

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 (the “**Supplemental Information Memorandum**”). You are advised to read this disclaimer carefully before accessing, reading or making any other use of the Supplemental Information Memorandum. In accessing the 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 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 UNITED STATES IN RELIANCE ON REGULATION S UNDER THE SECURITIES ACT.

THE SUPPLEMENTAL INFORMATION MEMORANDUM IS BEING FURNISHED TO YOU ON THE BASIS THAT YOU ARE A PERSON INTO WHOSE POSSESSION THE SUPPLEMENTAL INFORMATION MEMORANDUM MAY BE LAWFULLY DELIVERED IN ACCORDANCE WITH THE LAWS OF THE JURISDICTION IN WHICH YOU ARE LOCATED. THE SUPPLEMENTAL INFORMATION MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON WITHOUT THE PRIOR WRITTEN CONSENT OF THE ARRANGER AND DEALER (EACH AS DEFINED BELOW) AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. DISTRIBUTION OR REPRODUCTION OF THE 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 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. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE NOTES DESCRIBED IN THE SUPPLEMENTAL INFORMATION MEMORANDUM.

Confirmation of Your Representation: By accessing the Supplemental Information Memorandum you confirm to each of Ho Bee Land Limited (the “**Issuer**”) and DBS Bank Ltd., as arranger and dealer (the “**Arranger**” and “**Dealer**”), 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 Supplemental Information Memorandum has been sent is not in the United States, its territories and possessions, (iii) you consent to delivery of the Supplemental Information Memorandum and any amendments or supplements thereto by electronic transmission, (iv) you will not transmit the 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 Arranger and Dealer 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 or purchase any of the notes.

By accepting this e-mail and accessing the 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, 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 Supplemental Information Memorandum has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of the Issuer, the Arranger, the Dealer 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.

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 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 Ho Bee Land Limited 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.

Actions that You May Not Take: If you receive the Supplemental Information Memorandum by e-mail, you should not reply by e-mail, and you may not purchase any notes 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 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 22 JUNE 2026 TO THE INFORMATION MEMORANDUM DATED 26 JUNE 2024



Ho Bee Land Limited

(Incorporated in the Republic of Singapore on 8 August 1987)
(UEN/Company Registration No. 198702381M)

S\$800,000,000

Multicurrency Medium Term Note Programme

This Supplemental Information Memorandum is supplement to, and should be read in conjunction with, the information memorandum dated 26 June 2024 (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\$800,000,000 Multicurrency Medium Term Note Programme (the “**Programme**”) of Ho Bee Land Limited (the “**Issuer**”). 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 (the “**MAS**”) under the Securities and Futures Act 2001 of Singapore (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 from time to time 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.

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 has been made to the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for permission to deal in and the listing and quotation of any Notes which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such 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, opinions expressed or reports contained herein. Approval-in-principle from, admission to the Official List of, and the listing and quotation of any 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 such Notes.

Potential investors should pay attention to the risk factors and considerations set out in the section on “Risks Factors” of the Original Information Memorandum (as supplemented by the section “Risk Factors” of this Supplemental Information Memorandum).

Arranger



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NOTICE

DBS Bank Ltd. (the “**Arranger**”) has been authorised by Ho Bee Land Limited (the “**Issuer**”) to arrange the S\$800,000,000 Multicurrency Medium Term Note Programme described herein. Under the Programme, the Issuer may, subject to compliance with all relevant laws, regulations and directives, from time to time issue Notes denominated in Singapore dollars and/or any other currencies.

This Supplemental Information Memorandum contains information with regard to the Issuer, its subsidiaries, the Programme and the Notes. The Issuer, having made all reasonable 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 herein is true and accurate in all material 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 offering of the Notes would or might make any such information or expressions of opinion, expectation or intention misleading in any material respect.

Notes may be issued in series having one or more issue dates and the same maturity date, and on identical terms (including as to listing) except (in the case of Notes other than variable rate notes (as described under the section on “Summary of the Programme”)) for the issue dates, issue prices and/or the dates of the first payment of interest, or (in the case of variable rate notes) for the issue prices and rates of interest. Each series may be issued in one or more tranches on the same or different issue dates. The Notes will be issued in bearer form and may be listed on a stock exchange. Each series or tranche of Notes may initially be represented by either a Temporary Global Note (as defined herein) or a Permanent Global Note (as defined herein), which will be deposited on the relevant issue date with either CDP (as defined herein), a common depository on behalf of Euroclear Bank S.A./N.V. (“**Euroclear**”) and Clearstream Banking, S.A. (“**Clearstream, Luxembourg**”) and/or other clearing system, and will be exchangeable, upon request as described therein, either for a Permanent Global Note or Definitive Note (as indicated in the applicable Pricing Supplement). Subject to compliance with all relevant laws, regulations and directives, the Notes will have maturities of such tenor as may be agreed between the Issuer and the Relevant Dealer (as defined herein) and may be subject to redemption or purchase in whole or in part. The Notes will bear interest at a fixed, floating, variable or hybrid rate or may not bear interest or may be such other notes as may be agreed between the Issuer and the Relevant Dealer. The Notes will be repayable at par, at a specified amount above or below par or at an amount determined by reference to a formula, in each case with terms as specified in the Pricing Supplement (as defined herein) issued in relation to each series or tranche of Notes. Details applicable to each series or tranche of Notes will be specified in the applicable Pricing Supplement which is to be read in conjunction with the Original Information Memorandum and this Supplemental Information Memorandum.

The maximum aggregate principal amount of the Notes to be issued, when added to the aggregate principal amount of all Notes outstanding (as defined in the Trust Deed referred to in the Original Information Memorandum) shall be S\$800,000,000 (or its equivalent in any other currencies) or such higher amount as may be increased pursuant to the terms of the Programme Agreement (as defined in the Original Information Memorandum).

No person has been authorised to give any information or to make any representation other than those contained in this Supplemental Information Memorandum and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arranger or any of the 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 may be used for the purpose of, and does not constitute an offer of, or solicitation or invitation by or on behalf of the Issuer, the Arranger or any of the 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 and the offer of the Notes in certain jurisdictions may be restricted by law. Persons who distribute or publish this Supplemental Information Memorandum or any such other document or information (or any part thereof) or into whose possession this Supplemental Information Memorandum or any such other document or information (or any part thereof) comes are required to inform themselves about and to observe any such prohibitions or 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 herein) or with any securities regulatory authority of any state or other jurisdiction of the U.S. and include Notes in bearer form that 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 the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder).

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 shall be deemed to constitute an offer of, or an invitