance attributable to some or all of the Group’s property development, property investment, property management and hospitality businesses. These effects include, but are not limited to, decreases in valuations of the Group’s properties resulting from deteriorating operating cash flow and widening capitalisation rates; decreases in the sales of, or prices for, property development projects; delays in the sales launches of the Group’s property development projects in order to take advantage of possible future periods of more robust real estate demand; deceases in demand for business and leisure travel accommodation; decreases in rental or occupancy rates for its investment properties; insolvency of contractors resulting in construction delays; insolvency of tenants in its investment properties; inability of customers to obtain credit to finance purchases of properties and/or customer insolvencies; decreases in the amount of extended stay business travel or corporate housing needs resulting in higher vacancy levels and lower rental income from the Group’s hotels; or failure of financial and other institutions, negatively impacting treasury operations including but not limited to counterparty risks relating to deposits, money market investments and treasury contracts, including those related to foreign exchange or interest rate transactions.

Further, in light of the interconnectedness between the economies of the territories in which the Group operates and other economies, the Group is increasingly exposed to economic and market conditions in other countries. As a result, an economic downturn or recession in Singapore, the U.S., UK, Europe and other countries in the developed world or a slowdown in economic growth in major emerging markets such as China or India could have an adverse effect on economic growth in the territories in which the Group operates. In recent years, credit markets worldwide have experienced periods of significant volatility including a reduction in liquidity levels. A slowdown in the rate of growth in the Group’s primary markets could result in a higher rate of default among its counterparties, which could adversely affect the Group’s businesses, financial performance, ability to implement its strategy and the price of the Securities.

Furthermore, in response to the above developments, legislators and financial regulators in the U.S. and other jurisdictions, including Singapore, have implemented a number of policy measures designed to add stability to the financial markets and act as liquidity risk management initiatives. However, the overall impact of these and other legislative and regulatory efforts on the global and Singapore financial markets remains uncertain, and these initiatives may not be successful in stabilising the economy. In the event that the current conditions in the global credit markets persist or if there is any significant financial disruption, this may further materially and adversely affect the Group’s cost of funding, loan portfolios, liquidity, businesses, prospects, financial condition and results of operations.

(c) The Group may be affected by adverse impact from the outbreak of communicable diseases and pandemics/epidemics or environmental conditions

An outbreak of communicable diseases (such as Hantavirus, monkeypox, the Severe Acute Respiratory Syndrome, Ebola virus disease, Middle East Respiratory Syndrome corona virus, H5N1 influenza, H1N1 influenza, H7N9 influenza and COVID-19) and pandemics/epidemics or changes in environmental conditions (such as, for example, haze or smog) in Singapore, the UK or in the other countries in which the Group’s operations are based, could result in sporadic or prolonged market and/or supply disruptions, an economic downturn or recession, volatilities in domestic and/or international capital markets and may materially and adversely affect the relevant economies. The occurrence of any of these events or developments may have an adverse impact on its operations and financial performance. Market sentiment and consumer confidence could be affected and this may lead to a deterioration of economic conditions.

Such effects on the Group's operations may include, but are not limited to, adverse effects on sales and rental revenue in relation to the Group’s properties, adverse effects on its existing and future development projects, increased labour and project costs and increased insolvency experienced by the Group's customers, suppliers, tenants as well as counterparties to the Group's contractual arrangements. For example, the emergence of the COVID-19 pandemic in 2019 became one of the biggest disruptors in the global economy, creating uncertainty and placing global economic and social resilience to the test and leading to the implementation of travel restrictions, suspension of business activities, quarantines and city lockdowns, and causing a substantial decline in business activity. While the global economies have broadly recovered from the COVID-19 pandemic, the event has led to a degree of normalisation of work-from-home or hybrid work arrangements in certain parts of the world. Such arrangements potentially reduce demand for business spaces which in turn may result in a decline in rental rates and impact the Group’s ability to lease its investment properties on commercially favourable terms or at all. If the Group enters into leases when market conditions are not favourable, the Group’s financial performance and results of operations may be materially and adversely affected. A future outbreak of any communicable diseases or any other serious public health concern in Singapore or in the jurisdictions in which the Group operates or relies on could have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

Where environmental conditions are concerned, Singapore has in recent years been affected regularly by haze generated by forest fires in Indonesia. Where haze or smog reaches certain unacceptable levels, health authorities will issue compulsory orders for relevant workers to stop work until acceptable levels resume. This might affect the progress of project and development sites, and such delays will similarly affect the Group’s profitability and financial performance.

(d) The Group’s business is dependent on consumer preferences

The success of the Group’s development business is dependent on consumer preferences, the popularity of its properties in terms of design, and consumer spending trends. Consumer preferences and spending trends are influenced by external factors including the income level of potential customers and their demographic profiles. The design element is subjective, and the

Group's challenge is to be able to offer enough broad base appeal to attract customers with different preferences. In the event that the Group's competitors are able to introduce more innovative and/or more functional designs or properties that can better cater to customers' needs, the Group may not be able to maintain its competitive edge, and its profitability and financial performance may be adversely affected.

(e) The Group may face disputes with its joint venture partners

The Group has entered into co-operation agreements and joint ventures with partners in hospitality, property investment and property development projects to reduce the risks undertaken by a single party, which is an important consideration in property development and investment projects.

Depending on the nature, the Group's equity interest and the extent of its involvement in such projects, the Group may not be able to control the decision-making process of joint venture projects without reference to its joint venture partners. However, the Group might, through contractual provisions and representatives appointed by the Group on board such projects, have the ability to control or influence the decision-making process.

Where the Group's control over the decision-making process in such collaborations is not absolute, any dispute among joint venture partners could affect the process and profitability of such projects. If there are disagreements regarding the conduct of business and operations of the projects, or where the parties have divergent economic priorities, business views or business interests, the Group cannot provide assurance that it will be able to resolve them in a manner that would be in their best interests. These factors may materially and adversely affect the performance of its joint ventures, which would in turn materially and adversely affecting the financial performance of the Group.

In addition, if the other shareholders/partners of the projects are obliged to contribute additional capital or funds, but lack financial resources at the relevant time to meet these obligations, necessary capital or funds required for development or operations may be delayed or cancelled. This adds to the uncertainty of such collaborations and may adversely affect the Group's financial condition and results of operations.

Political uncertainties or new government regulations (such as restrictions on property ownership) or changes in economic, business and operating conditions may also result in a decline in the Group's investment in these joint ventures or a loss in the Group's ability to influence the management, directors and decisions made under these joint ventures. Additionally, in light of the current economic climate, the Group's joint venture partners may not be able to fulfil their respective contractual obligations (for example, they may default in making payments during future capital calls or capital raising exercises) or may experience a decline in creditworthiness. Although joint venture agreements generally contain terms that govern the treatment of such events to the detriment of the defaulting party and the Group would generally seek to enforce its rights as enumerated within such agreements, the occurrence of any of these events may materially and adversely affect the performance of the Group's joint ventures. There is no assurance that the Group will not, in the future, encounter such business risks which may have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

(f) The Group is subject to financing risks and may not have adequate capital resources to finance business activities for hospitality, property investment and property development projects

Business activities relating to hospitality, property investment and property development projects are capital intensive.

The availability of adequate financing is crucial to the Group's ability to invest in hospitality, property investment and property development projects and to complete existing projects according to plan. The Group finances its business activities through a combination of internal and external funding. Internal sources of funds comprise mainly cash generated from its operating activities (which include cash inflows arising from sales, leasing and operation of its property developments) and cash and bank balances, while external sources of funds comprise mainly bank loans and capital contribution from shareholders. The nature of a cash flow dependent business is such that the Group could experience net negative operating cashflow which could mean having to tap into existing cash and bank balances and external sources of funds, which could compromise plans for hospitality, property investment and property development projects.

Further, the Group may need to obtain additional debt or equity financing to fund its business operations, acquisitions or capital expenditure in the future. Additional debt financing may include conditions that would restrict the Group's freedom to operate its business, such as conditions that: (i) limit the Group's ability to pay dividends or require the Group to seek the lenders' consent for payment of dividends; (ii) impose restrictions on acquisitions of new businesses; (iii) require the Group to set aside a portion of cash flow from business operations towards repayment of the Group's debt, thereby reducing the availability of the Group's cash flow to fund capital expenditure, working capital and other general corporate purposes; and/or (iv) limit the Group's flexibility in planning for, or reacting to, changes in the Group's business and industry. The Group cannot ensure that it will be able to obtain any additional financing on terms that is acceptable to the Group, or at all. Failure to obtain additional financing on favourable terms will result in the Group foregoing expansion opportunities and this could affect the Group's business materially and adversely.

The Group finances hospitality, property investment and property development projects by means of equity and debt financing. As a significant amount of funds is required in such projects, in addition to internally generated funds, the Group would typically seek debt financing of between 60 per cent. and 70 per cent. of the cost of the project on a secured basis. In addition, the Group may also fund the operations of its hotel and investment properties through secured and/or unsecured loans and overdrafts.

For the financing requirements of any project, the Group is charged interest on variable interest rates which fluctuate according to the market or based on fixed rates. Consequently, the Group's failure to accurately estimate interest expenses in the financing of its projects could have an impact on profitability. The Group tries to secure financing on favourable terms which will enable its projects to deliver their intended returns. The Group finances its projects with both short-term and long-term loans from financial institutions based on various factors, including the estimated returns of these projects, the timing of completion, the expected interest charges to be incurred for the entire project period, the risk of recall of loans, potential increases in interest rates, and, should there be negative changes to the business environment, demand to top-up collateral.

In the case of property development projects which usually have long construction periods, the Group's projects will generally have negative cash flows in the early phases. Positive cash flow will usually be registered only after the completion of the project, when the ownership of the properties has been transferred to the respective buyers and full payment is received from them. If the Group's property businesses do not generate sufficient cashflow to meet its financing costs, entire projects could be compromised and Group's profits would be adversely affected.

Similarly, in order to fund its activities with respect to the property investment and the hospitality industries, it is crucial for the Group to be able to secure financing on favourable terms which will enable any purported commercial ventures within such industries to achieve the intended outcomes and returns.

Although the Group has obtained financing in the past to fund its business activities, the Group cannot provide assurance that it will continue to have adequate capital resources available to finance its business activities such as land acquisitions, property developments or other activities that are necessary for the Group's property investment and for the hospitality business.

The incurrence of additional debt will increase its interest payments required to service its debt obligations and could result in operating and financial covenants that restrict its operations and the Issuer's ability to discharge its payment obligations under the Securities.

(g) The Group may be subject to risks in relation to interest rate movements

The Group may face risks in relation to interest rate movements in respect of debts undertaken to finance its property developments and acquisitions. The Group's exposure to interest rate risk arises primarily from their loans and borrowings, interest-bearing loans given to related parties and fixed deposits. The interest cost to be borne by the Group for its floating interest rate borrowings will be subject to fluctuations in interest rates. In addition, the Group is subject to market disruption clauses contained in its loan agreements with banks which may result in the banks passing on higher cost of funds to the borrower.

Changes in interest rates will affect the Group's interest income and interest expense from short-term deposits and other interest-bearing financial assets and liabilities. This could in turn have a material and adverse effect on its financial performance. An increase in interest rates could also adversely affect the Group's ability to raise and service long-term debt, as well as affect consumer sentiment, which could negatively affect the financial performance and results of the Group. Where appropriate, the Group may seek to minimise its interest rate exposure by entering into interest rate swap contracts to swap floating interest rates to fixed interest rates over the duration of the borrowings. However, there can be no assurance that the hedging policy will adequately cover the Group's exposure to interest rate fluctuations.

(h) The Group may be subject to foreign exchange risks

The Group may be subject to foreign exchange risks as its combined financial statements are denominated in Singapore dollars while the financial statements of its foreign subsidiaries and associated companies are prepared in their respective functional currencies. For the purpose of consolidating the financial results of its foreign subsidiaries and associated companies, the assets and liabilities and income and expenses of the Group's foreign subsidiaries and associated companies are translated to Singapore dollars based on the year end exchange rates for the relevant financial period or year. Any significant fluctuation of the Singapore dollar against the respective functional currencies of the Group's foreign subsidiaries and associated companies may adversely affect its results.

The value of the Singapore dollar against the Pound Sterling, Japanese Yen, Thai Baht, Bhutanese Ngultrum, Renminbi and/or the currency of any country in which the Group has operations in may fluctuate and be affected by changes in the political, social and economic conditions in these countries. The Group cannot predict the effects of exchange rate fluctuations upon its operating results because of the number of currencies involved, the variability of currency exposure and the potential volatility of foreign exchange rates; any revaluation of the Pound Sterling, Japanese Yen, Thai Baht, Bhutanese Ngultrum, Renminbi and/or the currency of any country in which the Group has operations may have an adverse effect on the Group's business, financial condition, results of operations and prospects. As at 31 December 2025, the Group's cash and cash equivalents denominated in foreign currency for working capital purposes were concentrated primarily in Pound Sterling, representing approximately 80.1% of such balances, followed by Bhutanese Ngultrum at approximately 15.7% and Japanese Yen at approximately 4.1%.

For instance, some of the Group's investments in or payments for materials for construction and development and capital expenditures for future expansion programs may be denominated in foreign currencies, and any future appreciation in the Pound Sterling, Japanese Yen, Thai Baht, Bhutanese Ngultrum, Renminbi and/or the currency of any country in which the Group has operations against the Singapore dollar could increase the Group's cost of materials and the cost of the Group's capital expenditures in these currencies, which could have an adverse effect on its business, financial condition, operational results and prospects.

The Group currently does not have any formal policy for hedging against foreign exchange exposure. However, the Group will continue to monitor its foreign exchange exposure and may employ forward currency contracts to manage its foreign exchange exposure should the need arise.

(i) The Group may not be able to generate adequate returns on its properties held for long-term investment or its hotel business

Property investment is subject to varying degrees of risk. The returns available from investments in real estate depend primarily on the amount of capital appreciation generated, the income earned from the rental of the relevant properties, and the expenses incurred. The revenue derived from the disposal of such investment properties will depend on market conditions and levels of liquidity, which may be subject to significant fluctuations arising from prevailing economic conditions.

Revenue from the Group's investment properties comes primarily from rental income. The revenue derived from the rental of the relevant properties may be adversely affected by a number of factors, including but not limited to changes in market rates for comparable rentals, the inability to secure renewal of tenancies from the Group's tenants, the inability to collect rent due to bankruptcy or insolvency of tenants and the costs of on-going maintenance, enhancements and re-letting, all of which could be aggravated by circumstances affecting the economy as a whole, such as a nationwide pandemic.

The inability to collect rent from the Group's tenants due to non-payment or properties under prolonged maintenance would adversely affect the Group's turnover and profitability.

Where the Group's hotel business is concerned, renovation work, repair and maintenance or physical damage to hotels may affect the ability of the affected hotel to hit its business targets. In such an event, the ability to generate revenue (notwithstanding that consumer demand is present) will be affected accordingly.

(j) The Group's revenue and profits from its hospitality projects and hotel businesses are subject to certain inherent industry risks

There is a continual increase of competition from new supply or existing hotel properties in the markets which the Group operates, which may adversely affect occupancy rates and revenues. This includes Airbnb and other businesses that operate on a model similar to that of Airbnb.

Apart from increasing competition, the attractiveness of the Group's hotel properties, the standard of services provided to guests, and whether the attraction and standards of the foregoing can be continually maintained and improved as against other hotels, also play a major role in influencing the Group's revenue and profits.

The factors that the Group's profits and revenue are dependent on include (but are not limited to) the level of business (for example, meeting and conference business), commercial and leisure travel, and tourism at different points in time of the year. Consequently, the Group's financial performance is also dependent on the condition and outlook of other hospitality-related sectors, which are similarly also vulnerable to cyclicality and other factors outside of the Group's control, such as the recent changes in interest rates and foreign exchange rates and the global COVID-19 pandemic that surfaced in early 2020.

Inflation, increases in interest rates and borrowing expenses, higher energy and power costs, salaries, real estate taxes and other operating expenses may also reduce the Group's profitability.

Finally, changing travel patterns by tourists, businesses and consumers in response to increased air travel prices due to higher fuel prices or taxes, will also influence the number of visitors seeking lodging at the Group's hotel properties, thereby impacting the Group's revenue and/or profits for this part of its business.

(k) Third-party hotel managers are not under the direct control of the Group

Third-party hotel managers are generally not under the direct control or supervision of the Group, and their failure to generate income independently could adversely affect the success of the Group's hotels. In the event that third-party hotel managers are merely service providers to the Group's various hospitality and/or hotel businesses (and do not have actual equity participation in any such hospitality or hotel business with the Group as a shareholder), the only control or influence the Group would have over a third-party hotel manager would be through the agreed terms of the relevant hotel management agreement.

(l) The Group's operating costs and expenses from its hospitality projects and hotel businesses are largely constant regardless of demand for its services

The operating costs and expenses of the Group's hospitality projects and hotel businesses largely remain constant, regardless of the hotel occupancy and room rate. During periods of time where the Group's revenue and/or profits derived from this part of its business is impacted negatively due to low demand for its rooms and services, the relevant operating costs and expenses continue to be incurred, which ultimately affects business returns.

(m) The Group is subject to government regulation and policy in the countries where it has operations

The Group currently owns properties in Singapore, the UK, Japan, Thailand, Bhutan, China, Malaysia and Vietnam, and may in future own properties elsewhere. The Group's acquisition of property as well as the Group's ownership, operation and rights in respect of such properties are subject to various laws and regulations and policies of government and regulatory authorities in these jurisdictions. Such laws and regulations (including without limitation, restrictions on foreign ownership of properties) can impose limitations on the Group's operations and plans with respect to the Group's properties. Governments of the foreign countries in which the Group has operations may also, in the interests of maintaining a stable and sustainable property market, introduce new laws, regulations and policies, amend, or abolish existing law, regulations and policies at any time and these laws, regulations and policies may have retroactive effect. The Group is unable to foresee the impact of the laws, regulations and policies applicable to its operations or properties that may be introduced in future. Changes to laws, regulations and policies and the introduction of new laws, regulations and policies may have a material and adverse impact on the property markets in which the Group has operations. In addition, the laws and regulations governing business entities in these countries may also be subject to a number of possibly conflicting interpretations, both by business entities and by the courts. At times, the interpretation, application or enforcement of laws and regulations may be unclear and the content of applicable laws and regulations may not be immediately available to the public. Such laws and regulations may become more stringent or onerous in the future and if additional compliance procedures are introduced, the Group's operational costs may increase.

In particular, in the UK, the National Living Wage has been subject to increases in recent years. The rate of employer national insurance contributions in the UK has also increased. These changes have increased the payroll costs incurred by the Group.

Compliance with, as well as failure to comply with such laws, regulations and policies can have a material and adverse effect on the business, financial condition, results of operations and prospects of the Group.

Additionally, the Group operates in numerous tax jurisdictions. Changes in tax laws in any of those jurisdictions may have adverse consequences to the Group's profits. The Group's interpretation and application of various tax laws may be challenged, with the possible result of the Group having to incur unforeseen tax liabilities. The Group is exposed to various types of taxes, including but not limited to income tax, withholding tax, capital gains tax, property tax and other taxes specifically imposed for the ownership of such assets. While the Group intends to manage the taxation in each country efficiently, there can be no assurance that the desired tax outcome will be achieved. In addition, the level of taxation in each country is subject to changes in laws and regulations and such changes, if any, may lead to an increase in tax rates or the introduction of new taxes.

In addition, a property developer must obtain the appropriate permits, licences, certificates and other approvals from the relevant administrative authorities at various stages of the property development process, including land use rights certificates, planning permits, construction permits, pre-sale permits and certificates or confirmation of completion and acceptance. Each approval is dependent on the satisfaction of certain conditions. Problems may be encountered in obtaining such approvals or in fulfilling the conditions required for obtaining the approvals, especially as new laws, regulations or policies may come into effect from time to time. If the Group fails to obtain or fulfil the conditions of the necessary approvals for its property developments in the relevant foreign country, these developments may not proceed as scheduled, and the Group's business, financial condition, prospects and results of operations may be adversely affected.

The Group's operation and management of hotels may also be subject to various laws and regulations. Hotel licences may be required for the operation of hotels and the withdrawal, suspension or non-renewal of any of these licences, or the imposition of any penalties as a result of any possible infringement or non-compliance with any requirement, or the failure to obtain necessary licences in the case of new hotels, may have an adverse impact on the Group's business.

(n) The Group may be adversely affected by unsold properties

In the event that the Group is unable to sell a significant proportion of its properties, it could incur significant holding costs, including interest and maintenance costs. Furthermore, the unsold properties that the Group continues to hold for sale post-completion may be relatively illiquid, which will limit its ability to realise cash on short notice. Such illiquidity may also have a negative effect on the prices of unsold units in the event that the Group is required to sell the unsold properties urgently, and limits its ability to vary its portfolio of property held for sale in response to changes in economic, political, social or regulatory conditions in a timely manner. In such an event, the Group's cash flow and financial performance will be adversely affected.

(o) The Group is subject to risks in relation to pre-sold properties

The Group faces risks relating to the pre-sale of properties. For example, the Group may fail to complete a fully or partially pre-sold property development, in which case, the Group may be liable for potential losses that buyers may suffer as a result. There can be no assurance that these losses will not exceed the purchase price paid for the pre-sold units. In addition, if pre-sold property development is not completed on time, the buyers of pre-sold units may be entitled to compensation for late delivery. Failure to complete a property development on time may be attributed to factors such as longer time taken and higher costs involved in completing construction, which are in turn adversely affected by factors such as delays in obtaining requisite licences, permits or approval from government agencies or authorities, shortages of labour, adverse weather conditions, natural disasters, labour disputes, dispute with contractors, accidents and changes in government priorities and policies. If the delay extends beyond the contractually specified period, these buyers may even be entitled to terminate the pre-sale agreements and claim damages. There is no assurance that the Group will not experience any significant delays in completion or delivery or that the Group will not be subject to any liabilities for any such delays.

There is also a risk that due to conditions in the financial markets or difficult economic conditions, purchasers of such pre-sold properties may not be able to obtain credit to finance their purchases and/or might become insolvent. The ability of purchasers to obtain credit to finance their purchases may also be affected by changes in government policies, laws and regulations. This may result in such purchasers delaying or being unable to meet their payment obligations with respect to such pre-sold properties, which may materially and adversely affect the Group's business, financial condition and results of operations. Further, a high default rate of the buyers under their respective sale agreements could have an adverse effect on the Group's property development business, cashflow and financial position.

(p) The Group may be subject to liquidity risks arising from bank borrowings

Where financing has been procured by the Group to acquire land for any development projects or for any other business projects, there may be a gradual development of the Group's inability to continue to acquire funding within a reasonable timeframe, and conversely affect the Group's ability to meet its debt obligations without incurring unacceptably large losses. The Group could thus be subject to liquidity risks, where it might not be able to meet its current and future cash flow and collateral needs (both expected and unexpected), without materially affecting its daily operations or overall financial condition.

(q) The Group may be subject to credit risks due to default on payment obligations

The Group may be subject to a certain level of susceptibility to credit risk arising from counterparties who default on payment obligations owed to the Group in the conduct of its business. As at the Latest Practicable Date, the Group's and the Company's exposure to credit risk arises primarily from trade and other receivables.

Credit risk arising from such circumstances, however, is somewhat mitigated as the Group deals with payment (for property development) on a downpayment/deposit basis, followed by payments to be made progressively. With respect to the Group's business in the hospitality industry, goods and services provided either through the provision of hotel rooms and food and beverage products and services are not likely to attract default on payment obligations.

(r) The Group is exposed to construction risk

The property development projects that the Group undertakes usually require sizeable initial capital outlay during the construction phase that could take up to 36 months to complete. The time taken and the costs involved in completing such property projects can be adversely affected by several factors including shortage of materials, shortage of equipment and labour, adverse weather conditions, disputes with contractors, accidents, delay in approval from the authorities, outbreaks of pandemics or communicable diseases and other unforeseen circumstances. Any of these could delay the completion and launch of the Group's property projects and could result in cost overruns. The Group's profitability will be affected if the Group is not able to pass on the cost overruns to its contractors, or if the Group is unable to launch property projects according to schedule. Furthermore, delays in project completion beyond the scheduled dates may expose the Group to liquidated damages payable to purchasers of the development.

The Group also faces the risk of accidents involving its employees, residents or third parties at its development sites. If accidents occur but are not covered by the Group's insurance policies, or if claims arising from such accidents are in excess of its insurance coverage and/or any of its insurance claims are contested by its insurers, the Group will be required to pay compensation and its financial performance may be adversely affected. Such accidents could also have an adverse impact on the Group's operations if the Group is required by regulatory manpower authorities to suspend its operations for a period of time. This may result in fines or delays in project completion and possibly cost overruns or liquidated damages, which will in turn affect the Group's profitability. Such accidents could also damage the Group's reputation and may, as a result, lead to a loss of business.

(s) The Group is dependent on contractors

In the ordinary course of its business, the Group relies on its contractors to provide various construction services for its property development projects. While it adopts stringent measures in selecting contractors and ensuring that their works are acceptable according to specifications, there is no assurance that the services and products rendered by the contractors will always be satisfactory and in compliance with the Group's standards and requirements. Should the contractors fail to rectify any unsatisfactory works and/or suitable alternative solutions are not found in a timely manner, the projects may not be completed within the budget and time schedule, resulting in cost overruns and project delays, and the Group's reputation could be significantly harmed. Moreover, should the contractors fail to sustain their operations due to adverse changes in their financial condition and suitable replacements are not secured in a timely manner, the Group's projects will be subject to disruption and delay. As a result, the Group's profitability and financial performance may be adversely affected.

(t) The Group is subject to risks in relation to the prices of building materials, labour and equipment

The construction costs of the Group's future projects will be subject to fluctuations in the prices of various construction materials, such as metal, stone, cement, sand, pipes, electric cables, sanitary fittings, window and door fittings, light fittings and other materials. In particular, the ongoing global trade tariffs and the U.S. – Israel and Iran conflict have contributed to tighter global supply of key building materials such as steel, cement, aluminium and timber, and have elevated freight and logistics costs across major shipping corridors. While the Group engages main contractors and relies on them to procure construction materials, cost increases at the contractor level are likely to be reflected in higher tender prices or passed through to the Group. In addition, the Group's business is dependent on the construction industry, which is human capital intensive and requires a large number of skilled and unskilled labour. Cost of labour may be subject to further fluctuations.

Similarly, the costs of leasing construction equipment, including excavators, cranes and lifting hoists, may also fluctuate over time due to changing market supply and demand conditions.

In the event that there is a material increase in the costs of construction materials, labour and equipment, the Group's main contractors are likely to pass on such additional costs to the Group and the operating costs of the Group's projects may increase. This may, as a result, have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

(u) The success of the Group is dependent on its Directors and Executive Officers

The Directors of the Group, including its Executive Chairman, Toh Giap Eng, its non-executive Director, Toh Gap Seng (alternate to Toh Giap Eng) and its Chief Executive Officer and

Executive Director, Hoh Chin Yiep Ivan, have contributed significantly to the success of the Group with their experience in the property-related industry. The success of the Group is dependent on the continued efforts of its Directors with assistance from its Executive Officers. The loss of one or more members of the senior management team may have a direct adverse impact on the Group's future business and continued growth if suitable replacements are not found in a timely manner or at all.

(v) The Group has to compete effectively against its competitors

In general, the businesses of hospitality, property investment and property development are intensely competitive and highly fragmented. The Group competes with various other property developers and competition often results in, among other things, increased costs of the acquisition of land for development, oversupply of properties, a decrease in property prices, a slow-down in the rate at which new property developments will be approved and/or reviewed by the relevant government authorities, an increase in construction costs and difficulty in obtaining high quality contractors and qualified employees. In addition, the global real estate market is rapidly changing, and if the Group cannot respond or adapt to these changes more swiftly or effectively than its competitors, its ability to generate revenue, and consequently its financial condition and financial performance will be adversely affected.

To compete successfully, the Group would need to develop innovative property designs, marketing strategies and adopt competitive pricing to attract buyers for its development properties. For its property investment business, the Group competes for opportunities and tenants. Generally, competition results in reduced revenue especially in a weak economy where demand is low. Oversupply of development properties or investment properties will also result in price competition. Failure to secure buyers or tenancies or the significant reduction in property prices or rental incomes could have a negative effect on the Group's turnover and profitability.

In relation to the Group's hospitality businesses, if there is an oversupply of hotels in the countries that the Group operates hotels in, price competition invariably results. In the event of failure to secure appropriate demand, or where there is insufficient demand, the Group's turnover and profitability may be negatively affected.

The Group cannot provide assurance that it will be able to compete effectively or successfully with current or future competitors or that the competitive pressure it faces will not harm the Group's business.

(w) The Group's business depends on its ability to source for new land bank

In the business of property development, the Group needs to identify the right land for development that will ultimately enable them to deliver good investment returns. The Group replenishes its land bank through the participation of government tenders and auctions as well as acquiring plots of land from private owners. The Group also competes with other property developers for the sourcing of land sites and is subject to the availability of suitable land sites at commercially acceptable prices. Failure to secure land for property development would affect its business and future turnover. The Group cannot assure investors that the measures it employs to manage land inventory risks will be successful and cannot guarantee that suitable land plots and properties will always be available for the Group's acquisition, development and/or investment. In the event of significant changes in economic, political, security or market conditions, the Group may have to sell subdivision lots and property units at significantly lower margins or at a loss. Changes in regulatory, economic or market conditions may also require the Group to defer the commencement of residential and land development projects. This would require the Group to continue to carry the cost of acquired but undeveloped land on its statement of financial position, as well as reduce the amount of property available for sale. Any of the foregoing events could have a material adverse effect on the Group's business, financial condition and results of operations.

(x) Illiquidity of real estate assets

Real estate assets and investments (including hospitality assets) are relatively illiquid. Such illiquidity limits the Group's ability to convert real estate assets into cash on short notice or may have a substantial impact on the selling price that might otherwise be sought for such assets. Such illiquidity also limits the ability of the Group to vary its portfolio in response to changes in economic or other conditions. This could have an adverse effect on the Group's financial condition and results of operations, with a consequential adverse effect on the Group's ability to make expected returns. Moreover, the Group may face difficulties in securing timely and commercially favourable financing in asset-based lending transactions secured by real estate due to its illiquidity.

(y) Mismanagement of property development projects

The Group manages property development projects initiated by the Group as the Group believes that good project management is critical to the success of the projects. Depending on the nature of the projects, the Group monitors and supervises work progress and work quality and also ensures adherence to its budgets. The Group's staff would also participate in meetings to discuss issues arising out of the development operations and carry out regular control reviews to ensure that the development projects are properly and efficiently run. The failure to monitor and manage any one of the Group's projects effectively may result in delays and cost overruns which could adversely affect the Group's profitability.

(z) The Group's ability to identify new hospitality, property development and property investment projects

The performance of the Group is dependent on the Group's ability to identify potential and profitable hospitality, property development and property investment projects. The viability and profitability of such projects are affected by the general economic conditions in the various jurisdictions the Group operates in, the prevailing interest rates and the cost of construction. While the Group has been successful in identifying and developing these projects, it is not possible to guarantee the continuing success of such projects in the future. The failure to identify potential and profitable projects would have an adverse effect on the Group's turnover and profitability.

(aa) The Group's actual selling prices that may be achieved from future sales of its unsold property development units may materially differ from its valuation

Unanticipated changes in relation to the Group's unsold property development units, changes in general or local economic or regulatory conditions or other relevant factors could affect the valuations in respect of such units and the returns that the Group can realise from the sale of such units. The actual selling prices achieved by the Group from future sales of unsold units may materially differ from the value attributed to them in the valuation reports.

In addition, based on the accounting policies of the Group, unsold property development units which are classified as "investment properties" in the Group's financial statements are initially recorded at cost. Subsequent to recognition, investment properties are measured at fair value and gains or losses arising from changes in the fair values of investment properties are included in the income statement in the period in which they arise. In the event that the fair values of the investment properties are substantially lower than the carrying values, there will be substantial losses to be recognised in the income statement in the period when the fair values are measured.

(bb) The value of properties and land sites is subject to fluctuations

The valuations of the Group's properties are conducted by professional independent valuers under certain assumptions and prevailing market conditions. These valuations are subject to, *inter alia*, changes in market conditions and thus may not accurately reflect the actual value of such properties upon realisation or disposal.

In valuing the Group's properties, the valuers utilise, among others, the discounted cash flow and income capitalisation methods, which take into account the projected cash flows of the properties. In periods of rising interest rates, such as those currently prevailing as a consequence of inflationary pressures arising from disrupted global energy and commodity markets, capitalisation rates applied by valuers in assessing the value of the Group's properties tend to increase, which in turn reduces the assessed capital value of those properties. Higher interest rates may also increase the discount rates applied to projected future cash flows, further depressing valuations. Accordingly, the valuation of the Group's properties may change significantly and unexpectedly over a relatively short period of time. Should the value of the Group's properties and land sites decrease for any reason upon realisation or disposal, its financial position and performance will be adversely affected. In addition, the Group may record impairment losses in its financial statements in the event that the market values of the unsold properties and land sites, as determined by professional independent valuers, fall below their carrying amounts.

The valuation of property is inherently subjective due to, among other factors, the individual nature of each property, its location, the expected future rental revenues from that particular property, the expected expenses, subsidies, capital expenditures and, in the case of development land, the expectations as to the cost and timing of that development and its ability to attract tenants. In the UK, these assumptions may be affected by continuing headwinds in the commercial property market, including subdued or selective occupier demand, weaker capital value expectations, increased availability of leasable space, rising tenant incentives, reduced investment sentiment in certain segments of the market, higher financing and development costs, planning constraints and evolving energy-efficiency and sustainability requirements. In the UK office sector, demand has become increasingly polarised towards high-quality, well-located and sustainable space, while older or secondary stock may face weaker occupier demand, reduced liquidity, increased capital expenditure requirements and a greater risk of obsolescence. The Group's hotel and aparthotel assets in the UK may also be affected by sector-specific valuation risks, including changes in occupancy rates, average daily rates, revenue per available room, payroll and other operating costs, business rates, compliance costs and the competitive landscape in such local markets. Any of the foregoing factors may affect assumptions relating to rental income, occupancy, operating income, capital expenditure, development timing, discount rates and valuation yields.

As a result, the valuations of property will be subject to a degree of uncertainty and will be made on the basis of assumptions, which may prove to be inaccurate or incomplete, particularly in periods of volatility or low transaction volume in the real estate property market. As such, the Group cannot guarantee that it will record fair value gains on investment properties in the future or that the fair value of its investment properties will not decrease in the future. Any decrease in the fair value of its investment properties will have an adverse effect on the Group's financial performance and financial position.

(cc) The Group is subject to the risk of inability to collect progress payments from purchasers of its property development projects

For its development properties, the Group is subject to the solvency or creditworthiness of its customers. In this respect, it may sometimes face delays or even non-payment in its collection of progress payments from the purchasers of its property development projects. Any significant delay or inability to collect payment will impact negatively on the Group's financial performance.

(dd) The Group may be affected by uninsured loss to its properties

The Group maintains insurance policies covering its development, investment properties and hotels in conformity with market practice, with policy specifications and insured limits which the Group believes are adequate. Risks insured against include floods, fire, lightning and physical damage by the general public. However, certain types of losses such as acts of God, war and civil disorder are generally not insurable. Should there be loss arising out of the damage to the Group's properties which are not covered by the Group's insurance policies or should such damage be in excess of the amount for which the Group is insured, the Group's profitability would be adversely affected.

The Group may be required to pay compensation and/or suffer loss of capital invested in the affected properties as well as anticipated future revenue from those properties as it may not be able to rent out or sell the affected properties. The Group may also be liable for any debt or other financial obligation related to those properties. No assurance can be given that material losses in excess of insurance proceeds will not occur.

(ee) The Group's financial performance may fluctuate from period to period if it is unable to undertake or complete new projects

The Group is vulnerable to revenue volatility which is characteristic of property development companies. For the Group's property development business, the level of revenue that it can achieve is subject to fluctuations and is dependent on, amongst others, the demand for its development projects, the pricing and number of property development projects and the overall schedules of its projects which are in turn, to a large extent, affected by market sentiment, market competition, general economic and property markets conditions, as well as government regulations. Accordingly, the Group is susceptible to revenue volatility between financial periods. The Group's financial performance has varied significantly in the past and may continue to fluctuate significantly from period to period in the future. Therefore, historical financial performance of the Group is not indicative of its future performance.

(ff) The Group may be involved in legal and other proceedings arising from its operations from time to time

The Group may be involved from time to time in disputes with various parties involved in the development and sale of its properties such as main contractors, sub-contractors, suppliers, construction companies, purchasers, other partners and lenders. These disputes may lead to legal and other proceedings, and may cause the Group to suffer additional costs and delays. In addition, the Group may have disagreements with regulatory bodies in the course of its operations, which may subject it to administrative proceedings and unfavourable decrees that result in financial losses and that can delay the construction or completion of its projects. For instance, if any government authority believes that the Group or any of its tenants are not in compliance with the regulations, it could shut down the relevant non-compliant entity or delay the approval process, refuse to grant or renew the relevant approvals or licences, institute legal proceedings to seize the Group's properties, enjoin future action or (in the case of the Group's subsidiaries not being in compliance with the regulations) assess civil and/or criminal penalties against the Group, its directors, officers or employees. Any such delay or action arising from the above would have a material adverse effect on the business, financial condition and results of operations or cash flow of the Group.

(gg) The Group may face uncertainties associated with the expansion of its business overseas

The Group is subject to foreign laws, regulations and policies as a result of property investments in foreign countries. There may be a negative impact on any property owned by the Group in a foreign country as a result of measures and policies adopted by the relevant foreign governments and regulatory authorities at national, provincial or local levels, such as government control over property investments or regulations in relation to foreign exchange. Legal protection and recourse available to the Group in certain countries may also be limited.

In addition, the income and gains derived from investments in property in other countries may be subject to various types of taxes in Singapore and these foreign jurisdictions, which include income tax, withholding tax, capital gains tax and any other taxes that may be imposed specifically for ownership of real estate. All of these taxes are subject to changes in laws and regulations that may lead to an increase in tax rates or the introduction of new taxes, which could adversely affect and erode the returns from these development properties. There is also no assurance that the Group will be able to repatriate the income and gains derived from investments overseas back to Singapore on a timely and regular basis.

Accordingly, there is no assurance that the Group will be able to execute its growth strategies successfully or that the performance of any strategic alliances, acquisitions or investments would meet the Group's expectations.

(hh) The Group is dependent on the quality of its title to properties in the land bank of the Group

The quality, nature and extent of the title to and interests in the land and properties under the Group's development varies, depending on a number of factors, including:

(i) the country and location of the property;

(ii) the laws and regulations that apply to the property;

(iii) the extent to which the contract pursuant to which the property interest was acquired has been performed, the extent to which the terms and conditions thereunder have been complied with and the amount of the purchase consideration which has been paid;

(iv) the extent of compliance by the Group or any other relevant party (including previous owners, the vendor of the property and the entity in which the Group has invested that has acquired or is acquiring the property) with all relevant laws and regulations relating to the ownership, use, sale, development or construction of the property;

(v) the manner in which the interest in the property is held, whether through a joint venture, a development or joint operation agreement, under a master lease or otherwise; and

(vi) the capacity, power, authority and general creditworthiness of the counterparties to the contractual and other arrangements through which the Group has acquired an interest in the property.

Owing to the lack of a uniform title system in some of the countries where the Group operates, there is potential for disputes over the quality of title and/or quality of the assets purchased. Delays in acquiring properties required for the Group's development activities could negatively affect the Group's performance. The Group's acquisition of properties and/or assets is dependent on the due diligence as to, *inter alia*, title, which in turn is dependent on the quality of professional advice and the availability of reliable, accurate, complete and up-to-date information in the relevant countries. The quality and validity of title to the Group's property interests may be challenged or adversely impacted which could result in protracted litigation or extended administrative delays, affecting the Group's ability to deal with its property interests and in turn impacting the value of the Group's investment in these properties.

(ii) The Group is subject to health, safety and environment standards

Property developers and/or building contractors are subject to various laws and regulations relating to workplace health and safety and environmental pollution control. The Group cannot predict future amendments, new enactments or more stringent administration of these health, safety and environment standards. Any change in such regulations and/or standards may result in the Group incurring additional time and costs for the purposes of compliance. Further, any failure to comply with these regulatory standards at the Group's project sites may result in fines, penalties, sanctions or temporary suspension resulting in project delays, which may have a material adverse effect on the Group's business operations and prospects.

(jj) The Group could incur significant costs related to environmental matters

The Group may be subject to various laws and regulations in the countries where the Group operates relating to protection of health and the environment that may require a current or previous owner of real estate to investigate and clean up hazardous or toxic substances at a property. For example, owners and operators of real estate may be liable for the costs of removal or remediation of certain hazardous substances or other regulated materials on or in such property. Such laws often impose liability without regard to whether the owner or operator knew of, or was responsible for, the presence of such substances or materials. The costs of investigation, remediation or removal of hazardous waste, asbestos or other toxic substances may be substantial. Environmental laws may also impose compliance obligations on owners and operators of properties with respect to the management of hazardous substances and other regulated materials. Failure to comply with these laws can result in penalties or other sanctions.

Existing environmental reports and investigations with respect to any of the Group's properties may not reveal (i) all environmental liabilities, (ii) whether prior owners or operators of the properties had created any material environmental condition not known to the Group or (iii) whether a material environmental condition exists in any one or more of the properties. There also exists the risk that material environmental conditions, liabilities or compliance concerns may have arisen after the review was completed or may arise in the future. Finally, future laws, ordinances or regulations and future interpretations of existing laws, ordinances or regulations may impose additional material environmental liability. The Group may be subject to liabilities or penalties relating to environmental matters which could adversely affect the Group's performance.

If the Group fails to comply with existing or future environmental laws and regulations in the countries in which it operates, its reputation may be damaged or it may be required to pay penalties or fines or take remedial actions, any of which could have a material adverse effect on its business, financial condition, results of operations and prospects.

Furthermore, the Group also faces the risk of disruptions from activists advocating for stricter environmental laws and regulations in the jurisdictions it conducts business, potentially impacting its operations and strategic plans. In the face of heightened scrutiny from activists, the Group may find itself embroiled in protracted legal battles, facing allegations of environmental negligence, harm to local ecosystems, or adverse impacts on nearby communities. These legal challenges can drain the Group's financial resources, divert management attention from core business activities, and prolong periods of uncertainty, disrupting strategic planning and eroding investor confidence.

(kk) Occurrence of any acts of God, natural disasters, war and terrorist attacks and other events beyond the control of the Group may adversely affect the markets in which the Group operates in and its profitability

Acts of God, such as natural disasters, war and terrorist attacks, are beyond the control of the Group. These may materially and adversely affect the economy, infrastructure and livelihood of the local population. The Group's properties, business and financial condition may be adversely affected should such acts of God, natural disasters or pandemics occur. There is no assurance that any war, terrorist attack or other hostilities in any part of the world, potential, threatened or otherwise, will not, directly or indirectly, have an adverse effect on the operations and financial condition of the Group.

In addition, physical damage to the properties resulting from any acts of God, natural disasters, war or terrorist attacks may lead to a significant disruption to the business and operations of the Group's properties. This may result in the loss of invested capital in affected properties and anticipated future revenues as the Group may not be able to rent out or sell the affected properties. The Group may also suffer a loss of or engage in disputes with existing tenants in the affected properties and any financial obligations secured by such properties may be accelerated. These may in turn have material adverse effects on its business, financial condition, results of operations and prospect.

Since the occurrence of certain terrorist attacks in different areas of the world in recent years, there has been an escalation of a general fear of expansion of terrorist activities around the world, which could have an adverse effect on the world economy, as well as on the demand levels for tourism. If there is a general fear of economic fall-out around the world due to terrorism and other acts of violence or wars, the economic outlook of the Group's markets may become uncertain and there is no assurance that such markets will not be affected by the worldwide economic downturn, or that recovery would appear in the near future. This similarly applies if the levels of tourism are affected in the Group's markets. This could have a negative impact on the demand for the Group's goods and services and its sales, business, future growth and profitability may be adversely affected.

Similarly, in the event of any unexpected riots, public unrest, civil commotions, levels of tourism will be affected and demand that drives the Group's revenue will be negatively impacted.

(ll) The Group's reputation and brand image may be affected by adverse developments or negative publicity

The Group has built up its reputation and customers' goodwill over the course of its business. However, with the rise of social media, the Group's reputation may be easily besmirched as dissatisfied customers can now broadcast their grievances to many people, influencing public perception and the general impression of the Group.

Any degradation or negative publicity relating to the Group's reputation or brand could adversely affect the business, financial condition, results of operations and prospects of the Group, as they may diminish the confidence that the Group's customers have in the Group, and ultimately its appeal to existing and potential customers.

(mm) The Group faces technology and cyber risks which are evolving in nature including risks from the regulation of data privacy, technology, and cyber security

Advancements in various technologies, such as the increasing interconnectivity of businesses and global reliance on the Internet, cloud services and social media for doing business, introduces risk to the business environment and the service support that the Group relies upon for its business activities. External risks include threats such as data theft and leakage, technological disruptions affecting the Group's existing business lines, disruptive cyberattacks and actions by governments to regulate data privacy or technology usage. Internal risks include the failure to implement proper systems or processes against external threats, undetected inadequacies in existing legacy systems and processes and the failure to adequately keep up with technological advancements so as to mitigate such risks. There is no assurance that the Group is able to fully keep up with technological changes and measures to counter or prevent cyber-risks. If the Group is unable to prevent or contain the effects of any cyber-attacks, or prevent other privacy or data security incidents that result in security breaches which in turn disrupt operations or result in the unintended dissemination of sensitive personal information or proprietary or confidential information, the Group may incur financial losses, substantial regulatory fines or penalties, liability, reputational harm, and the downtime required to rectify any such security breaches. Such breaches may disrupt the Group's business and/or have material adverse effects on its business, financial condition, results of operations and prospects.

(nn) The tenants of the properties in the Groups' portfolio may not renew or may terminate their respective leases of the properties in the portfolio

The tenants of the properties in the Groups' portfolio may not renew or may terminate their respective leases of the properties in the portfolio. No assurance can be given that the tenants of the properties in the Group's portfolio will exercise any option to renew their leases of the properties in the portfolio upon the expiry of their respective leases. In such a situation, the Group may not be able to locate suitable replacement lessees or a master lessee, and the Group may consequently lose a significant portion of its revenue. In addition, replacement of the tenants of the properties in the portfolio on satisfactory terms may not be possible in a timely manner. The failure on the part of the tenants of the properties in the Group's portfolio to renew their leases of the properties in the portfolio upon the expiry of their respective leases, or the termination of any of the lease agreements with the tenants of the properties in the portfolio, may have an adverse effect on the Group's gross revenue and, consequently, its business, financial condition and results of operations.

(oo) Due diligence exercises on the properties, leases, buildings and equipment may not have identified all material defects, breaches of laws and regulations and other deficiencies and any losses or liabilities from latent property or equipment defects may adversely affect earnings and cash flows

The Group believes that reasonable due diligence investigations with respect to its properties were, and with respect to future acquisitions will be, conducted prior to their acquisition. However, there is no assurance that the Group's properties will not have defects or deficiencies requiring repair or maintenance (including design, construction or other latent property or equipment defects in the properties which may require additional capital expenditure, special repair or maintenance expenses) or be affected by breaches of laws and regulations. There can also be no assurance that any of the Group's reviews, surveys or inspections (or the relevant review, survey, inspection reports or other information on which the Group has relied or been provided) would have revealed all defects or deficiencies in the properties that the Group has an interest in, including the title thereof. Such defects or deficiencies may require significant capital expenditure or obligations to third parties and involve significant and unpredictable patterns and levels of expenditure which may have a material adverse effect on the Group's earnings, cash flows and prospects.

Any expert report that the Group relies or has relied on as part of its due diligence investigations of the Group's properties may also be subject to inaccuracies and deficiencies. This may be because certain building defects and deficiencies are difficult or impossible to ascertain due to limitations inherent in the scope of the inspections, the technologies or techniques used and other factors. Further, notwithstanding that due diligence investigations have been and will be carried out on the Group's properties, some of the properties may still not be in compliance with certain laws and regulations, which may result in the Group having to incur financial or other obligations in relation to such breaches or non-compliance. This may affect the financial condition and results of operations of the Group.

In addition, contractual representations and warranties given by vendors are often limited as to the scope, amount and timing of claims which can be made thereunder and may not afford complete protection from costs or liabilities arising from defects or deficiencies. There is no assurance that the Group will be entitled to be reimbursed under such representations and warranties for any losses or liabilities suffered or incurred by it as a result of its acquisition of these properties. This may have an adverse effect on the Group's business operations and prospects.

RISKS RELATING TO THE GROUP'S BUSINESS IN SINGAPORE

(a) The Group's performance may be adversely affected by changes in Singapore government policies

The Singapore government monitors the property market closely and adopts measures as and when it deems necessary to promote a stable and sustainable property market. Thus, the government may introduce new policies or amend or abolish existing policies at any time. Such regulations include land and title acquisition, development, planning, design and construction as well as mortgage financing and refinancing. The Singapore government has in the past, intervened in and regulated the movement in property prices. The Group may be affected by changes in government regulations and policies in Singapore such as the introduction of new property-cooling measures, revisions to the terms of the housing developer's licence, zoning changes, new compulsory acquisition policies and property tax regimes. These changes may have a material adverse impact on the overall performance of the Singapore property market which may adversely affect the Group's profitability and financial performance.

Property-cooling measures

In particular, the Group may be affected by property-cooling measures introduced by the Singapore government from time to time. For instance, on 13 January 2011, the Singapore government announced the extension of the holding period for imposition of the seller's stamp duty ("**SSD**") on residential properties from three years to four years. The applicable SSD rates which ranged from 4% to 16%, were imposed on residential properties acquired (or purchased) on or after 14 January 2011 and disposed of (or sold) within four years of acquisition. In March 2017, the Singapore government announced the shortening of the holding period for the imposition of the SSD on residential properties from four years to three years, together with lowered rates. Under this revision, SSD rates ranging from 4% to 12% were imposed on residential properties acquired (or purchased) on or after 11 March 2017 and disposed of (or sold) within three years of acquisition. In July 2025, the Singapore government increased the holding period from three to four years and raised the SSD rates to a range of 4% to 16% for residential properties acquired (or purchased) on or after 4 July 2025 and disposed of (or sold) within four years of acquisition.

In December 2011, the Singapore government introduced the additional buyer's stamp duty ("**ABSD**"), which was further enhanced in January 2013, July 2018, December 2021 and April 2023. ABSD, ranging from 5% to 65% (including a remittable component of 35% and a non-remittable component of 5% for housing developers), is to be paid by certain groups of people or entities (as the case may be) who buy or acquire residential properties (including residential land). Further, the Group may, where necessary, apply for ABSD remission, and if granted, the Inland Revenue Authority of Singapore ("**IRAS**") may impose conditions on the Group in connection with the grant of such ABSD remission. If such conditions are not met, ABSD will be payable with interest. The Group may be subject to such ABSD and interest for future residential land acquisitions which the Group may undertake.

Furthermore, the Group may, where necessary, apply for ABSD remission and if granted, the IRAS may impose conditions on the Group which may be more stringent compared to the conditions imposed under the qualifying certificate ("**Qualifying Certificate**") issued pursuant to the Residential Property Act 1976 of Singapore. If such conditions are not met by the Group, ABSD with interest will be payable and this could have a material adverse effect on the Group's business, financial condition and results of operations.

In addition, under the Qualifying Certificate rules under the Residential Property Act 1976 of Singapore, all developers with non-Singaporean shareholders or directors are required to obtain the Temporary Occupation Permit ("**TOP**") for their residential property developments within five years ("**TOP Deadline**") and to sell all dwelling units within two years from the date of TOP ("**Sale Deadline**"). Additional Qualifying Certificate extension charges of 8%, 16% and 24% of the land purchase price for the first, second and subsequent years past the Sale Deadline may be incurred if the respective deadlines need to be extended.

In February 2018, the Singapore government raised the top marginal buyer's stamp duty rate from 3 per cent. to 4 per cent. for residential properties. This change affected residential properties valued above S$1 million. The new rate applied to all residential properties acquired from 20 February 2018. On 14 February 2023, the Singapore government announced a further increase of the top marginal buyer's stamp duty rate for residential properties from 4 per cent. to 6 per cent. Specifically, a marginal buyer's stamp duty rate of 5 per cent. would apply to the portion of the property value of the residential property in excess of S$1.5 million and up to S$3 million, while a higher rate of 6 per cent. would apply to the portion of the property value of the residential property in excess of S$3 million. The top marginal buyer's stamp duty rate for non-residential properties was also raised, from 3 per cent. to 5 per cent. A marginal buyer's stamp duty rate of 4 per cent. would apply to the portion of the property value of the non-residential property in excess of S$1 million and up to S$1.5 million, while a higher rate of 5 per cent. would apply to the portion of the property value of the non-residential property in excess of S$1.5 million. These revised rates would apply to all properties acquired on or after 15 February 2023.

Further, the loan-to-value ("**LTV**") limits on housing loans granted by financial institutions were also tightened for both individual borrowers whose loan tenure exceeds 30 years or the loan period extends beyond the borrower's age of 65 years and individual borrowers who already have at least one outstanding loan, as well as for non-individual borrowers such as companies. In July 2018, the Singapore government tightened LTV limits by 5 percentage points for all housing loans granted by financial institutions. Besides tighter LTV limits, the minimum cash down payment for individual borrowers applying for a second or subsequent housing loan was also raised to 25 per cent. The lower LTV limits and higher minimum cash down payment are subject to certain reliefs. In December 2021, the Singapore government announced that LTV limits specifically in relation to HDB housing loans would be reduced from 90 per cent. to 85 per cent. A further reduction from 85 per cent. to 80 per cent. was announced in September 2022. In August 2024, the Singapore government further tightened the LTV ratio for HDB housing loans from 80% to 75%. Such property cooling measures may have an adverse impact on the business and financial performance of the Group.

In June 2013, the Singapore government introduced the total debt servicing ratio ("**TDSR**") framework for all property loans in order to stabilise the overheated property market and encourage financial prudence among borrowers. The TDSR framework requires financial institutions to take into consideration borrowers' other outstanding debt obligations when granting property loans. The TDSR is the percentage of total monthly debt obligations to gross monthly income. Under the TDSR framework, property loans extended by financial institutions should not exceed a TDSR threshold of 60%. Property loans above the 60% threshold can only be granted in exceptional cases. The TDSR threshold was tightened from 60% to 55% in December 2021. In September 2022, the Singapore government raised the medium-term interest rate floor used by financial institutions to compute a borrower's TDSR from 3.5% per annum to 4% per annum. For housing loans granted by HDB, an interest rate floor of 3% per annum to compute eligible housing loan amounts was also introduced. These measures were meant to further ensure prudent borrowing from potential property buyers and potentially reduces the quantum of financing available to buyers.

Additionally, under the Residential Property Act 1976 of Singapore, housing developers are required to apply to the Controller of Residential Property for its approval to acquire residential property (including land) for development. The Controller of Residential Property may grant its approval subject to certain terms and conditions, as set out in a Qualifying Certificate, which may require a developer to, *inter alia*, (i) sell all the units in the housing development within a prescribed period and (ii) furnish a bankers' guarantee ("**Bankers' Guarantee**") for the sum of 10 per cent. of the purchase price of the land acquired. In the event that the housing developer fails to sell the units within the prescribed period, it may have to apply for an extension of the Qualifying Certificate and incur extension charges, or forfeit the Bankers' Guarantee for failure to comply with the terms of the Qualifying Certificate. On 6 February 2020, the Ministry of Law announced that it will allow for the exemption of publicly listed housing developers with a substantial connection to Singapore from the Qualifying Certificate regime. The Group applied for exemption from the Qualifying Certificate regime and was granted the exemption on 30 April 2021.

In March 2017, the Singapore government also introduced provisions for additional conveyance duties ("**ACD**") in respect of the transfer of equity interests by significant owners (a person or entity who beneficially owns at least 50 per cent. equity interest or voting power in a property holding entity ("**PHE**") either on its own or with its associates (as defined in Section 23 of the Stamp Duties Act 1929 of Singapore)) in PHEs that own primarily residential properties in Singapore. In addition to the existing stamp duties payable on shares, buyers who will become significant owners of such equity interests on or after 11 March 2017 will incur ACD of up to 71%. For sellers of shares in a residential PHE, a flat rate of 12% is payable on equity interests being disposed of within 3 years if acquired between 11 March 2017 and 3 July 2025 (both dates inclusive), while a flat rate of 16% is payable on equity interests being disposed of within 4 years if acquired on or after 4 July 2025. No ACD will apply if the transfer of equity interest in a Residential PHE is pursuant to a will or by way of assent.

To address the gap where ABSD does not apply when residential property is transferred into a living trust without an identifiable beneficial owner at the time when the residential property is transferred into the trust, the Singapore Government announced that ABSD (Trust) of 35% will apply on any transfer of residential property into a living trust where the transfer occurs after 9 May 2022. The said ABSD (Trust) is payable upfront, and the trustee may apply to IRAS for a refund provided that certain conditions are met. ABSD (Trust) was enhanced in April 2023 to 65%, to align with the increase in ABSD rates in Singapore.

The Singapore government has also introduced further measures on 8 May 2026 to address affordability concerns in the executive condominium ("**EC**") market. The minimum occupation period for new ECs was doubled from five years to 10 years, during which period owners are unable to sell their units, rent out the entire unit or purchase another residential property. The period before ECs are fully privatised (after which units may be sold to any buyer, including foreigners and corporate entities) was extended from 10 years to 15 years. In addition, the deferred payment scheme, which had previously allowed buyers to pay 20 per cent. of the purchase price upfront and defer the remaining 80 per cent. until the project obtained its temporary occupation permit, was abolished. Developers are now required to offer only the normal payment scheme, under which buyers make progressive payments throughout the construction process. While these measures are intended to improve affordability and reduce speculative activity, they may also dampen demand for new EC projects developed by the Group and may result in developers, including the Group, submitting more conservative land bids, which could affect the Group's development pipeline, revenue and profitability.

Such measures and further legislation or policies to encourage financial prudence which may be introduced by the Singapore government to moderate the property market in Singapore may affect the purchasing power of potential buyers of residential properties and may dampen the general sentiments of the residential property market, resulting in reduced demand for and consequently fewer sales of residential property units in Singapore.

There is no assurance that the Singapore government will abolish the existing legislation or policies intended to cool the property market. There is also no assurance that the Singapore government will not introduce further legislation or policies or amend existing legislation or policies to further regulate the growth of the Singapore property market.

Housing developer's licence

The Issuer or its relevant subsidiaries that engage in the property development business is required to obtain a housing developer's licence before undertaking a housing development project comprising more than four units. The Issuer is also required to obtain a Qualifying Certificate in order to acquire any interest in residential properties in Singapore. Failure by the Group to obtain, renew or maintain the required licences and certificates, or cancellation, suspension or revocation of any of the Group's licences and certificates may result in the interruption of its operations and may have a material adverse effect on the Group's business.

Compulsory acquisition /zoning changes

From time to time, the relevant authorities may carry out redevelopment plans or effect zoning changes to particular areas. The supply of land to property developers is also regulated by the Singapore government. The Singapore government is also authorised under the Land Acquisition Act 1966 of Singapore, to compulsorily acquire land for particular purposes. These changes may have a material and adverse impact on the overall performance of the Singapore property market which may adversely affect the Group's profitability and financial performance.

Property tax regime

On 18 February 2022, the Singapore Government announced the Singapore Budget 2022, which includes changes to the property tax regime (including the property tax rates) with effect from 1 January 2023, with further revisions to the progressive property tax rates taking effect from 1 January 2025.

For owner-occupied residential properties, more progressive property tax rates will be applicable on the annual value of such properties. With effect from 1 January 2023, progressive property tax rates were revised to rates of up to 23 per cent. With effect from 1 Jan 2025, progressive property tax rates were revised to rates of up to 32 per cent.

For non-owner-occupied residential properties, more progressive property tax rates will also be applicable on the annual value of such properties. With effect from 1 January 2023, progressive property tax rates were revised to rates of up to 27 per cent. With effect from 1 January 2024, progressive property tax rates were revised to rates of up to 36 per cent. In addition, with effect from 1 January 2014, the property tax refund concession for vacant properties (whether residential or not) was removed.

The Singapore government is likely to continue to regulate the property market. Should any new and stringent measures be introduced to the property market, the Group's operations, profitability and financial performance may be adversely affected. In addition, property developers and/or building contractors are subject to laws and regulations relating to workplace health and safety, environmental pollution control and other areas that may concern the industry. There is no assurance that such regulatory standards will remain unchanged in the future. Should the relevant authorities implement additional and/or more stringent requirements, the Group may have to incur additional expenses and devote extra time or effort to comply with such changes. In the event of any non-compliance with such regulatory standards at project sites, the Group's project sites may be subject to temporary suspension or further examinations resulting in project delay. Should such situations arise, the Group's profitability and financial performance may be adversely affected.

Land Betterment Charge regime

With effect from 1 August 2022, the Singapore government introduced the Land Betterment Charge ("**LBC**") regime, which replaced the existing Differential Premium, Development Charge and Temporary Development Levy which were previously administered by the Singapore Land Authority ("**SLA**") and Urban Redevelopment Authority respectively. The LBC is a tax on the enhancement in value of land arising from a chargeable consent (e.g. planning permission) given in relation to a development of any land. If a proposed development results in an increase in land value, SLA will follow up directly with the taxable person by issuing a Liability Order stating the LBC payable. The LBC rates are reviewed and revised every six months. The exact rates payable depend on the sector of Singapore in which the property is located as well as the property type. The quantum of LBC that is payable would also depend on factors such as, *inter alia*, the proposed uses of the relevant development sites and the existence of any relevant restrictive covenants. Depending on the quantum of LBC that is charged in relation to a proposed development which the Group is involved in and subject to potential changes made by the Singapore government to the table of rates of LBC chargeable, the Group's profitability and financial performance may be adversely affected.

(b) The Group’s business is subject to the performance of the property industry in Singapore

The Group’s business is subject to the performance of the property industry in Singapore, which is cyclical in nature. Cyclical downturns may arise from changes in global and local economic conditions, periodic local oversupply of properties for sale or lease, competition from other developers, changes in wages, energy costs, construction and maintenance costs, government regulations or changes in interest rates and availability of financing for operating and/or capital requirements. Should the property market experience a downturn, demand for the Group’s property development projects may slow down significantly. On the other hand, cyclical upturns may prompt the authorities to implement cooling measures. These factors may adversely affect the Group’s financial performance and profitability.

(c) The Group’s financial performance may be adversely affected by amendments to the Singapore Financial Reporting Standards

The Group’s accounting policy is in compliance with the current SFRS, whereby revenue from the sale of private residential development projects in Singapore prior to completion of the properties that are regulated under the Singapore Housing Developers (Control and Licensing) Act 1965 and uses the standard form of sale and purchase agreements prescribed under the Housing Developers Rules is recognised using the percentage of completion method and revenue from the sale of industrial and commercial development projects and overseas developments are recognised using the completion of construction method. Under the percentage of completion method, the percentage of work completed is measured based on the costs incurred up until end of the reporting periods as a proportion of total costs expected to be incurred and revenue is recognised by reference to this percentage of work completed. Under the completion of construction method, revenue is recognised when the development units are delivered to the purchasers. However, if the SFRS is amended and the Group has to change its accounting policy in relation to revenue recognition from percentage of completion method to completion of construction method or vice versa, the Group’s financial performance and profitability may be adversely affected.

RISKS RELATING TO THE GROUP’S BUSINESS IN THE UK

(a) The Group’s business may be adversely affected by regulations promulgated by the UK authorities

The real estate business in London is affected by the planning policies and guidelines of the authorities both at the central as well as at the local government level. Such planning guidelines in UK are unpredictable because of two main factors:

(i) Planning guidelines issued by the Central Government provide room for varying interpretation by the local authorities. For example, although “affordable housing” is required to be provided for private housing developments exceeding 25 units, the formula for “commuted” payments in lieu of affordable housing provision varies from local authority to local authority. In some cases, local authorities will insist on affordable housing to be integrated on site with the private housing scheme instead of accepting “commuted” payments in lieu of provision on site.

(ii) Public consultation is a statutory requirement in the UK planning system which ensures opportunity for community engagement. Compliance with these statutory requirements requires time and may result in delays to a project. The extent of such delays depends on the scale of each proposal and the resulting public response. In some cases, strong opposition may lead to closer scrutiny or design amendments. Nonetheless, consultation remains a key mechanism for transparency and accountability in planning decisions.

The Group is subject to laws and regulations relating to labour costs, including national minimum wage requirements and mandatory employer social security or national insurance contributions. In the UK, the National Living Wage has been subject to increases in recent years, reaching £12.71 per hour from April 2026. The rate of employer national insurance contributions in the United Kingdom was also increased from 13.8 per cent. to 15 per cent. with effect from April 2025, and the earnings threshold at which such contributions become payable was reduced from £9,100 to £5,000 per annum. These changes have materially increased the cost of employing staff across the Group's UK operations, particularly in its hospitality business, which is labour-intensive and employs a significant proportion of workers at or near the statutory minimum wage."

(b) The Group’s business may be adversely affected by economic and political factors in the UK

The real estate industry in London, like any other business, is closely linked to the general economic and business climates. The proper functioning of businesses is carried out within the framework of a stable and effective political regime. The performance of the Group is very much dependent on the strength of the economy and the continued growth of the residential market in particular, within a favourable political environment.

(c) The Group’s business is exposed to risks related to the UK’s decision to terminate its membership in the EU

The UK officially exited the European Union on 31 January 2020 following the EU-UK Withdrawal Agreement signed in October 2019. The UK and the European Union had also signed the EU-UK Trade and Cooperation Agreement (the “**Trade and Cooperation Agreement**”) on 30 December 2020 to govern future relations between the European Union and the UK. The European Union formally ratified the Trade and Cooperation Agreement on 29 April 2021 and it came into force on 1 May 2021.

Due to the size and importance of the UK’s economy, the uncertainty and unpredictability concerning the UK’s legal, political and economic relationship with Europe after its exit from the European Union may continue to be a source of instability in the international markets, create significant currency fluctuations and/or otherwise adversely affect trading agreements or similar cross-border cooperation arrangements (whether economic, tax, fiscal, legal, regulatory or otherwise) for the foreseeable future. In light of the ongoing political uncertainty as regards the structure of the future relationship between the UK and the rest of the European Union, it is not possible to determine the precise impact on general economic conditions in the European Union (and in particular on the economies of the jurisdictions in which the Group operates) created by such uncertainty. There is a risk that the future political relationship between the UK and the European Union could lead to a downturn in such economies and a reduction in the market value of properties located in such countries and therefore have an adverse effect on the business, financial condition, results of operations and prospects of the Group.

Moreover, other member states of the European Union may also reconsider their European Union membership. This could result in one or more other countries leaving the European Union or in major reforms or other changes being made to the European Union or to the Eurozone. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on consumer confidence and spending in the European Union, particularly on markets with sizeable trade with the UK. The nature and extent of the impact of any such changes on the Group are uncertain, but may be significant.

These developments may impinge upon the health of the global economic and/or financial system, and may affect investor sentiment. This could materially and adversely affect the operational, regulatory, currency, insurance and tax regime to which the Group is currently subject. It could also result in prolonged uncertainty regarding aspects of the UK economy. The effect of these risks, were they to materialise, could be to increase compliance and operating costs for the Group and may also materially affect the Group’s tax position or business, results of operation and financial position more generally.

(d) The Group’s business may be adversely affected by stamp duty regulations in the UK

The Group's UK operations are subject to business rates (non-domestic rates), which are a tax levied on the occupation of commercial property in the UK. Business rates represent a significant operating cost for the Group's UK property investment and hospitality businesses. Any increase in business rates multipliers, changes to the revaluation cycle, removal or reduction of available reliefs, or other reforms to the business rates system could further increase the Group's operating costs and have a material adverse effect on the Group's business, financial condition and results of operations in the UK. Although the UK government may from time to time announce transitional relief or other support measures, there can be no assurance that any such measures will be sufficient to offset the impact of higher business rates on the Group’s UK operations.

(e) The Group’s business may be adversely affected by property prices in UK and is subject to the performance of the property industry in the UK in general

There may be a downturn in the UK property market in terms of capital value or a weakening of rental yields. Commercial property values are affected by factors such as the level of interest rates, economic growth, fluctuations in property yields and tenant default. In the event of a default by an occupational tenant, there will be a rental shortfall and additional costs, including legal expenses are likely to be incurred in maintaining, insuring and re-letting properties.

Immovable property and immovable property-related assets are inherently difficult to value due to the individual nature of each property. As a result, valuations are subject to uncertainty and are a matter of an independent valuer’s opinion. There is no assurance that the estimates resulting from the valuation process will reflect the actual sales price even where a sale occurs shortly after the valuation date.

Businesses related to the property industry in the UK and in general are cyclical in nature. The property cycle may be influenced by changes in global and local economic conditions, periodic variations in the supply of properties for sale or lease, competition from other developers, changes in wages, energy costs, construction and maintenance costs, government regulations, interest rates, and the availability of financing for operating and/or capital requirements. Whilst prevailing market conditions do not indicate a downturn, the cyclical nature of the property market means that demand for the Group's property development projects may fluctuate over time. In addition, during periods of sustained growth, the relevant authorities may implement measures designed to moderate the market. There can be no assurance that such cyclical fluctuations or regulatory measures will not adversely affect the Group's financial performance and profitability.

RISKS RELATING TO THE GROUP’S BUSINESS IN THAILAND

(a) The Group’s business may be adversely affected by the highly competitive and regulated property development industry in Thailand

The Group’s business is dependent on sufficient demand in Thailand’s property market. The Group may face significant competition from listed property firms in Thailand with considerable capital to expand their investments.

Property development business in Thailand is regulated and controlled by various laws and legislation. There are also specific regulations prescribed and issued in certain local areas of construction and development, which must be adhered to.

From time to time, there may be uncertainty in interpreting laws and regulations by authorities in Thailand, especially that in relation to foreigners carrying on business and investment in Thailand, or with respect to land ownership by foreigners in Thailand. As a result of this uncertainty in interpretation, there is no assurance that the Group is in material compliance with all applicable laws and regulations in Thailand and any non-compliance may subsequently have a material adverse effect on the Group’s business operations and prospects in Thailand.

(b) The Group may be affected by natural disasters in and beyond Thailand

The Group may be subject to natural disasters in Thailand and beyond, such as the severe flooding in 2024 which affected all sectors of the Thailand property market and the 2025 major earthquake in Myanmar that caused a collapse of an unfinished building in the Thai capital. In the event that similar flooding or other natural disasters occur in areas within Thailand or the neighbouring countries where the Group operates in, there may be disruptions and damage, which may lead to increased construction costs and delays and consequently may have a material adverse effect on the Group’s business operations and prospects.

(c) The Group’s business may be adversely affected by economic and political factors in Thailand

Thailand has been plagued by political uncertainty, internal strife and civil commotions and occasional outbreaks of violence in recent years since the ousting of former Prime Minister Thaksin Shinawatra in a *coup d’etat* in October 2006 and the ousting of former Prime Minister Yingluck Shinawatra in May 2014, which has led to economic disruption. These incidents escalated in April 2010 with several violent confrontations between protesters and the police and/or the army, which have resulted in injuries and fatalities. More recently, in 2023, the Move Forward Party became the largest party and won the general elections, which was the second held after the 2014 military coup, and the general election resulted in a coalition government, leading to political and social uncertainty. On 7 August 2024, the Move Forward Party was dissolved following a ruling by the Constitutional Court of Thailand.

In addition, the long-standing border dispute between Thailand and Cambodia escalated in 2025 into armed clashes along the Thai-Cambodia border, resulting in casualties, large-scale displacement, border closures and restrictions. Although ceasefire arrangements have been announced, the security situation in areas along or near the Thai-Cambodia border remains uncertain and certain foreign authorities have issued travel advisories against travel within the vicinity of the border. Any recurrence, prolongation or escalation of such conflict, or any deterioration in diplomatic relations between Thailand and Cambodia, may disrupt tourism and investment sentiment in Thailand and the surrounding region.

Accordingly, any unfavourable changes in the political and social conditions in Thailand may disrupt the Group's activities, which will have an adverse effect on the Group's business operations and prospects.

The Group's business and prospects may also be adversely affected by developments with respect to inflation, interest rates, currency fluctuations, government policies, price and wage controls, exchange control regulations, industry laws and regulations, land zoning or state acquisition laws, taxation, expropriation, social instability and other political, legal, economic or diplomatic developments in Thailand. In particular, the Group may also be affected by adverse publicity and reduced tourist confidence arising from reports of online scam centres and scam syndicates operating in Cambodia and neighbouring countries (including Thailand), including reports of trafficking, detention, extortion or kidnapping threats associated with such syndicates. Such concerns may lead to travel warnings and weaker tourism sentiment, including knock-on effects on Thailand's tourism industry by any decline in foreign visitor numbers amid concerns over scam centres and the conflict with Cambodia. The Group has no control over such conditions and developments and any changes in such conditions and developments may have an adverse effect on its business operations and prospects.

RISKS RELATING TO THE GROUP'S BUSINESS IN JAPAN

(a) The Group's business may be adversely affected by natural disasters in Japan

The Group may be subject to natural disasters in Japan, such as earthquakes, which have traditionally affected all sectors of the Japanese economy, including the Japanese property market. In the event that similar natural disasters occur in Japan or the other regions in which the Group operates in, there may be disruption and damage which may either lead to increased construction costs and delays, or necessitating rebuilding costs and loss of profits from operations, and this may consequently have a material adverse effect on the Group's business operations and prospects.

(b) The Group's business may be adversely affected by the increase in stamp duties or taxes in Japan

The various taxes involved in the property industry in Japan include the following:

(i) Property Registration and License Tax;

(ii) Stamp Duty;

(iii) Consumption Tax;

(iv) Property Tax and City Planning Tax;

(v) Capital Gain Tax;

(vi) Rental Income Tax; and

(vii) Estate Tax.

In the event that the Japanese government promulgates regulations that may lead to an increase in the above, investment activity may be dampened and could potentially discourage real estate activity, reduce liquidity in the market and deter any potential overseas investors.

RISKS RELATING TO THE GROUP'S BUSINESS IN BHUTAN

(a) The Group's business may be adversely affected by travel policy changes in Bhutan

The Group has developed the Dawa at Hilltop by Heeton in Bhutan. Accordingly, the Group is subject to the impact of any travel policy changes, such as increases in daily visa fees. In the event that such changes occur in Bhutan or the other regions in which the Group operates in, there may be increased costs and a detrimental impact on the demand for tourism in Bhutan, which may have a material adverse effect on the Group's business operations and prospects.

However, on 12 May 2026, Singapore and Bhutan have signed the Avoidance of Double Taxation Agreement. The Group is still evaluating the terms of this treaty and its impact on the Group's operations in Bhutan.

RISKS RELATING TO THE GROUP'S BUSINESS IN CHINA

(a) The Group faces risk risks associated with the property market in China

The property market in China may be volatile and cyclical. The central and local governments in China may adjust monetary and other economic policies from time to time to regulate and manage the economic growth in China. Such economic regulation and management may affect the property market in the regions where the Group's properties are located, as well as other parts of China. The central and local governments in China may also make policy adjustments and adopt new regulatory measures from time to time in a direct effort to regulate the development of the property market in China, such as purchase restrictions and credit tightening policies. Such policies may lead to changes in market conditions, including price instability and imbalance of supply and demand, which may materially and adversely affect the Group's business, financial condition, results of operations, future growth and prospects. Although the People's Republic of China ("**PRC**") government has introduced policy changes in an attempt to boost the weakened PRC property market since 2022, there is no assurance that the PRC government will not make further adjustments to such policies or introduce new policies to regulate the PRC property market in the future. Moreover, there is no assurance that there will not be over-development in the property sector in the areas where properties are, or may be, located and other parts of China in the future. Any future over-development in the property sector in these areas and other parts of China may result in an oversupply of properties and a fall in property prices as well as rental rates, occupancy rates and room rates, which could adversely affect the Group's business, financial condition, results of operations, future growth and prospects.

(I) The section below replaces the sub-section "CLEARING AND SETTLEMENT UNDER THE DEPOSITORY SYSTEM" appearing on page 158 of the Original Information Memorandum in its entirety.

Clearance and Settlement under the Depository System

In respect of Notes which are accepted for clearance by CDP in Singapore, clearance will be effected through an electronic book-entry clearance and settlement system for the trading of debt securities ("**Depository System**") maintained by CDP. Notes that are to be listed on the SGX-ST may be cleared through CDP.

CDP, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. CDP holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between accountholders through electronic book-entry changes in the securities accounts maintained by such accountholders with CDP.

In respect of Notes which are accepted for clearance by CDP, the entire issue of the Notes is to be held by CDP in the form of a global certificate for persons holding the Notes in securities accounts with CDP ("**Depositors**"). Delivery and transfer of Notes between Depositors is by electronic book-entries in the records of CDP only, as reflected in the securities accounts of Depositors.

Settlement of over-the-counter trades in the Notes through the Depository System may only be effected through securities sub-accounts held with corporate depositors ("**Depository Agents**"). Depositors holding the Notes in direct securities accounts with CDP, and who wish to trade Notes through the Depository System, must transfer the Notes to a securities sub-account with a Depository Agent for trade settlement.

CDP is not involved in money settlement between the Depository Agents (or any other persons) as CDP is not a counterparty in the settlement of trades of debt securities. However, CDP will make payments of interest and repayment of principal on behalf of issuers of debt securities.

Although CDP has established procedures to facilitate transfers of interests in the Notes in global form among Depositors, it is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Issuing and Paying Agent or any other agent will have the responsibility for the performance by CDP of its obligations under the rules and procedures governing its operations.

(J) This section replaces the section "SINGAPORE TAXATION" appearing on pages 160 to 164 of the Original Information Memorandum in its entirety.

*The statements made herein regarding taxation are general in nature and are based on certain aspects of current tax laws and regulations in Singapore, and administrative guidelines and circulars issued by the Inland Revenue Authority of Singapore ("**IRAS**") and the MAS in force as at the date of this Information Memorandum and are subject to any changes in such laws, regulations, administrative guidelines or circulars, or in the interpretation of those laws, regulations, guidelines or circulars, occurring after such date, which changes could be made on a retroactive basis. These laws, regulations, guidelines and circulars are also subject to various interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. Neither the statements below nor any other statements in this Information Memorandum are intended or are to be regarded as advice on the tax position of any holder of the Notes or of any person acquiring, selling or otherwise dealing with the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates. The statements should not be regarded as advice on the tax position of any person and should be treated with appropriate caution. Prospective holders of the Notes are advised to consult their own professional tax advisers as to the Singapore or other tax consequences of the subscription for, ownership of or disposal of the Notes, including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that none of the Issuer, the Arranger and any other persons involved in the Programme or the issuance of the Notes, accepts responsibility* *for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Notes.*

1. Interest and Other Payments

Subject to the following paragraphs, under Section 12(6) of the ITA, the following payments are deemed to be derived from Singapore:

(a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or

(b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore, unless specifically exempted. The rate at which tax is to be withheld for such payments (other than those subject to the 15.0 per cent. final withholding tax described below) to non-resident persons (other than non-resident individuals) is the prevailing corporate tax rate, currently 17.0 per cent. The applicable rate for non-resident individuals is currently 24.0 per cent. However, if the payment is derived by a person not resident in Singapore from sources other than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax rate of 15.0 per cent. The rate of 15.0 per cent. may be reduced by applicable tax treaties.

However, certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including interest, discount income (not including discount income arising from secondary trading), early redemption fee and redemption premium from debt securities, except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession.

As the Programme as a whole was arranged by DBS Bank Ltd. (which was a Financial Sector Incentive (Bond Market) Company (as defined in the ITA) and is a Specified Licensed Entity (as defined below)), any Tranche of the Notes ("**Relevant Notes**") issued as debt securities under the Programme during the period from the date of the Information Memorandum to 31 December 2028 would be qualifying debt securities ("**QDS**") for the purposes of the ITA, to which the following treatment shall apply:

(a) subject to certain prescribed conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Relevant Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require, and the inclusion by the Issuer in all offering documents relating to the Relevant Notes of a statement to the effect that where interest, discount income, early redemption fee or redemption premium from the Relevant Notes is derived by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption available for QDS shall not apply if the non-resident person acquires the Relevant

Notes using the funds and profits of such person's operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), early redemption fee and redemption premium (collectively, the "**Qualifying Income**") from the Relevant Notes, paid by the Issuer and derived by a holder who is not resident in Singapore and who (i) does not have any permanent establishment in Singapore or (ii) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Relevant Notes are not obtained from such person's operation through a permanent establishment in Singapore, are exempt from Singapore tax;

(b) subject to certain conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Relevant Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require), Qualifying Income from the Relevant Notes paid by the Issuer and derived by any company or body of persons (as defined in the ITA) in Singapore, other than any non-resident who qualifies for the tax exemption as described in paragraph (a) above, is subject to income tax at a concessionary rate of 10.0 per cent. (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates); and

(c) subject to:

(i) the Issuer including in all offering documents relating to the Relevant Notes a statement to the effect that any person whose interest, discount income, early redemption fee or redemption premium derived from the Relevant Notes is not exempt from tax shall include such income in a return of income made under the ITA; and

(ii) the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Relevant Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require,

payments of Qualifying Income derived from the Relevant Notes are not subject to withholding of tax by the Issuer.

For the purposes of the foregoing, the term "offering documents" means the prospectuses, offering circulars, information memoranda, pricing supplements or other documents issued to investors in connection with an issue of securities.

Notwithstanding the foregoing:

(A) if during the primary launch of any tranche of Relevant Notes, the Relevant Notes of such tranche are issued to fewer than four persons and 50.0 per cent. or more of the issue of such Relevant Notes is beneficially held or funded, directly or indirectly, by related parties of the Issuer, such Relevant Notes would not qualify as QDS; and

(B) even though a particular tranche of Relevant Notes is QDS, if, at any time during the tenure of such tranche of Relevant Notes, 50.0 per cent. or more of such Relevant Notes which are outstanding at any time during the life of their issue is beneficially held or funded, directly or indirectly, by any related party(ies) of the Issuer, Qualifying Income derived from such Relevant Notes held by:

(i) any related party of the Issuer; or

(ii) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption or concessionary rate of tax as described above.

Pursuant to the ITA, the reference to the term "**Specified Licensed Entity**" above means:

(a) a bank or merchant bank licensed under the Banking Act 1970 of Singapore;

(b) a finance company licensed under the Finance Companies Act 1967 of Singapore; or

(c) a person who holds a capital markets services licence under the SFA to carry on a business in any of the following regulated activities: advising on corporate finance or dealing in capital markets products.

The terms "**early redemption fee**", "**redemption premium**" and "**related party**" are defined in the ITA as follows:

"early redemption fee", in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities;

"redemption premium", in relation to debt securities and qualifying debt securities, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity or on the early redemption of the securities; and

"related party", in relation to a person (*A*), means any person (a) who, directly or indirectly, controls *A*; (b) who is being controlled, directly or indirectly, by *A*; or (c) who, together with *A*, is directly or indirectly, under the control of a common person.

References to "early redemption fee", "redemption premium" and "related party" in this Singapore tax disclosure have the same meaning as defined in the ITA.

Where interest, discount income, early redemption fee or redemption premium (i.e. the Qualifying Income) is derived from any of the Relevant Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for QDS under the ITA (as mentioned above) shall not apply if such person acquires such Relevant Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, early redemption fee or redemption premium (i.e. the Qualifying Income) derived from the Relevant Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the ITA.

2. Capital Gains

Any gains considered to be in the nature of capital made from the sale of the Notes will not be taxable in Singapore. However, any gains derived by any person from the sale of the Notes which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

Holders of the Notes who apply or who are required to apply Singapore Financial Reporting Standard 109 ("**FRS 109**") or Singapore Financial Reporting Standard (International) 9 ("**SFRS(I) 9**") (as the case may be) may, for Singapore income tax purposes, be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Notes, irrespective of disposal, in accordance with FRS 109 or SFRS(I) 9 (as the case may be). Please see the section below on “Adoption of FRS 109 or SFRS(I) 9 for Singapore Income Tax Purposes”.

3. Adoption of FRS 109 or SFRS(I) 9 for Singapore Income Tax Purposes

Section 34AA of the ITA requires taxpayers who comply or who are required to comply with FRS 109 or SFRS(I) 9 for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109 or SFRS(I) 9 (as the case may be), subject to certain exceptions. The IRAS has also issued an e-Tax Guide entitled “Income Tax: Income Tax Treatment Arising from Adoption of FRS 109 – Financial Instruments”.

Holders of the Notes who may be subject to the tax treatment under Section 34AA of the ITA should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Notes.

4. Estate Duty

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.

The "SUBSCRIPTION, PURCHASE AND DISTRIBUTION" section appearing on pages 165 and 166 of the Original Information Memorandum will be amended as follows:

1. *by inserting as new paragraphs after the first paragraph of the section "SUBSCRIPTION, PURCHASE AND DISTRIBUTION" appearing on page 165 of the Information Memorandum the following:*

"Either Relevant Dealer or any of its affiliates may have performed certain banking and advisory services for the Issuer and/or its affiliates from time to time for which they have received customary fees and expenses and may, from time to time, engage in transactions with and perform services for the Issuer and/or its affiliates in the ordinary course of the Issuer's or its affiliates' business. The Issuer may also from time to time agree with either Relevant Dealer that the Issuer may pay certain third party commissions (including, without limitation, rebates to private banks as may be specified in the applicable Pricing Supplement).

If a jurisdiction requires that the offering be made by a licensed broker or dealer and a Relevant Dealer or any affiliate of that Relevant Dealer is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Relevant Dealer or its affiliate on behalf of the Issuer in such jurisdiction.

In connection with the issue of the Notes, the Notes, when issued, may not have a market. Either Relevant Dealer may advise the Issuer that they intend to make a market in such Notes as permitted by applicable law. They are not obligated, however, to make a market in the Notes and any market-making may be discontinued at any time at their sole discretion. Accordingly, no assurance can be given as to the development or liquidity of any market for such Notes.

Either Relevant Dealer or any of its affiliates may purchase Notes for its own account or enter into secondary market transactions or derivative transactions relating to the Notes, including, without limitation, purchase, sale (or facilitation thereof), stock borrowing or credit or equity-linked derivatives such as asset swaps, repackaging and credit default swaps, at the same time as the offering of the Notes. Such transactions may be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Notes to which this Information Memorandum relates (notwithstanding that such selected counterparties may also be a purchaser of the Notes). As a result of such transactions, a Relevant Dealer or any of its affiliates may hold long or short positions relating to the Notes.

Each of the Relevant Dealers and its affiliates are full service financial institutions engaged in various activities which may include securities trading, commercial and investment banking, financial advice, investment management, principal investment, hedging, financing and brokerage activities. A Relevant Dealer may have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Issuer and/or its subsidiaries, jointly controlled entities or associated companies from time to time. Each Relevant Dealer or any of its affiliates has received, or may in the future receive, customary fees and/or commissions for these transactions. In the ordinary course of their various business activities, a Relevant Dealer and its affiliates may make or hold (on their own account, on behalf of clients or in their capacity of investment advisers) a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments and enter into other transactions, including credit derivatives (such as asset swaps, repackaging and credit default swaps) in relation thereto. Such transactions, investments and securities activities may involve securities and instruments of the Issuer or its subsidiaries, jointly controlled entities or associated companies, including the Notes, may be entered into at the same time or proximate to offers and sales of Notes or at other times in the secondary market and be carried out with counterparties that are also purchasers, holders or sellers of Notes. The Notes may be purchased by or be allocated to a Relevant Dealer or an affiliate for asset management and/or proprietary purposes but not with a view to distribution.

Accordingly, references herein to the Notes being "offered" should be read as including any offering of the Notes to a Relevant Dealer and/or its affiliates for their own account. Such entities are not expected to disclose such transactions or the extent of any such investment, otherwise than in accordance with any legal or regulatory obligation to do so.

While each Relevant Dealer and/or any of its affiliates have policies and procedures to deal with conflicts of interests, any such transactions may cause either Relevant Dealer or any of its affiliates or its clients or counterparties to have economic interests and incentives which may conflict with those of an investor in the Notes. Either Relevant Dealer or any of its affiliates may receive returns on such transactions and have no obligations to take, refrain from taking or cease taking any action with respect to any such transactions based on the potential effect on a prospective investor in the Notes."; and

2. *by deleting the sub-sections "SUBSCRIPTION, PURCHASE AND DISTRIBUTION – UNITED STATES", "SUBSCRIPTION, PURCHASE AND DISTRIBUTION – HONG KONG" and "SUBSCRIPTION, PURCHASE AND DISTRIBUTION – SINGAPORE" appearing on pages 165 and 166 of the Original Information Memorandum in its entirety and substituting therefor the following:*

"**United States**

The Notes have not been and will not be registered under the Securities Act, and the Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in transactions not subject to the registration requirements of Regulation S of the Securities Act ("**Regulation S**"). Terms used in this paragraph have the meanings given to them by Regulation S.

Each Relevant Dealer and each further relevant Dealer appointed in relation to the Notes will be required to agree that, except as permitted by the Programme Agreement, it will not offer, sell or deliver the Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of an identifiable tranche of which such Notes are a part, as determined and certified to the Issuing and Paying Agent by such Dealer (or, in the case of an identifiable tranche of Notes sold to or through more than one Dealer, by each of such Dealers with respect to Notes of an identifiable tranche purchased by or through it, in which case the Issuing and Paying Agent shall notify such Dealer when all such Dealers have so certified), within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each Dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting out the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding sentence have the meanings given to them by Regulation S.

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering, an offer or sale of any identifiable tranche of Notes within the United States by any dealer that is not participating in the offering of such tranche of Notes may violate the registration requirements of the Securities Act.

This Information Memorandum has been prepared by the Issuer for use in connection with the offer and sale of the Notes outside the United States. The Issuer and the Dealers reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. This Information Memorandum does not constitute an offer to any person in the United States. Distribution of this Information Memorandum by any non-U.S. person outside the United States to any U.S. person or to any other person within the United States is unauthorised and any disclosure without the prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States is prohibited.

European Economic Area

Prohibition of Sales to EEA Retail Investors

Each Relevant Dealer has represented and agreed, and each further relevant Dealer appointed in relation to the Notes will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available the Notes which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

(i) the expression "**retail investor**" means a person who is one (or more) of the following:

  (a) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**");

  (b) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

  (c) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**"); and

(ii) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

United Kingdom

Prohibition of Sales to UK Retail Investors

Each Relevant Dealer has represented and agreed, and each further relevant Dealer appointed in relation to the Notes will be required to represent and agree that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available the Notes which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

(i) the expression "**retail investor**" means a person who is either one (or both) of the following:

(a) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018; or

(b) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024; and

(ii) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to buy or subscribe for the Notes.

Other Regulatory Restrictions

Each Relevant Dealer has represented and agreed, and each further relevant Dealer appointed in relation to the Notes will be required to represent and agree that:

(i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**")) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Hong Kong

Each Relevant Dealer has represented, warranted and agreed, and each further relevant Dealer appointed in relation to the Notes will be required to represent, warrant and agree, that:

(i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Singapore

Each Relevant Dealer acknowledges, and each further relevant Dealer appointed in relation to the Notes will be required to acknowledge that the Information Memorandum has not been and will not be registered as a prospectus with the MAS. Accordingly, each Relevant Dealer and each further relevant Dealer appointed in relation to the Notes will be required to represent, warrant and agree that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, the Information Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore.

Any reference to the SFA is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.".

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following selected financial information has been extracted from the audited financial statements of the Group for FY2024 and FY2025.

Consolidated Statement of Comprehensive Income

	FY2025	FY2024
	$'000	$'000
Revenue	81,180	78,160
Other operating income	2,424	2,420
Personnel expenses	(25,149)	(23,423)
Depreciation of property, plant and equipment	(6,727)	(5,740)
Other operating expenses	(30,288)	(29,363)
Finance expenses	(26,603)	(29,510)
Finance income	1,461	1,300
Impairment losses on financial assets	(4,945)	(7,139)
Fair value (losses)/gain on derivative financial instruments	(2,435)	16
Fair value (loss)/gain on investment security	(429)	2,572
(Impairment)/reversal of impairment of property, plant and equipment	(916)	4,341
Share of results of associated companies and joint venture companies	3,843	2,214
Gains from fair value adjustments of investment properties	1,361	3,513
Gain on disposal of property, plant and equipment	–	650
Gain on disposal of subsidiaries	–	3,776
(Loss)/profit before tax	(7,223)	3,787
Income tax expense	(2,828)	(3,062)
(Loss)/profit for the year	(10,051)	725

Consolidated Statement of Comprehensive Income (Cont'd)

Other comprehensive income:		
Item that may be reclassified subsequently to profit or loss		
Foreign currency translation	889	8,510
Other comprehensive income for the year, net of tax	889	8,510
Total comprehensive (loss)/income for the year	(9,162)	9,235
(Loss)/profit for the year		
Attributable to:		
Owners of the Company	(9,259)	(1,375)
Non-controlling interests	(792)	2,100
	(10,051)	725
Total comprehensive (loss)/income for the year:		
Attributable to:		
Owners of the Company	(7,952)	7,893
Non-controlling interests	(1,210)	1,342
	(9,162)	9,235
Earnings per share attributable to owners of the Company (cents per share)[1]		
Basic	(1.90)	(0.28)
Diluted	(1.90)	(0.28)

[1] EPS was calculated by dividing the net loss attributable to equity holders of the Company over the weighted average number of ordinary shares in issue of 487,300,000 ordinary shares during 2025 and 487,595,000 ordinary shares during 2024.

Balance Sheets as at 31 December 2025 and 31 December 2024

	Group	
	FY2025	**FY2024**
	$'000	$'000
Non-current assets		
Property, plant and equipment	422,963	418,830
Investment properties	228,590	226,817
Associated companies	25,881	15,196
Joint venture companies	93,347	94,011
Investment securities	7,172	7,201
Amounts due from associated companies and joint venture companies (non-trade)	76,184	54,466
Other receivables	34,033	30,571
Deferred tax assets	1,370	1,372
	889,540	848,464
Current assets		
Development property	22,054	20,664
Trade receivables	2,987	2,542
Other receivables	29,744	35,160
Prepayments	1,500	1,546
Amounts due from related parties (trade)	1	1
Amounts due from associated companies and joint venture companies (non-trade)	5,087	20,332
Derivative financial instruments	–	24
Treasury bills	–	2,000
Fixed deposits	10,276	19,984
Cash and bank balances	40,440	34,599
	112,089	136,852
Current liabilities		
Trade payables	1,998	1,750
Other payables and accruals	16,887	18,964
Lease liabilities	88	48
Bonds	53,800	–
Bank term loans	39,898	57,636
Income tax payable	3,703	4,780
	116,374	83,178
Net current (liabilities)/assets	(4,285)	53,674

Balance Sheets as at 31 December 2025 and 31 December 2024 (Cont'd)

	Group	
	FY2025	**FY2024**
	$'000	$'000
Non-current liabilities		
Other payables and accruals	1,656	1,571
Lease liabilities	5,450	5,205
Amounts due to associated companies and joint venture companies (non-trade)	44,226	46,078
Amounts due to non-controlling interests (non-trade)	71,887	68,508
Derivative financial instruments	2,416	–
Bonds	–	53,800
Bank term loans	345,879	303,005
Deferred tax liabilities	2,715	2,113
	474,229	480,280
Net assets	411,026	421,858
Equity attributable to owners of the Company		
Share capital	86,624	86,624
Treasury Shares	(120)	(63)
Foreign currency translation reserve	(4,963)	(6,270)
Retained earnings	339,027	350,722
	420,568	431,013
Non-controlling interests	(9,542)	(9,155)
Total equity	411,026	421,858

Financial Review

FY2025 v FY2024

Consolidated Income Statements

Turnover comprises rental income from investment properties, hotel operation income and management fee.

The Group's turnover for FY2025 increased by 3.9% to S$81.18 million compared to S$78.16 million for FY2024. The increase is attributed to increase in hotel operation income due to the income generated from the newly acquired Heeton Concept Aparthotel, Queen Street Edinburgh in December 2024. The increase is offset by the disposal of ibis Hotel Gloucester and Smile Hotel Asakusa Tokyo in second half of FY2024.

Personnel expenses increased by S$1.73 million to S$25.15 million in FY2025 mainly due to higher manpower costs due to the newly acquired hotel.

Depreciation of property, plant and equipment increased from S$5.74 million in FY2024 to S$6.73 million in FY2025 mainly due to the newly acquired hotel and the appreciation of the Pound Sterling.

Other operating expenses increased to S$30.29 million in FY2025 from S$29.36 million in FY2024 mainly due to the newly acquired hotel and higher operating expenses as a result of inflation.

Finance expenses comprised mainly interest on the bond and bank loans. It decreased from S$29.51 million in FY2024 to S$26.60 million in FY2025 mainly due to lower interest rate on bank borrowings; offset by additional term loans.

Fair value losses on derivative financial instruments amounted to S$2.44 million (FY2024: fair value gain of S$0.02 million) mainly due to the fair valuation on a forward contract for the sale of shares in a subsidiary company.

Fair value loss on investment security amounted to S$0.43 million in FY2025 (FY2024: fair value gain of S$2.57 million) related to fair valuation on the group’s 8% stake in an investment security.

The Group recorded an impairment of S$0.92 million on property, plant and equipment in FY2025 on properties held in the UK based on the current market conditions (FY2024: reversal of impairment of S$4.34 million).

The Group recorded impairment of S$4.95 million (FY2024: S$7.14 million) on amount due from its associated companies and other receivables.

Share of results from associated companies/joint venture companies was a gain of S$3.84 million in FY2025 (FY2024: $2.21 million). This is mainly due to higher gains recognised for associate companies.

The Group recorded a net gain from fair value adjustment of investment properties of S$1.36 million in FY2025 mainly from Tampines Mart and Adam House offset by fair value loss from 62 Sembawang Road.

Income tax expense decreased by S$0.23 million in FY2025 mainly due to lower taxable profits.

Consolidated Balance Sheets

Property, plant and equipment amounting to S$422.96 million comprised mainly hotel properties. The increase of S$4.13 million in FY2025 was mainly due to the effect of the appreciation of Pound Sterling; offset by depreciation charges recognised.

Investment properties increased from S$226.82 million to S$228.59 million mainly due to net gains from fair value adjustment of investment properties and the effect of foreign currency exchange gain.

Investment in associated and joint venture companies increased from S$109.21 million in FY2024 to S$119.23 million mainly due to a new investment in a hotel in Singapore, the share of the results of associated companies and joint venture companies during FY2025 and dividends received from associated companies and joint venture companies.

Amount due from associated and joint venture companies increased from S$74.80 million in FY2024 to S$81.27 million in FY2025 mainly due to loans disbursed for new property development project in Singapore offset by repayment of loans and impairment losses.

Included in other receivables are mainly notes receivables totalling S$36.00 million and S$16.50 million arises from the Group's loans to investment securities.

The Group has placed 6-months treasury bills amounting to S$2.00 million in FY2024 which matured in FY2025.

Cash and cash equivalents balances totalled S$47.02 million in FY2025 compared to S$29.85 million in FY2024. The increase is mainly due to additional bank loans secured during the year and release of cash pledge for bank facility offset by net loans to associated companies and joint venture companies.

The Group has bond issue outstanding as at 31 December 2025 of S$53.80 million, which are unsecured and bears interest at a fixed rate of 7.0% per annum due November 2026.

The Group recorded net current liabilities of S$4.29 million (FY2024: net current assets S$53.67 million) mainly due to the classification of the S$53.8 million bonds due November 2026.

Derivative financial liability instruments amounted to S$2.42 million (FY2024: asset of S$0.02 million) mainly due the forward contract for the sale of shares in a subsidiary company.

Total bank term loans and short-term bank loans increased from S$360.64 million in FY2024 to S$385.78 million in FY2025 mainly as a result of additional term loans obtained for the financing of new acquisitions.

The Group recorded a foreign currency translation gain of S$1.31 million mainly from its United Kingdom-based investments as a result of the appreciation of the Pound Sterling during the year.

Cashflow Statements

The increase in cash and cash equivalents of S$17.55 million in FY2025 can be attributed to the following major cash inflows and outflows:

Cash inflows:

- net proceeds from bank loans of S$22.13 million;
- release of restricted cash pledge for bank facility of S$21.04 million;
- net loans from non-controlling interest of S$2.90 million;
- dividend received from associated and joint venture companies of S$3.50 million; and
- proceeds on maturity of treasury bills of S$2.00 million.

Cash outflows:

- net cash flows used in operating activities of S$0.29 million;
- net repayment of loans from associated and joint venture companies of S$22.98 million;

- additions to property, plant and equipment of S$7.72 million; and
- payment of dividend of S$2.44 million.

AMENDMENTS TO CERTAIN PROVISIONS OF THE TRUST DEED

Pursuant to a supplemental trust deed to be entered into between (1) the Issuer and (2) the Trustee, it is intended that the Trust Deed dated 18 July 2013 will, only in respect of the Notes, be amended as follows:

1. the words "Trust Companies Act, Chapter 336 of Singapore" appearing in Recital (C) and in the definition of "trust corporation" in Clause 1.1 will be deleted in their entirety and substituted therefor with the words "Trust Companies Act 2005 of Singapore";

2. the words "Companies Act, Chapter 50 of Singapore" appearing in the definition of "subsidiary" in Clause 1.1, the definition of "related corporation" in Clause 1.3 and Clause 1.4 will be deleted in their entirety and substituted therefor with the words "Companies Act 1967 of Singapore";

3. the words "Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore" appearing in Clause 1.7 will be deleted in their entirety and substituted therefor with the words "Contracts (Rights of Third Parties) Act 2001 of Singapore";

4. the words "Section 43N(4) of the Income Tax Act, Chapter 134 of Singapore" appearing in Clause 16.28 will be deleted in their entirety and substituting therefor with the words "Section 43H(4) of the Income Tax Act 1947 of Singapore";

5. Clause 16.5 will be deleted in its entirety and substituted therefor with the following:

   "16.5 send to the Trustee (i) as soon as available and in any event within 150 days (or such longer period as the SGX-ST may prescribe) after the end of each of its financial years (beginning with the current one), a copy of its annual report and audited accounts (both consolidated and unconsolidated) as at the end of and for that financial year, together with copies of the related reports and approvals referred to in Clause 15.8.1, (ii) as soon as available and in any event within 60 days (or such longer period as the SGX-ST may prescribe) after the end of each financial half year (beginning with the current one), a copy of its unaudited half yearly accounts (both consolidated and unconsolidated) as at the end of and for that financial half year and (iii) if required under the listing guidelines of the SGX-ST to prepare quarterly accounts, within 60 days (or such longer period as the SGX-ST may prescribe) after the end of each financial quarter, a copy of its unaudited quarterly accounts (both consolidated and unconsolidated) as at the end of and for that financial quarter;";

6. the words "Goods and Services Tax Act, Chapter 117A of Singapore" appearing in Clause 17.6 will be deleted in their entirety and substituted therefor with the words "Goods and Services Tax Act 1993 of Singapore";

7. the words "Trustees Act, Chapter 337 of Singapore" appearing in the contents page, the heading of Clause 21 and the beginning of Clause 21.1 will be deleted in their entirety and substituted therefor with the words "Trustees Act 1967 of Singapore"; and

8. Schedule 1 Part III (being the Terms and Conditions of the Notes) will be amended as follows:

   (a) the words "Companies Act, Chapter 50 of Singapore" appearing in Condition 6(e)(iii)(1) and Condition 10(2) will be deleted in their entirety and substituted therefor with the words "Companies Act 1967 of Singapore";

   (b) the words "Part IX of the Companies Act, Chapter 50 of Singapore" appearing in Condition 10(p) will be deleted in their entirety and substituted therefor with the words "Part 9 of the Companies Act 1967 of Singapore"; and

(c) the words “Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore” appearing in Condition 18 will be deleted in their entirety and substituted therefor with the words “Contracts (Rights of Third Parties) Act 2001 of Singapore”.

PRICING SUPPLEMENT FOR THE NOTES

Pricing Supplement

HEETON

HEETON HOLDINGS LIMITED
(UEN/Company Registration No. 197601387M)
(Incorporated with limited liability in Singapore)

S$300,000,000
Multicurrency Debt Issuance Programme

SERIES NO: 007
TRANCHE NO: 001

S$90,000,000 5.50 Per Cent. Fixed Rate Notes Due 2030
Issue Price: 100 per cent.

Dealers

(other than in respect of Notes issued in exchange for the S$53,800,000 7.00% fixed rate notes due 2026 comprised in Series 006)

CIMB Bank Berhad, Singapore Branch
30 Raffles Place
#04-01 CIMB Plaza
Singapore 048622

United Overseas Bank Limited
80 Raffles Place
#03-01 UOB Plaza 1
Singapore 048624

Issuing and Paying Agent and Registrar
DBS Bank Ltd.
1 Venture Avenue
#04-11 #05-06 Perennial Business City
Singapore 608521

The date of this Pricing Supplement is 24 June 2026.

This Pricing Supplement relates to the Tranche of Notes referred to above.

This Pricing Supplement, under which the Notes described herein (the "**Notes**") are issued, is supplemental to, and should be read in conjunction with, the Information Memorandum dated 25 July 2016 (as supplemented by the Supplemental Information Memorandum dated 24 June 2026 and as further revised, supplemented, amended, updated or replaced from time to time, the "**Information Memorandum**") issued in relation to the S$300,000,000 Multicurrency Debt Issuance Programme (the "**Programme**") of Heeton Holdings Limited (the "**Issuer**"). Terms defined in the Information Memorandum have the same meaning in this Pricing Supplement. The Notes will be issued on the terms of this Pricing Supplement read together with the Information Memorandum. The Issuer accepts responsibility for the information contained in this Pricing Supplement which, when read together with the Information Memorandum, contains all information that is material in the context of the issue of the Notes.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Notes or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act 1947 of Singapore (the "**Income Tax Act**") shall not apply if such person acquires such Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the Income Tax Act.

Except as disclosed in the Information Memorandum, there has been no material adverse change, or any development involving a prospective material adverse change, in the financial condition, business, results of operations, assets or general affairs of the Issuer or the Group, taken as a whole since date of last published audited consolidated accounts.

Notification under Section 309B(1)(c) of the SFA: The Notes shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is either one (or both) of the following: (i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European

Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024. Consequently no disclosure document required by the FCA Produce Disclosure Sourcebook ("**DISC**") for offering, selling or distributing the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

Signed: ________________________________
Director

Signed: ________________________________
Director

The terms of the Notes and additional provisions relating to their issue are as follows:

1.	Series No.:		007
2.	Tranche No.:		001
3.	Currency:		Singapore dollars
4.	Principal Amount of Series:		S$90,000,000 (comprising S$43,000,000 in aggregate principal amount of Notes issued in exchange for S$43,000,000 in aggregate principal amount of S$53,800,000 7.00% fixed rate notes due 2026 comprised in Series 006 and S$47,000,000 in aggregate principal amount of additional Notes (the "**Additional Notes**"))
5.	Principal Amount of Tranche:		S$90,000,000 (comprising S$43,000,000 in aggregate principal amount of Notes issued in exchange for S$43,000,000 in aggregate principal amount of S$53,800,000 7.00% fixed rate notes due 2026 comprised in Series 006 and the Additional Notes)
6.	Denomination Amount:		S$200,000
7.	Calculation Amount (if different from Denomination Amount):		Not applicable
8.	Issue Date:		2 July 2026
9.	Redemption Amount (including early redemption):		Denomination Amount
10.	Interest Basis:		Fixed Rate
11.	Interest Commencement Date:		2 July 2026
12.	Fixed Rate Note		
	(a)	Maturity Date:	Unless previously redeemed or purchased and cancelled, each Note shall be redeemed at its Redemption Amount on 2 January 2030
	(b)	Day Count Fraction:	Actual/365 (Fixed)
	(c)	Interest Payment Date(s):	2 January and 2 July in each year
	(d)	Initial Broken Amount:	Not Applicable
	(e)	Final Broken Amount:	Not Applicable

	(f) Interest Rate:	5.50 per cent. per annum
13.	Floating Rate Note	Not applicable
14.	Variable Rate Note	Not applicable
15.	Hybrid Note	Not applicable
16.	Zero Coupon Note	Not applicable
17.	Issuer's Redemption Option Issuer's Redemption Option Period (Condition 6(d))	No Not Applicable
18.	Noteholders' Redemption Option Noteholders' Redemption Option Period (Condition 6(e)(i)):	No Not Applicable
19.	Issuer's Purchase Option Issuer's Purchase Option Period (Condition 6(b))	No Not Applicable
20.	Noteholders' VRN Purchase Option Noteholders' VRN Purchase Option Period (Condition 6(c)(i)):	No Not Applicable
21.	Noteholders' Purchase Option Noteholders' Purchase Option Period (Condition 6(c)(ii)):	No Not Applicable
22.	Redemption for Taxation Reasons: (Condition 6(f)):	Yes, on Interest Payment Dates
23.	Form of Notes:	Registered Global Certificate
24.	Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):	No
25.	Applicable TEFRA exemption:	Not Applicable
26.	Listing:	Singapore Exchange Securities Trading Limited
27	ISIN Code:	To be obtained

28.	Common Code:	To be obtained
29.	Clearing System(s):	The Central Depository (Pte) Limited
30.	Depository:	The Central Depository (Pte) Limited
31.	Delivery:	Delivery free of payment
32.	Method of issue of Notes:	Syndicated Issue
33.	The following Dealers are subscribing the Notes:	CIMB Bank Berhad, Singapore Branch and United Overseas Bank Limited
34.	The aggregate principal amount of Notes issued has been translated in Singapore dollars at the rate of **[•]** producing a sum of (for Notes not denominated in Singapore dollars):	Not Applicable
35.	Issuing and Paying Agent:	DBS Bank Ltd.
36.	Registrar:	DBS Bank Ltd.
37.	Transfer Agent:	DBS Bank Ltd.
38.	Stabilising Manager:	Not applicable
39.	Private Bank Rebate:	Private bank selling commission of 0.25 per cent. of the principal amount of the Additional Notes allocated to private bank investors
40.	Use of Proceeds:	The net proceeds from the issue of the Notes (after deducting issue expenses) will be used for general corporate purposes, corporate funding and general working capital, including, but not limited to, the financing and refinancing of investment opportunities and potential acquisitions which the Group may pursue from time to time, and the refinancing of existing indebtedness of the Issuer or its subsidiaries
41.	Prohibition of Sales to EEA Investors:	Applicable
42.	Prohibition of Sales to UK Investors:	Applicable
43.	Other terms:	Not applicable

Details of any additions or variations to terms and conditions of the Notes as set out in the Information Memorandum:	Not applicable
Any additions or variations to the selling restrictions:	Not applicable

GENERAL AND OTHER INFORMATION

INFORMATION ON DIRECTORS

1. The name and position of each of the Directors are set out below:

Name	**Position**
Toh Giap Eng	Executive Chairman and Executive Director
Toh Gap Seng	Alternate Director to Toh Giap Eng
Hoh Chin Yiep	Chief Executive Officer and Executive Director
Tan Chuan Lye	Non-Executive and Lead Independent Director
Lee Bee Wah	Non-Executive and Independent Director
Li Hiaw Ho @ Li Hsi Ping	Non-Executive and Independent Director

2. No Director is or was involved in any of the following events:

   (a) a petition under any bankruptcy laws filed in any jurisdiction against such person or any partnership in which he was a partner or any corporation of which he was a director or an executive officer;

   (b) a conviction of any offence, other than a traffic offence, or judgment, including findings in relation to fraud, misrepresentation or dishonesty, given against him in any civil proceedings in Singapore or elsewhere, or being named subject to any pending proceedings which may lead to such a conviction or judgment, or so far as such person is aware, any criminal investigation pending against him; or

   (c) the subject of any order, judgment or ruling of any court of competent jurisdiction, tribunal or government body, permanently or temporarily enjoining him from acting as an investment adviser, dealer in securities, director or employee of a financial institution and engaging in any type of business practice or activity.

3. Save as disclosed below, the Directors are not related by blood or marriage to one another nor are they related to any substantial shareholder of the Issuer.

   (a) The late Mr Toh Khai Cheng, a substantial shareholder, is the father of Mr Toh Gap Seng and Mr Toh Giap Eng.

   (b) Mr Toh Gap Seng and Mr Toh Giap Eng are brothers.

4. The interests of the Directors and the substantial shareholders of the Issuer in the Shares as at the Latest Practicable Date are as follows:

Directors

	Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%
Toh Giap Eng	63,519,373	13.04	136,361,838	27.98
Toh Gap Seng	26,752,555	5.49	1,883,200	0.39
Hoh Chin Yiep	-	-	-	-
Tan Chuan Lye	-	-	-	-
Lee Bee Wah	-	-	-	-
Li Hiaw Ho @ Li Hsi Ping	-	-	-	-

Substantial Shareholders (other than Directors)

	Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%
New Paradigm Legacies Pte. Ltd.	134,781,838	27.66	-	-
Hong Heng Company Private Limited	81,984,600	16.83	-	-
Late Toh Khai Cheng	34,126,588	7.01	216,766,438	44.49
Kim Seng Holdings Pte Ltd	27,000,000	5.54	-	-
Tan Fuh Gih	-	-	27,000,000	5.54
Tan Hoo Lang	-	-	27,000,000	5.54
Tan Kim Seng	-	-	27,000,000	5.54

Notes:

(1) The late Mr Toh Khai Cheng is deemed to be interested in the 134,781,838 ordinary shares held by New Paradigm Legacies Pte. Ltd. and the 81,984,600 ordinary shares held by Hong Heng Company Private Limited.

(2) Toh Giap Eng is deemed to be interested in the 134,781,838 ordinary shares held by New Paradigm Legacies Pte. Ltd. and 1,580,000 ordinary shares held by his children.

(3) Toh Gap Seng is deemed to be interested in the 1,883,200 ordinary shares held by his spouse and children.

(4) Tan Fuh Gih, Tan Hoo Lang and Tan Kim Seng are deemed to be interested in the 27,000,000 ordinary shares held by Kim Seng Holdings Pte Ltd.

SHARE CAPITAL

5. As at the date of this Supplemental Information Memorandum, there is only one class of ordinary shares in the Issuer. The rights and privileges attached to the Shares are stated in the Constitution of the Issuer.

6. The issued share capital of the Issuer as at the Latest Practicable Date is as follows:

Share Designation	Issued Share Capital	
	Number of Shares	Amount
Ordinary Shares	487,234,735	S$ 86,912,238.524

BORROWINGS

7. Save as disclosed in the audited consolidated financial statements of the Group for the year ended 31 December 2025 appended as Appendix III, the Group had as at 31 December 2025 no other borrowings or indebtedness in the nature of borrowings including bank overdrafts and liabilities under acceptances (other than normal trading bills) or acceptance credits, mortgages, charges, hire purchase commitments, guarantees or other material contingent liabilities.

WORKING CAPITAL

8. The Directors are of the opinion that, after taking into account the present banking facilities and the net proceeds of the issue of the Notes, the Issuer will have adequate working capital for its present requirements.

CHANGES IN ACCOUNTING POLICIES

9. There has been no significant change in the accounting policies of the Issuer since its audited consolidated financial statements for the financial year ended 31 December 2025.

LITIGATION

10. There are no legal or arbitration proceedings pending or, so far as the Directors are aware, threatened against the Issuer or any of its subsidiaries the outcome of which, in the opinion of the Directors, may have or have had during the 12 months prior to the date of this Supplemental Information Memorandum a material adverse effect on the financial position of the Group.

MATERIAL ADVERSE CHANGE

11. Save as disclosed in this Supplemental Information Memorandum, there has been no material adverse change in the financial condition or business of the Issuer or the Group since 31 December 2025.

CONSENT

12. Ernst & Young LLP has given and has not withdrawn its written consent to the issue of this Supplemental Information Memorandum with the references herein to its name and, where applicable, reports in the form and context in which they appear in this Supplemental Information Memorandum.

DOCUMENTS AVAILABLE FOR INSPECTION

13. Copies of the following documents may be inspected at the registered office of the Issuer at 60 Paya Lebar Road, #08-36, Paya Lebar Square, Singapore 409051 during normal business hours for a period of six months from the date of this Supplemental Information Memorandum:

    (a) the Constitution of the Issuer;

    (b) the Trust Deed;

    (c) the letter of consent referred to in paragraph 12 above; and

    (d) the audited consolidated financial statements of the Group for the financial years ended 31 December 2024 and 31 December 2025.

FUNCTIONS, RIGHTS AND OBLIGATIONS OF THE TRUSTEE

14. The functions, rights and obligations of the Trustee are set out in the Trust Deed.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF HEETON HOLDINGS LIMITED AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

The information in this Appendix II has been reproduced from the auditor's report on the consolidated financial statements of Heeton Holdings Limited and its subsidiaries for the financial year ended 31 December 2024 and has not been specifically prepared for inclusion in this Supplemental Information Memorandum.

Company Registration No. 197601387M

Heeton Holdings Limited and its Subsidiaries

Annual Financial Statements
31 December 2024

Building a better
working world

Index

Directors' statement

The directors present their statement to the members together with the audited consolidated financial statements of Heeton Holdings Limited (the "Company") and its subsidiaries (the "Group") and the balance sheet of the Company for the financial year ended 31 December 2024.

Opinion of the directors

In the opinion of the directors,

(i) the consolidated financial statements of the Group and the balance sheet of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date; and

(ii) 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.

Directors

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

Toh Giap Eng	–	Executive Chairman
Hoh Chin Yiep	–	Executive Director
Tan Chuan Lye	–	Independent Director
Lee Bee Wah	–	Independent Director
Li Hiaw Ho	–	Independent Director
Toh Gap Seng	–	Alternate to Toh Giap Eng

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose 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 or debentures of the Company or any other body corporate.

Directors' interests in shares or debentures

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

	Direct interest		Deemed interest	
Name of director	**1 January 2024**	**31 December 2024**	**1 January 2024**	**31 December 2024**
The Company				
Heeton Holdings Limited				
Number of Ordinary shares				
Toh Giap Eng	63,519,373	63,519,373	136,361,838	136,361,838
Toh Gap Seng	26,652,555	26,652,555	1,883,200	1,883,200
7.00% fixed rate Notes due November 2026				
Toh Giap Eng	$8,400,000	$8,400,000	–	–
Toh Gap Seng	$2,000,000	$2,000,000	–	–
Hoh Chin Yiep	$600,000	$600,000	–	–
Lee Bee Wah	$200,000	$200,000	–	–

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

By virtue of Section 7 of the Companies Act 1967, Messrs Toh Giap Eng is deemed to have interests in the shares held by Heeton Holdings Limited in all its subsidiaries.

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares or debentures of the Company or related corporations, either at the beginning or at the end of the financial year.

Share options

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

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

There were no unissued shares of the Company or its subsidiaries under option as at the end of the financial year.

Audit committee

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

- Reviewed the audit plans of the internal and external auditors of the Group and the Company and reviewed the internal auditor's evaluation of the adequacy of the Company's system of internal accounting controls and the assistance given by the Group and the Company's management to the external and internal auditors;
- Reviewed the half-yearly and annual financial statements and the independent auditor's report on the annual financial statements of the Group and the Company before their submission to the board of directors;
- Reviewed effectiveness of the Group's and the Company's material internal controls, including financial, operational and compliance controls and risk management via reviews carried out by the internal auditor;
- Met with the external auditor, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC;
- Reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;
- Reviewed the cost effectiveness and the independence and objectivity of the external auditor;
- Reviewed the nature and extent of non-audit services provided by the external auditor;
- Recommended to the board of directors the external auditor to be nominated, approved the compensation of the external auditor, and reviewed the scope and results of the audit;
- Reported actions and minutes of the AC to the board of directors with such recommendations as the AC considered appropriate; and
- Reviewed interested person transactions in accordance with the requirements of the Singapore Exchange Securities Trading Limited (SGX-ST)'s Listing Manual.

Audit committee (cont'd)

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

The AC convened two meetings during the year with full attendance from all members. The AC 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 AC are disclosed in the Report on Corporate Governance in the Annual Report.

Auditor

Ernst & Young LLP have expressed their willingness to accept reappointment as auditor.

On behalf of the board of directors,

Toh Giap Eng
Executive Chairman

Hoh Chin Yiep
Executive Director

Singapore

21 March 2025

Independent auditor's report to members of Heeton Holdings Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Heeton Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the balance sheets of the Group and the Company as at 31 December 2024, the consolidated statement of changes in equity, consolidated statement of comprehensive income and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group, and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the Act) and Singapore Financial Reporting Standards (International) (SFRS(I)) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2024 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

Key Audit Matters (cont'd)

Valuation of investment properties

As at 31 December 2024, the carrying amount of the Group's investment properties was $226,817,000 which accounted for 23.0% of total assets. The Group carries its investment properties at fair value, with changes in fair values recognised in profit or loss. The Group also invests in investment properties through its joint venture company and associated companies.

The Group engaged independent valuation specialists to determine the fair values of its investment properties as at 31 December 2024. The valuation of the investment properties is a significant judgemental area and is underpinned by a number of assumptions including, but not limited to, yield adjustments made for any difference in nature, location or condition of the specific property. In addition, there was an increase in the level of estimation uncertainty and significant management judgement is required in determining the valuation of investment properties arising from rapid changes in market and economic conditions. Accordingly, we have identified this as a key audit matter.

As part of our audit procedures, we evaluated the independence, competence and objectivity of the external valuation specialists. With the assistance of our internal property valuation specialist, we held discussions with selected external valuation specialists to understand the valuation methodologies used in the valuation and the results of their work, including key valuation adjustments made in light of the increased estimation uncertainty. We assessed the reasonableness of the key inputs and assumptions underlying the valuation, such as adjusted recent sale prices, or estimated annual net rental income after deduction of expenses, capitalised at an appropriate rate of return. We also assessed the adequacy of the disclosures in the financial statements in Note 3 *Significant accounting estimates and judgements*, Note 12 *Investment properties* and Note 41 *Fair value of assets and liabilities* of the financial statements.

Impairment assessment on carrying value of hotel properties

As at 31 December 2024, the carrying value of property, plant and equipment (collectively, "properties") mainly relating to the Group's portfolio of hotel properties, amounted to $418,830,000 and accounted for 42.5% of the Group's total assets. These properties are carried at cost less accumulated depreciation and impairment losses, and are subject to an annual review to assess if there are indicators of impairment. The changes in market and economic conditions has resulted in significant amount of uncertainty in the current and future environment in which the Group operates. Accordingly, the Group undertook an impairment assessment to determine the recoverable amounts of its hotel properties.

The process of identifying indicators of impairment and assessing the recoverable amount of each hotel property involves significant management judgement and estimation. Valuations by external valuation specialists were obtained for hotel properties with impairment indicators to determine the recoverable value. These assessments are highly dependent on a range of key assumptions and estimates that require significant judgement, including but not limited to expected occupancy rates, discount rates, revenue growth rates and the competitive landscape in their local markets. Accordingly, we have identified this as a key audit matter.

Key Audit Matters (cont'd)

Impairment assessment on carrying value of hotel properties (cont'd)

Our audit procedures included, amongst others, obtained an understanding and an evaluation of the Group's policies and procedures to identify triggering events for potential impairment and any material changes in the carrying value of the hotel properties. We evaluated the independence, competence and objectivity of the external valuation specialists. With the assistance of our internal property valuation specialist, we held discussions with the management and external specialists to understand the valuation methodologies and key assumptions and estimates used in the valuation and the results of their work, including key valuation adjustments made in response to the changes in market and economic conditions. We assessed the reasonableness of the key assumptions and estimates used by the independent valuation specialist and management by comparing to historical average room and occupancy rates, property-related industry data and prices from recent sale transactions of comparable properties, where available. We also assessed the adequacy of the related disclosures in the financial statements in Note 3 *Significant accounting estimates and judgements* and Note 11 *Property, plant and equipment* of the financial statements.

Impairment assessment of the Group's and Company's interest in subsidiaries, associated companies and joint venture companies

The Group and the Company has significant interests in subsidiaries, associated companies and joint venture companies, which comprise the investments in and amounts due from subsidiaries, associated companies and joint venture companies. The subsidiaries, associated companies and joint venture companies of the Group are mainly involved in the business of property development and hotel operations.

The recoverability of the interests in these subsidiaries, associated companies and joint venture companies are dependent on the hotel properties' future operating performance and/or the success of the relevant development projects. The hotel properties' future operating performance is dependent on, amongst others, the expected occupancy rates, revenue growth rates and the competitive landscape in their local markets. The success of the development projects are dependent on, amongst others, the economic condition, government policies, and demand and supply of properties in their respective markets. Consequently, there is a risk of downward valuation of the hotel properties and development projects due to implications brought on by the market and economic conditions. Annually, management conducts an assessment to determine whether any indicator of impairment exists.

We identified this as a key audit matter because the interests in subsidiaries, associated companies and joint venture companies are material to the Group's and the Company's financial statements, and the valuation and impairment assessment involve significant management judgement and heighten level of estimation uncertainty arising from the volatility in market and current economic conditions.

Independent auditor's report to members of Heeton Holdings Limited

Key Audit Matters (cont'd)

Impairment assessment of the Group's and Company's interest in subsidiaries, associated companies and joint venture companies (cont'd)

As part of our audit procedures, we obtained an understanding of the Group's process for identifying impairment triggers and considered management's assessment of impairment of interests in subsidiaries, associated companies and joint venture companies. We evaluated management's assumptions and inputs used in the review of historical credit loss experiences and consideration of the information management used to make forward-looking adjustment in determining the expected credit losses. We discussed with management, and where applicable, component auditors of significant subsidiaries, associated companies and joint venture companies, about the future market and economic conditions had on the development projects and hotel properties, and their future business plans. We assessed the reasonableness of revenue recognised during the financial year and sales performance of the completed development projects. In addition, we assessed the reasonableness of the estimated selling prices of the completed development properties by comparing to recently transacted prices and prices of comparable projects located in the vicinity as the development projects. For development properties under construction held by associated companies, we assessed the reasonableness of the total estimated contract costs by enquiring with management to understand the basis of key assumptions used in estimating project completion timelines and total estimated contract costs. For those subsidiaries and associated companies with hotel properties, together with our internal property valuation specialist, we obtained and read the valuation reports prepared by the external valuers. We also inquired the external valuers and management and obtained explanations to support the selection of valuation methods, the valuation adjustments made in light of the heighten estimation uncertainty as well as the reasonableness of key assumptions including the expected occupancy rates, revenue growth rates and capitalisation rates used to establish the valuations.

We also assessed the adequacy of the disclosures in the financial statements in Note 3 *Significant accounting estimates and judgements,* Note 13 *Subsidiaries,* Note 14 *Associated companies,* Note 15 *Joint ventures companies,* Note 17 *Amounts due from associated companies and joint venture companies, and* Note 23 *Amounts due from subsidiaries* of the financial statements.

Other Information

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

Our opinion on the financial statements does not cover the other information and we do not 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), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposed of the Group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on other legal and regulatory requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Mr. Lim Tze Yuen.

Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

21 March 2025

Heeton Holdings Limited and its Subsidiaries

Consolidated statement of comprehensive income
For the year ended 31 December 2024

	Note	2024 $'000	2023 $'000
Revenue	4	78,160	67,857
Other operating income	5	2,420	2,318
Personnel expenses	6	(23,423)	(21,560)
Depreciation of property, plant and equipment	11	(5,740)	(5,233)
Other operating expenses		(29,363)	(25,843)
Finance expenses	7(a)	(29,510)	(27,392)
Finance income	7(b)	1,300	2,891
(Impairment)/Reversal of impairment losses on financial assets	8	(7,139)	2,176
Fair value gains/(losses) on derivative financial instruments	8	16	(135)
Fair value gain on investment security	8	2,572	3,198
Reversal of impairment/(Impairment) of property, plant and equipment	11	4,341	(1,927)
Impairment on investment in associated company	8	–	(1,660)
Share of results of associated companies and joint venture companies		2,214	(1,139)
Gains from fair value adjustments of investment properties	12	3,513	4,497
Gain on disposal of property, plant and equipment	8	650	–
Gain on disposal of assets subsidiaries	8,13	3,776	–
Profit/(loss) before tax	8	3,787	(1,952)
Income tax expense	9	(3,062)	(4,625)
Profit/(loss) for the year		725	(6,577)
Other comprehensive income/(loss):			
Item that may be reclassified subsequently to profit or loss			
Foreign currency translation		8,510	2,290
Other comprehensive income for the year, net of tax		8,510	2,290
Total comprehensive income/(loss) for the year		9,235	(4,287)
Profit/(loss) for the year			
Attributable to:			
Owners of the Company		(1,375)	(3,180)
Non-controlling interests		2,100	(3,397)
		725	(6,577)

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

Consolidated statement of comprehensive income
For the year ended 31 December 2024

	Note	2024 $'000	2023 $'000
Total comprehensive income/(loss) for the year:			
Attributable to:			
Owners of the Company		7,893	509
Non-controlling interests		1,342	(4,796)
		9,235	(4,287)
Earnings per share attributable to owners of the Company (cents per share)			
Basic	10	(0.28)	(0.65)
Diluted	10	(0.28)	(0.65)

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

Heeton Holdings Limited and its Subsidiaries

Balance sheets
As at 31 December 2024

	Note	Group 2024 $'000	Group 2023 $'000	Company 2024 $'000	Company 2023 $'000
Non-current assets					
Property, plant and equipment	11	418,830	401,913	273	371
Investment properties	12	226,817	222,882	–	–
Subsidiaries	13	–	–	41,237	41,237
Associated companies	14	15,196	16,570	–	–
Joint venture companies	15	94,011	93,306	5,000	5,000
Investment security	16	7,201	4,629	–	–
Amounts due from associated companies and joint venture companies (non-trade)	17	54,466	59,535	–	–
Derivative financial instruments	29	–	107	–	107
Intangible assets	18	–	109	–	–
Other receivables	22	30,571	12,871	17,300	–
Deferred tax assets	33	1,372	1,557	–	–
		848,464	813,479	63,810	46,715
Current assets					
Development property	19	20,664	19,188	–	–
Trade receivables	21	2,542	1,054	–	–
Other receivables	22	35,160	56,781	52	22,210
Prepayments		1,546	2,621	583	877
Amounts due from subsidiaries (non-trade)	23	–	–	301,722	277,420
Amounts due from related parties (trade)		1	65	1	1
Amounts due from associated companies and joint venture companies (non-trade)	17	20,332	4,683	4,419	2,205
Derivative financial instruments	29	24	89	24	89
Treasury bills	20	2,000	10,586	2,000	10,586
Fixed deposits	24	19,984	23,371	19,984	22,506
Cash and bank balances	25	34,599	40,707	3,561	7,946
		136,852	159,145	332,346	343,840
Current liabilities					
Trade payables	26	1,750	3,572	656	1,607
Other payables and accruals	27	18,964	18,648	2,544	1,125
Amounts due to subsidiaries (non-trade)	23	–	–	185,216	189,206
Lease liabilities	37(b)	48	78	39	39
Bank term loans	30	57,636	100,338	16,485	1,176
Income tax payable		4,780	5,474	–	88
		83,178	128,110	204,940	193,241
Net current assets		53,674	31,035	127,406	150,599

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

Balance sheets
As at 31 December 2024

	Note	Group 2024 $'000	Group 2023 $'000	Company 2024 $'000	Company 2023 $'000
Non-current liabilities					
Other payables and accruals	27	1,571	1,553	–	–
Lease liabilities	37(b)	5,205	6,334	98	137
Amounts due to associated companies and joint venture companies (non-trade)	17	46,078	46,147	36,411	37,135
Amounts due to non-controlling interests (non-trade)	32	68,508	69,142	–	–
Bonds	28	53,800	53,800	53,800	53,800
Bank term loans	30	303,005	247,303	–	770
Deferred tax liabilities	33	2,113	2,133	154	154
		480,280	426,412	90,463	91,996
Net assets		421,858	418,102	100,753	105,318
Equity attributable to owners of the Company					
Share capital	34	86,624	86,624	86,624	86,624
Treasury shares	35	(63)	(63)	(63)	(63)
Foreign currency translation reserve	36	(6,270)	(15,538)	–	–
Retained earnings		350,722	353,926	14,192	18,757
		431,013	424,949	100,753	105,318
Non-controlling interests	13	(9,155)	(6,847)	–	–
Total equity		421,858	418,102	100,753	105,318

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

Heeton Holdings Limited and its Subsidiaries

Consolidated statement of changes in equity
For the year ended 31 December 2024

	Note	Share capital (Note 34) $'000	Treasury shares (Note 35) $'000	Foreign currency translation reserve (Note 36) $'000	Retained earnings $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
		Attributable to owners of the Company						
Balance at 1 January 2023		86,624	–	(19,227)	358,935	426,332	(2,051)	424,281
Loss for the year		–	–	–	(3,180)	(3,180)	(3,397)	(6,577)
Other comprehensive income/(loss)								
- Foreign currency translation		–	–	3,689	–	3,689	(1,399)	2,290
Total comprehensive income/(loss) for the year		–	–	3,689	(3,180)	509	(4,796)	(4,287)
Treasury shares		–	(63)	–	–	(63)	–	(63)
Dividends on ordinary shares	45	–	–	–	(1,829)	(1,829)	–	(1,829)
At 31 December 2023		86,624	(63)	(15,538)	353,926	424,949	(6,847)	418,102
Balance at 1 January 2024		86,624	(63)	(15,538)	353,926	424,949	(6,847)	418,102
Loss/(Profit) for the year		–	–	–	(1,375)	(1,375)	2,100	725
Other comprehensive income/(loss)								
- Foreign currency translation		–	–	9,268	–	9,268	(758)	8,510
Total comprehensive income/(loss) for the year		–	–	9,268	(1,375)	7,893	1,342	9,235
Disposal of subsidiaries with non-controlling interests		–	–	–	–	–	(3,650)	(3,650)
Dividends on ordinary shares	45	–	–	–	(1,829)	(1,829)	–	(1,829)
At 31 December 2024		86,624	(63)	(6,270)	350,722	431,013	(9,155)	421,858

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

Heeton Holdings Limited and its Subsidiaries

Consolidated statement of cash flows
For the year ended 31 December 2024

	Note	2024 $'000	2023 $'000
Cash flows from operating activities			
Profit/(loss) before tax		3,787	(1,952)
Adjustments:			
Depreciation of property, plant and equipment	11	5,740	5,233
Gain on disposal of property, plant and equipment		(650)	–
Fair value (gains)/losses on derivative financial instruments	8	(16)	135
Fair value gain on investment security	8	(2,572)	(3,198)
(Reversal of impairment)/Impairment of property, plant and equipment	11	(4,341)	1,927
Impairment on investment in associated company	8	–	1,660
Gain from fair value adjustments of investment properties	12	(3,513)	(4,497)
Gain on disposal of subsidiaries	13	(3,776)	–
Impairment/(Reversal of impairment) on financial assets	8	7,139	(2,176)
Share of results of associated companies and joint venture companies		(2,214)	1,139
Interest expense	7(a)	29,510	27,392
Interest income	7(b)	(1,300)	(2,891)
Goodwill written off		109	–
Unrealised exchange differences		1,306	(2,421)
Total adjustments		25,422	22,303
Operating cash flows before changes in working capital		29,209	20,351
Changes in working capital:			
Increase in development property		(1,145)	(1,038)
Increase in trade receivables		(1,400)	(333)
Decrease/(Increase) in other receivables		3,888	(5,424)
Decrease/(Increase) in prepayments		1,087	(906)
(Decrease)/Increase in trade payables		(1,829)	777
Increase in other payables and accruals		323	4,147
Decrease/(Increase) in amounts due from related parties, net		63	(19)
Total changes in working capital		987	(2,796)
Cash flows from operations		30,196	17,555
Interest received		1,300	2,891
Interest paid, excluding amounts capitalised		(29,510)	(26,694)
Income taxes paid		(4,153)	(2,582)
Net cash flows used in operating activities		(2,167)	(8,830)

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

Consolidated statement of cash flows
For the year ended 31 December 2024

	Note	2024 $'000	2023 $'000
Cash flows from investing activities			
Proceeds from disposal of property, plant and equipment		26,426	–
Additions to property, plant and equipment	11	(40,357)	(25,160)
Dividend income from joint venture companies		3,800	6,300
Net (loan to)/repayment from associated companies and joint venture companies		(24,446)	41,534
Proceeds from disposal of subsidiaries		11,366	–
Proceeds on maturity/(purchase) of treasury bills		8,586	(10,586)
Net cash flows (used in)/from investing activities		(14,625)	12,088
Cash flows from financing activities			
Proceeds from bank loans		34,389	14,201
Repayment of bank loans		(23,596)	(8,672)
Repayment of bond		–	(8,930)
Purchase of treasury shares		–	(63)
Payments of principal portion of lease liabilities		(356)	(339)
(Repayment of loan to)/Loan from non-controlling interests		(1,541)	5,917
Dividends paid on ordinary shares of the Company	45	(1,829)	(1,829)
Restricted cash – cash pledge for bank facility		(22,977)	(1,755)
Net cash used in financing activities		(15,910)	(1,470)
Net (decrease)/increase in cash and cash equivalents		(32,702)	1,788
Effect of exchange rate changes on cash and cash equivalents		230	744
Cash and cash equivalents at beginning of year		62,323	59,791
Cash and cash equivalents at end of year		29,851	62,323

Cash and cash equivalents

Cash and cash equivalents consist of fixed deposits and cash and bank balances, as follows:

	Note	2024 $'000	2023 $'000
Fixed deposits		19,984	23,371
Cash and bank balances	25	34,599	40,707
Total cash and bank balances		54,583	64,078
Restricted cash – cash pledge for bank facility		(24,732)	(1,755)
Cash and cash equivalents at end of year		29,851	62,323

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

1. Corporate information

Heeton Holdings Limited (the "Company") is a limited liability company domiciled and incorporated in the Republic of Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST).

The registered office and principal place of business is located at 60 Paya Lebar Road #08-36, Paya Lebar Square, Singapore 409051.

The Company's principal activities are in property development and investment holding. The principal activities of the subsidiaries, associated companies and joint venture companies are set out in Notes 13 to 15 to the financial statements.

2. Material accounting policies

2.1 *Basis of preparation*

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

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

The financial statements are presented in Singapore dollars (Dollars ("SGD" or "$") and all values in the tables are recorded to the nearest thousand ("$'000") except when otherwise indicated.

2.2 *Adoption of new and amended standards and interpretations*

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 January 2024. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

2.3 *Standards issued but not yet effective*

The Group has not adopted the following standards and interpretations that have been issued but not yet effective:

Description	*Effective for annual periods beginning on or after*
Amendments to SFRS(I) 1-21: *Lack of Exchangeability*	1 Jan 2025
Amendments to SFRS(I) 9 and SFRS(I) 7: *Amendments to the Classification and Measurement of Financial Instruments*	1 Jan 2026
SFRS(I) 18: *Presentation and Disclosure in Financial Statements*	1 Jan 2027
Amendments to SFRS(I) 10 and SFRS(I) 1-28: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	To be determined

The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements on SFRS(I) 18: *Presentation and Disclosure in Financial Statements*.

2. Material accounting policies (cont'd)

2.3 *Standards issued but not yet effective (cont'd)*

Other than SFRS(I) 18: *Presentation and Disclosure in Financial Statements*, the directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

2.4 *Basis of consolidation and business combinations*

(a) *Basis of consolidation*

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

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

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

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

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

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

(b) *Business combinations and goodwill*

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

2. Material accounting policies (cont'd)

2.4 *Basis of consolidation and business combinations (cont'd)*

(b) *Business combinations and goodwill (cont'd)*

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of SFRS(I) 9 *Financial Instruments*, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with SFRS(I) 9. Other contingent consideration that is not within the scope of SFRS(I) 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

2.5 *Subsidiaries*

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

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

2. Material accounting policies (cont'd)

2.6 *Transactions with non-controlling interests*

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

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

2.7 *Joint ventures and associates*

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

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

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

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

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

2. Material accounting policies (cont'd)

2.7 *Joint ventures and associates (cont'd)*

The financial statements of the joint venture and associate are prepared as of the same reporting date as the Company unless it is impracticable to do so. When the financial statements of a joint venture and associate used in applying the equity method are prepared as of a different reporting date from that of the Company, adjustments are made for the effects of significant transactions or events that occur between that date and the reporting date of the Company. In any case, the difference between the end of the reporting period of the joint venture and associate, and that of the investor shall be no more than three months. The length of the reporting periods and any difference between the ends of the reporting periods shall be the same from period to period. When the financial statements of a joint venture and associate used in applying the equity method are as of a reporting date or for a period that is different from that of the Company, the reporting date of the financial statements of the joint venture and associate, and the reason for using a different reporting date or different period shall be disclosed.

2.8 *Foreign currency*

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

(a) *Transactions and balances*

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

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

2. Material accounting policies (cont'd)

2.8 *Foreign currency (cont'd)*

(b) *Consolidated financial statements*

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

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

2.9 *Property, plant and equipment*

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, these items are measured at cost less accumulated depreciation and any accumulated impairment losses.

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

Depreciation of an asset begins when it is available for use and is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Leasehold land	–	Over the remaining lease period
Buildings	–	50 years or over the remaining lease period, whichever is shorter
Plant and equipment	–	10 years
Renovations	–	5 to 6 years
Motor vehicles	–	5 to 10 years
Equipment and fixtures	–	3 to 10 years
Furniture and fittings	–	5 to 10 years
Computers	–	3 years

Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

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

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

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

2. Material accounting policies (cont'd)

2.10 *Investment properties*

Investment properties are properties that are either owned by the Group or leased under a finance lease that are held to earn rentals or for capital appreciation, or both.

Investment properties are initially measured at cost, including transaction costs.

Subsequent to initial recognition, investment properties are measured at fair value. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use.

2.11 *Development properties*

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

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

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

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

2.12 *Impairment of non-financial assets*

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

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

2. Material accounting policies (cont'd)

2.12 *Impairment of non-financial assets (cont'd)*

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

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

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.13 *Financial instruments*

(a) *Financial assets*

Initial recognition and measurement

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

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

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

Subsequent measurement

Investments in debt instruments

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

2. Material accounting policies (cont'd)

2.13 *Financial instruments (cont'd)*

(a) *Financial assets (cont'd)*

Subsequent measurement (cont'd)

Investments in debt instruments (cont'd)

(i) Amortised cost

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

(ii) Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument 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.

Derecognition

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

Regular way purchases and sales

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e. the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

(b) *Financial liabilities*

Initial recognition and measurement

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

All financial liabilities are recognised initially at fair value and in the case of other financial liabilities, plus directly attributable transaction costs. Derivative instruments are initially recognised at fair value on the date a derivative contract is entered into.

2. Material accounting policies (cont'd)

2.13 *Financial instruments (cont'd)*

(b) *Financial liabilities (cont'd)*

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process. Derivative instruments are subsequently re-measured to their fair value at the end of each reporting period. Changes in fair value of derivative instruments are recognised in profit or loss.

Derecognition

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

2.14 *Impairment of financial assets*

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

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

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

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

2. Material accounting policies (cont'd)

2.15 *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand and at banks and unpledged fixed deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.16 *Financial guarantee*

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

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are measured at the higher of the amount of expected credit loss determined in accordance with the policy set out in Note 2.14 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised over the period of the guarantee.

2.17 *Borrowing costs*

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

2.18 *Provisions*

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2. Material accounting policies (cont'd)

2.19 *Employee benefits*

(a) *Defined contribution plans*

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

(b) *Employment leave entitlement*

Employee entitlements to annual leave are recognised as a liability when they are accrued to employees. A provision is made for the estimated liability for leave as a result of services rendered by employees up to the end of the reporting period.

2.20 *Revenue*

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

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

I *Rental income*

Rental income arising on investment properties is accounted for on a straight-line basis over the lease terms on ongoing leases. The aggregate cost of incentives provided to lessees is recognised as a reduction of rental income over the lease term on a straight-line basis.

II *Hotel operation income*

Income from hotel operations is recognised when goods are delivered or services are rendered to customers.

III *Interest income*

Interest income is recognised as interest accrues using the effective interest method.

IV *Rendering of services*

Revenue from provision of services is recognised when these services are rendered.

V *Dividend income*

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

2. Material accounting policies (cont'd)

2.21 *Taxes*

(a) *Current income tax*

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

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

(b) *Deferred tax*

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

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

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

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

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

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

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

2. Material accounting policies (cont'd)

2.21 *Taxes (cont'd)*

(b) *Deferred tax (cont'd)*

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

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

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

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

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it is incurred during the measurement period or in profit or loss.

(c) *Sales tax*

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

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

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

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2. Material accounting policies (cont'd)

2.22 *Segment reporting*

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 44, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.23 *Share capital and share issue expenses*

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

2.24 *Contingencies*

A contingent liability is:

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

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

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

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

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

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

3. Significant accounting estimates and judgements

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, and in any future periods affected.

Information about significant areas of estimation that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Property, plant and equipment (Note 11)
- Determination of fair value of investment properties (Note 12)

3.1 *Key sources of estimation uncertainty*

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

(a) *Valuation of investment properties*

The Group carries its investment properties at fair value, with changes in fair values being recognised in profit or loss. The Group engaged independent valuation specialists to determine fair value as at 31 December 2024. The two valuation techniques adopted were the Market Comparable Approach Method and Income Approach Method. The former involves analysing recent sales evidence of similar properties. Adjustments are made to differences in location, age, tenure, floor area, condition, exposure, date of sale, amongst other factors, before arriving at the market value of the property. The latter involves the conversion of the net income of the property into a capital sum at a suitable rate of return which reflects the quality of the investment. The net income is the balance sum after deducting property tax, cost of repairs and maintenance and a reasonable percentage for vacancy from the gross rent. The value of the property is arrived at by capitalising the net rent at a suitable rate of return.

The key assumptions used to determine the fair value of these investment properties and sensitivity analysis are provided in Note 41.

The carrying amount of the Group's investment properties as at 31 December 2024 was $226,817,000 (2023: $222,882,000).

3. Significant accounting estimates and judgements (cont'd)

3.1 *Key sources of estimation uncertainty (cont'd)*

(b) *Income taxes*

The Group's exposure to income taxes mainly arises from Singapore and United Kingdom. Significant judgement is involved in determining the Group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

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

As at 31 December 2024, the carrying amount of the Group's income tax payable amounted to $4,780,000 (2023: $5,474,000). The carrying amount of deferred tax assets and deferred tax liabilities are disclosed in Note 33.

(c) *Impairment assessment of property, plant and equipment*

An impairment exists when the carrying value of property, plant and equipment exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing the asset.

Management assesses whether there are trigger events indicating potential impairment at each reporting date. Where applicable, the Group considers independent valuation reports of valuation specialists to support the recoverable amounts of certain property, plant and equipment. The fair values are determined by external specialists using valuation techniques which involve the use of estimates and assumptions which are reflective of current market conditions.

3. Significant accounting estimates and judgements (cont'd)

3.1 *Key sources of estimation uncertainty* (cont'd)

(d) *Impairment assessment of interest in associated companies and joint ventures companies*

The Group has significant interests in associated companies and joint ventures companies. The Group's interests in associated companies and joint ventures companies comprise the investments and amounts due from associated companies and joint ventures companies. The associated companies and joint ventures companies of the Group are mainly involved in the business of property development. The Group assesses at the end of each reporting period whether there is any objective evidence that the interest is impaired.

The Group applies the general approach to provide for ECLs on amounts due from associated companies and joint ventures companies carried at amortised cost. At each reporting date, the Group assesses whether the credit risk of a financial asset has increased significantly since initial recognition. When initial credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

The assessment of whether credit risk of a financial asset has increased significantly since initial recognition is a significant estimate. Credit risk assessment is based on both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

The carrying amounts of the Group's interests in associated companies and joint venture companies are disclosed in Notes 14 and 15 to the financial statements respectively.

(e) *Fair value measurement of unquoted equity security*

The Group has investment in unquoted equity security which is measured at FVTPL. The fair value of unquoted equity security measured at FVTPL is estimated based on the net asset value (NAV) of the investee entity adjusted for the fair value of the underlying development property. This requires the Group to engage external valuation expert to perform the valuation. The information about the fair value measurement is disclosed in Note 41 to the financial statements.

As at 31 December 2024, the carrying amount of the unquoted equity security amounted to $7,201,000 (2023: $4,629,000).

3. Significant accounting estimates and judgements (cont'd)

3.1 *Key sources of estimation uncertainty* (cont'd)

(f) *Leases - Estimating the incremental borrowing rate*

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs such as market interest rates when available and is required to make certain entity-specific estimates such as the Group's stand-alone credit rating.

(g) *Impairment assessment of other receivables*

The Group has other receivables from companies whom are mainly involved in the business of property development. The Group assesses at the end of each reporting period whether there is any objective evidence that the receivables is impaired.

The recoverability of the receivables is dependent on the financial position, performance and cashflows of the debtors, the valuation, estimated selling price and estimated costs to complete (where applicable) of the underlying assets held by them and the debtors' ability to repay via realisation of these underlying assets held. Annually, management conducts an assessment to determine whether any indicator of impairment exists.

The carrying amounts of the Group's interests in other receivables are disclosed in Note 22 to the financial statements.

3.2 *Judgements made in applying accounting policies*

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

(a) *Classification of property*

The Group determines whether a property is classified as investment property, development property or property, plant and equipment as follows:

- Investment property comprises land and buildings (principally offices, commercial and retail property) which are not occupied substantially for use by, or in the operations of, the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income or for capital appreciation, or both.

- Development property comprises property that is held for sale in the ordinary course of business. Principally, this is residential and commercial property that the Group develops and intends to sell before or on completion of construction.

- Property, plant and equipment comprises land and buildings (principally hotel properties) which are held for use in the supply of services to earn hotel operation income.

3. Significant accounting estimates and judgements (cont'd)

3.2 *Judgements made in applying accounting policies (cont'd)*

(b) *Classification of investments as associated companies*

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

Management has determined that it does not have control or joint control over its associated companies. The Group's associated companies are disclosed in Note 14 to the financial statements.

4. Revenue

	Group	
	2024	**2023**
	$'000	$'000
Revenue from contracts with customers	64,703	55,220
Rental income from investment properties	12,622	11,468
Other rental income	835	1,169
	78,160	67,857

4. Revenue (cont'd)

Disaggregation of revenue from contracts with customers

	Hospitality		Corporate		Total revenue	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**
Segments	$'000	$'000	$'000	$'000	$'000	$'000
Primary geographical markets						
Singapore	–	–	370	232	370	232
United Kingdom	63,968	54,662	365	326	64,333	54,988
	63,968	54,662	735	558	64,703	55,220
Major product or service line						
Hotel operation income	63,968	54,662	–	–	63,968	54,662
Management fee income	–	–	735	558	735	558
	63,968	54,662	735	558	64,703	55,220
Timing of transfer of goods or services						
At a point in time	63,968	54,662	735	558	64,703	55,220

5. Other operating income

	Group 2024 $'000	Group 2023 $'000
Tentage and other rental	153	123
Management fee income from associated companies and joint venture companies	2,120	2,120
Others	147	75
	2,420	2,318

6. Personnel expenses

	Group 2024 $'000	Group 2023 $'000
Salaries and bonuses	22,254	20,522
Central Provident Fund contributions	441	430
Other staff costs	728	608
	23,423	21,560

Personnel expenses include directors' remuneration set out in Note 8.

7. Finance expenses/(income)

	Note	Group 2024 $'000	Group 2023 $'000
(a) ***Finance expenses***			
Interest expense on:			
- bank loans		20,489	19,171
- lease liabilities	37c	377	699
- bonds		3,776	4,666
- advances from joint venture companies		2,276	525
- advances from non-controlling interests		2,073	1,903
- others		519	428
		29,510	27,392

7. Finance expenses/(income) (cont'd)

	Group 2024 $'000	Group 2023 $'000
(b) ***Finance income***		
Interest income from financial assets measured at amortised cost:		
- treasure bills	(207)	(120)
- fixed deposits	(562)	(1,191)
- loans to associated companies	(40)	(293)
- loans to joint venture companies	–	(380)
- promissory notes and sundry receivables	(491)	(907)
	(1,300)	(2,891)

8. Profit/(loss) before tax

The following items have been included in arriving at profit/(loss) before tax:

	Note	Group 2024 $'000	Group 2023 $'000
Audit fees paid to:			
- auditor of the Company		390	359
- other auditors		250	261
Non-audit fees paid to:			
- auditor of the Company		107	51
Directors' remuneration		1,709	1,665
Directors' fees		157	157
Impairment on investment in associated company	14	–	1,660
Impairment/(Reversal of impairment losses) on financial assets		7,139	(2,176)
- Amount due from associated companies and joint venture companies (non-trade)	17	1,020	(2,176)
- Other receivables	22	6,119	–
(Reversal of impairment)/Impairment of property, plant and equipment	11	(4,341)	1,927
Depreciation of property, plant and equipment	11	5,740	5,233
Property tax		2,594	2,763
Fair value (gains)/losses on derivative financial instruments		(16)	135
Fair value gain on investment security		(2,572)	(3,198)
Repairs and maintenance on investment properties		1,579	1,373
Gain on disposal of property, plant and equipment		(650)	–
Gain on disposal of assets subsidiaries	13	(3,776)	–

9. Income tax expense

Major components of income tax expense

The major components of income tax expense for the years ended 31 December 2024 and 2023 are:

	Group	
	2024	**2023**
	$'000	$'000
Statement of comprehensive income:		
Current income tax:		
- Current year	3,210	3,890
- (Over)/under provision in respect of previous years	(333)	835
	2,877	4,725
Deferred income tax:		
- Origination and reversal of temporary differences	626	(119)
- (Over)/under provision in respect of previous years	(441)	19
	185	(100)
Income tax expense recognised in profit or loss	3,062	4,625

Relationship between tax expense and accounting profit/(loss)

The reconciliation between tax expense and the product of accounting profit/(loss) multiplied by the applicable corporate tax rate for the years ended 31 December 2024 and 2023 are as follows:

	Group	
	2024	**2023**
	$'000	$'000
Profit/(loss) before tax	3,787	(1,952)
Tax at the domestic rates applicable to profits in the countries where the Group operates	(706)	(353)
Adjustments:		
Non-deductible expenses	6,530	5,115
Income not subject to taxation	(2,724)	(1,945)
Effect of tax rebate and partial tax exemption	(87)	(87)
Benefits from previously unrecognised deferred tax assets	–	(143)
Deferred tax assets not recognised	795	454
(Over)/under provision in respect of previous years	(774)	854
Share of results of associated companies and joint venture companies	(376)	194
Tax losses not allowed to be carried forward	433	533
Others	(29)	3
Income tax expense recognised in profit or loss	3,062	4,625

10. Earnings per share

Basic earnings per share is calculated by dividing loss for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share is calculated by dividing loss for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following tables reflect the loss and share data used in the computation of basic and diluted earnings per share for the years ended 31 December 2024 and 2023:

	Group	
	2024	2023
	$'000	$'000
Loss for the year attributable to owners of the Company used in the computation of basic earnings per share and diluted earnings per share	(1,375)	(3,180)
	Number of shares '000	Number of shares '000
Weighted average number of ordinary shares for basic earnings per share and diluted earnings per share computation	487,595	487,595

11. Property, plant and equipment

Group	Freehold and leasehold land $'000	Buildings[1] $'000	Plant and equipment $'000	Renovations $'000	Motor vehicles $'000	Equipment and fixtures $'000	Furniture and fittings $'000	Computers $'000	Total $'000
Cost:									
At 1 January 2023	240,409	150,685	3,700	986	619	835	6,585	1,325	405,144
Additions	3,421	19,299	–	14	279	10	616	1,719	25,358
Write off/disposal	–	–	–	–	(111)	–	–	(29)	(140)
Exchange differences	9,016	2,429	–	–	2	21	232	18	11,718
At 31 December 2023 and 1 January 2024	252,846	172,413	3,700	1,000	789	866	7,433	3,033	442,080
Additions	–	37,381	–	68	–	117	2,748	43	40,357
Write off/disposal	–	(26,806)	–	(418)	(168)	(107)	(368)	(1,062)	(28,929)
Exchange differences	3,704	317	–	–	1	(3)	103	5	4,127
At 31 December 2024	256,550	183,305	3,700	650	622	873	9,916	2,019	457,635

11. Property, plant and equipment (cont'd)

Group	Freehold and leasehold land $'000	Buildings[1] $'000	Plant and equipment $'000	Renovations $'000	Motor vehicles $'000	Equipment and fixtures $'000	Furniture and fittings $'000	Computers $'000	Total $'000
Accumulated depreciation:									
At 1 January 2023	8	17,062	3,700	656	507	666	4,545	1,137	28,281
Charge for the year (Note 8)	–	3,816	–	76	86	52	561	642	5,233
Write off/disposal	–	–	–	–	(111)	–	–	(29)	(140)
Exchange differences	–	786	–	–	–	15	158	19	978
At 31 December 2023 and 1 January 2024	8	21,664	3,700	732	482	733	5,264	1,769	34,352
Charge for the year (Note 8)	–	4,633	–	78	97	60	756	116	5,740
Write off/disposal	–	(2,184)	–	(418)	(163)	(46)	(270)	(72)	(3,153)
Exchange differences	–	317	–	–	(3)	7	72	(1)	392
At 31 December 2024	8	24,430	3,700	392	413	754	5,822	1,812	37,331
Impairment:									
At 1 January 2023	–	(3,888)	–	–	–	–	–	–	(3,888)
Impairment for the year (Note 8)	–	(1,927)	–	–	–	–	–	–	(1,927)
At 31 December 2023 and 1 January 2024	–	(5,815)	–	–	–	–	–	–	(5,815)
Reversal of impairment for the year (Note 8)	–	4,341	–	–	–	–	–	–	4,341
At 31 December 2024	–	(1,474)	–	–	–	–	–	–	(1,474)
Net carrying amount:									
At 31 December 2023	252,838	144,934	–	268	307	133	2,169	1,264	401,913
At 31 December 2024	256,542	157,401	–	258	209	119	4,094	207	418,830

[1] As at 31 December 2024, included in buildings is an amount of $21.9 million (2023: $17.3 million) which relates to expenditure for a hotel in the course of construction and right-of-use assets acquired under leasing arrangements. Details of leased assets are disclosed in Note 37.

11. Property, plant and equipment (cont'd)

Company	Renovations $'000	Motor vehicles $'000	Equipment and fixtures $'000	Furniture and fittings $'000	Computers $'000	Total $'000
Cost:						
At 1 January 2023	12	177	71	18	717	995
Additions	–	279	–	–	106	385
Disposal	–	–	–	–	(29)	(29)
At 31 December 2023 and 1 January 2024	12	456	71	18	794	1,351
Additions	–	–	–	–	27	27
Disposal	(12)	–	(39)	(1)	–	(52)
At 31 December 2024	–	456	32	17	821	1,326
Accumulated depreciation:						
At 1 January 2023	12	119	71	18	686	906
Charge for the year	–	66	–	–	37	103
Disposal	–	–	–	–	(29)	(29)
At 31 December 2023 and 1 January 2024	12	185	71	18	694	980
Charge for the year	–	76	–	–	49	125
Disposal	(12)	–	(39)	(1)	–	(52)
At 31 December 2024	–	261	32	17	743	1,053
Net carrying amount:						
At 31 December 2023	–	271	–	–	100	371
At 31 December 2024	–	195	–	–	78	273

11. Property, plant and equipment (cont'd)

Impairment of property, plant and equipment

During the year, management assessed the recoverable amounts of the property, plant and equipment of the hospitality segment in the United Kingdom. The recoverable amount was assessed based on independent valuation and management's value-in-use calculation using the discounted cash flow method. The Group recognised reversal of impairment of $4,341,000 (2023: impairment of $1,927,000) for the year ended 31 December 2024.

The fair value measurement is categorised as Level 3 of the fair value hierarchy.

The following table shows the valuation technique as well as the significant unobservable inputs used:

Valuation method	Key unobservable inputs	Operating Segments United Kingdom	Inter-relationship between unobservable inputs and fair value measurement
Discounted cash flow method	Discount rate	7.0% to 13.0% (2023: 7.0% to 13.5%)	The estimated fair value varies inversely against the discount rate and terminal yield rate
	Terminal yield rate	4.5% to 11.0% (2023: 4.5% to 11.0%)	

Assets held under finance leases

As at 31 December 2024, the Group and the Company have motor vehicles held under finance leases with a net carrying amount of approximately $159,000 (2023: $206,000) and $137,000 (2023: $176,000) respectively.

Assets pledged as security

The Group's freehold and leasehold land and buildings with carrying amount totalling $356.0 million (2023: $335.6 million) are mortgaged to banks to secure banking facilities granted to the Group (Note 30).

Acquisition and disposal of property, plant and equipment

During the year, the Group acquired a hotel in Edinburgh, United Kingdom for an aggregate consideration of approximately $40.4 million. This transaction was accounted for as an asset acquisition.

During the year, the Group sold a hotel property in Sapporo, Japan with a total net carrying amount of approximately $23.0 million for a cash consideration of $26.4 million. The net gain on this disposal was recognised as gain on disposal of property, plant and equipment in the statement of comprehensive income.

In 2023, the Group acquired a hotel in Sapporo, Hokkaido, Japan for an aggregate consideration of approximately $17.5 million. This transaction was accounted for as an asset acquisition.

11. Property, plant and equipment (cont'd)

Capital commitments

Capital expenditure contracted for as at the end of reporting period but not recognised in the financial statements are as follows:

	Group	
	2024	**2023**
	$'000	$'000
Capital commitments in respect of:		
- Leasehold land and building	146	112

12. Investment properties

	Group	
	2024	**2023**
	$'000	$'000
Balance sheet:		
Investment properties		
Balance at beginning of year	222,882	217,324
Exchange differences	422	1,061
Gains from fair value adjustments recognised in profit or loss	3,513	4,497
Balance at end of year	226,817	222,882
Statement of comprehensive income:		
Rental income from investment properties:		
- Minimum lease payments	12,622	11,468
Direct operating expenses (including repairs and maintenance) arising from:		
- Rental generating properties	2,254	2,161

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

Valuation of investment properties

Investment properties are stated at fair value, which has been determined based on valuations performed as at 31 December 2024 and 31 December 2023. The valuations were performed by Savills Valuation and Professional Services (S) Pte. Ltd., Knight Frank LLP and Knight Frank Pte. Ltd., independent valuers with recognised and relevant professional qualifications and with recent experience in the location and category of the properties being valued. Details of valuation technique and inputs used are disclosed in Note 41.

12. Investment properties (cont'd)

Properties pledged as security

All investment properties are mortgaged to banks to secure banking facilities granted to the Group (Note 30).

The Group's investment properties as at 31 December 2024 are as follows:

Description and location	Existing use	Tenure	Unexpired lease term
Tampines Mart (Block 5, 7, 9, 11 Tampines Street 32)	Shops	Leasehold	68 years
62 Sembawang Road	Transport facility	Freehold	Estate in perpetuity
Adam House (7-10 Adam Street, London, United Kingdom)	Serviced office	Freehold	Freehold

13. Subsidiaries

(a) ***Investment in subsidiaries comprises:***

	Company 2024 $'000	Company 2023 $'000
Unquoted equity shares, at cost	44,617	44,617
Less: Impairment losses	(3,380)	(3,380)
Carrying amounts of investments	41,237	41,237

	Name of company (Country of incorporation and place of business)	Principal activities	Equity interest held by the Group 2024 %	Equity interest held by the Group 2023 %
	Held by the Company			
*	Heeton Estate Pte Ltd (Singapore)	Property investment holding	100	100
*	Heeton Venture (Overseas) Pte. Ltd. (Singapore)	Investment holding	100	100
*	Heeton Land Pte. Ltd. (Singapore)	Property investment holding	100	100

13. Subsidiaries (cont'd)

	Name of company (Country of incorporation and place of business)	Principal activities	Equity interest held by the Group 2024 %	Equity interest held by the Group 2023 %
	Held by the Company (cont'd)			
*	Heeton Management Pte Ltd (Singapore)	Provision of administrative and management services	100	100
*	Heeton Properties Pte. Ltd. (Singapore)	Dormant	100	100
*	Heeton Venture (Asia) Pte. Ltd. (Singapore)	Investment holding	100	100
*	Heeton Homes Pte. Ltd. (Singapore)	Investment holding	100	100
*	Heeton Capital Pte. Ltd. (Singapore)	Investment holding	100	100
*	MHP Pte. Ltd. (Singapore)	Investment holding	100	100
*	Heeton Invesco Pte. Ltd. (Singapore)	Investment holding	100	100
*	Heeton Corporation Pte. Ltd. (Singapore)	In liquidation	100	100
*	Kim Leong Development Pte Ltd (Singapore)	Dormant	100	100
	Held through subsidiaries			
*	Prospere Development Pte. Ltd. (Singapore)	Investment holding	100	100
*	Prospere Holdings Pte. Ltd. (Singapore)	In liquidation	70	70
*	Wickham Invesco Pte. Ltd. (Singapore)	In liquidation	55	55
*	Adam Street Pte. Ltd. (Singapore)	Investment holding	100	100
**	Acework Limited (Incorporated in British Virgin Islands, place of business in England & Wales)	Property investment holding	100	100

13. Subsidiaries (cont'd)

	Name of company (Country of incorporation and place of business)	Principal activities	Equity interest held by the Group 2024 %	Equity interest held by the Group 2023 %
	Held through subsidiaries (cont'd)			
****	Adam Street Limited (England & Wales)	Property management	100	100
*	Venture (UK) Pte. Ltd. (Singapore)	Investment holding	100	100
*	Chatteris Development Limited (British Virgin Islands)	Investment holding	100	100
****	Woodley Hotels (Kensington) Limited (England & Wales)	Property investment holding	100	100
****	Chatteris Kensington Limited (England & Wales)	Hotel operation	100	100
**	Ace Zone Holdings Limited (Incorporated in British Virgin Islands, place of business in England & Wales)	Property investment holding	80	80
*	Glenthorne Pte. Ltd. (Singapore)	Investment holding	80	80
*	Fairmont Land Pte. Ltd. (Singapore)	Investment holding	70	70
**	Ultra Assets Holdings Limited (Incorporated in British Virgin Islands, place of business in England & Wales)	Property development and property investment holding	70	70
**	Horizon Glory Holdings Limited (British Virgin Islands)	Investment holding	70	70
****	Gloucester Corinium Avenue Hotel Limited (England & Wales)	Property investment holding (disposed during the year)	–	70
****	Ensco 1154 Limited (England & Wales)	Hotel operation (disposed during the year)	–	70
**	Joy Light Ventures Limited (British Virgin Islands)	Investment holding	70	70

13. Subsidiaries (cont'd)

	Name of company (Country of incorporation and place of business)	Principal activities	Equity interest held by the Group 2024 %	Equity interest held by the Group 2023 %
	Held through subsidiaries (cont'd)			
****	Bradford CR Limited (England & Wales)	Liquidated	–	70
****	Ensco 1155 Limited (England & Wales)	Liquidated	–	70
****	Heeton SG50 Limited (England & Wales)	Provision of administrative and management services	100	100
****	Luma Concept Hotel Limited (England & Wales)	Hotel operation	80	80
*	Oldham Street Pte. Ltd. (Singapore)	Investment holding	75	75
**	Treasure Choice Enterprises Limited (Incorporated in British Virgin Islands, place of business in England & Wales)	Dormant	75	75
*	Leeds Bridge Pte. Ltd. (Singapore)	Investment holding	65	65
**	Ease Treasure Holdings Limited (Incorporated in British Virgin Islands, place of business in England & Wales)	Property investment holding	65	65
****	Leeds Bridge Street Hotel Limited (England & Wales)	Hotel operation	65	65
*	Prospere Horizon Pte. Ltd. (Singapore)	Dormant	100	100
*****	Dawa Hospitality Private Limited (Bhutan)	Property investment holding	74	74
*	Prospere Bliss Pte. Ltd. (Singapore)	Investment holding	70	70
**	Ippan Shadan Hojin SH012 (Japan)	In liquidation	70	70
**	Godo Kaisha GK012 (Japan)	In liquidation	70	70

13. Subsidiaries (cont'd)

	Name of company (Country of incorporation and place of business)	Principal activities	Equity interest held by the Group 2024 %	Equity interest held by the Group 2023 %
	Held through subsidiaries (cont'd)			
******	Edinburgh Hope and Glory Limited (England & Wales)	Property investment holding	100	100
******	Edinburgh Eternal Spring Limited (England & Wales)	Hotel operation	100	100
*	Prospere Glow Pte. Ltd. (Singapore)	Investment holding	60	60
****	Liverpool Days Limited (England & Wales)	Property investment holding	60	60
****	Liverpool Operation Limited (England & Wales)	Hotel operation	60	60
******	Glasgow Groove Limited (England & Wales)	Property investment holding	60	60
******	Glasgow Waterloo Limited (England & Wales)	Hotel operation	60	60
*	Prospere Glory Pte. Ltd. (Singapore)	Investment holding	60	60
******	CPK (London) Limited (England & Wales)	Hotel operation and property investment holding	60	60
****	Heeton Management (UK) Limited (England & Wales)	Provision of management services	100	100
****	Bedford Row Opco Limited (England & Wales)	Dormant	100	100
******	Edinburgh Q Street Propco Ltd (formerly known as Bedford Row Propco Limited) (England & Wales)	Property investment holding	85	100
******	Edinburgh Q Street Opco Ltd (England & Wales)	Hotel operation	85	–
*	QS Edinburgh Pte. Ltd. (Singapore)	Investment holding	85	–

13. Subsidiaries (cont'd)

	Name of company (Country of incorporation and place of business)	Principal activities	Equity interest held by the Group 2024 %	2023 %
	Held through subsidiaries (cont'd)			
*	Sapporo Star Pte. Ltd. (Singapore)	Investment holding	70	70
**	Ippan Shadan Hojin Nagashima (Japan)	Investment holding	70	70
**	Godo Kaisha Nagashima (Japan)	Property investment holding	70	70

* Audited by Ernst & Young LLP, Singapore.
** Not required to be audited in the respective country of incorporation.
**** Audited by LB Group, United Kingdom.
***** Audited by Tshechu & Associates.
****** Audited by Ferguson Maidment & Co., United Kingdom.

In the engagement of auditing firms for the Company, its subsidiary companies, significant joint venture companies and significant associated companies, the Company has complied with Rules 712 and 715 of the Listing Manual of SGX-ST.

13. Subsidiaries (cont'd)

(b) *Interest in subsidiaries with material non-controlling interest ("NCI")*

The Group has the following subsidiaries that have NCI that are material to the Group.

Name of subsidiary	Principal place of business	Proportion of ownership interest held by non-controlling interest	Profit/(loss) allocated to NCI during the reporting period $'000	Accumulated NCI at the end of reporting period $'000	Dividends paid to NCI $'000
31 December 2024:					
CPK (London) Limited	England & Wales	40%	(170)	(4,094)	–
Glasgow Groove Limited	England & Wales	40%	(361)	(1,827)	–
Ace Zone Holdings Limited	England & Wales	20%	(466)	(1,917)	–
Liverpool Days Limited	England & Wales	40%	(324)	(1,304)	–
Leeds Bridge Street Hotel Limited	England & Wales	35%	113	770	–
Liverpool Operations Limited	England & Wales	40%	782	1,597	–
Treasure Choice Enterprises Limited	England & Wales	25%	–	(861)	–
Oldham Street Pte. Ltd.	Singapore	25%	(14)	(884)	–
31 December 2023:					
CPK (London) Limited	England & Wales	40%	(1,766)	(3,924)	–
Glasgow Groove Limited	England & Wales	40%	(389)	(1,466)	–
Ace Zone Holdings Limited	England & Wales	20%	(359)	(1,451)	–
Liverpool Days Limited	England & Wales	40%	(499)	(980)	–
Gloucester Corinium Avenue Hotel Limited	England & Wales	30%	122	1,708	–
Leeds Bridge Street Hotel Limited	England & Wales	35%	262	657	–
Liverpool Operations Limited	England & Wales	40%	439	815	–
Ensco 1154 Limited	England & Wales	30%	422	(435)	–
Treasure Choice Enterprises Limited	England & Wales	25%	–	(861)	–
Oldham Street Pte. Ltd.	Singapore	25%	(31)	(870)	–

Significant restrictions:

There are no significant restrictions on the Group's ability to use or access assets and settle liabilities of subsidiaries with material non-controlling interests.

13. Subsidiaries (cont'd)

(c) *Summarised financial information about subsidiaries with material NCI*

Summarised financial information including goodwill on acquisition and consolidation adjustments but before intercompany eliminations of subsidiaries with material non-controlling interests are as follows:

Summarised balance sheets

	CPK (London) Limited		Glasgow Groove Limited		Ace Zone Holdings Limited		Liverpool Days Limited		Gloucester Corinium Avenue Hotel Limited	
	2024 $'000	**2023** $'000	**2024** $'000	**2023** $'000	**2024** $'000	**2023** $'000	**2024** $'000	**2023** $'000	**2024** $'000	**2023** $'000
Current										
Assets	58,333	60,091	2,037	2,440	2,628	3,478	52	139	–	2,751
Liabilities	(6,136)	(10,025)	(14,733)	(13,991)	(31,781)	(55,830)	(27,430)	(12,980)	–	(5,326)
Net current assets/ (liabilities)	52,197	50,066	(12,696)	(11,551)	(29,153)	(52,352)	(27,378)	(12,841)	–	(2,575)
Non-current										
Assets	143,121	142,089	14,582	14,665	46,229	46,034	24,173	23,700	–	8,190
Liabilities	(107,556)	(101,042)	(5,823)	(6,106)	(25,813)	–	(4)	(13,192)	–	(48)
Net non-current assets	35,565	41,047	8,759	8,559	20,416	46,034	24,169	10,508	–	8,142
Net assets/(liabilities)	87,762	91,113	(3,937)	(2,992)	(8,737)	(6,318)	(3,209)	(2,333)	–	5,567

13. Subsidiaries (cont'd)

(c) *Summarised financial information about subsidiaries with material NCI (cont'd)*

Summarised balance sheets (cont'd)

	Leeds Bridge Street Hotel Limited		Liverpool Operations Limited		Ensco 1154 Limited		Treasure Choice Enterprises Limited		Oldham Street Pte. Ltd.	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Current										
Assets	3,464	2,841	3,899	4,018	–	1,754	521	513	11	18
Liabilities	(1,358)	(1,067)	(1,325)	(2,236)	–	(3,588)	(3,661)	(3,606)	(2,649)	(4)
Net current assets/ (liabilities)	2,106	1,774	2,574	1,782	–	(1,834)	(3,140)	(3,093)	(2,638)	14
Non-current										
Assets	95	68	1,563	341	–	373	–	–	–	–
Liabilities	(17)	(7)	(79)	(45)	–	(88)	–	–	(882)	(3,476)
Net non-current assets/(liabilities)	78	61	1,484	296	–	285	–	–	(882)	(3,476)
Net assets/(liabilities)	2,184	1,835	4,058	2,078	–	(1,549)	(3,140)	(3,093)	(3,520)	(3,462)

13. Subsidiaries (cont'd)

(c) *Summarised financial information about subsidiaries with material NCI (cont'd)*

Summarised statement of comprehensive income (cont'd)

	CPK (London) Limited		Glasgow Groove Limited		Ace Zone Holdings Limited		Liverpool Days Limited		Gloucester Corinium Avenue Hotel Limited	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue	22,199	16,080	820	802	1,641	1,604	1,538	1,504	1,197	1,404
Profit/(loss) before income tax	581	(3,533)	(907)	(875)	(2,332)	(1,797)	(732)	(619)	1,073	923
Income tax (expense)/credit	(1,006)	(881)	4	(97)	–	–	(78)	(629)	706	(516)
(Loss)/profit after tax	(425)	(4,414)	(903)	(972)	(2,332)	(1,797)	(810)	(1,248)	1,779	407
Other comprehensive income	–	–	–	–	–	–	–	–	–	–
Total comprehensive (loss)/income	(425)	(4,414)	(903)	(972)	(2,332)	(1,797)	(810)	(1,248)	1,779	407
Other summarised information										
Net cash flows generated from/(used in) operations	11,606	(2,300)	(766)	177	972	(936)	2,271	(727)	991	921
Net cash flows from/(used in) financing	6,836	5,291	204	199	1,955	1,430	918	(2)	(3,748)	(1,117)

13. Subsidiaries (cont'd)

(c) *Summarised financial information about subsidiaries with material NCI (cont'd)*

Summarised statement of comprehensive income (cont'd)

	Leeds Bridge Street Hotel Limited		Liverpool Operations Limited		Ensco 1154 Limited		Treasure Choice Enterprises Limited		Oldham Street Pte. Ltd.	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue	7,126	6,581	7,226	6,892	4,853	5,232	–	–	–	–
Profit/(loss) before income tax	437	661	2,067	1,561	1,633	2,051	(2)	(2)	(58)	(122)
Income tax (expense)/credit	(114)	88	(111)	(463)	(543)	(644)	–	–	–	–
(Loss)/profit after tax	323	749	1,956	1,098	1,090	1,407	(2)	(2)	(58)	(122)
Other comprehensive income	–	–	–	–	–	–	–	–	–	–
Total comprehensive (loss)/income	323	749	1,956	1,098	1,090	1,407	(2)	(2)	(58)	(122)
Other summarised information										
Net cash flows generated from/(used in) operations	424	689	476	1,565	488	1,496	(2)	(2)	(58)	(122)
Net cash flows from/(used in) financing	173	(108)	(207)	(281)	(2,796)	(686)	2	(2)	51	126

(d) *Acquisition of additional interest in a subsidiary*

On 4 November 2024, the Group, through a wholly-owned subsidiary, Heeton Capital Pte. Ltd., incorporated a 85%-owned subsidiary, QS Edinburgh Pte. Ltd.. Edinburgh Q Street Propco Ltd is held through QS Edinburgh Pte. Ltd..

13. Subsidiaries (cont'd)

(e) *Disposal of subsidiaries*

During 2024, the Group disposed of some of its subsidiaries, mainly its 70% interest in subsidiaries, Gloucester Corinium Avenue Hotel Limited and Ensco 1154 Limited for a total net disposal consideration of $11.4 million.

Financial performance of subsidiaries disposed

The results of the disposed subsidiaries from the beginning of the year to the date of disposal on 19 November 2024 are presented below:

	1 January 2024 to 19 November 2024 $'000
Revenue and other income	4,853
Expenses	(3,220)
Profit before tax	1,633
Income tax expense	(543)
Profit for the period	1,090

Assets and liabilities of disposed subsidiaries

The major classes of assets and liabilities of the subsidiaries disposed on 19 November 2024 were as follows:

	19 November 2024 $'000
Assets and liabilities disposed	
Property, plant and equipment	7,415
Other receivables	60
Cash and cash equivalents	229
Trade and other payables	(338)
Income tax payable	(716)
Total net assets disposed	6,650

13. Disposal of subsidiaries (cont'd)

(e) *Disposal of subsidiaries (cont'd)*

Gain on disposal of subsidiaries

	2024 $'000
Present value of consideration, net of costs of disposal	10,426
Less: Net assets disposed	(6,650)
Gain on disposal after tax	3,776

Cash flows from disposal of subsidiaries

	2024 $'000
Cash received	11,595
Less: Cash and cash equivalents of subsidiaries disposed	(229)
Net cash inflow	11,366

14. Associated companies

The Group's material investment in associated companies are summarised below:

	Group	
	2024 $'000	2023 $'000
Econolodge Co., Ltd.	12,845	12,666
Unique Development Pte. Ltd.	858	862
Unique Rezi Pte. Ltd.	900	1,174
Unique Invesco Pte. Ltd.	1,485	1,532
Other associated companies	768	1,996
Less: Impairment loss	(1,660)	(1,660)
	15,196	16,570

Movements of impairment loss:

	Group	
	2024 $'000	2023 $'000
At beginning of the year	1,660	–
Charge for the year	–	1,660
At end of the year	1,660	1,660

14. Associated companies (cont'd)

The Group assessed the carrying amount of its investments in associated companies for indicators of impairment. Based on the assessment, no impairment loss was recognised on its investments in associated companies (2023: impairment loss of $1,660,000 following a decline in their financial position). The recoverable amount was estimated taking into account the fair values of the underlying assets and the liabilities of the associates. The fair value measurement was categorised as a Level 3 in the fair value hierarchy as it is derived from unobservable inputs.

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

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

Description	Valuation techniques	Unobservable inputs	Range
Fair value of underlying significant asset:			
Hotel	Income approach	Capitalisation rate	7%[1]

(1) A significant increase (decrease) in capitalisation rate would result in a significantly lower (higher) fair value measurement.

The Group has not recognised losses relating to certain associated companies where its share of losses exceeds the Group's interest in these associated companies. The Group's cumulative share of unrecognised losses at the end of the reporting period was $6,883,000 (2023: $6,730,000), of which $153,000 (2023: $367,000) was the share of the current year's losses. The Group has no obligation in respect of these losses.

	Name of company (Country of incorporation and place of business)	Principal activities	Proportion of ownership interest 2024 %	Proportion of ownership interest 2023 %
	Held through subsidiaries			
**	Dalvey Estate Ltd. (Thailand)	Liquidated	–	48.98
**	Dalvey Residence Co., Ltd. (Thailand)	Investment holding	38.98	38.98
**	Dalvey Holdings Ltd. (Thailand)	Investment holding	49.00	49.00
***	Residenza Pte. Ltd. (Singapore)	In liquidation	36.00	36.00
***	Unique Consortium Pte. Ltd. (Singapore)	Investment holding	35.00	35.00
***	Unique Capital Pte. Ltd. (Singapore)	Investment holding	40.00	40.00

14. Associated companies (cont'd)

	Name of company (Country of incorporation and place of business)	Principal activities	Proportion of ownership interest 2024 %	2023 %
	Held through subsidiaries (cont'd)			
***	Unique Development Pte. Ltd. (Singapore)	Property development	45.00	45.00
***	Unique Invesco Pte. Ltd. (Singapore)	Investment holding	25.00	25.00
***	Unique Rezi Pte. Ltd. (Singapore)	Investment holding	42.00	42.00
***	Unique Resi Estate Pte. Ltd. (Singapore)	Liquidated	–	30.00
** @	Dalvey Hospitality Co., Ltd. (Thailand)	Investment holding	73.99	73.99
* @	Econolodge Co., Ltd. (Thailand)	Hotel operation and property investment holding	86.74	86.74
###	KBD Westwood Pte. Ltd. (Singapore)	Liquidated	–	20.00
####	Eden I Residences Pte. Ltd. (Singapore)	Investment holding	30.00	30.00
***	Prospere Hotels Pte. Ltd. (Singapore)	Investment holding	30.00	30.00
***	SH Sapporo Pte. Ltd. (Singapore)	Investment holding	20.00	20.00
***	Development 24 Pte. Ltd. (Singapore)	Property development	10.00	10.00
***	Development 26 Pte. Ltd. (Singapore)	Property development	10.00	10.00
***	Development 32 Pte. Ltd. (Singapore)	Liquidated	–	10.00
#	KAP Holdings (China) Pte. Ltd. (Singapore)	Investment holding	15.00	15.00
*****	Unique Commercial Pte. Ltd. (Singapore)	Property development	15.00	15.00
#####	Panareno Sdn. Bhd. (Malaysia)	Property development	15.00	15.00
***	KAP Hotel (Investments) Pte. Ltd. (Singapore)	Investment holding	40.00	40.00

14. Associated companies (cont'd)

	Name of company (Country of incorporation and place of business)	Principal activities	Proportion of ownership interest 2024 %	2023 %
	Held through subsidiaries (cont'd)			
**	Dalvey Park Co., Ltd. (Thailand)	Investment holding	49.00	49.00
*	Barracuda Group Co., Ltd (Thailand)	Hotel operation and property investment holding	38.98	38.98
**	Dalvey Place Co., Ltd. (Thailand)	Property development and property investment holding	49.00	49.00
#	Oxley Viva Pte. Ltd. (Singapore)	Property development	12.25	12.25
#	Oxley YCK Pte. Ltd. (Singapore)	Property development and property investment holding	12.25	12.25
#	Oxley Sanctuary Pte. Ltd. (Singapore)	Property development	12.60	12.60
***	Mountbatten Edge Pte. Ltd. (Singapore)	Property investment holding	16.00	16.00
##	Manchester Property Holdings Limited (Jersey)	Property investment holding	30.00	30.00
****	Ensco 1160 Limited (England and Wales)	Hotel operation	30.00	30.00
######	Eden I Residences Vietnam Company Limited (Vietnam)	Property development and property investment holding	30.00	30.00
##	Ippan Shadan Hojin SH002 (Japan)	Investment holding	20.00	20.00
##	Godo Kaisha GK002 (Japan)	Property investment holding	20.00	20.00
#	Oxley Serangoon Pte. Ltd. (Singapore)	Property development	5.00	5.00
***	HST JV Pte. Ltd. (Singapore)	Dormant	33.33	33.33
*******	Dorsett Atelier Capital Heeton Changi Pte. Ltd. (Singapore)	Investment holding	20.00	–

14. Associated companies (cont'd)

	Name of company (Country of incorporation and place of business)	Principal activities	Proportion of ownership interest 2024 %	2023 %
	Held through subsidiaries (cont'd)			
	Held through associated companies			
******	Sino-Singapore KAP Construction Co., Ltd (People's Republic of China)	Property development	7.50	7.50
******	Hebei Yue Zhi Real Estate Development Co., Ltd. (People's Republic of China)	Property development	7.50	7.50
******	Yuedong International Hotel Co., Ltd. (People's Republic of China)	Dormant	28.57	28.57

*	Audited by member firm of Ernst & Young Global in Thailand.
**	Audited by Horwath (Thailand) Limited.
***	Audited by Ernst & Young LLP, Singapore.
****	Audited by LB Group, United Kingdom.
*****	Audited by Baker Tilly TFW LLP, Singapore.
******	Audited by Hebei Lantian Certified Public Accountants Co., Ltd, People's Republic of China
*******	Audited by KPMG LLP, Singapore.
#	Audited by RSM Chio Lim LLP, Singapore.
##	Not required to be audited in the respective country of incorporation.
###	Audited by Pricewaterhousecoopers LLP, Singapore.
####	Audited by CK Lee PAC Certified Public Accountants, Singapore.
#####	Audited by Cherng & Co., Charted Accountants (M), Malaysia.
######	Audited by DFK Vietnam Auditing Company, Vietnam.
@	Classified as associated companies based on agreed terms in the shareholders agreement that the Group does not have control.

There is no significant restriction in the ability of the Group's associated companies to transfer funds to the Group in the form of cash dividends, or to repay loans or advances made by the Group.

The associated companies have no contingent liabilities or capital commitments as at 31 December 2024 and 2023.

Aggregate information about the Group's investments in associated companies that are not individually material are as follows:

	Group 2024 $'000	Group 2023 $'000
Loss after tax from continuing operations, representing total comprehensive loss	(2,454)	(4,882)

14. Associated companies (cont'd)

The summarised financial information in respect of the material investments in associated companies, based on its SFRS(I) financial statements, and reconciliation with the carrying amount of the investment in the consolidated financial statements are as follows:

Summarised balance sheet

	Econolodge Co., Ltd		**Unique Development Pte. Ltd.**		**Unique Rezi Pte. Ltd.**		**Unique Invesco Pte. Ltd.**	
	2024 $'000	**2023** $'000	**2024** $'000	**2023** $'000	**2024** $'000	**2023** $'000	**2024** $'000	**2023** $'000
Current assets	3,629	2,805	414	426	25	44	41	4,702
Non-current assets excluding goodwill	2,530	3,083	1,500	1,500	2,316	2,826	5,906	7,658
Total assets	6,159	5,888	1,914	1,926	2,341	2,870	5,947	12,360
Current liabilities	(1,294)	(1,280)	(8)	(11)	(4)	(4)	(6)	(6,234)
Non-current liabilities	(1,194)	(1,390)	–	–	(194)	(71)	–	–
Total liabilities	(2,488)	(2,670)	(8)	(11)	2,143	(75)	5,941	(6,234)
Net assets	3,671	3,218	1,906	1,915	2,143	2,795	5,941	6,126
Net assets excluding goodwill	3,671	3,218	1,906	1,915	2,143	2,795	5,941	6,126
Proportion of the Group's ownership	86.74%	86.74%	45%	45%	42%	42%	25%	25%
Group's share of net assets	3,184	2,791	858	862	900	1,174	1,485	1,532
Negative goodwill on acquisition	(564)	(564)	–	–	–	–	–	–
Other adjustments(1)	10,225	10,439	–	–	–	–	–	–
Carrying amount of the investment	12,845	12,666	858	862	900	1,174	1,485	1,532

(1) Other adjustments comprise of fair value adjustments to the assets of the associated company, currency realignment and share of losses arising from the indirect shareholding of Econolodge through Dalvey Hospitality and Dalvey Holdings. The Group has not recognised additional losses as its share of result has exceeded the Group's indirect interest in Econolodge through the associated companies.

14. Associated companies (cont'd)

Summarised statement of comprehensive income

	Econolodge Co., Ltd		Unique Development Pte. Ltd.		Unique Rezi Pte. Ltd.		Unique Invesco Pte. Ltd.	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue	4,399	2,017	–	–	–	–	–	–
Share of results of associated companies	–	–	–	–	–	–	(124)	(1,249)
Profit/(loss) from continuing operations, representing total comprehensive income/(loss)	296	(585)	(9)	(1,765)	(652)	(8)	(185)	(1,359)

15. Joint venture companies

The Company's investment in joint venture companies comprises:

	Company 2024 $'000	Company 2023 $'000
Unquoted equity shares, at cost	5,000	5,000

The Group's material investments in joint venture companies are summarised below:

	Group 2024 $'000	Group 2023 $'000
Canberra Development Pte Ltd	92,769	91,928
Unique Residence Pte. Ltd.	224	300
Unique Real Estate Pte. Ltd.	293	1,086
Other joint venture companies	725	(8)
	94,011	93,306

Details of the joint venture companies are as follows:

	Name of company (Country of incorporation and place of business)	Principal activities	Proportion of ownership interest 2024 %	Proportion of ownership interest 2023 %
*	Canberra Development Pte Ltd (Singapore)	Property investment holding	50	50
	Held through subsidiaries			
*	Unique Residence Pte. Ltd. (Singapore)	Investment holding	50	50
*	Unique Real Estate Pte. Ltd. (Singapore)	Investment holding	50	50
*	Atlantic Star Pte. Ltd. (Singapore)	Provision of property management services	50	50

15. Joint venture companies (cont'd)

Details of the joint venture companies are as follows (cont'd):

	Name of company (Country of incorporation and place of business)	Principal activities	Proportion of ownership interest 2024 %	Proportion of ownership interest 2023 %
	Held through joint venture companies			
*	Fernvale Development Pte. Ltd. (Singapore)	Property development	20	20
*	CEL Unique Pte. Ltd. (Singapore)	Investment holding	20	20
*	CEL Unique Holdings Pte. Ltd. (Singapore)	Investment holding	20	20
*	CEL Unique Development Pte. Ltd. (Singapore)	Property development	20	20

* Audited by Ernst & Young LLP, Singapore.

There is no significant restriction in the ability of the Group's joint venture companies to transfer funds to the Group in the form of cash dividends, or to repay loans or advances made by the Group.

There were dividends of $3,800,000 (2023: $6,300,000) received from joint venture companies during the financial year.

The joint venture companies have no contingent liabilities or capital commitments as at 31 December 2024 and 2023.

15. Joint venture companies (cont'd)

Summarised financial information in respect of the Group's material investments in joint venture companies, based on its SFRS(I) financial statements, and reconciliation with the carrying amount of the investments in the consolidated financial statements are as follows:

Summarised balance sheet

	Canberra Development Pte Ltd		Unique Residence Pte. Ltd.		Unique Real Estate Pte. Ltd.	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000	$'000	$'000
Cash and cash equivalents	4,557	4,695	69	83	45	54
Other current assets	78,372	74,311	–	–	–	–
Trade receivables	106	216	–	–	–	–
Current assets	83,035	79,222	69	83	45	54
Non-current assets	382,036	379,356	388	522	593	2,125
Total assets	465,071	458,578	457	605	638	2,179
Current liabilities	(275,406)	(9,987)	(9)	(6)	(3)	(3)
Non-current liabilities (excluding trade, other payables and provision)	(1,569)	(262,177)	–	–	(48)	(4)
Other non-current liabilities	(2,558)	(2,558)	–	–	–	–
Total non-current liabilities	(4,127)	(264,735)	–	–	(48)	(4)
Total liabilities	(279,533)	(274,722)	(9)	(6)	(51)	(7)
Net assets	185,538	183,856	448	599	587	2,172
Net assets excluding goodwill	185,618	183,856	448	599	587	2,172
Proportion of the Group's ownership	50%	50%	50%	50%	50%	50%
Group's share of net assets	92,769	91,928	224	300	293	1,086
Carrying amount of the investment	92,769	91,928	224	300	293	1,086

15. Joint venture companies (cont'd)

Summarised statement of comprehensive income

	Canberra Development Pte Ltd		Unique Residence Pte. Ltd.		Unique Real Estate Pte. Ltd.	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
Revenue	24,899	23,790	–	–	–	–
Operating income/(expense), net	16,626	17,876	(151)	–	14	(512)
Interest income	2,864	1,166	–	–	–	457
Interest expense	(12,775)	(13,362)	–	–	–	(760)
Profit/(loss) before tax	6,714	5,680	(151)	–	14	(815)
Income tax expense	(572)	(72)	–	–	–	–
Profit/(loss) after tax, representing total comprehensive income/(loss)	6,142	5,608	(151)	–	14	(815)

15. Joint venture companies (cont'd)

Aggregate information about the Group's investments in joint venture companies that are not individually material is as follows:

	Group	
	2024	**2023**
	$'000	$'000
Profit after tax from continuing operations, representing total comprehensive income	33	32

16. Investment security

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000
At fair value through profit or loss (FVTPL)				
Unquoted equity security	7,201	4,629	–	–

The fair value of unquoted equity security measured at FVTPL is estimated based on the net asset value (NAV) of the investee entity adjusted for the fair value of the underlying development property.

17. Amounts due from/to associated companies and joint venture companies (non-trade)

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000
Non-current portion:				
Amounts due from associated companies	66,712	70,761	–	–
Less: Allowance for expected credit loss	(12,246)	(11,226)	–	–
	54,466	59,535	–	–
Current portion:				
Amounts due from associated companies	15,816	2,229	79	46
Amounts due from joint venture companies	4,516	2,454	4,340	2,159
	20,332	4,683	4,419	2,205
Non-current portion:				
Amounts due to associated companies	9,667	9,012	–	–
Amounts due to joint venture companies	36,411	37,135	36,411	37,135
	46,078	46,147	36,411	37,135

Amount due from associated companies (current and non-current)

Amounts due from associated companies are non-trade related, unsecured and are to be settled in cash. These amounts are expected to be repaid from 2025 to 2029 (2023: 2024 to 2028). These amounts are interest free except for an amount of $21,820,000 (2023: $22,530,000) denominated in Thai Baht which bear interest at 4.50% (2023: 4.50%) per annum and an amount of $4,205,000 (2023: $6,256,000) denominated in Singapore Dollars which bear interest at rates ranging from 1.00% to 5.28% (2023: 1.00% to 5.28%) per annum.

Amounts due from joint venture companies (current and non-current)

Amounts due from joint venture companies are non-trade related, unsecured, interest-free and are to be settled in cash. These amounts are expected to be repaid from 2025 to 2026 (2023: 2024 to 2025).

17. Amounts due from/to associated companies and joint venture companies (non-trade) (cont'd)

Amounts due to associated companies (non-current)

Amounts due to associated companies are unsecured, non-interest bearing and are not expected to be repaid within the next twelve months. These balances are to be settled in cash.

Amounts due to joint venture companies (non-current)

Amounts due to joint venture companies are non-trade related, unsecured and are to be settled in cash. These amounts are not expected to be repaid within the next twelve months. These amounts are interest free except for an amount of $30,500,000 (2023: $33,500,000) bear interest at 4.50% (2023: 1.50%) per annum.

Expected credit loss

The movement in allowance for expected credit losses of amount due from associated companies and joint venture companies are as follows:

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000
At 1 January	11,226	13,402	–	–
Provision for/(Reversal of) expected credit losses (Note 8)	1,020	(2,176)	–	–
At 31 December	12,246	11,226	–	–

18. Intangible assets

	Goodwill
	$'000
Group	
Cost:	
As at 1 January 2023, 31 December 2023 and 1 January 2024	175
Write off	(175)
As at 31 December 2024	–
Accumulated impairment:	
As at 1 January 2023, 31 December 2023 and 1 January 2024	(66)
Write off	66
As at 31 December 2024	–
Net carrying amount:	
At 31 December 2023	109
At 31 December 2024	–

18. Intangible assets (cont'd)

Impairment testing of goodwill

Goodwill acquired through business combinations has been allocated for impairment testing purposes to the individual entity which is also the cash-generating unit ("CGU").

Allocated goodwill based on the CGU is as follows:

	Carrying amount as at		Basis on which recoverable amount is determined	Pre-tax discount rate
	2024	**2023**		
	$'000	$'000		
Heeton Estate Pte Ltd	–	109	Value-in-use	10%

A summary of goodwill allocated to the reportable segments to which this CGU belongs is presented below:

	Property investment	
	$'000	$'000
	2024	**2023**
Net carrying amount:	–	109

The value-in-use calculations apply a discounted cash flow model using cash flow projections based on financial budgets and forecasts approved by management covering a 5-year period. The pre-tax discount rates applied to the cash flow projections are derived from the cost of capital plus a reasonable risk premium. The growth rate during the forecast period has been conservatively assumed to be zero in the absence of a reliable average growth rate for the industry in which the entity operates.

No impairment loss was required for the financial year ended 31 December 2023 as the amount of discounted net cash inflows attributable to the CGU was in excess of the carrying amount of the goodwill.

19. Development property

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Comprise of:				
Development property under construction	20,664	19,188	–	–

The development property held by the Group (excluding associated companies/joint venture companies) as at 31 December 2024 and 2023 is as follows:

Name and Location	Percentage held (%)	Tenure	Proposed development	Development	Approximate land area (sq m)	Approximate gross floor area (sq m)	Estimated stage of completion as at date of annual report (%) (Expected year of completion)
New York Road, Leeds, United Kingdom	70	Freehold	Commercial and residential	Proposed development to be confirmed	8,409	70,667	Development has yet to commence

20. Treasury bills

The treasury bills of the Group and the Company are purchased from the Monetary Authority of Singapore and have an average maturity of 6-months. The treasury bills bear interest at between 3.40% and 3.85% (2023: 3.73% and 3.87%) per annum.

21. Trade receivables

	Group	
	2024	2023
	$'000	$'000
Trade receivables	2,542	1,054

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

22. Other receivables

	Group		Company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
	$'000	$'000	$'000	$'000
Non-current portion:				
Senior notes receivables	4,000	–	4,000	–
Promissory notes receivables	14,000	–	14,000	–
Amount due from investee company	13,032	12,572	–	–
Sundry receivables	26,423	299	26,184	–
Less: Allowance for expected credit loss	(26,884)	–	(26,884)	–
	30,571	12,871	17,300	–
Current portion:				
Senior notes receivables	–	4,000	–	4,000
Promissory notes receivables	18,000	32,000	–	14,000
Sundry receivables	17,160	41,546	52	24,975
Less: Allowance for expected credit loss	–	(20,765)	–	(20,765)
	35,160	56,781	52	22,210

Amount due from investee company amounting to $13,032,000 (2023: $12,572,000) relates to shareholder's loan to an investee company are unsecured, bear interest at 4% (2023: 4%) per annum, and are not expected to be repaid within the next 12 months, and are to be settled in cash.

Promissory notes receivables are unsecured, with $14,000,000 which bear interest at 3.0% per annum and repayable in 2026, or if extended, repayable in 2027 and $18,000,000 which bear interest at 3.5% per annum and are repayable in 2025 (2023: $14,000,000 which bear interest at 3.0% per annum and are repayable in 2024 and $18,000,000 which bear interest at 3.5% per annum and are repayable in 2024).

Senior notes receivables are unsecured, bear interest at 3% per annum and are repayable in 2026, of if extended, repayable in 2027 (2023: unsecured, bear interest at 3% per annum and are repayable in 2024).

Sundry receivables are unsecured, with $8,300,000 which bear interest at 3.5% per annum and $8,860,000 which are non-interest bearing and are repayable within the next 12 months. The non-current sundry receivables of $26,423,000 are unsecured, non-interest bearing and are not expected to be repaid within the next 12 months (2023: Sundry receivables are unsecured, with $8,300,000 which bear interest at 3.5% per annum and $33,246,000 which are non-interest bearing and are repayable within the next 12 months. The non-current sundry receivables of $299,000 are unsecured, non-interest bearing and are not expected to be repaid within the next 12 months)

22. Other receivables (cont'd)

Expected credit loss

The movement in allowance for expected credit losses for sundry receivables, senior notes and promissory notes are as follows:

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000
At 1 January	20,765	20,765	20,765	20,765
Provision for expected credit losses (Note 8)	6,119	–	6,119	–
At 31 December	26,884	20,765	26,884	20,765

The expected credit losses relate to receivables from a non-related party undertaking a property development project and assessed based on the estimated realisable value from the development property of this party.

23. Amounts due from/to subsidiaries (non-trade)

These balances are unsecured, non-interest bearing and are repayable on demand except for amounts due from subsidiaries of $217,387,000 (2023: $180,847,000) and amounts due to subsidiaries of $163,178,000 (2023: $158,834,000) which bear interest at 4.50% (2023: 4.50%) per annum. These amounts are to be settled in cash.

	Company	
	2024	**2023**
	$'000	$'000
Amounts due from subsidiaries	317,405	294,845
Less: Allowance for expected credit loss	(15,683)	(17,425)
	301,722	277,420

Expected credit loss

The movement in allowance for expected credit losses for amount due from subsidiaries are as follows:

	Company	
	2024	**2023**
	$'000	$'000
At 1 January	17,425	13,476
(Reversal of)/Provision for expected credit losses	(1,742)	3,949
At 31 December	15,683	17,425

24. Fixed deposits

The fixed deposits of the Group and the Company have an average maturity of 62 days (2023: 93 days) and 59 days (2023: 93 days) respectively, and earn interest at the respective short-term deposit rates. The weighted average effective interest rate of the fixed deposits as at 31 December 2024 for the Group and the Company were 3.70% (2023: 5.04%) and 3.59% (2023: 5.03%) respectively.

Included in fixed deposits comprises restricted cash of $19,984,000 (2023: $1,755,000) pledge to banks for facilities granted to a subsidiary.

25. Cash and bank balances

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000
Cash at bank	34,599	40,707	3,561	7,946

Included in cash and bank balances comprises restricted cash of $4,748,000 (2023: $Nil) pledge to banks for facilities granted to a subsidiary.

26. Trade payables

Trade payables are non-interest bearing and are normally settled on 30 to 90 days' terms.

27. Other payables and accruals

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000
Current portion:				
Financial liabilities:				
Accrued operating expenses	11,093	9,384	1,399	1,121
Accrued capital expenditures	–	1,509	–	–
Rental deposits received	571	520	–	–
Other deposits received	211	232	–	–
Other payables	5,885	5,305	410	4
	17,760	16,950	1,809	1,125
Non-financial liabilities:				
Advance rental received	145	119	–	–
Provision for interest support	1,059	734	735	–
Other deposits received	–	845	–	–
	18,964	18,648	2,544	1,125

27. Other payables and accruals (cont'd)

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Non-current portion:				
Financial liabilities:				
Rental deposits received	1,571	1,553	–	–

Other payables are non-interest bearing and are normally settled on 30 to 90 days' terms.

28. Bonds

The Group had bond issue outstanding as at 31 December 2024 and 31 December 2023 of $53,800,000 which is unsecured and bears interest at a fixed rate of 7.0% per annum due November 2026.

29. Derivative financial instruments

	Group and Company			
	2024		2023	
	Outstanding notional amounts	Assets	Outstanding notional amounts	Assets
	$'000	$'000	$'000	$'000
Current	34,076	24	50,376	89
Non-current	–	–	33,584	107
Interest rate swaps	34,076	24	83,960	196

The Group and the Company entered into interest rate swaps in Pound Sterling and Singapore Dollars to manage its exposure to interest rate fluctuation on its floating rate loans and borrowings. The interest rate swaps will mature in January 2025.

The Group and the Company has not applied hedge accounting. Fair value gains and losses on interest rate swaps are recognised in profit or loss. The fair values of interest rate swaps shown above are determined by marked-to-market values provided by counterparties. The marked-to-market values obtained are determined by reference to market values for similar instruments.

30. Bank term loans

Details of bank term loans are as follows:

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Unsecured	4,659	1,946	4,659	1,946
Secured	355,982	345,695	11,826	–
	360,641	347,641	16,485	1,946
Repayable:				
- not later than 1 year	57,636	100,338	16,485	1,176
- 1 year through 5 years	303,005	247,303	–	770
	360,641	347,641	16,485	1,946

Terms loans are generally secured by:

- first legal mortgage over the investment properties and freehold and leasehold properties of the Group;
- legal assignment of all sales and leasehold proceeds from the investment properties and freehold and leasehold properties;
- legal assignment of tenancy, rental, lease and licence agreements;
- legal assignment of construction contract(s) and performance bonds;
- legal assignment of fire insurance policy; and
- corporate guarantee by the Company.

The Group's bank term loans bear interest ranging from 2.43% to 7.94% (2023: 3.00% to 7.59%) per annum during the year.

Secured bank loan

The Group's secured bank loans are generally subject to the following covenants:

- Maintenance of loan to value
- Maintenance of debt coverage ratio or interest coverage ratio

The Group has complied with these covenants throughout the reporting period.

31. Reconciliation of liabilities arising from financing activities

	1.1.2024	Cash flow	Non-cash changes				31.12.2024
			Foreign exchange movement	Interest expense	ROU disposal	Other[1]	
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Bank term loans (Note 30)							
- current	100,338	10,793	–	–	–	(53,495)	57,636
- non-current	247,303	–	2,207	–	–	53,495	303,005
Leese liebilities (Note 37(b))							
- current	78	(356)	–	–	–	326	48
- non-current	6,334	–	(802)	377	(1,268)	564	5,205
Bonds (Note 28)							
- non-current	53,800	–	–	–	–	–	53,800
Amounts due to non-controlling interests (Note 32)							
- non-current	69,142	(1,541)	907	–	–	–	68,508

	1.1.2023	Cash flow	Non-cash changes			31.12.2023
			Foreign exchange movement	Interest expense	Other[1]	
	$'000	$'000	$'000	$'000	$'000	$'000
Bank term loans (Note 30)						
- current	21,334	5,529	–	–	73,475	100,338
- non-current	314,687	–	6,091	–	(73,475)	247,303
Lease liabilities (Note 37(b))						
- current	297	(339)	–	–	120	78
- non-current	4,640	–	186	699	809	6,334
Bonds (Note 28)						
- current	62,730	(8,930)	–	–	(53,800)	–
- non-current	–	–	–	–	53,800	53,800
Amounts due to non-controlling interests (Note 32)						
- non-current	61,127	5,917	2,098	–	–	69,142

[1] Refers to classification of bonds, bank loans and lease obligations from non-current to current, additions of finance lease, refinancing of bonds and bank term loans and remeasurement of lease liabilities.

32. Amounts due to non-controlling interests (non-trade)

Amounts due to non-controlling interest amounting to $56,525,000 (2023: $61,914,000) are denominated in Pound Sterling and $1,623,000 (2023: $5,547,000) are denominated in Japanese Yen.

Amounts due to non-controlling interests of $36,578,000 (2023: $48,134,000) bear interest at 5.00% (2023: 5.00%) per annum. Amounts due to non-controlling interests of $11,212,000 (2023: $21,008,000) are non-interest bearing. These amounts are unsecured, have no fixed terms of repayment, and are not expected to be repaid within the next 12 months, and are to be settled in cash.

33. Deferred tax assets and liabilities

Deferred tax assets and liabilities arose as a result of:

	Group				Company	
	Consolidated statement of financial position		Consolidated statement of comprehensive income		Statement of financial position	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
Deferred tax assets						
Lease liabilities	1,372	1,577	205	(1,577)	–	–
Deferred tax liabilities						
Provisions	154	154	–	8	154	154
Tax depreciation	800	530	270	20	–	–
Right-of-use assets	1,159	1,449	(290)	1,449	–	–
	2,113	2,133			154	154
Deferred tax expense/(credit)			185	(100)		

As at 31 December 2024, the Group had unutilised tax losses of approximately $14,203,000 (2023: $9,527,000) available for offset against future taxable income, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which certain subsidiaries operate.

33. Deferred tax assets and liabilities (cont'd)

Unrecognised temporary differences relating to investments in subsidiaries, joint ventures and associates

At the end of the reporting period, no deferred tax liability (2023: $Nil) has been recognised for taxes that would be payable on the undistributed earnings of certain of the Group's overseas subsidiaries, joint ventures and associates as:

- The Group has determined that either the undistributed earnings of its overseas subsidiaries will not be distributed in the foreseeable future or the undistributed earnings have been subjected to tax at a headline tax rates of more than 15% in the respective jurisdictions and are therefore tax exempted in accordance with Section 13(8) of the Singapore Income Tax Act 1947; and

- There are no overseas joint ventures and associates with material undistributed earnings.

34. Share capital

	Group and Company			
	Number of shares issued			
	2024	2023	2024 $'000	2023 $'000
Issued and fully paid:				
As at 1 January and 31 December	487,734,735	487,734,735	86,624	86,624
Shares buyback[1]	(250,000)	(250,000)	–	–
	487,484,735	487,484,735	86,624	86,624

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.

[1] The share buyback was by way of market acquisition during FY2023 with a total of 250,000 shares held as treasury shares.

35. Treasury shares

	Group and Company			
	Number of treasury shares			
	2024	2023	2024	2023
			$'000	$'000
As at 1 January	(250,000)	–	(63)	–
Shares buyback	–	(250,000)	–	(63)
As at 31 December	(250,000)	(250,000)	(63)	(63)

As at 31 December 2024, the Company held 250,000 treasury shares which represents 0.05% of the total number of issued shares (excluding treasury shares).

Treasury shares relate to ordinary shares of the Company that are held by the Company.

36. 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.

37. Leases

Group as a lessee

(a) *Right-of-use assets*

The Group has lease contracts for the rental of leasehold lands and buildings. These leases have an average tenure of 175 (2023: 125 and 175) years respectively. Lease terms do not contain restrictions on the Group's activities concerning dividends, additional debt or further leasing.

The Group also has certain leases with lease terms of 12 months or less and leases with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

37. Leases (cont'd)

Group as a lessee (cont'd)

(a) *Right-of-use assets (cont'd)*

The carry amounts of the right-of-use assets recognised and the movements during the year is set out in Note 11 – Property, plant and equipment.

	Leasehold lands and buildings	
	2024	**2023**
	$'000	$'000
Group		
As at 1 January	5,795	4,738
(Disposal)/addition	(1,208)	751
Depreciation charge for the year	(38)	(38)
Exchange differences	85	344
As at 31 December	4,634	5,795

(b) *Lease liabilities*

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000
Lease liabilities				
- current	48	78	39	39
- non-current	5,205	6,334	98	137
	5,253	6,412	137	176

The movements of lease liabilities during the year are disclosed in Note 31 and the maturity analysis is disclosed in Note 42(b).

(c) *Amounts recognised in profit or loss*

	Group	
	2024	**2023**
	$'000	$'000
Depreciation of right-of-use assets	38	38
Interest expense on lease liabilities (Note 7)	377	699
Total amount recognised in profit or loss	415	737

(d) *Total cash outflow*

The Group had total cash outflows for leases of $356,000 (2023: $339,000).

37. Leases (cont'd)

Group as a lessor

The Group has entered into property leases on its investment properties. These non-cancellable leases have remaining lease terms of between one and five years.

Future minimum rental receivables under non-cancellable operating leases at the end of the reporting period are as follows:

	Group	
	2024	**2023**
	$'000	$'000
Lease payments receivables		
- not later than 1 year	7,519	8,118
- 1 year through 5 years	7,613	11,630
	15,132	19,748

38. Related party transactions

(a) *Sale and purchase of goods and services*

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions between the Group and Company and their related parties took place during the year at terms agreed between the parties:

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000
Income				
Interest income				
- subsidiaries	–	–	10,892	10,878
- associated companies	40	293	–	–
- joint venture companies	–	380	–	–
Management fee income				
- subsidiaries	–	–	452	366
- associated companies	581	602	120	120
- joint venture companies	2,060	2,076	2,000	2,000
Expenses				
Management fee paid to a subsidiary	–	–	1,584	1,440
Interest expenses				
- subsidiaries	–	–	9,657	9,434
- joint venture companies	2,276	525	2,276	525
Rental paid to a subsidiary	–	–	283	283

38. Related party transactions (cont'd)

(b) *Compensation of key management personnel*

	Group	
	2024	**2023**
	$'000	$'000
Short-term employee benefits	3,178	2,963
Central Provident Fund contributions	157	137
Other short-term benefits	85	103
	3,420	3,203
Comprise amounts paid to:		
- Directors of the Company	1,709	1,665
- Other key management personnel	1,711	1,538
	3,420	3,203

39. Contingencies

The Company has provided corporate guarantees to banks and financial institutions of $399,366,000 (2023: $406,296,000) for credit facilities (Note 30) taken by its subsidiaries, joint venture companies and associated companies.

The Company has undertaken to provide continuing financial support to certain subsidiaries to enable them to operate as going concerns at least through twelve months from the date of the Directors' statements of the subsidiaries.

40. Classification of financial instruments

Classification

The table below is an analysis of the carrying amounts of financial instruments by categories as defined in SFRS(I) 9 as at 31 December:

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000
Financial assets measured at amortised cost				
Amounts due from associated companies and joint venture companies (non-trade)	74,798	64,218	4,419	2,205
Trade receivables	2,542	1,054	–	–
Other receivables	65,731	69,652	17,352	22,210
Amounts due from subsidiaries (non-trade)	–	–	301,722	277,420
Amounts due from related parties (trade)	1	65	1	1
Treasury bills	2,000	10,586	2,000	10,586
Fixed deposits	19,984	23,371	19,984	22,506
Cash and bank balances	34,599	40,707	3,561	7,946
	199,655	209,653	349,039	342,874
Financial liabilities measured at amortised cost				
Trade and other payables (current)				
Trade payables	1,750	3,572	656	1,607
Other payables and accruals	17,760	16,950	1,809	1,125
	19,510	20,522	2,465	2,732
Other payables (non-current)				
Other payables and accruals	1,571	1,553	–	–
Total trade and other payables	21,081	22,075	2,465	2,732
Loans and borrowings (current)				
Amounts due to subsidiaries (non-trade)	–	–	185,216	189,206
Lease liabilities	48	78	39	39
Bank term loans	57,636	100,338	16,485	1,176
	57,684	100,416	201,740	190,421

40. Classification of financial instruments (cont'd)

Classification (cont'd)

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000
Financial liabilities measured at amortised cost				
Loans and borrowings (non-current)				
Amounts due to associated companies and joint venture companies (non-trade)	46,078	46,147	36,411	37,135
Amounts due to non-controlling interests (non-trade)	68,508	69,142	–	–
Lease liabilities	5,205	6,334	98	137
Bonds	53,800	53,800	53,800	53,800
Bank term loans	303,005	247,303	–	770
Total loans and borrowings	534,280	523,142	292,049	282,263
Total finance liabilities measured at amortised cost	555,361	545,217	294,514	284,995
Financial asset at fair value through profit or loss				
Derivative financial instruments	24	196	24	196

41. Fair value of assets and liabilities

(a) *Fair value hierarchy*

The Group categories fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(b) *Fair value of financial instruments that are carried at fair value*

Derivative financial instruments are valued using a valuation technique with market observable inputs which is categorised within Level 2 of the fair value hierarchy. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties and interest rate curves.

41. Fair value of assets and liabilities (cont'd)

(c) ***Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value***

Management has determined that the carrying amounts of cash and bank balances and fixed deposits, treasury bills, current trade and other receivables (including amounts due from subsidiaries, related parties, associated companies and joint venture companies), current trade and other payables (including amounts due to subsidiaries) and accruals, current bank term loans based on their notional amounts, reasonably approximate their fair values because these are mostly short term in nature or are repriced frequently.

Non-current other receivables, other payables and accruals, amounts due to/from associated companies, joint venture companies and non-controlling interest reasonably approximate their fair values as the directors do not anticipate the carrying amounts recorded at the balance sheet date to be significantly different from the values that would eventually be settled.

Non-current bank term loans and non-current bonds reasonably approximate their fair values as they are floating rate instruments that are repriced to market interest rates on or near the end of the reporting period.

(d) ***Fair value of financial instruments by classes that are not carried at fair value and for which fair value is disclosed***

The fair value of security deposits is calculated based on the present value of future cash outflows, discounted at the market interest rate at the reporting date.

The following table shows an analysis of the Group's non-current liabilities not measured at fair value for which fair value is disclosed.

	Fair value determined using significant unobservable inputs (Level 3) Total $'000	**Carrying amount Total** $'000
2024		
Liabilities		
Rental deposits	1,408	1,571
2023		
Liabilities		
Rental deposits	1,456	1,553

41. Fair value of assets and liabilities (cont'd)

(e) *Level 3 fair value measurements*

(i) *Information about significant unobservable inputs used in Level 3 fair value measurements*

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

Description	Valuation techniques	Unobservable inputs	Range
Recurring fair value measurements			
2024			
Investment properties:			
Retail and commercial	Market comparable approach	Yield adjustments*	10% to 20%(1)
	Income approach	Capitalisation rate	4.75% to 5.25%(2)
Investment security			
Unquoted equity security	Net asset valuation	Note 1	
2023			
Investment properties:			
Retail and commercial	Market comparable approach	Yield adjustments*	10% to 20%(1)
	Income approach	Capitalisation rate	4.75% to 5.5%(2)
Investment security			
Unquoted equity security	Net asset valuation	Note 1	

* The yield adjustments are made for any difference in the nature, location, condition or size of the specific property.

(1) A significant increase (decrease) in yield adjustments would result in a significantly higher (lower) fair value measurement.

(2) A significant increase (decrease) in capitalisation rate would result in a significantly lower (higher) fair value measurement.

Note 1 – Unquoted equity investment

The fair value of unquoted equity security measured at FVTPL is estimated based on the net asset value (NAV) of the investee entity adjusted for the fair value of the underlying development property.

The estimated fair value would increase/(decrease) if the NAV was higher/(lower).

41. Fair value of assets and liabilities (cont'd)

(e) *Level 3 fair value measurements (cont'd)*

(i) *Information about significant unobservable inputs used in Level 3 fair value measurements (cont'd)*

The following table shows the impact on the Level 3 fair value measurement of assets and liabilities that are sensitive to changes in unobservable inputs that reflect reasonably possible alternative assumptions. The positive and negative effects are approximately the same.

		Effect of reasonably possible alternative assumptions	
	Carrying amount $'000	**Profit or loss** $'000	**Other comprehensive income** $'000
2024			
Recurring fair value measurements			
Investment properties:			
- Retail and commercial	226,817	6,805	–
2023			
Recurring fair value measurements			
Investment properties:			
- Retail and commercial	222,882	6,686	–

In order to determine the effect of the above reasonably possible alternative assumptions, the Group adjusted the following key unobservable inputs used in the fair value measurement:

- For retail and commercial investment properties, freehold and leasehold land and buildings, the Group adjusted the yield adjustments by increasing and decreasing the adjustments by 3% depending on nature, location or condition of the specific property.

(ii) *Movements in Level 3 assets and liabilities measured at fair value*

During the year, the Group has recognised gains from fair value adjustments of investment properties which amounted to $3,513,000 (2023: $4,497,000) (Note 12). The disclosure of the movement in investment properties in Note 12 constitutes a reconciliation of the movement of assets which are measured at fair value based on significant unobservable inputs.

41. Fair value of assets and liabilities (cont'd)

(e) ***Level 3 fair value measurements (cont'd)***

(iii) *Valuation policies and procedures*

The senior management of the Group (the "Management") oversees the Group's financial reporting valuation process and is responsible for setting and documenting the Group's valuation policies and procedures. In this regard, the Management reports to the Group's Audit Committee.

For all significant financial reporting valuations using valuation models and significant unobservable inputs, it is the Group's policy to engage external valuation experts to perform the valuation. The Management is responsible for selecting and engaging valuation experts that possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies, and SFRS(I) 13 fair value measurement guidance.

For valuations performed by external valuation experts, the Management reviews the appropriateness of the valuation methodologies and assumptions adopted. The Management also evaluates the appropriateness and reliability of the inputs used in the valuations.

Significant changes in fair value measurements from period to period are evaluated by the Management for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent sources, or internal sources if necessary and appropriate.

42. Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk. The board of directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Executive Directors. The Audit Committee provides independent oversight to the effectiveness of the risk management process. It is, and has been throughout the current and previous financial year the Group's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient. The Group and the Company do not apply hedge accounting.

The Group also had an interest rate swap facility. The purpose is to manage the interest rate risks arising from the Group's operations and sources of financing. Details of the derivative financial instruments are disclosed in Note 29.

42. Financial risk management objectives and policies (cont'd)

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Group's and Company's exposure to these financial risks or the manner in which it manages and measures the risk.

(a) ***Credit risk***

Credit risk is the risk of loss that may arise from outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and cash equivalents), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Exposure to credit risk

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is represented by:

- the carrying amount of each class of financial assets recognised in the balance sheets; and
- a nominal amount of $399,366,000 (2023: $406,296,000) relating to corporate guarantees provided by the Company to the banks and financial institutions on subsidiaries, joint ventures and associated companies' credit facilities.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country profile of its trade receivables on an on-going basis.

At the end of the reporting period, 15% and 85% (2023: 20% and 80%) of the Group's trade receivables were due from customers located in Singapore and United Kingdom respectively and they are generally settled on cash basis.

Financial guarantees and cash and cash equivalents

There is no allowance for expected credit loss on the Group's and Company's financial guarantees and cash and cash equivalents as at 31 December 2024 and 31 December 2023 as the expected credit loss is not material.

42. Financial risk management objectives and policies (cont'd)

(a) *Credit risk (cont'd)*

Trade receivables

The Group has applied the simplified approach to provide for impairment for ECLs prescribed by SFRS(I) 9, which permits the use of the lifetime expected loss provision for impairment of all trade receivables. To measure the ECLs, trade receivables have 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. Since the Group's historical credit loss experience on trade receivables balances were minimal, the loss allowance for these receivable balances as a result of applying the ECL model was therefore immaterial.

Amount due from associated companies and joint venture companies (non-trade)

The Group manages its credit risk from amount due from associated companies and joint venture companies (non-trade) by assessing the profitability of hotel properties operating performance and the profitability of development properties of its associated companies and joint venture companies on an ongoing basis. The ECL allowance in respect of these balances are disclosed in Note 17.

Other receivables

The Group's other receivables mainly comprised of senior notes and promissory notes where the Group manages its credit risk based the profitability of the underlying investments on an ongoing basis. Based on the current market condition, the Group have assessed that there is a significant increase in credit risk since the initial recognition and have applied a lifetime expected loss provision for the impeirment of these other receivables. The ECL allowance in respect of these balances are disclosed in Note 22.

Amount due from subsidiaries (non-trade)

These balances represent amounts lent to its subsidiaries to satisfy their long and short-term funding requirements. Impairment on these balances has been measured on the 12-month expected loss basis which reflects the low credit risk of the exposure. The ECL allowance in respect of these balances are disclosed in Note 23.

(b) *Liquidity risk*

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

The Group's and the Company's liquidity risk management policy is to maintain sufficient liquid financial assets and stand-by credit facilities with banks. At the end of the reporting period, approximately 11% (2023: 19%) of the Group's loans and borrowings (Note 40) will mature in less than one year based on the carrying amount reflected in the financial statements.

42. Financial risk management objectives and policies (cont'd)

(b) ***Liquidity risk (cont'd)***

The table below summarises the maturity profile of the Group's and the Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted payments.

	1 year or less $'000	1 to 5 years $'000	Total $'000
Group			
2024			
Non-derivative financial assets:			
Amounts due from associated companies and joint venture companies (non-trade)	20,332	60,427	80,759
Trade receivables	2,542	–	2,542
Other receivables	35,160	31,030	66,190
Amounts due from related parties (trade)	1	–	1
Treasury bills	2,000	–	2,000
Fixed deposits	19,984	–	19,984
Cash and bank balances	34,599	–	34,599
Total undiscounted financial assets	114,618	91,457	206,075
Non-derivative financial liabilities:			
Trade payables	1,750	–	1,750
Other payables and accruals	17,760	1,571	19,331
Lease liabilities	293	106,938	107,231
Loans and borrowings	66,509	565,393	631,902
Total undiscounted financial liabilities	86,312	673,902	760,214
Total net undiscounted financial assets/(liabilities)	28,306	(582,445)	(554,139)

42. Financial risk management objectives and policies (cont'd)

(b) ***Liquidity risk (cont'd)***

	1 year or less $'000	1 to 5 years $'000	Total $'000
Group			
2023			
Non-derivative financial assets:			
Amounts due from associated companies and joint venture companies (non-trade)	4,670	66,026	70,696
Trade receivables	1,054	–	1,054
Other receivables	56,781	14,249	71,030
Amounts due from related parties (trade)	65	–	65
Treasury bills	10,586	–	10,586
Fixed deposits	23,371	–	23,371
Cash and bank balances	40,707	–	40,707
Total undiscounted financial assets	137,234	80,275	217,509
Non-derivative financial liabilities:			
Trade payables	3,572	–	3,572
Other payables and accruals	16,950	1,553	18,503
Lease liabilities	349	112,736	113,085
Loans and borrowings	110,886	449,126	560,012
Total undiscounted financial liabilities	131,757	563,415	695,172
Total net undiscounted financial assets/(liabilities)	5,477	(483,140)	(477,663)

42. Financial risk management objectives and policies (cont'd)

(b) ***Liquidity risk (cont'd)***

	1 year or less $'000	1 to 5 years $'000	Total $'000
Company			
2024			
Non-derivative financial assets:			
Other receivables	52	17,300	17,352
Amounts due from subsidiaries (non-trade)	319,310	–	319,310
Amounts due from associated companies and joint venture companies (non-trade)	4,419	–	4,419
Amounts due from related parties (trade)	1	–	1
Treasury bills	2,000	–	2,000
Fixed deposits	19,984	–	19,984
Cash and bank balances	3,561	–	3,561
Total undiscounted financial assets	349,327	17,300	366,627
Non-derivative financial liabilities:			
Trade payables	656	–	656
Other payables and accruals	1,809	–	1,809
Lease liabilities	39	98	137
Loans and borrowings	217,501	85,148	302,649
Total undiscounted financial liabilities	220,005	85,246	305,251
Total net undiscounted financial assets/(liabilities)	129,322	(67,946)	61,376

42. Financial risk management objectives and policies (cont'd)

(b) ***Liquidity risk (cont'd)***

	1 year or less $'000	1 to 5 years $'000	Total $'000
Company			
2023			
Non-derivative financial assets:			
Other receivables	22,210	–	22,210
Amounts due from subsidiaries (non-trade)	282,884	–	282,884
Amounts due from associated companies and joint venture companies (non-trade)	2,205	–	2,205
Amounts due from related parties (trade)	1	–	1
Treasury bills	10,586	–	10,586
Fixed deposits	22,506	–	22,506
Cash and bank balances	7,946	–	7,946
Total undiscounted financial assets	348,338	–	348,338
Non-derivative financial liabilities:			
Trade payables	1,607	–	1,607
Other payables and accruals	1,125	–	1,125
Lease liabilities	39	137	176
Loans and borrowings	197,899	94,649	292,548
Total undiscounted financial liabilities	200,670	94,786	295,456
Total net undiscounted financial assets/(liabilities)	147,668	(94,786)	52,882

The table below shows the contractual expiry by maturity of the Group's and Company's contingent liabilities. The maximum amount of the financial guarantee contracts is allocated to the earliest period in which the guarantee could be called.

	Group and Company	
	1 year or less	
	2024 $'000	2023 $'000
Financial guarantees	399,366	406,296

42. Financial risk management objectives and policies (cont'd)

(c) *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from their loans and borrowings, interest-bearing loans given to related parties and fixed deposits.

The Group's policy is to manage interest cost using floating rate debts.

Sensitivity analysis for interest rate risk

At the end of the reporting period, if interest rates had been 75 (2023: 75) basis points lower/higher with all other variables held constant, the Group's profit net of tax would have been $2,205,000 higher/lower (2023: loss net of tax would have been $2,128,000 lower/higher), arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings.

The following tables sets out the carrying amount, by maturity, of the Group's and Company's financial instruments that are exposed to material interest rate risk:

	Note	Within 1 year $'000	1 to 5 years $'000	Total $'000
Group				
2024				
Floating rate				
Bank term loans	30	57,636	303,005	360,641
2023				
Floating rate				
Bank term loans	30	100,338	247,303	347,641
Company				
2024				
Floating rate				
Bank term loans	30	16,485	–	16,485
2023				
Floating rate				
Bank term loans	30	1,176	770	1,946

Interest on financial instruments subject to floating interest rates is contractually repriced at intervals of less than 6 months. Interests on financial instruments at fixed rates are fixed until the maturity of the instrument. The other financial instruments of the Group and Company that are not included in the above tables are not subject to material interest rate risks.

42. Financial risk management objectives and policies (cont'd)

(d) *Foreign currency risk*

The Group's foreign currency risk arises mainly from the Group's operations in the United Kingdom, Thailand, Japan and Bhutan. The results and financial position of foreign operations are translated into SGD as disclosed under Note 2.8(b). Accordingly, the Group's balance sheet may be affected by fluctuations in the exchange rate between Pound Sterling ("GBP"), Japanese Yen ("JPY"), Australian Dollar ("AUD"), US Dollar ("USD"), Bhutanese Ngultrum ("BTN") and Singapore dollar. It is not the Group's policy to hedge exposures arising from such translations. The Group's strategy is to fund overseas operations with borrowings denominated in their functional currency as a natural hedge against overseas assets.

The Group and the Company also hold cash and cash equivalents denominated in foreign currencies for working capital purposes. At the end of the reporting period, such foreign currency balances are as follows:

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000
Pound Sterling ("GBP")	26,687	24,583	1,795	1,538
Japanese Yen ("JPY')	1,585	3,301	46	186
Australian dollar ("AUD")	126	855	126	219
US dollar ("USD")	36	38	36	38
Bhutanese Ngultrum ("BTN")	1,637	4,036	–	–

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the AUD, GBP, THB, JPY and BTN exchange rates (against SGD), with all other variables held constant, of the Group's profit/(loss) net of tax and equity.

		2024		2023	
		(Decrease) /Increase in Profit net of tax	**Increase/ (Decrease) in Equity**	**Decrease/ (Increase) in Loss net of tax**	**Increase/ (Decrease) in Equity**
		$'000	$'000	$'000	$'000
AUD	- strengthened 3% (2023: 3%)	–	4	–	26
	- weakened 3% (2023: 3%)	–	(4)	–	(26)
GBP	- strengthened 3% (2023: 3%)	(1,881)	(4,746)	186	(5,961)
	- weakened 3% (2023: 3%)	1,881	4,746	(186)	5,961
THB	- strengthened 3% (2023: 3%)	–	814	–	784
	- weakened 3% (2023: 3%)	–	(814)	–	(784)
JPY	- strengthened 3% (2023: 3%)	(44)	(254)	(2)	(598)
	- weakened 3% (2023: 3%)	44	254	2	598
BTN	- strengthened 3% (2023: 3%)	(30)	297	(28)	128
	- weakened 3% (2023: 3%)	30	(297)	28	(128)

43. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 December 2024 and 31 December 2023.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, loans and borrowings, trade and other payables, less cash and cash equivalents. Capital includes equity attributable to the equity owners of the Company.

		Group	
	Note	**2024**	**2023**
		$'000	$'000
Trade and other payables	40	21,081	22,075
Loans and borrowings	40	534,280	523,142
Less:			
Cash and cash equivalents		(34,599)	(40,707)
Net debt		520,762	504,510
Equity attributable to owners of the Company		431,013	424,949
Capital and net debt		951,775	929,459
Gearing ratio		55%	54%

44. Segment 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 property investment segment is engaged in the leasing of residential, retail and commercial properties.

II. The property development segment is involved in the development and sale of private residential properties.

III. The corporate segment is involved in Group-level corporate services and treasury functions.

IV. The hospitality segment is involved in hotel operations and related services.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing and income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Geographical information

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

	Revenue		Non-current assets	
	2024	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000
Singapore	10,728	9,472	552,112	523,575
United Kingdom	65,637	56,882	271,401	243,814
Japan	1,795	1,503	15,139	41,155
Others	–	–	9,812	4,935
	78,160	67,857	848,464	813,479

Non-current assets information presented above consist mainly of property, plant and equipment and investment properties as presented in the consolidated balance sheet.

44. Segment information (cont'd)

	Property investment $'000	Property development $'000	Corporate $'000	Hospitality $'000	Elimination $'000	Note	Consolidated $'000
31 December 2024							
Revenue:							
Sales to external customers	12,622	–	859	64,679	–		78,160
Inter-segment revenue	820	–	7,705	9,427	(17,952)	A	–
	13,442	–	8,564	74,106	(17,952)		78,160
Results:							
Finance income	–	–	30,721	–	(29,421)	A	1,300
Finance expense	(6,299)	–	(30,672)	(21,158)	28,619	A	(29,510)
Fair value loss on derivative financial instruments	–	–	16	–	–		16
Fair value gain on investment security	–	2,572	–	–	–		2,572
Reversal of impairment of property, plant and equipment	–	–	–	4,341	–		4,341
Gain from fair value adjustments of investment properties	3,513	–	–	–	–		3,513
Gain on disposal of property, plant and equipment	–	–	–	650	–		650
Gain on disposal of assets subsidiaries	–	–	–	3,776	–		3,776
Depreciation of property, plant and equipment	(44)	–	(293)	(5,403)	–		(5,740)
Impairment losses on financial assets	–	–	(6,119)	(1,020)	–		(7,139)
Share of results of associated companies/joint venture companies	3,233	(860)	33	(192)	–		2,214
Segment profit/(loss) before tax	9,726	1,704	(15,203)	8,362	(802)	B	3,787
Assets:							
Investment in associated companies/joint venture companies	92,530	634	–	16,043	–		109,207
Additions to non-current assets[1]	161	–	232	39,964	–		40,357
Segment assets	252,621	45,669	1,128,710	581,808	(1,023,492)	C	985,316
Segment liabilities	185,881	38,443	1,028,017	294,145	(983,028)	D	563,458

[1] Additions to non-current assets consist of additions to property, plant and equipment.

44. Segment information (cont'd)

	Property investment $'000	Property development $'000	Corporate $'000	Hospitality $'000	Elimination $'000	Note	Consolidated $'000
31 December 2023							
Revenue:							
Sales to external customers	11,433	–	458	55,966	–		67,857
Inter-segment revenue	802	–	6,686	8,755	(16,243)	A	–
	12,235	–	7,144	64,721	(16,243)		67,857
Results:							
Finance income	–	–	31,235	–	(28,344)	A	2,891
Finance expense	(6,391)	–	(29,525)	(18,916)	27,440	A	(27,392)
Fair value loss on derivative financial instruments	–	–	(135)	–	–		(135)
Fair value gain on investment security	–	3,198	–	–	–		3,198
Reversal of impairment of property, plant and equipment	–	–	–	(1,927)	–		(1,927)
Impairment on investment in associated company	–	–	–	(1,660)	–		(1,660)
Gain from fair value adjustments of investment properties	4,497	–	–	–	–		4,497
Depreciation of property, plant and equipment	(21)	–	(272)	(4,940)	–		(5,233)
Impairment losses on financial assets	–	–	–	2,176	–		2,176
Share of results of associated companies/joint venture companies	2,419	(1,271)	32	(2,319)	–		(1,139)
Segment profit/(loss) before tax	8,573	1,922	(6,226)	(5,317)	(904)	B	(1,952)
Assets:							
Investment in associated companies/joint venture companies	92,297	1,525	–	16,054	–		109,876
Additions to non-current assets[1]	–	–	746	24,612	–		25,358
Segment assets	246,174	43,046	1,097,312	564,636	(978,544)	C	972,624
Segment liabilities	161,714	22,571	999,312	306,202	(935,277)	D	554,522

[1] Additions to non-current assets consist of additions to property, plant and equipment.

44. Segment information (cont'd)

Notes:

A Inter-segment revenue, finance income and finance expense are eliminated on consolidation.

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

	2024 $'000	**2023** $'000
Finance expenses	28,619	27,440
Finance income	(29,421)	(28,344)
	(802)	(904)

C The following items are added to/(deducted from) segment assets to arrive at total assets reported in the consolidated balance sheet.

	2024 $'000	**2023** $'000
Investment in subsidiaries	(186,824)	(184,424)
Intangible assets	–	109
Property, plant and equipment	–	18,572
Development property	(2,309)	(1,993)
Intra-group loans	(834,359)	(810,808)
	(1,023,492)	(978,544)

D The following items are deducted from segment liabilities to arrive at total liabilities reported in the consolidated balance sheet:

	2024 $'000	**2023** $'000
Intra-group loans	(983,028)	(935,277)

45. Dividends

	Group and Company	
	2024	2023
	$'000	$'000
Declared and paid during the financial year:		
Dividends on ordinary shares:		
- Final exempt (one-tier) dividend for 2023: 0.375 cents (2022: 0.375 cents) per share	1,829	1,829
Proposed but not recognised as a liability as at 31 December:		
Dividends on ordinary shares, subject to shareholders' approval at the AGM:		
- Final exempt (one-tier) dividend for 2024: 0.500 cents (2023: 0.375 cents) per share	2,437	1,829

46. Event occurring after reporting period

In January 2025, the Group together with its partner was awarded the tender for the purchase of a state land parcel from Urban Redevelopment Authority. The Group has an effective stake of 5% in the project.

47. Authorisation of financial statements for issue

The financial statements for the year ended 31 December 2024 were authorised for issue in accordance with a resolution of the directors on 21 March 2025.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF HEETON HOLDINGS LIMITED AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

The information in this Appendix III has been reproduced from the auditor's report on the consolidated financial statements of Heeton Holdings Limited and its subsidiaries for the financial year ended 31 December 2025 and has not been specifically prepared for inclusion in this Supplemental Information Memorandum.

Heeton Holdings Limited and its Subsidiaries

Company Registration No:
197601387M

Annual Financial Statements
31 December 2025

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Directors' statement

The directors present their statement to the members together with the audited consolidated financial statements of Heeton Holdings Limited (the "Company") and its subsidiaries (the "Group") and the balance sheet of the Company for the financial year ended 31 December 2025.

Opinion of the directors

In the opinion of the directors,

(i) the consolidated financial statements of the Group and the balance sheet of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date; and

(ii) at the date of this statement there are reasonable grounds to believe that the Group and Company will be able to pay its debts as and when they fall due as one of the key bondholder has undertaken to continue to subscribe to the Company's bond issuance based on their existing commitments.

Directors

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

Toh Giap Eng	–	Executive Chairman
Hoh Chin Yiep	–	Executive Director
Tan Chuan Lye	–	Independent Director
Lee Bee Wah	–	Independent Director
Li Hiaw Ho	–	Independent Director
Toh Gap Seng	–	Alternate to Toh Giap Eng

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose 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 or debentures of the Company or any other body corporate.

Directors' interests in shares or debentures

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

	Direct interest		Deemed interest	
Name of director	**1 January 2025**	**31 December 2025**	**1 January 2025**	**31 December 2025**
The Company				
Heeton Holdings Limited				
Number of Ordinary shares				
Toh Giap Eng	63,519,373	63,519,373	136,361,838	136,361,838
Toh Gap Seng	26,752,555	26,752,555	1,883,200	1,883,200
7.00% fixed rate Notes due November 2026				
Toh Giap Eng	$8,400,000	$8,400,000	–	–
Toh Gap Seng	$2,000,000	$2,000,000	–	–
Hoh Chin Yiep	$600,000	$600,000	–	–
Lee Bee Wah	$200,000	$200,000	–	–

There was no change in any of the above-mentioned interests between the end of the financial year and 21 January 2026.

By virtue of Section 7 of the Companies Act 1967, Mr. Toh Giap Eng is deemed to have interests in the shares held by Heeton Holdings Limited in all its subsidiaries.

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares or debentures of the Company or related corporations, either at the beginning or at the end of the financial year.

Share options

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

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

There were no unissued shares of the Company or its subsidiaries under option as at the end of the financial year.

Audit committee

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

- Reviewed the audit plans of the internal and external auditors of the Group and the Company and reviewed the internal auditor's evaluation of the adequacy of the Company's system of internal accounting controls and the assistance given by the Group and the Company's management to the external and internal auditors;
- Reviewed the half-yearly and annual financial statements and the independent auditor's report on the annual financial statements of the Group and the Company before their submission to the board of directors;
- Reviewed effectiveness of the Group's and the Company's material internal controls, including financial, operational and compliance controls and risk management via reviews carried out by the internal auditor;
- Met with the external auditor, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC;
- Reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;
- Reviewed the cost effectiveness and the independence and objectivity of the external auditor;
- Reviewed the nature and extent of non-audit services provided by the external auditor;
- Recommended to the board of directors the external auditor to be nominated, approved the compensation of the external auditor, and reviewed the scope and results of the audit;
- Reported actions and minutes of the AC to the board of directors with such recommendations as the AC considered appropriate; and
- Reviewed interested person transactions in accordance with the requirements of the Singapore Exchange Securities Trading Limited (SGX-ST)'s Listing Manual.

Audit committee (cont'd)

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

The AC convened two meetings during the year with full attendance from all members. The AC 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 AC are disclosed in the Report on Corporate Governance in the Annual Report.

Auditor

Ernst & Young LLP have expressed their willingness to accept reappointment as auditor.

On behalf of the board of directors,

Toh Giap Eng Executive Chairman	Hoh Chin Yiep Executive Director

Singapore

23 March 2026

Independent auditor's report to members of Heeton Holdings Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Heeton Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the balance sheets of the Group and the Company as at 31 December 2025, the consolidated statement of changes in equity, consolidated statement of comprehensive income and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group, and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the Act) and Singapore Financial Reporting Standards (International) (SFRS(I)) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2025 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), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have also 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

Independent auditor's report to members of Heeton Holdings Limited

Key Audit Matters (cont'd)

Valuation of investment properties

As at 31 December 2025, the carrying amount of the Group's investment properties was $228,590,000 which accounted for 22.8% of total assets. The Group carries its investment properties at fair value, with changes in fair values recognised in profit or loss. The Group also invests in investment properties through its joint venture company and associated companies.

The Group engaged independent valuation specialists to determine the fair values of its investment properties as at 31 December 2025. The valuation of the investment properties is a significant judgemental area and is dependent on a number of assumptions including, but not limited to, yield adjustments made for any difference in nature, location or condition of the specific property. In addition, significant management judgement is required in determining the valuation of investment properties arising from rapid changes in market and economic conditions. Accordingly, we have identified this as a key audit matter.

As part of our audit procedures, we evaluated the independence, competence and objectivity of the external valuation specialists. With the assistance of our internal property valuation specialist, we held discussions with selected external valuation specialists to understand the valuation methodologies used in the valuation and the results of their work, including key valuation adjustments made in light of the increased estimation uncertainty. We assessed the reasonableness of the key inputs and assumptions underlying the valuation, such as adjusted recent sale prices, or estimated annual net rental income after deduction of expenses, capitalised at an appropriate rate of return. We also assessed the adequacy of the disclosures in the financial statements in Note 3 *Significant accounting estimates and judgements*, Note 12 *Investment properties* and Note 40 *Fair value of assets and liabilities* of the financial statements.

Impairment assessment on carrying value of hotel properties

As at 31 December 2025, the carrying value of property, plant and equipment (collectively, "properties") mainly relating to the Group's portfolio of hotel properties, amounted to $422,963,000 and accounted for 42.2% of the Group's total assets. These properties are carried at cost less accumulated depreciation and impairment losses, and are subject to an annual review to assess if there are indicators of impairment. The changes in market and economic conditions has resulted in significant amount of uncertainty in the current and future environment in which the Group operates. Accordingly, the Group undertook an impairment assessment to determine the recoverable amounts of its hotel properties.

The process of identifying indicators of impairment and assessing the recoverable amount of each hotel property involves significant management judgement and estimation. Valuations by external valuation specialists were obtained for hotel properties with impairment indicators to determine the recoverable value. These assessments are dependent on a range of key assumptions and estimates that require significant judgement, including but not limited to expected occupancy rates, discount rates, revenue growth rates and the competitive landscape in their local markets. Accordingly, we have identified this as a key audit matter.

Key Audit Matters (cont'd)

Impairment assessment on carrying value of hotel properties (cont’d)

Our audit procedures included, amongst others, obtained an understanding and an evaluation of the Group’s policies and procedures to identify triggering events for potential impairment and any material changes in the carrying value of the hotel properties. We evaluated the independence, competence and objectivity of the external valuation specialists. With the assistance of our internal property valuation specialist, we held discussions with the management and external specialists to understand the valuation methodologies and key assumptions and estimates used in the valuation and the results of their work, including key valuation adjustments made in response to the changes in market and economic conditions. We assessed the reasonableness of the key assumptions and estimates used by the independent valuation specialist and management by comparing to historical average room and occupancy rates, property-related industry data and prices from recent sale transactions of comparable properties, where available. We also assessed the adequacy of the related disclosures in the financial statements in Note 3 *Significant accounting estimates and judgements* and Note 11 *Property, plant and equipment* of the financial statements.

Impairment assessment of the Group’s and Company’s interest in subsidiaries, associated companies and joint venture companies

The Group and the Company has significant interests in subsidiaries, associated companies and joint venture companies, which comprise the investments in and amounts due from subsidiaries, associated companies and joint venture companies. The subsidiaries, associated companies and joint venture companies of the Group are mainly involved in the business of property development and hotel operations.

The recoverability of the interests in these subsidiaries, associated companies and joint venture companies are dependent on the hotel properties’ future operating performance and/or the success of the relevant development projects. The hotel properties’ future operating performance is dependent on, amongst others, the expected occupancy rates, revenue growth rates and the competitive landscape in their local markets. The success of the development projects are dependent on, amongst others, the economic condition, government policies, and demand and supply of properties in their respective markets. Consequently, there is a risk of downward valuation of the hotel properties and development projects due to implications brought on by the market and economic conditions. Annually, management conducts an assessment to determine whether any indicator of impairment exists.

We identified this as a key audit matter because the interests in subsidiaries, associated companies and joint venture companies are material to the Group’s and the Company’s financial statements, and the valuation and impairment assessment involve significant management judgement and heighten level of estimation uncertainty arising from the volatility in market and current economic conditions.

Key Audit Matters (cont'd)

Impairment assessment of the Group's and Company's interest in subsidiaries, associated companies and joint venture companies (cont'd)

As part of our audit procedures, we obtained an understanding of the Group's process for identifying impairment triggers and considered management's assessment of impairment of interests in subsidiaries, associated companies and joint venture companies. We evaluated management's assumptions and inputs used in the review of historical credit loss experiences and consideration of the information management used to make forward-looking adjustment in determining the expected credit losses. We discussed with management, and where applicable, component auditors of significant subsidiaries, associated companies and joint venture companies, about the future market and economic conditions had on the development projects and hotel properties, and their future business plans. We assessed the reasonableness of revenue recognised during the financial year and sales performance of the completed development projects. In addition, we assessed the reasonableness of the estimated selling prices of the completed development properties by comparing to recently transacted prices and prices of comparable projects located in the vicinity as the development projects. For development properties under construction held by associated companies, we assessed the reasonableness of the total estimated contract costs by enquiring with management to understand the basis of key assumptions used in estimating project completion timelines and total estimated contract costs. For those subsidiaries and associated companies with hotel properties, together with our internal property valuation specialist, we obtained and read the valuation reports prepared by the external valuers. We also inquired the external valuers and management and obtained explanations to support the selection of valuation methods, the valuation adjustments made in light of the heighten estimation uncertainty as well as the reasonableness of key assumptions including the expected occupancy rates, revenue growth rates and capitalisation rates used to establish the valuations.

We also assessed the adequacy of the disclosures in the financial statements in Note 3 *Significant accounting estimates and judgements*, Note 13 *Subsidiaries,* Note 14 *Associated companies*, Note 15 *Joint ventures companies,* Note 17 *Amounts due from associated companies and joint venture companies, and* Note 22 *Amounts due from subsidiaries* of the financial statements.

Other Information

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

Our opinion on the financial statements does not cover the other information and we do not 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.

Independent auditor's report to members of Heeton Holdings Limited

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Independent auditor's report to members of Heeton Holdings Limited

Auditor’s Responsibilities for the Audit of the Financial Statements (cont’d)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposed of the Group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on other legal and regulatory requirements

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

The engagement partner on the audit resulting in this independent auditor’s report is Mr. Lim Tze Yuen.

Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

23 March 2026

Heeton Holdings Limited and its Subsidiaries

Consolidated statement of comprehensive income
For the year ended 31 December 2025

	Note	2025	2024
		$'000	$'000
Revenue	4	81,180	78,160
Other operating income	5	2,424	2,420
Personnel expenses	6	(25,149)	(23,423)
Depreciation of property, plant and equipment	11	(6,727)	(5,740)
Other operating expenses		(30,288)	(29,363)
Finance expenses	7(a)	(26,603)	(29,510)
Finance income	7(b)	1,461	1,300
Impairment losses on financial assets	8	(4,945)	(7,139)
Fair value (losses)/gain on derivative financial instruments	8	(2,435)	16
Fair value (loss)/gain on investment security	8	(429)	2,572
(Impairment)/reversal of impairment of property, plant and equipment	11	(916)	4,341
Share of results of associated companies and joint venture companies		3,843	2,214
Gains from fair value adjustments of investment properties	12	1,361	3,513
Gain on disposal of property, plant and equipment	8	–	650
Gain on disposal of subsidiaries	8,13	–	3,776
(Loss)/profit before tax	8	(7,223)	3,787
Income tax expense	9	(2,828)	(3,062)
(Loss)/profit for the year		(10,051)	725
Other comprehensive income:			
Item that may be reclassified subsequently to profit or loss			
Foreign currency translation		889	8,510
Other comprehensive income for the year, net of tax		889	8,510
Total comprehensive (loss)/income for the year		(9,162)	9,235
(Loss)/profit for the year			
Attributable to:			
Owners of the Company		(9,259)	(1,375)
Non-controlling interests		(792)	2,100
		(10,051)	725

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

Heeton Holdings Limited and its Subsidiaries

Consolidated statement of comprehensive income
For the year ended 31 December 2025

	Note	2025 $'000	2024 $'000
Total comprehensive (loss)/income for the year:			
Attributable to:			
Owners of the Company		(7,952)	7,893
Non-controlling interests		(1,210)	1,342
		(9,162)	9,235
Earnings per share attributable to owners of the Company (cents per share)			
Basic	10	(1.90)	(0.28)
Diluted	10	(1.90)	(0.28)

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

Heeton Holdings Limited and its Subsidiaries

Balance sheets
As at 31 December 2025

	Note	Group 2025 $'000	Group 2024 $'000	Company 2025 $'000	Company 2024 $'000
Non-current assets					
Property, plant and equipment	11	422,963	418,830	590	273
Investment properties	12	228,590	226,817		–
Subsidiaries	13	–	–	41,237	41,237
Associated companies	14	25,881	15,196	–	–
Joint venture companies	15	93,347	94,011	5,000	5,000
Investment securities	16	7,172	7,201	–	–
Amounts due from associated companies and joint venture companies (non-trade)	17	76,184	54,466	–	–
Other receivables	21	34,033	30,571	–	17,300
Deferred tax assets	32	1,370	1,372	–	–
		889,540	848,464	46,827	63,810
Current assets					
Development property	18	22,054	20,664	–	–
Trade receivables	20	2,987	2,542	–	–
Other receivables	21	29,744	35,160	11,929	52
Prepayments		1,500	1,546	333	583
Amounts due from subsidiaries (non-trade)	22	–	–	319,703	301,722
Amounts due from related parties (trade)		1	1	1	1
Amounts due from associated companies and joint venture companies (non-trade)	17	5,087	20,332	2,227	4,419
Derivative financial instruments	28	–	24	–	24
Treasury bills	19	–	2,000	–	2,000
Fixed deposits	23	10,276	19,984	6,643	19,984
Cash and bank balances	24	40,440	34,599	7,753	3,561
		112,089	136,852	348,589	332,346
Current liabilities					
Trade payables	25	1,998	1,750	44	656
Other payables and accruals	26	16,887	18,964	1,445	2,544
Amounts due to subsidiaries (non-trade)	22	–	–	195,260	185,216
Lease liabilities	36(b)	88	48	79	39
Bonds	27	53,800	–	53,800	–
Bank term loans	29	39,898	57,636	7,000	16,485
Income tax payable		3,703	4,780	–	–
		116,374	83,178	257,628	204,940
Net current (liabilities)/assets		(4,285)	53,674	90,961	127,406

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

Heeton Holdings Limited and its Subsidiaries

Balance sheets
As at 31 December 2025

	Note	Group 2025 $'000	Group 2024 $'000	Company 2025 $'000	Company 2024 $'000
Non-current liabilities					
Other payables and accruals	26	1,656	1,571	–	–
Lease liabilities	36(b)	5,450	5,205	230	98
Amounts due to associated companies and joint venture companies (non-trade)	17	44,226	46,078	35,823	36,411
Amounts due to non-controlling interests (non-trade)	31	71,887	68,508	–	–
Derivative financial instruments	28	2,416	–	56	–
Bonds	27	–	53,800	–	53,800
Bank term loans	29	345,879	303,005	–	–
Deferred tax liabilities	32	2,715	2,113	173	154
		474,229	480,280	36,282	90,463
Net assets		411,026	421,858	101,506	100,753
Equity attributable to owners of the Company					
Share capital	33	86,624	86,624	86,624	86,624
Treasury shares	34	(120)	(63)	(120)	(63)
Foreign currency translation reserve	35	(4,963)	(6,270)	–	–
Retained earnings		339,027	350,722	15,002	14,192
		420,568	431,013	101,506	100,753
Non-controlling interests	13	(9,542)	(9,155)	–	–
Total equity		411,026	421,858	101,506	100,753

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

Heeton Holdings Limited and its Subsidiaries

Consolidated statement of changes in equity
For the year ended 31 December 2025

	Note	Share capital (Note 33) $'000	Treasury shares (Note 34) $'000	Foreign currency translation reserve (Note 35) $'000	Retained earnings $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
		Attributable to owners of the Company						
Balance at 1 January 2024		86,624	(63)	(15,538)	353,926	424,949	(6,847)	418,102
Loss/(profit) for the year		–	–	–	(1,375)	(1,375)	2,100	725
Other comprehensive income/(loss)								
- Foreign currency translation		–	–	9,268	–	9,268	(758)	8,510
Total comprehensive income/(loss) for the year		–	–	9,268	(1,375)	7,893	1,342	9,235
Disposal of subsidiaries with non-controlling interests		–	–	–	–	–	(3,650)	(3,650)
Dividends on ordinary shares	44	–	–	–	(1,829)	(1,829)	–	(1,829)
At 31 December 2024		86,624	(63)	(6,270)	350,722	431,013	(9,155)	421,858
Balance at 1 January 2025		86,624	(63)	(6,270)	350,722	431,013	(9,155)	421,858
Loss for the year		–	–	–	(9,259)	(9,259)	(792)	(10,051)
Other comprehensive income/(loss)								
- Foreign currency translation		–	–	1,307	–	1,307	(418)	889
Total comprehensive income/(loss) for the year		–	–	1,307	(9,259)	(7,952)	(1,210)	(9,162)
Treasury shares		–	(57)	–	–	(57)	–	(57)
Dividends on ordinary shares	44	–	–	–	(2,436)	(2,436)	–	(2,436)
Dividends to non-controlling interests		–	–	–	–	–	(477)	(477)
Additional shares in subsidiary		–	–	–	–	–	1,300	1,300
At 31 December 2025		86,624	(120)	(4,963)	339,027	420,568	(9,542)	411,026

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

Consolidated statement of cash flows
For the year ended 31 December 2025

	Note	2025 $'000	2024 $'000
Cash flows from operating activities			
(Loss)/profit before tax		(7,223)	3,787
Adjustments:			
Depreciation of property, plant and equipment	11	6,727	5,740
Gain on disposal of property, plant and equipment		–	(650)
Fair value losses/(gains) on derivative financial instruments	8	2,435	(16)
Fair value loss/(gain) on investment security	8	429	(2,572)
Impairment/(Reversal of impairment) of property, plant and equipment	11	916	(4,341)
Gains from fair value adjustments of investment properties	12	(1,361)	(3,513)
Gain on disposal of subsidiaries	13	–	(3,776)
Impairment on financial assets	8	4,945	7,139
Share of results of associated companies and joint venture companies		(3,843)	(2,214)
Interest expense	7(a)	26,603	29,510
Interest income	7(b)	(1,461)	(1,300)
Goodwill written off		–	109
Unrealised exchange differences		946	1,306
Total adjustments		36,336	25,422
Operating cash flows before changes in working capital		29,113	29,209
Changes in working capital:			
Increase in development property		(1,055)	(1,145)
Increase in trade receivables		(436)	(1,400)
Decrease in other receivables		2,007	3,888
Decrease in prepayments		59	1,087
Increase/(decrease) in trade payables		237	(1,829)
(Decrease)/increase in other payables and accruals		(2,071)	323
Decrease in amounts due from related parties, net		–	63
Total changes in working capital		(1,259)	987
Cash flows from operations		27,854	30,196
Interest received		1,461	1,300
Interest paid, excluding amounts capitalised		(26,603)	(29,510)
Income taxes paid		(2,998)	(4,153)
Net cash flows used in operating activities		(286)	(2,167)

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

Heeton Holdings Limited and its Subsidiaries

Consolidated statement of cash flows
For the year ended 31 December 2025

	Note	2025 $'000	2024 $'000
Cash flows from investing activities			
Proceeds from disposal of property, plant and equipment		–	26,426
Additions to property, plant and equipment	11	(7,719)	(40,357)
Addition to investment security		(400)	–
Dividend income from joint venture companies		3,500	3,800
Net loan to associated companies and joint venture companies		(22,977)	(24,446)
Proceeds from disposal of subsidiaries		–	11,366
Proceeds on maturity of treasury bills		2,000	8,586
Net cash flows used in investing activities		(25,596)	(14,625)
Cash flows from financing activities			
Proceeds from bank loans		40,043	34,389
Repayment of bank loans		(17,913)	(23,596)
Purchase of treasury shares		(57)	–
Payments of principal portion of lease liabilities		(144)	(356)
Loan from/(Repayment of loan) to non-controlling interests		2,902	(1,541)
Dividends paid on ordinary shares of the Company	44	(2,436)	(1,829)
Release of/(Restricted) cash pledge for bank facility		21,038	(22,977)
Net cash from/(used in) financing activities		43,433	(15,910)
Net increase/(decrease) in cash and cash equivalents		17,551	(32,702)
Effect of exchange rate changes on cash and cash equivalents		(380)	230
Cash and cash equivalents at beginning of year		29,851	62,323
Cash and cash equivalents at end of year		47,022	29,851

Cash and cash equivalents

Cash and cash equivalents consist of fixed deposits and cash and bank balances, as follows:

	Note	2025	2024
Fixed deposits		10,276	19,984
Cash and bank balances	24	40,440	34,599
Total cash and bank balances		50,716	54,583
Restricted cash – cash pledge for bank facility		(3,694)	(24,732)
Cash and cash equivalents at end of year		47,022	29,851

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

1. Corporate information

Heeton Holdings Limited (the "Company") is a limited liability company domiciled and incorporated in the Republic of Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST).

The registered office and principal place of business is located at 60 Paya Lebar Road #08-36, Paya Lebar Square, Singapore 409051.

The Company's principal activities are in property development and investment holding. The principal activities of the subsidiaries, associated companies and joint venture companies are set out in Notes 13 to 15 to the financial statements.

2. Material accounting policy information

2.1 *Basis of preparation*

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

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

The financial statements are presented in Singapore dollars (Dollars ("SGD" or "$") and all values in the tables are recorded to the nearest thousand ("$'000") except when otherwise indicated.

Going concern uncertainty

As of 31 December 2025, the Group is in a net current liabilities of $4,285,000 (2024: net current assets of $53,674,000). The Group's ability to continue as a going concern depends on the bondholders' commitment to continue subscribing to the Group's bond issuance based on their existing commitments. The financial statements have been prepared on a going concern basis because a bondholder has provided undertaking to maintain their commitments for at least 12 months from the date of the financial statements, enabling the Group to continue its operations.

2.2 *Adoption of new and amended standards and interpretations*

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 January 2025. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

2. Material accounting policy information (cont'd)

2.3 *Standards issued but not yet effective*

The Group has not adopted the following standards and interpretations that have been issued but not yet effective:

Description	***Effective for annual periods beginning on or after***
Amendments to SFRS(I) 9 and SFRS(I) 7: *Amendments to the Classification and Measurement of Financial Instruments*	1 Jan 2026
Annual Improvements to SFRS(I)s—Volume 11	1 Jan 2026
SFRS(I) 18: *Presentation and Disclosure in Financial Statements*	1 Jan 2027
Amendments to SFRS(I) 10 and SFRS(I) 1-28: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	To be determined

The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements on SFRS(I) 18: *Presentation and Disclosure in Financial Statements.*

Other than SFRS(I) 18: *Presentation and Disclosure in Financial Statements*, the directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

2.4 *Basis of consolidation and business combinations*

(a) *Basis of consolidation*

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

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

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

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

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

- derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- derecognises the carrying amount of any non-controlling interest;
- derecognises the cumulative translation differences recorded in equity;

2. Material accounting policy information (cont'd)

2.4 *Basis of consolidation and business combinations (cont'd)*

(a) *Basis of consolidation (cont'd)*

- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss; and
- re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

(b) *Business combinations and goodwill*

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of SFRS(I) 9 *Financial Instruments*, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with SFRS(I) 9. Other contingent consideration that is not within the scope of SFRS(I) 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

2. Material accounting policy information (cont'd)

2.4 *Basis of consolidation and business combinations (cont'd)*

(b) *Business combinations and goodwill (cont'd)*

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

2.5 *Subsidiaries*

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

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

2.6 *Transactions with non-controlling interests*

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

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

2.7 *Joint ventures and associates*

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

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

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

2. Material accounting policy information (cont'd)

2.7 *Joint ventures and associates (cont'd)*

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

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

The financial statements of the joint venture and associate are prepared as of the same reporting date as the Company unless it is impracticable to do so. When the financial statements of a joint venture and associate used in applying the equity method are prepared as of a different reporting date from that of the Company, adjustments are made for the effects of significant transactions or events that occur between that date and the reporting date of the Company. In any case, the difference between the end of the reporting period of the joint venture and associate, and that of the investor shall be no more than three months. The length of the reporting periods and any difference between the ends of the reporting periods shall be the same from period to period. When the financial statements of a joint venture and associate used in applying the equity method are as of a reporting date or for a period that is different from that of the Company, the reporting date of the financial statements of the joint venture and associate, and the reason for using a different reporting date or different period shall be disclosed.

2.8 *Foreign currency*

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

(a) *Transactions and balances*

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

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

2. Material accounting policy information (cont'd)

2.8 *Foreign currency (cont'd)*

(b) *Consolidated financial statements*

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

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

2.9 *Property, plant and equipment*

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, these items are measured at cost less accumulated depreciation and any accumulated impairment losses.

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

Depreciation of an asset begins when it is available for use and is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Leasehold land	–	Over the remaining lease period
Buildings	–	50 years or over the remaining lease period, whichever is shorter
Plant and equipment	–	10 years
Renovations	–	5 to 6 years
Motor vehicles	–	5 to 10 years
Equipment and fixtures	–	3 to 10 years
Furniture and fittings	–	5 to 10 years
Computers	–	3 years

Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

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

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

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

2. Material accounting policy information (cont'd)

2.10 *Investment properties*

Investment properties are properties that are either owned by the Group or leased under a finance lease that are held to earn rentals or for capital appreciation, or both.

Investment properties are initially measured at cost, including transaction costs.

Subsequent to initial recognition, investment properties are measured at fair value. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use.

2.11 *Development properties*

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

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

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

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

2.12 *Impairment of non-financial assets*

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

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

2. Material accounting policy information (cont'd)

2.12 *Impairment of non-financial assets (cont'd)*

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

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

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.13 *Financial instruments*

(a) *Financial assets*

<u>Initial recognition and measurement</u>

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

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

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

<u>Subsequent measurement</u>

Investments in debt instruments

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

2. Material accounting policy information (cont'd)

2.13 *Financial instruments (cont'd)*

(a) *Financial assets (cont'd)*

Subsequent measurement (cont'd)

Investments in debt instruments (cont'd)

(i) Amortised cost

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

(ii) Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument 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.

Derecognition

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

Regular way purchases and sales

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e. the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

(b) *Financial liabilities*

Initial recognition and measurement

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

All financial liabilities are recognised initially at fair value and in the case of other financial liabilities, plus directly attributable transaction costs. Derivative instruments are initially recognised at fair value on the date a derivative contract is entered into.

2. Material accounting policy information (cont'd)

2.13 *Financial instruments (cont'd)*

(b) *Financial liabilities (cont'd)*

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process. Derivative instruments are subsequently re-measured to their fair value at the end of each reporting period. Changes in fair value of derivative instruments are recognised in profit or loss.

Derecognition

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

2.14 *Impairment of financial assets*

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

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

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

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

2. Material accounting policy information (cont'd)

2.15 *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand and at banks and unpledged fixed deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.16 *Financial guarantee*

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

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are measured at the higher of the amount of expected credit loss determined in accordance with the policy set out in Note 2.14 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised over the period of the guarantee.

2.17 *Borrowing costs*

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

2.18 *Provisions*

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2. Material accounting policy information (cont'd)

2.19 *Employee benefits*

(a) *Defined contribution plans*

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

(b) *Employment leave entitlement*

Employee entitlements to annual leave are recognised as a liability when they are accrued to employees. A provision is made for the estimated liability for leave as a result of services rendered by employees up to the end of the reporting period.

2.20 *Revenue*

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

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

I *Rental income*

Rental income arising on investment properties is accounted for on a straight-line basis over the lease terms on ongoing leases. The aggregate cost of incentives provided to lessees is recognised as a reduction of rental income over the lease term on a straight-line basis.

II *Hotel operation income*

Income from hotel operations is recognised when goods are delivered or services are rendered to customers.

III *Interest income*

Interest income is recognised as interest accrues using the effective interest method.

IV *Rendering of services*

Revenue from provision of services is recognised when these services are rendered.

V *Dividend income*

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

2. Material accounting policy information (cont'd)

2.21 *Taxes*

(a) *Current income tax*

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

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

(b) *Deferred tax*

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

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

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

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

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

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

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

2. Material accounting policy information (cont'd)

2.21 *Taxes (cont'd)*

(b) *Deferred tax (cont'd)*

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

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

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

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

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it is incurred during the measurement period or in profit or loss.

(c) *Sales tax*

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

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

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

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2. Material accounting policy information (cont'd)

2.22 *Segment reporting*

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 43, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.23 *Share capital and share issue expenses*

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

2.24 *Contingencies*

A contingent liability is:

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

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

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

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

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

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

3. Significant accounting estimates and judgements

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, and in any future periods affected.

Information about significant areas of estimation that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Property, plant and equipment (Note 11)
- Determination of fair value of investment properties (Note 12)

3.1 *Key sources of estimation uncertainty*

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

(a) *Valuation of investment properties*

The Group carries its investment properties at fair value, with changes in fair values being recognised in profit or loss. The Group engaged independent valuation specialists to determine fair value as at 31 December 2025. The two valuation techniques adopted were the Market Comparable Approach Method and Income Approach Method. The former involves analysing recent sales evidence of similar properties. Adjustments are made to differences in location, age, tenure, floor area, condition, exposure, date of sale, amongst other factors, before arriving at the market value of the property. The latter involves the conversion of the net income of the property into a capital sum at a suitable rate of return which reflects the quality of the investment. The net income is the balance sum after deducting property tax, cost of repairs and maintenance and a reasonable percentage for vacancy from the gross rent. The value of the property is arrived at by capitalising the net rent at a suitable rate of return.

The key assumptions used to determine the fair value of these investment properties and sensitivity analysis are provided in Note 40.

The carrying amount of the Group's investment properties as at 31 December 2025 was $228,590,000 (2024: $226,817,000).

3. Significant accounting estimates and judgements (cont'd)

3.1 *Key sources of estimation uncertainty (cont'd)*

(b) *Income taxes*

The Group's exposure to income taxes mainly arises from Singapore and United Kingdom. Significant judgement is involved in determining the Group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

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

As at 31 December 2025, the carrying amount of the Group's income tax payable amounted to $3,703,000 (2024: $4,780,000). The carrying amount of deferred tax assets and deferred tax liabilities are disclosed in Note 32.

(c) *Impairment assessment of property, plant and equipment*

An impairment exists when the carrying value of property, plant and equipment exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing the asset.

Management assesses whether there are trigger events indicating potential impairment at each reporting date. Where applicable, the Group considers independent valuation reports of valuation specialists to support the recoverable amounts of certain property, plant and equipment. The fair values are determined by external specialists using valuation techniques which involve the use of estimates and assumptions which are reflective of current market conditions.

3. Significant accounting estimates and judgements (cont'd)

3.1 *Key sources of estimation uncertainty* (cont'd)

(d) *Impairment assessment of interest in associated companies and joint ventures companies*

The Group has significant interests in associated companies and joint ventures companies. The Group's interests in associated companies and joint ventures companies comprise the investments and amounts due from associated companies and joint ventures companies. The associated companies and joint ventures companies of the Group are mainly involved in the business of property development. The Group assesses at the end of each reporting period whether there is any objective evidence that the interest is impaired.

The Group applies the general approach to provide for ECLs on amounts due from associated companies and joint ventures companies carried at amortised cost. At each reporting date, the Group assesses whether the credit risk of a financial asset has increased significantly since initial recognition. When initial credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

The assessment of whether credit risk of a financial asset has increased significantly since initial recognition is a significant estimate. Credit risk assessment is based on both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

The carrying amounts of the Group's interests in associated companies and joint venture companies are disclosed in Notes 14 and 15 to the financial statements respectively.

(e) *Fair value measurement of unquoted equity security*

The Group has investment in unquoted equity security which is measured at fair value through profit or loss (FVTPL). The fair value of unquoted equity security measured at FVTPL is estimated based on the net asset value (NAV) of the investee entity adjusted for the fair value of the underlying development property. This requires the Group to engage external valuation expert to perform the valuation. The information about the fair value measurement is disclosed in Note 40 to the financial statements.

As at 31 December 2025, the carrying amount of the unquoted equity security amounted to $7,172,000 (2024: $7,201,000).

3. Significant accounting estimates and judgements (cont'd)

3.1 *Key sources of estimation uncertainty* (cont'd)

(f) *Leases - Estimating the incremental borrowing rate*

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs such as market interest rates when available and is required to make certain entity-specific estimates such as the Group's stand-alone credit rating.

(g) *Impairment assessment of other receivables*

The Group has other receivables from companies whom are mainly involved in the business of property development. The Group assesses at the end of each reporting period whether there is any objective evidence that the receivables is impaired.

The recoverability of the receivables is dependent on the financial position, performance and cashflows of the debtors, the valuation, estimated selling price and estimated costs to complete (where applicable) of the underlying assets held by them and the debtors' ability to repay via realisation of these underlying assets held. Annually, management conducts an assessment to determine whether any indicator of impairment exists.

The carrying amounts of the Group's interests in other receivables are disclosed in Note 21 to the financial statements.

(h) *Accounting and fair value measurement of call option and forward contract*

The Group entered into a call option arrangement involving the transfer of an equity interest held through a newly incorporated subsidiary. The new subsidiary holds the interest in an associated company whose principal activity is hotel operation. Upon the exercise of the option, the arrangement was effectively converted into a forward contract for the future sale of shares, with settlement expected in September 2027.

The Group engaged independent valuation specialists to determine fair value of the forward contract as at 31 December 2025. The valuation of the forward contract is measured based on discounted cash flow method and net asset value (NAV) of the investee entity adjusted for the fair value of the underlying property assets. The information about the fair value measurement is disclosed in Note 40 to the financial statements.

As at 31 December 2025, the carrying amount of the forward derivative amounted to $2,360,000 (2024: $Nil), as disclosed in Note 28.

3. Significant accounting estimates and judgements (cont'd)

3.2 *Judgements made in applying accounting policies*

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

(a) *Classification of property*

The Group determines whether a property is classified as investment property, development property or property, plant and equipment as follows:

- Investment property comprises land and buildings (principally offices, commercial and retail property) which are not occupied substantially for use by, or in the operations of, the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income or for capital appreciation, or both.

- Development property comprises property that is held for sale in the ordinary course of business. Principally, this is residential and commercial property that the Group develops and intends to sell before or on completion of construction.

- Property, plant and equipment comprises land and buildings (principally hotel properties) which are held for use in the supply of services to earn hotel operation income.

(b) *Classification of investments as associated companies*

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

Management has determined that it does not have control or joint control over its associated companies. The Group's associated companies are disclosed in Note 14 to the financial statements.

4. Revenue

	Group	
	2025	**2024**
	$'000	$'000
Revenue from contracts with customers	68,345	64,703
Rental income from investment properties	12,835	12,622
Other rental income	–	835
	81,180	78,160

4. Revenue (cont'd)

Disaggregation of revenue from contracts with customers

	Hospitality		Corporate		Total revenue	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**
	$'000	$'000	$'000	$'000	$'000	$'000
Segments						
Primary geographical markets						
Singapore	–	–	229	370	229	370
United Kingdom	67,090	63,968	371	365	67,461	64,333
Others	655	–	–	–	655	–
	67,745	63,968	600	735	68,345	64,703
Major product or service line						
Hotel operation income	67,745	63,968	–	–	67,745	63,968
Management fee income	–	–	600	735	600	735
	67,745	63,968	600	735	68,345	64,703
Timing of transfer of goods or services						
At a point in time	67,745	63,968	600	735	68,345	64,703

5. Other operating income

	Group 2025 $'000	Group 2024 $'000
Tentage and other rental	43	153
Management fee income from associated companies and joint venture companies	2,120	2,120
Others	261	147
	2,424	2,420

6. Personnel expenses

	Group 2025 $'000	Group 2024 $'000
Salaries and bonuses	23,903	22,254
Central Provident Fund contributions	470	441
Other staff costs	776	728
	25,149	23,423

Personnel expenses include directors' remuneration set out in Note 8.

7. Finance expenses/(income)

	Note	Group 2025 $'000	Group 2024 $'000
(a) ***Finance expenses***			
Interest expense on:			
- bank loans		18,950	20,489
- lease liabilities	36c	299	377
- bonds		3,766	3,776
- advances from joint venture companies		912	2,276
- advances from non-controlling interests		2,168	2,073
- others		508	519
		26,603	29,510

7. Finance expenses/(income) (cont'd)

	Group 2025 $'000	Group 2024 $'000
(b) ***Finance income***		
Interest income from financial assets measured at amortised cost:		
- treasure bills	(237)	(207)
- fixed deposits	(315)	(562)
- loans to associated companies	(437)	(40)
- promissory notes and sundry receivables	(472)	(491)
	(1,461)	(1,300)

8. (Loss)/profit before tax

The following items have been included in arriving at (loss)/profit before tax:

	Note	Group 2025 $'000	Group 2024 $'000
Audit fees paid to:			
- auditor of the Company		420	390
- other auditors		252	250
Non-audit fees paid to:			
- auditor of the Company		91	107
Directors' remuneration		1,987	1,709
Directors' fees		157	157
Impairment losses on financial assets		4,945	7,139
- Amount due from associated companies and joint venture companies (non-trade)	17	(480)	1,020
- Other receivables	21	5,425	6,119
Impairment/(Reversal of impairment) of property, plant and equipment	11	916	(4,341)
Depreciation of property, plant and equipment	11	6,727	5,740
Property tax		3,140	2,594
Fair value losses/(gains) on derivative financial instruments		2,435	(16)
Fair value loss/(gain) on investment security		429	(2,572)
Repairs and maintenance on investment properties		2,473	1,579
Gain on disposal of property, plant and equipment		–	(650)
Gain on disposal of subsidiaries	13	–	(3,776)

9. Income tax expense

Major components of income tax expense

The major components of income tax expense for the years ended 31 December 2025 and 2024 are:

	Group 2025 $'000	Group 2024 $'000
Statement of comprehensive income:		
Current income tax:		
- Current year	2,386	3,210
- Over provision in respect of previous years	(162)	(333)
	2,224	2,877
Deferred income tax:		
- Origination and reversal of temporary differences	604	626
- Over provision in respect of previous years	–	(441)
	604	185
Income tax expense recognised in profit or loss	2,828	3,062

Relationship between tax expense and accounting (loss)/profit

The reconciliation between tax expense and the product of accounting (loss)/profit multiplied by the applicable corporate tax rate for the years ended 31 December 2025 and 2024 are as follows:

	Group 2025 $'000	Group 2024 $'000
(Loss)/profit before tax	(7,223)	3,787
Tax at the domestic rates applicable to profits in the countries where the Group operates	270	(706)
Adjustments:		
Non-deductible expenses	4,315	6,530
Income not subject to taxation	(1,844)	(2,724)
Effect of tax rebate and partial tax exemption	(70)	(87)
Deferred tax assets not recognised	402	795
Over provision in respect of previous years	(162)	(774)
Share of results of associated companies and joint venture companies	(653)	(376)
Tax losses not allowed to be carried forward	509	433
Others	61	(29)
Income tax expense recognised in profit or loss	2,828	3,062

10. Earnings per share

Basic earnings per share is calculated by dividing loss for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share is calculated by dividing loss for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following tables reflect the loss and share data used in the computation of basic and diluted earnings per share for the years ended 31 December 2025 and 2024:

	Group	
	2025	**2024**
	$'000	$'000
Loss for the year attributable to owners of the Company used in the computation of basic earnings per share and diluted earnings per share	(9,259)	(1,375)
	Number of shares '000	Number of shares '000
Weighted average number of ordinary shares for basic earnings per share and diluted earnings per share computation	487,300	487,595

11. Property, plant and equipment

Group	Freehold and leasehold land $'000	Buildings[1] $'000	Plant and equipment $'000	Renovations $'000	Motor vehicles $'000	Equipment and fixtures $'000	Furniture and fittings $'000	Computers $'000	Total $'000
Cost:									
At 1 January 2024	252,846	172,413	3,700	1,000	789	866	7,433	3,033	442,080
Additions	–	37,381	–	68	–	117	2,748	43	40,357
Write off/disposal	–	(26,806)	–	(418)	(168)	(107)	(368)	(1,062)	(28,929)
Exchange differences	3,704	317	–	–	1	(3)	103	5	4,127
At 31 December 2024 and 1 January 2025	256,550	183,305	3,700	650	622	873	9,916	2,019	457,635
Additions	–	5,429	–	187	502	37	1,431	133	7,719
Write off/disposal	–	–	–	–	(177)	(177)	–	(15)	(369)
Exchange differences	3,523	706	–	–	1	6	376	16	4,628
At 31 December 2025	260,073	189,440	3,700	837	948	739	11,723	2,153	469,613

11. Property, plant and equipment (cont'd)

	Freehold and leasehold land $'000	Buildings[1] $'000	Plant and equipment $'000	Renovations $'000	Motor vehicles $'000	Equipment and fixtures $'000	Furniture and fittings $'000	Computers $'000	Total $'000
Group									
Accumulated depreciation:									
At 1 January 2024	8	21,664	3,700	732	482	733	5,264	1,769	34,352
Charge for the year (Note 8)	–	4,633	–	78	97	60	756	116	5,740
Write off/disposal	–	(2,184)	–	(418)	(163)	(46)	(270)	(72)	(3,153)
Exchange differences	–	317	–	–	(3)	7	72	(1)	392
At 31 December 2024 and 1 January 2025	8	24,430	3,700	392	413	754	5,822	1,812	37,331
Charge for the year (Note 8)	–	5,411	–	116	143	42	894	121	6,727
Write off/disposal	(8)	–	–	–	(177)	(161)	–	(13)	(359)
Exchange differences	–	421	–	–	1	5	120	14	561
At 31 December 2025	–	30,262	3,700	508	380	640	6,836	1,934	44,260
Impairment:									
At 1 January 2024	–	(5,815)	–	–	–	–	–	–	(5,815)
Reversal of impairment for the year (Note 8)	–	4,341	–	–	–	–	–	–	4,341
At 31 December 2024 and 1 January 2025		(1,474)	–	–	–	–	–	–	(1,474)
Impairment for the year (Note 8)	–	(916)	–	–	–	–	–	–	(916)
At 31 December 2025	–	(2,390)	–	–	–	–	–	–	(2,390)
Net carrying amount:									
At 31 December 2024	256,542	157,401	–	258	209	119	4,094	207	418,830
At 31 December 2025	260,073	156,788	–	329	568	99	4,887	219	422,963

[1] As at 31 December 2025, included in buildings is an amount of $26.6 million (2024: $21.9 million) which relates to expenditure for a hotel in the course of construction and right-of-use assets acquired under leasing arrangements. Details of leased assets are disclosed in Note 36.

11. Property, plant and equipment (cont'd)

Company	**Renovations** $'000	**Motor vehicles** $'000	**Equipment and fixtures** $'000	**Furniture and fittings** $'000	**Computers** $'000	**Total** $'000
Cost:						
At 1 January 2024	12	456	71	18	794	1,351
Additions	–	–	–	–	27	27
Disposal	(12)	–	(39)	(1)	–	(52)
At 31 December 2024 and 1 January 2025	–	456	32	17	821	1,326
Additions	–	398	–	–	113	511
Disposal	–	(177)	–	–	–	(177)
At 31 December 2025	–	677	32	17	934	1,660
Accumulated depreciation:						
At 1 January 2024	12	185	71	18	694	980
Charge for the year	–	76	–	–	49	125
Disposal	(12)	–	(39)	(1)	–	(52)
At 31 December 2024 and 1 January 2025	–	261	32	17	743	1,053
Charge for the year	–	122	–	–	72	194
Disposal	–	(177)	–	–	–	(177)
At 31 December 2025	–	206	32	17	815	1,070
Net carrying amount:						
At 31 December 2024	–	195	–	–	78	273
At 31 December 2025	–	471	–	–	119	590

11. Property, plant and equipment (cont'd)

Impairment of property, plant and equipment

During the year, management assessed the recoverable amounts of the property, plant and equipment of the hospitality segment in the United Kingdom. The recoverable amount was assessed based on independent valuation and management's value-in-use calculation using the discounted cash flow method. The Group recognised an impairment of $916,000 (2024: reversal of impairment of $4,341,000) for the year ended 31 December 2025.

The fair value measurement is categorised as Level 3 of the fair value hierarchy.

The following table shows the valuation technique as well as the significant unobservable inputs used:

Valuation method	Key unobservable inputs	Operating Segments United Kingdom	Inter-relationship between unobservable inputs and fair value measurement
Discounted cash flow method	Discount rate	7.0% to 12.75% (2024: 7.0% to 13.0%)	The estimated fair value varies inversely against the discount rate and terminal yield rate
	Terminal yield rate	4.5% to 10.75% (2024: 4.5% to 11.0%)	

Assets held under finance leases

As at 31 December 2025, the Group and the Company have motor vehicles held under finance leases with a net carrying amount of approximately $323,000 (2024: $159,000) and $309,000 (2024: $137,000) respectively.

Assets pledged as security

The Group's freehold and leasehold land and buildings with carrying amount totalling $417 million (2024: $356 million) are mortgaged to banks to secure banking facilities granted to the Group (Note 29).

Acquisition and disposal of property, plant and equipment

In 2024, the Group acquired a hotel in Edinburgh, United Kingdom for an aggregate consideration of approximately $40.4 million. This transaction was accounted for as an asset acquisition.

In 2024, the Group sold a hotel property in Sapporo, Japan with a total net carrying amount of approximately $23.0 million for a cash consideration of $26.4 million. The net gain on this disposal was recognised as gain on disposal of property, plant and equipment in the statement of comprehensive income.

11. Property, plant and equipment (cont'd)

Capital commitments

Capital expenditure contracted for as at the end of reporting period but not recognised in the financial statements are as follows:

	Group	
	2025	**2024**
	$'000	$'000
Capital commitments in respect of:		
- Leasehold land and building	8,173	146

12. Investment properties

	Group	
	2025	**2024**
	$'000	$'000
Balance sheet:		
Investment properties		
Balance at beginning of year	226,817	222,882
Exchange differences	412	422
Gains from fair value adjustments recognised in profit or loss	1,361	3,513
Balance at end of year	228,590	226,817
Statement of comprehensive income:		
Rental income from investment properties:		
- Minimum lease payments	12,835	12,622
Direct operating expenses (including repairs and maintenance) arising from:		
- Rental generating properties	2,569	2,254

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

Valuation of investment properties

Investment properties are stated at fair value, which has been determined based on valuations performed as at 31 December 2025 and 31 December 2024. The valuations were performed by Savills Valuation and Professional Services (S) Pte. Ltd., Knight Frank LLP and Knight Frank Pte. Ltd., independent valuers with recognised and relevant professional qualifications and with recent experience in the location and category of the properties being valued. Details of valuation technique and inputs used are disclosed in Note 40.

12. Investment properties (cont'd)

Properties pledged as security

All investment properties are mortgaged to banks to secure banking facilities granted to the Group (Note 29).

The Group's investment properties as at 31 December 2025 are as follows:

Description and location	Existing use	Tenure	Unexpired lease term
Tampines Mart (Block 5, 7, 9, 11 Tampines Street 32, Singapore)	Shops	Leasehold	67 years
62 Sembawang Road, Singapore	Transport facility	Freehold	Estate in perpetuity
Adam House (7-10 Adam Street, London, United Kingdom)	Serviced office	Freehold	Freehold

13. Subsidiaries

(a) ***Investment in subsidiaries comprises:***

	Company 2025 $'000	Company 2024 $'000
Unquoted equity shares, at cost	44,617	44,617
Less: Impairment losses	(3,380)	(3,380)
Carrying amounts of investments	41,237	41,237

	Name of company (Country of incorporation and place of business)	Principal activities	Equity interest held by the Group 2025 %	Equity interest held by the Group 2024 %
	Held by the Company			
*	Heeton Estate Pte Ltd (Singapore)	Property investment holding	100	100
*	Heeton Venture (Overseas) Pte. Ltd. (Singapore)	Investment holding	100	100
*	Heeton Land Pte. Ltd. (Singapore)	Property investment holding	100	100

13. Subsidiaries (cont'd)

	Name of company (Country of incorporation and place of business)	Principal activities	Equity interest held by the Group 2025 %	2024 %
	Held by the Company (cont'd)			
*	Heeton Management Pte Ltd (Singapore)	Provision of administrative and management services	100	100
*	Heeton Properties Pte. Ltd. (Singapore)	Dormant	100	100
*	Heeton Venture (Asia) Pte. Ltd. (Singapore)	Investment holding	100	100
*	Heeton Homes Pte. Ltd. (Singapore)	Investment holding	100	100
*	Heeton Capital Pte. Ltd. (Singapore)	Investment holding	100	100
*	MHP Pte. Ltd. (Singapore)	Investment holding	100	100
*	Heeton Invesco Pte. Ltd. (Singapore)	Investment holding	100	100
*	Heeton Corporation Pte. Ltd. (Singapore)	Liquidated	–	100
*	Kim Leong Development Pte Ltd (Singapore)	Dormant	100	100
*	Heeton Hospitality Pte. Ltd. (formerly known as Prospere Horizon Pte. Ltd.) (Singapore)	Provision of hotel management services	100	–
	Held through subsidiaries			
*	Prospere Development Pte. Ltd. (Singapore)	Investment holding	100	100
*	Prospere Holdings Pte. Ltd. (Singapore)	Liquidated	–	70
*	Wickham Invesco Pte. Ltd. (Singapore)	Liquidated	–	55
*	Adam Street Pte. Ltd. (Singapore)	Investment holding	100	100

13. Subsidiaries (cont'd)

	Name of company (Country of incorporation and place of business)	Principal activities	Equity interest held by the Group 2025 %	2024 %
	Held through subsidiaries (cont'd)			
**	Acework Limited (Incorporated in British Virgin Islands, place of business in England & Wales)	Property investment holding	100	100
****	Adam Street Limited (England & Wales)	Property management	100	100
*	Venture (UK) Pte. Ltd. (Singapore)	Dormant	100	100
**	Chatteris Developments Limited (British Virgin Islands)	Struck off	–	100
****	Woodley Hotels (Kensington) Limited (England & Wales)	Property investment holding	100	100
****	Chatteris Kensington Limited (England & Wales)	Hotel operation	100	100
**	Ace Zone Holdings Limited (Incorporated in British Virgin Islands, place of business in England & Wales)	Property investment holding	80	80
*	Glenthorne Pte. Ltd. (Singapore)	Investment holding	80	80
*	Fairmont Land Pte. Ltd. (Singapore)	Investment holding	70	70
**	Ultra Assets Holdings Limited (Incorporated in British Virgin Islands, place of business in England & Wales)	Property development and property investment holding	70	70
**	Horizon Glory Holdings Limited (British Virgin Islands)	Dormant	70	70
**	Joy Light Ventures Limited (British Virgin Islands)	Struck off	–	70

13. Subsidiaries (cont'd)

	Name of company (Country of incorporation and place of business)	Principal activities	Equity interest held by the Group 2025 %	Equity interest held by the Group 2024 %
	Held through subsidiaries (cont'd)			
****	Heeton SG50 Limited (England & Wales)	Provision of hotel management services	100	100
****	Luma Concept Hotel Limited (England & Wales)	Hotel operation	80	80
*	Oldham Street Pte. Ltd. (Singapore)	Dormant	75	75
**	Treasure Choice Enterprises Limited (Incorporated in British Virgin Islands, place of business in England & Wales)	Struck off	–	75
*	Leeds Bridge Pte. Ltd. (Singapore)	Investment holding	65	65
**	Ease Treasure Holdings Limited (Incorporated in British Virgin Islands, place of business in England & Wales)	Property investment holding	65	65
****	Leeds Bridge Street Hotel Limited (England & Wales)	Hotel operation	65	65
*	Prospere Horizon Pte. Ltd. (now known as Heeton Hospitality Pte. Ltd.) (Singapore)	Dormant	–	100
*****	Dawa Hospitality Private Limited (Bhutan)	Hotel operation and property investment holding	74	74
*	Prospere Bliss Pte. Ltd. (Singapore)	Dormant	70	70
**	Ippan Shadan Hojin SH012 (Japan)	Liquidated	–	70
**	Godo Kaisha GK012 (Japan)	Liquidated	–	70

13. Subsidiaries (cont'd)

	Name of company (Country of incorporation and place of business)	Principal activities	Equity interest held by the Group 2025 %	2024 %
	Held through subsidiaries (cont'd)			
******	Edinburgh Hope and Glory Limited (England & Wales)	Property investment holding	100	100
******	Edinburgh Eternal Spring Limited (England & Wales)	Hotel operation	100	100
*	Prospere Glow Pte. Ltd. (Singapore)	Investment holding	60	60
****	Liverpool Days Limited (England & Wales)	Property Investment holding	60	60
****	Liverpool Operation Limited (England & Wales)	Hotel operation	60	60
******	Glasgow Groove Limited (England & Wales)	Property investment holding	60	60
******	Glasgow Waterloo Limited (England & Wales)	Hotel operation	60	60
*	Prospere Glory Pte. Ltd. (Singapore)	Investment holding	60	60
******	CPK (London) Limited (England & Wales)	Hotel operation and property investment holding	60	60
****	Heeton Management (UK) Limited (England & Wales)	Provision of management services	100	100
******	Edinburgh Q Street Opco Ltd (England & Wales)	Hotel operation and property investment holding	85	85
*	QS Edinburgh Pte. Ltd. (Singapore)	Investment holding	85	85

13. Subsidiaries (cont'd)

	Name of company (Country of incorporation and place of business)	Principal activities	Equity interest held by the Group 2025 %	Equity interest held by the Group 2024 %
	Held through subsidiaries (cont'd)			
*	Lovat Invesco Pte. Ltd. (Singapore)	Investment holding	85	–
**	Lovat Lane Propco Limited (formerly known as Bedford Row Opco Ltd) (England & Wales)	Dormant	85	100
******	Lovat Lane Opco Limited (formerly known as Edinburgh Q Street Opco Ltd) (England & Wales)	Dormant	85	85
*	Sapporo Star Pte. Ltd. (Singapore)	Investment holding	70	70
**	Ippan Shadan Hojin Nagashima (Japan)	Investment holding	70	70
**	Godo Kaisha Nagashima (Japan)	Property investment holding	70	70
*	Thomson Invesco Pte. Ltd. (Singapore)	Investment holding	65	–
*	Changi Invesco Pte. Ltd. (Singapore)	Investment holding	100	–

*	Audited by Ernst & Young LLP, Singapore.
**	Not required to be audited in the respective country of incorporation.
****	Audited by Affinia (Colchester), United Kingdom.
*****	Audited by Nag & Associates, India
******	Audited by Ferguson Maidment & Co., United Kingdom.

In the engagement of auditing firms for the Company, its subsidiary companies, significant joint venture companies and significant associated companies, the Company has complied with Rules 712 and 715 of the Listing Manual of SGX-ST.

13. Subsidiaries (cont'd)

(b) *Interest in subsidiaries with material non-controlling interest ("NCI")*

The Group has the following subsidiaries that have NCI that are material to the Group.

Name of subsidiary	Principal place of business	Proportion of ownership interest held by non-controlling interest	Profit/(loss) allocated to NCI during the reporting period $'000	Accumulated NCI at the end of reporting period $'000	Dividends paid to NCI $'000
31 December 2025:					
CPK (London) Limited	England & Wales	40%	414	(3,680)	–
Glasgow Groove Limited	England & Wales	40%	(331)	(2,158)	–
Ace Zone Holdings Limited	England & Wales	20%	(351)	(2,268)	–
Liverpool Days Limited	England & Wales	40%	(486)	(1,790)	–
Leeds Bridge Street Hotel Limited	England & Wales	35%	(63)	707	–
Liverpool Operations Limited	England & Wales	40%	236	1,833	–
Treasure Choice Enterprises Limited	England & Wales	25%	793	(68)	–
Oldham Street Pte. Ltd.	Singapore	25%	885	1	–
Glenthorne Pte. Ltd.	Singapore	20%	(3)	(1,971)	–
31 December 2024:					
CPK (London) Limited	England & Wales	40%	(170)	(4,094)	–
Glasgow Groove Limited	England & Wales	40%	(361)	(1,827)	–
Ace Zone Holdings Limited	England & Wales	20%	(466)	(1,917)	–
Liverpool Days Limited	England & Wales	40%	(324)	(1,304)	–
Leeds Bridge Street Hotel Limited	England & Wales	35%	113	770	–
Liverpool Operations Limited	England & Wales	40%	782	1,597	–
Treasure Choice Enterprises Limited	England & Wales	25%	–	(861)	–
Oldham Street Pte. Ltd.	Singapore	25%	(14)	(884)	–
Glenthorne Pte. Ltd.	Singapore	20%	51	(1,968)	–

Significant restrictions:

There are no significant restrictions on the Group's ability to use or access assets and settle liabilities of subsidiaries with material non-controlling interests.

13. Subsidiaries (cont'd)

(c) *Summarised financial information about subsidiaries with material NCI*

Summarised financial information including goodwill on acquisition and consolidation adjustments but before intercompany eliminations of subsidiaries with material non-controlling interests are as follows:

Summarised balance sheets

	CPK (London) Limited		Glasgow Groove Limited		Ace Zone Holdings Limited		Liverpool Days Limited	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Current								
Assets	60,566	58,333	2,576	2,037	2,803	2,628	4,750	52
Liabilities	(6,224)	(6,136)	(16,321)	(14,733)	(33,630)	(31,781)	(1,125)	(27,430)
Net current assets/ (liabilities)	54,342	52,197	(13,745)	(12,696)	(30,827)	(29,153)	3,625	(27,378)
Non-current								
Assets	144,696	143,121	14,482	14,582	46,379	46,229	1,477	24,173
Liabilities	(109,034)	(107,556)	(5,558)	(5,823)	(26,167)	(25,813)	(396)	(4)
Net non-current assets	35,662	35,565	8,924	8,759	20,212	20,416	1,081	24,169
Net assets/(liabilities)	90,004	87,762	(4,821)	(3,937)	(10,615)	(8,737)	4,706	(3,209)

13. Subsidiaries (cont'd)

(c) *Summarised financial information about subsidiaries with material NCI (cont'd)*

Summarised balance sheets (cont'd)

	Leeds Bridge Street Hotel Limited		Liverpool Operations Limited		Treasure Choice Enterprises Limited		Oldham Street Pte. Ltd.		Glenthorne Pte. Ltd.	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Current										
Assets	4,678	3,464	4,750	3,899	–	521	21	11	20,694	19,310
Liabilities	(2,817)	(1,358)	(1,125)	(1,325)	–	(3,661)	(3)	(2,649)	(24,437)	(29,149)
Net current assets/ (liabilities)	1,861	2,106	3,625	2,574	–	(3,140)	18	(2,638)	(3,743)	(9,839)
Non-current										
Assets	190	95	1,477	1,563	–	–	–	–	–	–
Liabilities	(18)	(17)	(396)	(79)	–	–	–	(882)	(6,108)	–
Net non-current assets/(liabilities)	172	78	1,081	1,484	–	–	–	(882)	(9,851)	(9,839)
Net assets/(liabilities)	2,033	2,184	4,706	4,058	–	(3,140)	18	(3,520)	(9,851)	(9,839)

13. Subsidiaries (cont'd)

(c) *Summarised financial information about subsidiaries with material NCI (cont'd)*

Summarised statement of comprehensive income (cont'd)

	CPK (London) Limited		Glasgow Groove Limited		Ace Zone Holdings Limited		Liverpool Days Limited	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue	23,135	22,199	827	820	1,654	1,641	1,550	1,538
Profit/(loss) before income tax	2,180	581	(870)	(907)	(1,755)	(2,332)	(1,248)	(732)
Income tax (expense)/credit	(1,145)	(1,006)	43	4	–	–	32	(78)
Profit/(loss) after tax	1,035	(425)	(827)	(903)	(1,755)	(2,332)	(1,216)	(810)
Other comprehensive income	–	–	–	–	–	–	–	–
Total comprehensive income/(loss)	1,035	(425)	(827)	(903)	(1,755)	(2,332)	(1,216)	(810)
Other summarised information								
Net cash flows generated from/(used in) operations	17,317	11,606	(456)	(766)	1,027	972	1,315	2,271
Net cash flows (used in)/generated from financing	(473)	6,836	1,099	204	1,309	1,955	407	918

13. Subsidiaries (cont'd)

(c) *Summarised financial information about subsidiaries with material NCI (cont'd)*

Summarised statement of comprehensive income (cont'd)

	Leeds Bridge Street Hotel Limited		Liverpool Operations Limited		Treasure Choice Enterprises Limited		Oldham Street Pte. Ltd.		Glenthorne Pte. Ltd.	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue	6,881	7,126	7,005	7,226	–	–	–	–	–	–
(Loss)/profit before income tax	(285)	437	1,301	2,067	3,174	(2)	3,539	(58)	(13)	254
Income tax (expense)/credit	104	(114)	(711)	(111)	–	–	–	–	–	–
(Loss)/profit after tax	(181)	323	590	1,956	3,174	(2)	3,539	(58)	(13)	254
Other comprehensive income	–	–	–	–	–	–	–	–	–	–
Total comprehensive (loss)/income	(181)	323	590	1,956	3,174	(2)	3,539	(58)	(13)	254
Other summarised information										
Net cash flows (used in)/generated from operations	(180)	424	907	476	3,007	(2)	3,539	(58)	(10)	257
Net cash flows from/(used in) financing	1,492	173	97	(207)	–	2	3,528	51	13	(259)

13. Subsidiaries (cont'd)

(d) *Acquisition of additional interest in a subsidiary*

On 4 November 2024, the Group, through a wholly-owned subsidiary, Heeton Capital Pte. Ltd., incorporated a 85%-owned subsidiary, QS Edinburgh Pte. Ltd.. Edinburgh Q Street Propco Ltd is held through QS Edinburgh Pte. Ltd..

(e) *Disposal of subsidiaries*

During 2024, the Group disposed of some of its subsidiaries, mainly its 70% interest in subsidiaries, Gloucester Corinium Avenue Hotel Limited and Ensco 1154 Limited for a total net disposal consideration of $11.4 million.

Financial performance of subsidiaries disposed

The results of the disposed subsidiaries from 1 January 2024 to the date of disposal on 19 November 2024 are presented below:

	1 January 2024 to 19 November 2024 $'000
Revenue and other income	4,853
Expenses	(3,220)
Profit before tax	1,633
Income tax expense	(543)
Profit for the period	1,090

Assets and liabilities of disposed subsidiaries

The major classes of assets and liabilities of the subsidiaries disposed on 19 November 2024 were as follows:

	19 November 2024 $'000
Assets and liabilities disposed	
Property, plant and equipment	7,415
Other receivables	60
Cash and cash equivalents	229
Trade and other payables	(338)
Income tax payable	(716)
Total net assets disposed	6,650

13. Disposal of subsidiaries (cont'd)

(e) *Disposal of subsidiaries (cont'd)*

Gain on disposal of subsidiaries

	2024
	$'000
Present value of consideration, net of costs of disposal	10,426
Less: Net assets disposed	(6,650)
Gain on disposal after tax	3,776

Cash flows from disposal of subsidiaries

	2024
	$'000
Cash received	11,595
Less: Cash and cash equivalents of subsidiaries disposed	(229)
Net cash inflow	11,366

14. Associated companies

The Group's material investment in associated companies are summarised below:

	Group	
	2025	**2024**
	$'000	$'000
Econolodge Co., Ltd.	12,845	12,845
Unique Development Pte. Ltd.	852	858
Unique Rezi Pte. Ltd.	894	900
Unique Invesco Pte. Ltd.	143	1,485
SNC2 Realty Pte. Ltd.	1,616	–
Crimson Property Pte. Ltd.	8,759	–
Other associated companies	2,432	768
Less: Impairment loss	(1,660)	(1,660)
	25,881	15,196

Movements of impairment loss:

	Group	
	2025	**2024**
	$'000	$'000
At beginning of the year	1,660	1,660
Charge for the year	–	–
At end of the year	1,660	1,660

14. Associated companies (cont'd)

The Group assessed the carrying amount of its investments in associated companies for indicators of impairment. Based on the assessment, no further impairment loss was recognised on its investments in associated companies in 2025 and 2024. The recoverable amount was estimated taking into account the fair values of the underlying assets and the liabilities of the associates. The fair value measurement was categorised as a Level 3 in the fair value hierarchy as it is derived from unobservable inputs.

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

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

Description	Valuation techniques	Unobservable inputs	Range
<u>Fair value of underlying significant asset:</u>			
Hotel	Income approach	Capitalisation rate	7%[1]

[1] A significant increase (decrease) in capitalisation rate would result in a significantly lower (higher) fair value measurement.

The Group has not recognised losses relating to certain associated companies where its share of losses exceeds the Group's interest in these associated companies. The Group's cumulative share of unrecognised losses at the end of the reporting period was $7,028,000 (2024: $6,883,000), of which $145,000 (2024: $153,000) was the share of the current year's losses. The Group has no obligation in respect of these losses.

	Name of company (Country of incorporation and place of business)	Principal activities	Proportion of ownership interest 2025 %	Proportion of ownership interest 2024 %
	Held through subsidiaries			
**	Dalvey Residence Co., Ltd. (Thailand)	Investment holding	38.98	38.98
**	Dalvey Holdings Ltd. (Thailand)	Investment holding	49.00	49.00
***	Residenza Pte. Ltd. (Singapore)	Liquidated	–	36.00
***	Unique Consortium Pte. Ltd. (Singapore)	Investment holding	35.00	35.00

14. Associated companies (cont'd)

	Name of company (Country of incorporation and place of business)	Principal activities	Proportion of ownership interest 2025 %	2024 %
	Held through subsidiaries (cont'd)			
***	Unique Capital Pte. Ltd. (Singapore)	Investment holding	40.00	40.00
***	Unique Development Pte. Ltd. (Singapore)	Property development	45.00	45.00
***	Unique Invesco Pte. Ltd. (Singapore)	Investment holding	25.00	25.00
***	Unique Rezi Pte. Ltd. (Singapore)	Dormant	42.00	42.00
** @	Dalvey Hospitality Co., Ltd. (Thailand)	Investment holding	73.99	73.99
* @	Econolodge Co., Ltd. (Thailand)	Hotel operation and property investment holding	86.74	86.74
####	Eden I Residences Pte. Ltd. (Singapore)	Investment holding	30.00	30.00
***	Prospere Hotels Pte. Ltd. (Singapore)	Investment holding	30.00	30.00
***	SH Sapporo Pte. Ltd. (Singapore)	Investment holding	20.00	20.00
***	Development 24 Pte. Ltd. (Singapore)	Property development	10.00	10.00
***	Development 26 Pte. Ltd. (Singapore)	Struck off	–	10.00
#	KAP Holdings (China) Pte. Ltd. (Singapore)	Investment holding	15.00	15.00
*****	Unique Commercial Pte. Ltd. (Singapore)	Property development	15.00	15.00
#####	Panareno Sdn. Bhd. (Malaysia)	Property development	15.00	15.00

14. Associated companies (cont'd)

	Name of company (Country of incorporation and place of business)	Principal activities	Proportion of ownership interest 2025 %	2024 %
	Held through subsidiaries (cont'd)			
***	KAP Hotel (Investments) Pte. Ltd. (Singapore)	Investment holding	40.00	40.00
**	Dalvey Park Co., Ltd. (Thailand)	Investment holding	49.00	49.00
*	Barracuda Group Co., Ltd (Thailand)	Hotel operation and property investment holding	38.98	38.98
**	Dalvey Place Co., Ltd. (Thailand)	Property development and property investment holding	49.00	49.00
#	Oxley Viva Pte. Ltd. (Singapore)	Property development	12.25	12.25
#	Oxley YCK Pte. Ltd. (Singapore)	Property development and property investment holding	12.25	12.25
#	Oxley Sanctuary Pte. Ltd. (Singapore)	Struck off	–	12.60
***	Mountbatten Edge Pte. Ltd. (Singapore)	Property investment holding	16.00	16.00
##	Manchester Property Holdings Limited (Jersey)	Property investment holding	30.00	30.00
****	Ensco 1160 Limited (England and Wales)	Hotel operation	30.00	30.00
######	Eden I Residences Vietnam Company Limited (Vietnam)	Property development and property investment holding	30.00	30.00
##	Ippan Shadan Hojin SH002 (Japan)	Investment holding	20.00	20.00
##	Godo Kaisha GK002 (Japan)	Property investment holding	20.00	20.00
#	Oxley Serangoon Pte. Ltd. (Singapore)	Property development	5.00	5.00

14. Associated companies (cont'd)

	Name of company (Country of incorporation and place of business)	Principal activities	Proportion of ownership interest 2025 %	Proportion of ownership interest 2024 %
	Held through subsidiaries (cont'd)			
***	HST JV Pte. Ltd. (Singapore)	Dormant	33.33	33.33
*******	Dorsett Atelier Capital Heeton Changi Pte. Ltd. (Singapore)	Investment holding	20.00	20.00
#######	Crimson Property Pte. Ltd. (Singapore)	Dormant	20.00	–
c ###	SNC2 Realty Pte. Ltd. (Singapore)	Investment holding	12.50	–
	Held through associated companies			
******	Sino-Singapore KAP Construction Co., Ltd (People's Republic of China)	Property development	7.50	7.50
******	Hebei Yue Zhi Real Estate Development Co., Ltd. (People's Republic of China)	Property development	7.50	7.50
******	Yuedong International Hotel Co., Ltd. (People's Republic of China)	Dormant	28.57	28.57
*******	DACH Changi Investments Pte. Ltd. (Singapore)	Investment holding	20.00	20.00
*******	DACH Changi Trust (Singapore)	Hotel operation and property investment holding	20.00	20.00
*******	Dorsett ACH Changi City Pte. Ltd. (Singapore)	Provision of hotel management services	20.00	20.00
###	Dairy Farm Walk JV Development Pte. Ltd. (Singapore)	Property development	5.00	–

14. Associated companies (cont'd)

*	Audited by member firm of Ernst & Young Global in Thailand.
**	Audited by Horwath (Thailand) Limited.
***	Audited by Ernst & Young LLP, Singapore.
****	Audited by Affinia (Colchester), United Kingdom.
*****	Audited by Tan, Chan & Partners, Singapore.
******	Audited by Hebei Lantian Certified Public Accountants Co., Ltd, People's Republic of China
*******	Audited by KPMG LLP, Singapore.
#	Audited by RSM Chio Lim LLP, Singapore.
##	Not required to be audited in the respective country of incorporation.
###	Audited by BDO LLP, Singapore.
####	Audited by CK Lee PAC Certified Public Accountants, Singapore.
#####	Audited by Cherng & Co., Charted Accountants (M), Malaysia.
######	Audited by DFK Vietnam Auditing Company, Vietnam.
#######	Audited by H K Seah Public Accounting Corporation, Singapore
@	Classified as associated companies based on agreed terms in the shareholders agreement that the Group does not have control.

There is no significant restriction in the ability of the Group's associated companies to transfer funds to the Group in the form of cash dividends, or to repay loans or advances made by the Group.

The associated companies have no contingent liabilities or capital commitments as at 31 December 2025 and 2024.

Aggregate information about the Group's investments in associated companies that are not individually material are as follows:

	Group	
	2025	**2024**
	$'000	$'000
Loss after tax from continuing operations, representing total comprehensive loss	(5,482)	(2,454)

14. Associated companies (cont'd)

The summarised financial information in respect of the material investments in associated companies, based on its SFRS(I) financial statements, and reconciliation with the carrying amount of the investment in the consolidated financial statements are as follows:

Summarised balance sheet

	Econolodge Co., Ltd.		Unique Development Pte. Ltd.		Unique Rezi Pte. Ltd.		Unique Invesco Pte. Ltd.	
	2025 $'000	**2024** $'000	**2025** $'000	**2024** $'000	**2025** $'000	**2024** $'000	**2025** $'000	**2024** $'000
Current assets	4,433	3,629	400	414	12	25	519	41
Non-current assets excluding goodwill	2,177	2,530	1,500	1,500	2,116	2,316	1,724	5,906
Total assets	6,610	6,159	1,900	1,914	2,128	2,341	2,243	5,947
Current liabilities	(1,416)	(1,294)	(6)	(8)	–	(4)	(2)	(6)
Non-current liabilities	(400)	(1,194)	–	–	–	(194)	(1,668)	–
Total liabilities	(1,816)	(2,488)	(6)	(8)	–	(198)	(1,670)	(6)
Net assets	4,794	3,671	1,894	1,906	2,128	2,143	573	5,941
Net assets excluding goodwill	4,794	3,671	1,894	1,906	2,128	2,143	573	5,941
Proportion of the Group's ownership	86.74%	86.74%	45%	45%	42%	42%	25%	25%
Group's share of net assets	4,158	3,184	852	858	894	900	143	1,485
Negative goodwill on acquisition	(564)	(564)	–	–	–	–	–	–
Other adjustments[1]	9,251	10,225	–	–	–	–	–	–
Carrying amount of the investment	12,845	12,845	852	858	894	900	143	1,485

[1] Other adjustments comprise of fair value adjustments to the assets of the associated company, currency realignment and share of losses arising from the indirect shareholding of Econolodge Co., Ltd. through Dalvey Hospitality Co., Ltd. and Dalvey Holdings Ltd. The Group has not recognised additional losses as its share of result has exceeded the Group's indirect interest in Econolodge Co., Ltd. through the associated companies.

14. Associated companies (cont'd)

Summarised balance sheet (cont'd)

	SNC2 Realty Pte. Ltd.		Crimson Property Pte. Ltd.	
	2025 $'000	**2024** $'000	**2025** $'000	**2024** $'000
Current assets	54,677	–	64,014	–
Non-current assets excluding goodwill	13,030	–	–	–
Total assets	67,707	–	64,014	–
Current liabilities	(55,927)	–	(20,221)	–
Non-current liabilities	–	–	–	–
Total liabilities	(55,927)	–	–	–
Net assets	11,780	–	43,793	–
Net assets excluding goodwill	11,780	–	43,793	–
Proportion of the Group's ownership	12.5%	–	20%	–
Group's share of net assets	1,473	–	8,759	–
Negative goodwill on acquisition	–	–	–	–
Other adjustments[(2)]	143	–	–	–
Carrying amount of the investment	1,616	–	8,759	–

[(2)] Other adjustments comprise of share of results of associated company. The Group has not recognised additional losses as its share of result has exceeded the Group's indirect interest in SNC2 Realty Pte. Ltd. through the associated companies.

14. Associated companies (cont'd)

Summarised statement of comprehensive income

	Econolodge Co., Ltd.		Unique Development Pte. Ltd.		Unique Rezi Pte. Ltd.		Unique Invesco Pte. Ltd.	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue	5,111	4,399	–	–	–	–	–	–
Share of results of associated companies	–	–	–	–	–	–	(190)	(124)
Profit/(loss) from continuing operations, representing total comprehensive income/(loss)	966	296	(12)	(9)	(15)	(652)	132	(185)

	SNC2 Realty Pte. Ltd.		Crimson Property Pte. Ltd.	
	2025	**2024**	**2025**	**2024**
	$'000	$'000	$'000	$'000
Revenue	1,306	–	–	–
Share of results of associated companies	–	–	–	–
Loss from continuing operations, representing total comprehensive loss	(1,187)	–	(7)	–

15. Joint venture companies

The Company's investment in joint venture companies comprises:

	Company 2025	Company 2024
	$'000	$'000
Unquoted equity shares, at cost	5,000	5,000

The Group's material investments in joint venture companies are summarised below:

	Group 2025	Group 2024
	$'000	$'000
Canberra Development Pte Ltd	92,633	92,769
Unique Residence Pte. Ltd.	487	224
Unique Real Estate Pte. Ltd.	227	293
Other joint venture companies	–	725
	93,347	94,011

Details of the joint venture companies are as follows:

	Name of company (Country of incorporation and place of business)	Principal activities	Proportion of ownership interest 2025 %	Proportion of ownership interest 2024 %
*	Canberra Development Pte Ltd (Singapore)	Property investment holding	50	50
	Held through subsidiaries			
*	Unique Residence Pte. Ltd. (Singapore)	Investment holding	50	50
*	Unique Real Estate Pte. Ltd. (Singapore)	Investment holding	50	50
*	Atlantic Star Pte. Ltd. (Singapore)	Provision of property management services	50	50

15. Joint venture companies (cont'd)

Details of the joint venture companies are as follows (cont'd):

	Name of company (Country of incorporation and place of business)	Principal activities	Proportion of ownership interest 2025 %	2024 %
	Held through joint venture companies			
*	Fernvale Development Pte. Ltd. (Singapore)	In liquidation	20	20
*	Singhaiyi Unique Pte. Ltd. (formerly known as CEL Unique Pte. Ltd.) (Singapore)	Investment holding	20	20
*	Singhaiyi Unique Holdings Pte. Ltd. (formerly known as CEL Unique Holdings Pte. Ltd. (Singapore)	Investment holding	20	20
*	Singhaiyi Unique Development Pte. Ltd. (formerly known as CEL Unique Development Pte. Ltd. (Singapore)	Property development	20	20

* Audited by Ernst & Young LLP, Singapore.

There is no significant restriction in the ability of the Group's joint venture companies to transfer funds to the Group in the form of cash dividends, or to repay loans or advances made by the Group.

There were dividends of $3,500,000 (2024: $3,800,000) received from joint venture companies during the financial year.

The joint venture companies have no contingent liabilities or capital commitments as at 31 December 2025 and 2024.

15. Joint venture companies (cont'd)

Summarised financial information in respect of the Group's material investments in joint venture companies, based on its SFRS(I) financial statements, and reconciliation with the carrying amount of the investments in the consolidated financial statements are as follows:

Summarised balance sheet

	Canberra Development Pte Ltd		Unique Residence Pte. Ltd.		Unique Real Estate Pte. Ltd.	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**
	$'000	$'000	$'000	$'000	$'000	$'000
Cash and cash equivalents	5,816	4,557	30	69	119	45
Other current assets	73,134	78,372	–	–	240	–
Trade receivables	166	106	–	–	–	–
Current assets	79,115	83,035	30	69	359	45
Non-current assets	381,247	382,036	1,832	388	114	593
Total assets	460,362	465,071	1,862	457	473	638
Current liabilities	(14,030)	(275,406)	(887)	(9)	(3)	(3)
Non-current liabilities (excluding trade, other payables and provision)	(260,000)	(1,569)	–	–	(16)	(48)
Other non-current liabilities	(1,066)	(2,558)	–	–	–	–
Total non-current liabilities	(261,066)	(4,127)	–	–	(16)	(48)
Total liabilities	(275,096)	(279,533)	(887)	(9)	(19)	(51)
Net assets	185,266	185,538	975	448	454	587
Net assets excluding goodwill	185,266	185,538	975	448	454	587
Proportion of the Group's ownership	50%	50%	50%	50%	50%	50%
Group's share of net assets	92,633	92,769	487	224	227	293
Carrying amount of the investment	92,633	92,769	487	224	227	293

15. Joint venture companies (cont'd)

Summarised statement of comprehensive income

	Canberra Development Pte Ltd		Unique Residence Pte. Ltd.		Unique Real Estate Pte. Ltd.	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**
	$'000	$'000	$'000	$'000	$'000	$'000
Revenue	25,704	24,899	–	–	–	–
Operating income/(expense), net	13,889	16,625	527	(151)	(133)	14
Interest income	1,896	2,864	–	–	–	–
Interest expense	(7,853)	(12,775)	–	–	–	–
Profit/(loss) before tax	7,932	6,714	527	(151)	(133)	14
Income tax expense	(1,284)	(572)	–	–	–	–
Profit/(loss) after tax, representing total comprehensive income/(loss)	6,648	6,142	527	(151)	(133)	14

15. Joint venture companies (cont'd)

Aggregate information about the Group's investments in joint venture companies that are not individually material is as follows:

	Group	
	2025	**2024**
	$'000	$'000
Profit after tax from continuing operations, representing total comprehensive income	9	33

16. Investment securities

	Group		Company	
	2025	**2024**	**2025**	**2024**
	$'000	$'000	$'000	$'000
At fair value through profit or loss (FVTPL)				
Unquoted equity security	7,172	7,201	–	–

The fair value of unquoted equity security measured at FVTPL is estimated based on the net asset value (NAV) of the investee entity adjusted for the fair value of the underlying development property.

17. Amounts due from/to associated companies and joint venture companies (non-trade)

	Group		Company	
	2025	**2024**	**2025**	**2024**
	$'000	$'000	$'000	$'000
Non-current portion:				
Amounts due from associated companies and joint venture companies	87,950	66,712	–	–
Less: Allowance for expected credit loss	(11,766)	(12,246)	–	–
	76,184	54,466	–	–
Current portion:				
Amounts due from associated companies	2,678	15,816	47	79
Amounts due from joint venture companies	2,409	4,516	2,180	4,340
	5,087	20,332	2,227	4,419

17. Amounts due from/to associated companies and joint venture companies (non-trade) (cont'd)

	Group		Company	
	2025	**2024**	**2025**	**2024**
	$'000	$'000	$'000	$'000
Non-current portion:				
Amounts due to associated companies	7,833	9,217	–	–
Amounts due to joint venture companies	36,393	35,961	35,823	36,411
	44,226	46,078	35,823	36,411

Amount due from associated companies (current and non-current)

Amounts due from associated companies are non-trade related, unsecured and are to be settled in cash. These amounts are expected to be repaid from 2026 to 2030 (2024: 2025 to 2029). These amounts are interest free except for an amount of $22,505,000 (2024: $21,820,000) denominated in Thai Baht which bear interest at 4.50% (2024: 4.50%) per annum and an amount of $5,364,000 (2024: $4,205,000) denominated in Singapore Dollars which bear interest at 5.00% (2024: 1.00% to 5.28%) per annum.

Amounts due from joint venture companies (current and non-current)

Amounts due from joint venture companies are non-trade related, unsecured, interest-free and are to be settled in cash. These amounts are expected to be repaid from 2026 to 2027 (2024: 2025 to 2026).

Amounts due to associated companies (non-current)

Amounts due to associated companies are unsecured, non-interest bearing and are not expected to be repaid within the next twelve months. These balances are to be settled in cash.

Amounts due to joint venture companies (non-current)

Amounts due to joint venture companies are non-trade related, unsecured and are to be settled in cash. These amounts are not expected to be repaid within the next twelve months. These amounts are interest free except for an amount of $29,000,000 (2024: $30,500,000) bear interest at 2.28% (2024: 4.50%) per annum.

17. Amounts due from/to associated companies and joint venture companies (non-trade) (cont'd)

Expected credit loss

The movement in allowance for expected credit losses of amount due from associated companies and joint venture companies are as follows:

	Group		Company	
	2025	**2024**	**2025**	**2024**
	$'000	$'000	$'000	$'000
At 1 January	12,246	11,226	–	–
(Reversal of)/Provision for expected credit losses (Note 8)	(480)	1,020	–	–
At 31 December	11,766	12,246	–	–

18. Development property

	Group		Company	
	2025	**2024**	**2025**	**2024**
	$'000	$'000	$'000	$'000
Comprise of:				
Development property under construction	22,054	20,664	–	–

The development property held by the Group (excluding associated companies/joint venture companies) as at 31 December 2025 and 2024 is as follows:

Name and Location	Percentage held (%)	Tenure	Proposed development	Development	Approximate land area (sq m)	Approximate gross floor area (sq m)	Estimated stage of completion as at date of annual report (%) (Expected year of completion)
New York Road, Leeds, United Kingdom	70	Freehold	Commercial and residential	Proposed development to be confirmed	8,409	70,667	Development has yet to commence

19. Treasury bills

The treasury bills of the Group and the Company as at 31 December 2024 are purchased from the Monetary Authority of Singapore and have an average maturity of 6-months. The treasury bills bear interest at 3.40% per annum.

20. Trade receivables

	Group	
	2025	**2024**
	$'000	$'000
Trade receivables	2,987	2,542

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

21. Other receivables

	Group		Company	
	2025	**2024**	**2025**	**2024**
	$'000	$'000	$'000	$'000
Non-current portion:				
Senior notes receivables	–	4,000	–	4,000
Promissory notes receivables	18,000	14,000	–	14,000
Amount due from investee company	11,600	13,032	–	–
Sundry receivables	4,433	26,423	–	26,184
Less: Allowance for expected credit loss	–	(26,884)	–	(26,884)
	34,033	30,571	–	17,300
Current portion:				
Senior notes receivables	4,000	–	4,000	–
Promissory notes receivables	14,000	18,000	14,000	–
Amount due from investee company	4,904	–	–	–
Sundry receivables	39,149	17,160	26,238	52
Less: Allowance for expected credit loss	(32,309)	–	(32,309)	–
	29,744	35,160	11,929	52

Senior notes receivables are unsecured, bear interest at 3% per annum and are repayable in 2026, or if extended, repayable in 2027 (2024: Unsecured, bear interest at 3% per annum and are repayable in 2026, or if extended, repayable in 2027).

Promissory notes receivables are unsecured, with $14,000,000 (current) which bear interest at 3.0% per annum and repayable in 2026, or if extended, repayable in 2027 and $18,000,000 (non-current) which bear interest at 3.5% per annum and are repayable in 2027, or if extended, repayable in 2029. (2024: $14,000,000 (non-current) which bear interest at 3.0% per annum and repayable in 2026, or if extended, repayable in 2027 and $18,000,000 (current) which bear interest at 3.5% per annum and are repayable in 2025).

21. Other receivables (cont'd)

The non-current amount due from investee company amounting to $11,600,000 relates to shareholder's loan to an investee company are unsecured and non-interest bearing, and are not expected to be repaid within the next 12 months, and are to be settled in cash. The amount due from investee company amounting to $4,904,000 relates to shareholder's loan to an investee company are unsecured, bear interest at 4% per annum, and are expected to be repaid within the next 12 months, and are to be settled in cash (2024: $13,032,000 are unsecured, bear interest at 4% per annum, and are not expected to be repaid within the next 12 months, and are to be settled in cash).

Sundry receivables (current portion) are unsecured, with $2,500,000 which bear interest at 3.5% per annum and $36,649,000 which are non-interest bearing and are repayable within the next 12 months. Sundry receivables (non-current portion) of $4,433,000 are unsecured, non-interest bearing and are not expected to be repaid within the next 12 months (2024: Sundry receivables are unsecured, with $8,300,000 which bear interest at 3.5% per annum and $8,860,000 which are non-interest bearing and are repayable within the next 12 months. The non-current Sundry receivables of $26,423,000 are unsecured, non-interest bearing and are not expected to be repaid within the next 12 months)

Expected credit loss

The movement in allowance for expected credit losses for sundry receivables, senior notes and promissory notes are as follows:

	Group		Company	
	2025	**2024**	**2025**	**2024**
	$'000	$'000	$'000	$'000
At 1 January	26,884	20,765	26,884	20,765
Provision for expected credit losses (Note 8)	5,425	6,119	5,425	6,119
At 31 December	32,309	26,884	32,309	26,884

The expected credit losses relate to receivables from a non-related party undertaking a property development project and assessed based on the estimated realisable value from the development property of this party.

22. Amounts due from/to subsidiaries (non-trade)

These balances are unsecured, non-interest bearing and are repayable on demand except for amounts due from subsidiaries of $216,497,000 (2024: $217,387,000) and amounts due to subsidiaries of $158,549,000 (2024: $163,178,000) which bear interest at 4.50% (2024: 4.50%) per annum. These amounts are to be settled in cash.

	Company	
	2025	**2024**
	$'000	$'000
Amounts due from subsidiaries	333,954	317,405
Less: Allowance for expected credit loss	(14,251)	(15,683)
	319,703	301,722

Expected credit loss

The movement in allowance for expected credit losses for amount due from subsidiaries are as follows:

	Company	
	2025	**2024**
	$'000	$'000
At 1 January	15,683	17,425
Provision for/(Reversal of) expected credit losses	1,463	(1,742)
Bad debts written off	(2,895)	–
At 31 December	14,251	15,683

23. Fixed deposits

The fixed deposits of the Group and the Company have an average maturity of 44 days (2024: 62 days) and 38 days (2024: 59 days) respectively, and earn interest at the respective short-term deposit rates. The weighted average effective interest rate of the fixed deposits as at 31 December 2025 for the Group and the Company were 1.65% (2024: 3.70%) and 1.63% (2024: 3.59%) respectively.

Included in fixed deposits comprises restricted cash of $Nil (2024: $19,984,000) pledge to banks for facilities granted to a subsidiary.

24. Cash and bank balances

	Group		Company	
	2025	**2024**	**2025**	**2024**
	$'000	$'000	$'000	$'000
Cash at bank	40,440	34,599	7,753	3,561

Included in cash and bank balances comprises restricted cash of $3,694,000 (2024: $24,732,000) pledge to banks for facilities granted to a subsidiary.

25. Trade payables

Trade payables are non-interest bearing and are normally settled on 30 to 90 days' terms.

26. Other payables and accruals

	Group		Company	
	2025	**2024**	**2025**	**2024**
	$'000	$'000	$'000	$'000
Current portion:				
Financial liabilities:				
Accrued operating expenses	8,514	11,093	715	1,399
Rental deposits received	2,126	571	–	–
Other deposits received	216	211	–	–
Other payables	4,975	5,885	3	410
	15,831	17,760	718	1,809
Non-financial liabilities:				
Advance rental received	5	145	–	–
Provision for interest support	1,051	1,059	727	735
	16,887	18,964	1,445	2,544
Non-current portion:				
Financial liabilities:				
Rental deposits received	1,656	1,571	–	–

Other payables are non-interest bearing and are normally settled on 30 to 90 days' terms.

27. Bonds

The Group had bond issue outstanding as at 31 December 2025 and 31 December 2024 of $53,800,000 which is unsecured and bears interest at a fixed rate of 7.0% per annum due November 2026.

28. Derivative financial instruments

The following sets out the aggregate amount of the Group's and Company's derivative financial instruments as at the end of the current financial year reported on with comparative figures as at the end of the immediately preceding financial year.

	Group		Company	
	2025	**2024**	**2025**	**2024**
	$'000	$'000	$'000	$'000
Assets/(liabilities)				
Interest rate swaps				
– current	–	24	–	24
– non-current	(56)	–	(56)	–
Forward contract (non-current)	(2,360)	–	–	–
	(2,416)	24	(56)	24

On 12 December 2025, Heeton Homes Pte. Ltd. ("Heeton Homes") entered into a call option agreement with a non-related third party.

As per the terms of the option, Heeton Homes incorporated a new subsidiary, Changi Invesco Pte. Ltd. ("Changi Invesco"), on 18 December 2025 and transfer its full 20% equity interest in an associated company to Changi Invesco on 21 January 2026.

The call option was exercised on 16 December 2025, whereby Heeton Homes will transfer 25% of its shares in Changi Invesco for a cash consideration on completion targeted in September 2027. Consequently, the exercise of the option has effectively converted into a forward contract.

Details of valuation technique and inputs used are disclosed in Note 40.

	Group and Company			
	2025		**2024**	
	Outstanding notional amounts	**Liability**	**Outstanding notional amounts**	**Assets**
	$'000	$'000	$'000	$'000
Current	–	–	34,076	24
Non-current	10,000	(56)	–	–
Interest rate swaps	10,000	(56)	34,076	24

The Group and the Company entered into interest rate swaps in Singapore Dollars (2024: Pound Sterling and Singapore Dollars) to manage its exposure to interest rate fluctuation on its floating rate loans and borrowings. The interest rate swaps will mature in June 2027 (2024: mature in January 2025).

The Group and the Company has not applied hedge accounting. Fair value gains and losses on interest rate swaps are recognised in profit or loss. The fair values of interest rate swaps shown above are determined by marked-to-market values provided by counterparties. The marked-to-market values obtained are determined by reference to market values for similar instruments.

29. Bank term loans

Details of bank term loans are as follows:

	Group		Company	
	2025	**2024**	**2025**	**2024**
	$'000	$'000	$'000	$'000
Unsecured	7,000	4,659	7,000	4,659
Secured	378,777	355,982	–	11,826
	385,777	360,641	7,000	16,485
Repayable:				
- not later than 1 year	39,898	57,636	7,000	16,485
- 1 year through 5 years	345,879	303,005	–	–
	385,777	360,641	7,000	16,485

Terms loans are generally secured by:

- first legal mortgage over the investment properties and freehold and leasehold properties of the Group;
- legal assignment of all sales and leasehold proceeds from the investment properties and freehold and leasehold properties;
- legal assignment of tenancy, rental, lease and licence agreements;
- legal assignment of construction contracts and performance bonds;
- legal assignment of fire insurance policy; and
- corporate guarantee by the Company.

The Group's bank term loans bear interest ranging from 2.45% to 10% (2024: 2.43% to 7.94%) per annum during the year.

<u>Secured bank loan</u>

The Group’s secured bank loans are generally subject to the following covenants:

- Maintenance of loan to value
- Maintenance of debt coverage ratio or interest coverage ratio

The Group has complied with these covenants throughout the reporting period.

30. Reconciliation of liabilities arising from financing activities

	1.1.2025	Cash flow	Non-cash changes			31.12.2025
			Foreign exchange movement	Interest expense	Other[1]	
	$'000	$'000	$'000	$'000	$'000	$'000
Bank term loans (Note 29)						
- current	57,636	22,130	–	–	(39,868)	39,898
- non-current	303,005	–	3,007	–	39,867	345,879
Lease liabilities (Note 36(b))						
- current	48	(144)	–	–	184	88
- non-current	5,205	–	430	299	(484)	5,450
Bonds (Note 27)						
- current	–	–	–	–	53,800	53,800
- non-current	53,800	–	–	–	(53,800)	–
Amounts due to non-controlling interests (Note 31)						
- non-current	68,508	2,902	–	–	477	71,887

	1.1.2024	Cash flow	Non-cash changes				31.12.2024
			Foreign exchange movement	Interest expense	ROU disposal	Other[1]	
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Bank term loans (Note 29)							
- current	100,338	10,793	–	–	–	(53,495)	57,636
- non-current	247,303	–	2,207	–	–	53,495	303,005
Lease liabilities (Note 36(b))							
- current	78	(356)	–	–	–	326	48
- non-current	6,334	–	(802)	377	(1,268)	564	5,205
Bonds (Note 27)							
- non-current	53,800	–	–	–	–	–	53,800
Amounts due to non-controlling interests (Note 31)							
- non-current	69,142	(1,541)	907	–	–	–	68,508

[1] Refers to classification of bonds, bank loans and lease obligations from non-current to current, additions of finance lease and remeasurement of lease liabilities.

31. Amounts due to non-controlling interests (non-trade)

Amounts due to non-controlling interest amounting to $53,497,000 (2024: $56,525,000) are denominated in Pound Sterling and $1,745,000 (2024: $1,623,000) are denominated in Japanese Yen.

Amounts due to non-controlling interests of $32,195,000 (2024: $36,578,000) bear interest at 5.00% (2024: 5.00%) per annum. Amounts due to non-controlling interests of $4,687,000 (2024: $11,212,000) are non-interest bearing. These amounts are unsecured, have no fixed terms of repayment, and are not expected to be repaid within the next 12 months, and are to be settled in cash.

32. Deferred tax assets and liabilities

Deferred tax assets and liabilities arose as a result of:

	Group				Company	
	Consolidated statement of financial position		Consolidated statement of comprehensive income		Statement of financial position	
	2025	2024	2025	2024	2025	2024
	$'000	$'000	$'000	$'000	$'000	$'000
Deferred tax assets						
Lease liabilities	1,370	1,372	2	205	–	–
Deferred tax liabilities						
Provisions	173	154	19	–	173	154
Tax depreciation	1,374	800	574	270	–	–
Right-of-use assets	1,168	1,159	9	(290)	–	–
	2,715	2,113			173	154
Deferred tax expense			604	185		

As at 31 December 2025, the Group had unutilised tax losses of approximately $16,570,000 (2024: $14,203,000) available for offset against future taxable income, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which certain subsidiaries operate.

32. Deferred tax assets and liabilities (cont'd)

Unrecognised temporary differences relating to investments in subsidiaries, joint ventures and associates

At the end of the reporting period, no deferred tax liability (2024: $Nil) has been recognised for taxes that would be payable on the undistributed earnings of certain of the Group's overseas subsidiaries, joint ventures and associates as:

– The Group has determined that either the undistributed earnings of its overseas subsidiaries will not be distributed in the foreseeable future or the undistributed earnings have been subjected to tax at a headline tax rates of more than 15% in the respective jurisdictions and are therefore tax exempted in accordance with Section 13(8) of the Singapore Income Tax Act 1947; and

– There are no overseas joint ventures and associates with material undistributed earnings.

33. Share capital

	Group and Company			
	Number of ordinary shares issued			
	2025	2024	2025	2024
			$'000	$'000
Issued and fully paid ordinary shares:				
At the beginning and end of year	487,734,735	487,734,735	86,624	86,624

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares (except treasury shares) carry one vote per share without restrictions. The ordinary shares have no par value.

34. Treasury shares

	Group and Company			
	Number of treasury shares			
	2025	2024	2025	2024
			$'000	$'000
At beginning of year	250,000	250,000	63	63
Acquired during the year	250,000	–	57	–
At end of year	500,000	250,000	120	63

As at 31 December 2025, the Company's treasury shares represent 0.13% (2024: 0.05%) of the total number of issued shares.

Treasury shares relate to ordinary shares of the Company that are acquired and held by the Company.

35. 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.

36. Leases

Group as a lessee

(a) *Right-of-use assets*

The Group has lease contracts for the rental of leasehold lands and buildings. These leases have an average tenure of 175 years. Lease terms do not contain restrictions on the Group's activities concerning dividends, additional debt or further leasing.

The Group also has certain leases with lease terms of 12 months or less and leases with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The carry amounts of the right-of-use assets recognised and the movements during the year is set out in Note 11 – Property, plant and equipment.

	Leasehold lands and buildings	
	2025	**2024**
	$'000	$'000
Group		
As at 1 January	4,634	5,795
Disposal	–	(1,208)
Depreciation charge for the year	(28)	(38)
Exchange differences	64	85
As at 31 December	4,670	4,634

(b) *Lease liabilities*

	Group		**Company**	
	2025	**2024**	**2025**	**2024**
	$'000	$'000	$'000	$'000
Lease liabilities				
- current	88	48	79	39
- non-current	5,450	5,205	230	98
	5,538	5,253	309	137

The movements of lease liabilities during the year are disclosed in Note 30 and the maturity analysis is disclosed in Note 41(b).

36. Leases (cont'd)

Group as a lessee (cont'd)

(c) *Amounts recognised in profit or loss*

	Group 2025 $'000	Group 2024 $'000
Depreciation of right-of-use assets	28	38
Interest expense on lease liabilities (Note 7)	299	377
Total amount recognised in profit or loss	327	415

(d) *Total cash outflow*

The Group had total cash outflows for leases of $144,000 (2024: $356,000).

Group as a lessor

The Group has entered into property leases on its investment properties. These non-cancellable leases have remaining lease terms of between one and five years.

Future minimum rental receivables under non-cancellable operating leases at the end of the reporting period are as follows:

	Group 2025 $'000	Group 2024 $'000
Lease payments receivables		
- not later than 1 year	8,536	7,519
- 1 year through 5 years	6,695	7,613
	15,231	15,132

37. Related party transactions

(a) *Sale and purchase of goods and services*

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions between the Group and Company and their related parties took place during the year at terms agreed between the parties:

	Group		Company	
	2025	**2024**	**2025**	**2024**
	$'000	$'000	$'000	$'000
Income				
Interest income				
- subsidiaries	–	–	12,112	10,892
- associated companies	437	40	–	–
Management fee income				
- subsidiaries	–	–	453	452
- associated companies	587	581	120	120
- joint venture companies	2,073	2,060	2,000	2,000
Expenses				
Management fee paid to a subsidiary	–	–	1,740	1,584
Interest expenses				
- subsidiaries	–	–	10,264	9,657
- joint venture companies	912	2,276	912	2,276
- related company	141	–	–	–
Rental paid to a subsidiary	–	–	283	283

(b) *Compensation of key management personnel*

	Group	
	2025	**2024**
	$'000	$'000
Short-term employee benefits	3,283	3,178
Central Provident Fund contributions	136	157
Other short-term benefits	97	85
	3,516	3,420
Comprise amounts paid to:		
- Directors of the Company	1,987	1,709
- Other key management personnel	1,529	1,711
	3,516	3,420

38. Contingencies

The Company has provided corporate guarantees to banks and financial institutions of $409,808,000 (2024: $399,366,000) for credit facilities (Note 29) taken by its subsidiaries, joint venture companies and associated companies.

The Company has undertaken to provide continuing financial support to certain subsidiaries to enable them to operate as going concerns at least through twelve months from the date of the Directors' statements of the subsidiaries.

39. Classification of financial instruments

Classification

The table below is an analysis of the carrying amounts of financial instruments by categories as defined in SFRS(I) 9 as at 31 December:

	Group		**Company**	
	2025	**2024**	**2025**	**2024**
	$'000	$'000	$'000	$'000
Financial assets measured at amortised cost				
Amounts due from associated companies and joint venture companies (non-trade)	81,271	74,798	2,227	4,419
Trade receivables	2,987	2,542	–	–
Other receivables	63,777	65,731	11,929	17,352
Amounts due from subsidiaries (non-trade)	–	–	319,703	301,722
Amounts due from related parties (trade)	1	1	1	1
Treasury bills	–	2,000	–	2,000
Fixed deposits	10,276	19,984	6,643	19,984
Cash and bank balances	40,440	34,599	7,753	3,561
	198,752	199,655	348,256	349,039
Financial liabilities measured at amortised cost				
Trade and other payables (current)				
Trade payables	1,998	1,750	44	656
Other payables and accruals	15,831	17,760	718	1,809
	17,829	19,510	762	2,465
Other payables (non-current)				
Other payables and accruals	1,656	1,571	–	–
Total trade and other payables	19,485	21,081	762	2,465
Loans and borrowings (current)				
Amounts due to subsidiaries (non-trade)	–	–	195,260	185,216
Lease liabilities	88	48	79	39
Bonds	53,800	–	53,800	–
Bank term loans	39,898	57,636	7,000	16,485
	93,786	57,684	256,139	201,740

39. Classification of financial instruments (cont'd)

Classification (cont'd)

	Group		Company	
	2025	**2024**	**2025**	**2024**
	$'000	$'000	$'000	$'000
Financial liabilities measured at amortised cost				
Loans and borrowings (non-current)				
Amounts due to associated companies and joint venture companies (non-trade)	44,226	46,078	35,823	36,411
Amounts due to non-controlling interests (non-trade)	71,887	68,508	–	–
Lease liabilities	5,450	5,205	230	98
Bonds	–	53,800	–	53,800
Bank term loans	345,879	303,005	–	–
	467,442	476,596	36,053	90,309
Total loans and borrowings	561,228	534,280	292,192	292,049
Total finance liabilities measured at amortised cost	580,713	555,361	292,954	294,514
Financial (liability)/asset at fair value through profit or loss				
Derivative financial instruments	(2,416)	24	(56)	24

40. Fair value of assets and liabilities

(a) ***Fair value hierarchy***

The Group categories fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(b) ***Fair value of financial instruments that are carried at fair value***

Derivative financial instruments (interest rate swaps) are valued using a valuation technique with market observable inputs which is categorised within Level 2 of the fair value hierarchy. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties and interest rate curves.

40. Fair value of assets and liabilities (cont'd)

(c) ***Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value***

Management has determined that the carrying amounts of cash and bank balances and fixed deposits, treasury bills, current trade and other receivables (including amounts due from subsidiaries, related parties, associated companies and joint venture companies), current trade and other payables (including amounts due to subsidiaries) and accruals, current bank term loans based on their notional amounts, reasonably approximate their fair values because these are mostly short term in nature or are repriced frequently.

Non-current other receivables, other payables and accruals, amounts due to/from associated companies, joint venture companies and non-controlling interest reasonably approximate their fair values as the directors do not anticipate the carrying amounts recorded at the balance sheet date to be significantly different from the values that would eventually be settled.

Non-current bank term loans and current and non-current bonds reasonably approximate their fair values as they are floating rate instruments that are repriced to market interest rates on or near the end of the reporting period.

(d) ***Fair value of financial instruments by classes that are not carried at fair value and for which fair value is disclosed***

The fair value of security deposits is calculated based on the present value of future cash outflows, discounted at the market interest rate at the reporting date.

The following table shows an analysis of the Group's non-current liabilities not measured at fair value for which fair value is disclosed.

	Fair value determined using significant unobservable inputs (Level 3) Total $'000	**Carrying amount Total** $'000
2025		
Liabilities		
Rental deposits	1,565	1,656
2024		
Liabilities		
Rental deposits	1,408	1,571

40. Fair value of assets and liabilities (cont'd)

(e) *Level 3 fair value measurements*

(i) *Information about significant unobservable inputs used in Level 3 fair value measurements*

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

Description	Valuation techniques	Unobservable inputs	Range
Recurring fair value measurements			
2025			
Investment properties:			
Retail and commercial	Market comparable approach	Yield adjustments*	10% to 20%(1)
	Income approach	Capitalisation rate	4.75% to 5.25%(2)
Investment securities:			
Unquoted equity security	Net asset valuation	Note 1	
Derivative financial instrument:			
Forward contract	Net asset valuation	Note 2	
	Discounted cash flow	Discount^	10% to 15%(3)
2024			
Investment properties:			
Retail and commercial	Market comparable approach	Yield adjustments*	10% to 20%(1)
	Income approach	Capitalisation rate	4.75% to 5.25%(2)
Investment security:			
Unquoted equity security	Net asset valuation	Note 1	

* The yield adjustments are made for any difference in the nature, location, condition or size of the specific property.

^ The discount is applied after considering the Discount for Lack of Marketability (“DLOM”) and Discount for Lack of Control (“DLOC”).

(1) A significant increase (decrease) in yield adjustments would result in a significantly higher (lower) fair value measurement.

(2) A significant increase (decrease) in capitalisation rate would result in a significantly lower (higher) fair value measurement.

(3) A significant increase (decrease) in discount would result in a significantly lower (higher) fair value measurement.

40. Fair value of assets and liabilities (cont'd)

(e) *Level 3 fair value measurements (cont'd)*

(i) *Information about significant unobservable inputs used in Level 3 fair value measurements (cont'd)*

Note 1 – Unquoted equity investment

The fair value of unquoted equity security measured at FVTPL is estimated based on the net asset value (NAV) of the investee entity adjusted for the fair value of the underlying development property.

The estimated fair value would increase/(decrease) if the NAV was higher/(lower).

Note 2 – Forward contract

The fair value of forward contract measured at FVTPL is estimated based on the net asset value (NAV) of the investee entity adjusted for the fair value of the underlying property assets.

The estimated fair value would increase/(decrease) if the NAV was higher/(lower).

The following table shows the impact on the Level 3 fair value measurement of assets and liabilities that are sensitive to changes in unobservable inputs that reflect reasonably possible alternative assumptions. The positive and negative effects are approximately the same.

		Effect of reasonably possible alternative assumptions	
	Carrying amount $'000	**Profit or loss** $'000	**Other comprehensive income** $'000
2025			
Recurring fair value measurements			
Investment properties:			
- Retail and commercial	228,590	6,858	–
2024			
Recurring fair value measurements			
Investment properties:			
- Retail and commercial	226,817	6,805	–

40. Fair value of assets and liabilities (cont'd)

(e) *Level 3 fair value measurements (cont'd)*

(i) *Information about significant unobservable inputs used in Level 3 fair value measurements (cont'd)*

In order to determine the effect of the above reasonably possible alternative assumptions, the Group adjusted the following key unobservable inputs used in the fair value measurement:

- For retail and commercial investment properties, freehold and leasehold land and buildings, the Group adjusted the yield adjustments by increasing and decreasing the adjustments by 3% depending on nature, location or condition of the specific property.

(ii) *Movements in Level 3 assets and liabilities measured at fair value*

During the year, the Group has recognised gains from fair value adjustments of investment properties which amounted to $1,361,000 (2024: $3,513,000) (Note 12). The disclosure of the movement in investment properties in Note 12 constitutes a reconciliation of the movement of assets which are measured at fair value based on significant unobservable inputs.

(iii) *Valuation policies and procedures*

The senior management of the Group (the "Management") oversees the Group's financial reporting valuation process and is responsible for setting and documenting the Group's valuation policies and procedures. In this regard, the Management reports to the Group's Audit Committee.

For all significant financial reporting valuations using valuation models and significant unobservable inputs, it is the Group's policy to engage external valuation experts to perform the valuation. The Management is responsible for selecting and engaging valuation experts that possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies, and SFRS(I) 13 fair value measurement guidance.

For valuations performed by external valuation experts, the Management reviews the appropriateness of the valuation methodologies and assumptions adopted. The Management also evaluates the appropriateness and reliability of the inputs used in the valuations.

Significant changes in fair value measurements from period to period are evaluated by the Management for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent sources, or internal sources if necessary and appropriate.

41. Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk. The board of directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Executive Directors. The Audit Committee provides independent oversight to the effectiveness of the risk management process. It is, and has been throughout the current and previous financial year the Group's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient. The Group and the Company do not apply hedge accounting.

The Group also had an interest rate swap facility. The purpose is to manage the interest rate risks arising from the Group’s operations and sources of financing. Details of the derivative financial instruments are disclosed in Note 28.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Group's and Company's exposure to these financial risks or the manner in which it manages and measures the risk.

(a) ***Credit risk***

Credit risk is the risk of loss that may arise from outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and cash equivalents), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Exposure to credit risk

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is represented by:

- the carrying amount of each class of financial assets recognised in the balance sheets; and
- a nominal amount of $409,808,000 (2024: $399,366,000) relating to corporate guarantees provided by the Company to the banks and financial institutions on subsidiaries, joint ventures and associated companies' credit facilities.

41. Financial risk management objectives and policies (cont'd)

(a) *Credit risk (cont'd)*

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country profile of its trade receivables on an on-going basis.

At the end of the reporting period, 11% and 89% (2024: 15% and 85%) of the Group's trade receivables were due from customers located in Singapore and United Kingdom respectively and they are generally settled on cash basis.

Financial guarantees and cash and cash equivalents

There is no allowance for expected credit loss on the Group's and Company's financial guarantees and cash and cash equivalents as at 31 December 2025 and 31 December 2024 as the expected credit loss is not material.

Trade receivables

The Group has applied the simplified approach to provide for impairment for ECLs prescribed by SFRS(I) 9, which permits the use of the lifetime expected loss provision for impairment of all trade receivables. To measure the ECLs, trade receivables have 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. Since the Group's historical credit loss experience on trade receivables balances were minimal, the loss allowance for these receivable balances as a result of applying the ECL model was therefore immaterial.

Amount due from associated companies and joint venture companies (non-trade)

The Group manages its credit risk from amount due from associated companies and joint venture companies (non-trade) by assessing the profitability of hotel properties operating performance and the profitability of development properties of its associated companies and joint venture companies on an ongoing basis. The ECL allowance in respect of these balances are disclosed in Note 17.

Other receivables

The Group's other receivables mainly comprised of senior notes and promissory notes where the Group manages its credit risk based the profitability of the underlying investments on an ongoing basis. Based on the current market condition, the Group have assessed that there is a significant increase in credit risk since the initial recognition and have applied a lifetime expected loss provision for the impairment of these other receivables. The ECL allowance in respect of these balances are disclosed in Note 21.

Amount due from subsidiaries (non-trade)

These balances represent amounts lent to its subsidiaries to satisfy their long and short-term funding requirements. Impairment on these balances has been measured on the 12-month expected loss basis which reflects the low credit risk of the exposure. The ECL allowance in respect of these balances are disclosed in Note 22.

41. Financial risk management objectives and policies (cont'd)

(b) *Liquidity risk*

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

The Group's and the Company's liquidity risk management policy is to maintain sufficient liquid financial assets and stand-by credit facilities with banks. At the end of the reporting period, approximately 16% (2024: 11%) of the Group's loans and borrowings (Note 39) will mature in less than one year based on the carrying amount reflected in the financial statements.

The table below summarises the maturity profile of the Group's and the Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted payments.

	1 year or less $'000	**1 to 5 years** $'000	**Total** $'000
Group			
2025			
Non-derivative financial assets:			
Amounts due from associated companies and joint venture companies (non-trade)	5,087	82,014	87,101
Trade receivables	2,987	–	2,987
Other receivables	29,859	34,033	63,892
Amounts due from related parties (trade)	1	–	1
Fixed deposits	10,276	–	10,276
Cash and bank balances	40,440	–	40,440
Total undiscounted financial assets	88,650	116,047	204,697
Non-derivative financial liabilities:			
Trade payables	1,998	–	1,998
Other payables and accruals	15,831	1,656	17,487
Lease liabilities	339	107,942	108,281
Loans and borrowings	106,810	555,533	662,343
Total undiscounted financial liabilities	124,978	665,131	790,109
Total net undiscounted financial liabilities	(36,328)	(549,084)	(585,412)

41. Financial risk management objectives and policies (cont'd)

(b) ***Liquidity risk (cont'd)***

	1 year or less $'000	1 to 5 years $'000	Total $'000
Group			
2024			
Non-derivative financial assets:			
Amounts due from associated companies and joint venture companies (non-trade)	20,332	60,427	80,759
Trade receivables	2,542	–	2,542
Other receivables	35,160	31,030	66,190
Amounts due from related parties (trade)	1	–	1
Treasury bills	2,000	–	2,000
Fixed deposits	19,984	–	19,984
Cash and bank balances	34,599	–	34,599
Total undiscounted financial assets	114,618	91,457	206,075
Non-derivative financial liabilities:			
Trade payables	1,750	–	1,750
Other payables and accruals	17,760	1,571	19,331
Lease liabilities	293	106,938	107,231
Loans and borrowings	66,509	565,393	631,902
Total undiscounted financial liabilities	86,312	673,902	760,214
Total net undiscounted financial assets/(liabilities)	28,306	(582,445)	(554,139)

41. Financial risk management objectives and policies (cont'd)

(b) ***Liquidity risk (cont'd)***

	1 year or less $'000	1 to 5 years $'000	Total $'000
Company			
2025			
Non-derivative financial assets:			
Other receivables	11,929	–	11,929
Amounts due from subsidiaries (non-trade)	329,273	–	329,273
Amounts due from associated companies and joint venture companies (non-trade)	2,227	–	2,227
Amounts due from related parties (trade)	1	–	1
Fixed deposits	6,643	–	6,643
Cash and bank balances	7,753	–	7,753
Total undiscounted financial assets	357,826	–	357,826
Non-derivative financial liabilities:			
Trade payables	44	–	44
Other payables and accruals	718	–	718
Lease liabilities	79	230	309
Loans and borrowings	263,405	35,823	299,228
Total undiscounted financial liabilities	264,246	36,053	300,299
Total net undiscounted financial assets/(liabilities)	93,580	(36,053)	57,527

41. Financial risk management objectives and policies (cont'd)

(b) ***Liquidity risk (cont'd)***

	1 year or less $'000	**1 to 5 years** $'000	**Total** $'000
Company			
2024			
Non-derivative financial assets:			
Other receivables	52	17,300	17,352
Amounts due from subsidiaries (non-trade)	319,310	–	319,310
Amounts due from associated companies and joint venture companies (non-trade)	4,419	–	4,419
Amounts due from related parties (trade)	1	–	1
Treasury bills	2,000	–	2,000
Fixed deposits	19,984	–	19,984
Cash and bank balances	3,561	–	3,561
Total undiscounted financial assets	349,327	17,300	366,627
Non-derivative financial liabilities:			
Trade payables	656	–	656
Other payables and accruals	1,809	–	1,809
Lease liabilities	39	98	137
Loans and borrowings	217,501	85,148	302,649
Total undiscounted financial liabilities	220,005	85,246	305,251
Total net undiscounted financial assets/(liabilities)	129,322	(67,946)	61,376

The table below shows the contractual expiry by maturity of the Group’s and Company's contingent liabilities. The maximum amount of the financial guarantee contracts is allocated to the earliest period in which the guarantee could be called.

	Group and Company	
	1 year or less	
	2025 $'000	**2024** $'000
Financial guarantees	409,808	399,366

41. Financial risk management objectives and policies (cont'd)

(c) *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from their loans and borrowings, interest-bearing loans given to related parties and fixed deposits.

The Group's policy is to manage interest cost using floating rate debts.

Sensitivity analysis for interest rate risk

At the end of the reporting period, if interest rates had been 75 (2024: 75) basis points lower/higher with all other variables held constant, the Group's loss net of tax would have been $2,323,000 lower/higher (2024: profit net of tax would have been $2,205,000 higher/lower), arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings.

The following tables sets out the carrying amount, by maturity, of the Group's and Company's financial instruments that are exposed to material interest rate risk:

	Note	Within 1 year $'000	1 to 5 years $'000	Total $'000
Group				
2025				
Floating rate				
Bank term loans	29	39,898	345,879	385,777
2024				
Floating rate				
Bank term loans	29	57,636	303,005	360,641
Company				
2025				
Floating rate				
Bank term loans	29	7,000	–	7,000
2024				
Floating rate				
Bank term loans	29	16,485	–	16,485

Interest on financial instruments subject to floating interest rates is contractually repriced at intervals of less than 6 months. Interests on financial instruments at fixed rates are fixed until the maturity of the instrument. The other financial instruments of the Group and Company that are not included in the above tables are not subject to material interest rate risks.

41. Financial risk management objectives and policies (cont'd)

(d) *Foreign currency risk*

The Group's foreign currency risk arises mainly from the Group's operations in the United Kingdom, Thailand, Japan and Bhutan. The results and financial position of foreign operations are translated into SGD as disclosed under Note 2.8(b). Accordingly, the Group's balance sheet may be affected by fluctuations in the exchange rate between Pound Sterling ("GBP"), Japanese Yen ("JPY"), Australian Dollar ("AUD"), US Dollar ("USD"), Bhutanese Ngultrum ("BTN") and Singapore dollar. It is not the Group's policy to hedge exposures arising from such translations. The Group's strategy is to fund overseas operations with borrowings denominated in their functional currency as a natural hedge against overseas assets.

The Group and the Company also hold cash and cash equivalents denominated in foreign currencies for working capital purposes. At the end of the reporting period, such foreign currency balances are as follows:

	Group		Company	
	2025	**2024**	**2025**	**2024**
	$'000	$'000	$'000	$'000
Pound Sterling ("GBP")	27,144	26,687	5,185	1,795
Japanese Yen ("JPY')	1,388	1,585	102	46
Australian dollar ("AUD")	7	126	7	126
US dollar ("USD")	29	36	29	36
Bhutanese Ngultrum ("BTN")	5,307	1,637	–	–

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the AUD, GBP, THB, JPY and BTN exchange rates (against SGD), with all other variables held constant, of the Group's (loss)/profit net of tax and equity.

		2025		2024	
		Decrease/ (increase) in loss net of tax $'000	**Increase/ (decrease) in Equity** $'000	**(Decrease)/ increase in profit net of tax** $'000	**Increase/ (decrease) in Equity** $'000
AUD	- strengthened 3% (2024: 3%)	–	–	–	4
	- weakened 3% (2024: 3%)	–	–	–	(4)
GBP	- strengthened 3% (2024: 3%)	(541)	(1,944)	(1,881)	(4,746)
	- weakened 3% (2024: 3%)	541	1,944	1,881	4,746
THB	- strengthened 3% (2024: 3%)	–	828	–	814
	- weakened 3% (2024: 3%)	–	(828)	–	(814)
JPY	- strengthened 3% (2024: 3%)	(21)	31	(44)	(254)
	- weakened 3% (2024: 3%)	21	(31)	44	254
BTN	- strengthened 3% (2024: 3%)	6	(302)	(30)	297
	- weakened 3% (2024: 3%)	(6)	302	30	(297)

42. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 December 2025 and 31 December 2024.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, loans and borrowings, trade and other payables, less cash and cash equivalents. Capital includes equity attributable to the equity owners of the Company.

		Group	
	Note	**2025**	**2024**
		$'000	$'000
Trade and other payables	39	19,485	21,081
Loans and borrowings	39	561,228	534,280
Less:			
Cash and cash equivalents		(47,022)	(34,599)
Net debt		533,691	520,762
Equity attributable to owners of the Company		420,568	431,013
Capital and net debt		954,259	951,775
Gearing ratio		56%	55%

43. Segment 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 property investment segment is engaged in the leasing of residential, retail and commercial properties.

II. The property development segment is involved in the development and sale of private residential properties.

III. The corporate segment is involved in Group-level corporate services and treasury functions.

IV. The hospitality segment is involved in hotel operations and related services.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing and income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Geographical information

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

	Revenue		**Non-current assets**	
	2025	**2024**	**2025**	**2024**
	$'000	$'000	$'000	$'000
Singapore	10,635	10,728	578,025	552,112
United Kingdom	68,234	65,637	273,347	271,401
Japan	1,657	1,795	13,912	15,139
Others	654	–	24,256	9,812
	81,180	78,160	889,540	848,464

Non-current assets information presented above consist mainly of property, plant and equipment and investment properties as presented in the consolidated balance sheet.

43. Segment information (cont'd)

	Property investment $'000	Property development $'000	Corporate $'000	Hospitality $'000	Elimination $'000	Note	Consolidated $'000
31 December 2025							
Revenue:							
Sales to external customers	12,835	–	717	67,628	–		81,180
Inter-segment revenue	827	–	8,060	8,586	(17,473)	A	–
	13,662	–	8,777	76,214	(17,473)		81,180
Results:							
Finance income	–	–	32,414	–	(30,953)	A	1,461
Finance expense	(5,067)	–	(31,863)	(19,962)	30,289	A	(26,603)
Fair value losses on derivative financial instruments	–	–	(2,435)	–	–		(2,435)
Fair value loss on investment security	–	(429)	–	–	–		(429)
Impairment of property, plant and equipment	–	–	–	(916)	–		(916)
Gain from fair value adjustments of investment properties	1,361	–	–	–	–		1,361
Depreciation of property, plant and equipment	(99)	–	(314)	(6,314)	–		(6,727)
(Impairment losses)/reversal of impairment on financial assets	(137)	(950)	(5,425)	1,567	–		(4,945)
Share of results of associated companies/joint venture companies	3,391	71	9	372	–		3,843
Segment profit/(loss) before tax	9,078	(1,328)	(21,249)	6,940	(664)	B	(7,223)
Assets:							
Investment in associated companies/joint venture companies	92,633	13,900	–	12,695	–		119,228
Additions to non-current assets[1]	513	–	495	6,711	–		7,719
Segment assets	259,187	78,475	1,079,506	565,312	(980,851)	C	1,001,629
Segment liabilities	174,111	33,717	982,725	327,888	(927,838)	D	590,603

[1] Additions to non-current assets consist of additions to property, plant and equipment.

43. Segment information (cont'd)

	Property investment $'000	Property development $'000	Corporate $'000	Hospitality $'000	Elimination $'000	Note	Consolidated $'000
31 December 2024							
Revenue:							
Sales to external customers	12,622	–	859	64,679	–		78,160
Inter-segment revenue	820	–	7,705	9,427	(17,952)	A	–
	13,442	–	8,564	74,106	(17,952)		78,160
Results:							
Finance income	–	–	30,721	–	(29,421)	A	1,300
Finance expense	(6,299)	–	(30,672)	(21,158)	28,619	A	(29,510)
Fair value gains on derivative financial instruments	–	–	16	–	–		16
Fair value gain on investment security	–	2,572	–	–	–		2,572
Reversal of impairment of property, plant and equipment	–	–	–	4,341	–		4,341
Gain from fair value adjustments of investment properties	3,513	–	–	–	–		3,513
Gain on disposal of property, plant and equipment	–	–	–	650	–		650
Gain on disposal of assets subsidiaries	–	–	–	3,776	–		3,776
Depreciation of property, plant and equipment	(44)	–	(293)	(5,403)	–		(5,740)
Impairment losses on financial assets	–	–	(6,119)	(1,020)	–		(7,139)
Share of results of associated companies/joint venture companies	3,233	(860)	33	(192)	–		2,214
Segment profit/(loss) before tax	9,726	1,704	(15,203)	8,362	(802)	B	3,787
Assets:							
Investment in associated companies/joint venture companies	92,530	634	–	16,043	–		109,207
Additions to non-current assets[1]	161	–	232	39,964	–		40,357
Segment assets	252,621	45,669	1,128,710	581,808	(1,023,492)	C	985,316
Segment liabilities	185,881	38,443	1,028,017	294,145	(983,028)	D	563,458

[1] Additions to non-current assets consist of additions to property, plant and equipment.

43. Segment information (cont'd)

Notes:

A Inter-segment revenue, finance income and finance expense are eliminated on consolidation.

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

	2025 $'000	**2024** $'000
Finance expenses	30,289	28,619
Finance income	(30,953)	(29,421)
	(664)	(802)

C The following items are added to/(deducted from) segment assets to arrive at total assets reported in the consolidated balance sheet:

	2025 $'000	**2024** $'000
Investment in subsidiaries	(189,075)	(186,824)
Development property	(2,682)	(2,309)
Intra-group loans	(789,094)	(834,359)
	(980,851)	(1,023,492)

D The following items are deducted from segment liabilities to arrive at total liabilities reported in the consolidated balance sheet:

	2025 $'000	**2024** $'000
Intra-group loans	(927,838)	(983,028)

44. Dividends

	Group and Company	
	2025	**2024**
	$'000	$'000
Declared and paid during the financial year:		
Dividends on ordinary shares:		
- Final exempt (one-tier) dividend for 2024: 0.500 cents (2023: 0.375 cents) per share	2,436	1,829
Proposed but not recognised as a liability as at 31 December:		
Dividends on ordinary shares, subject to shareholders' approval at the AGM:		
- Final exempt (one-tier) dividend for 2025: 0.500 cents (2024: 0.500 cents) per share	2,436	2,436

45. Event occurring after reporting period

In January 2026, the Group together with its partners completed the purchase state of land parcel from Urban Redevelopment Authority. The Group has an effective 3.25% in the project.

In January 2026, the Group together with its partners completed the purchase of a hotel in Singapore where the Group has an effective 20% stake.

46. Authorisation of financial statements for issue

The financial statements for the year ended 31 December 2025 were authorised for issue in accordance with a resolution of the directors on 23 March 2026.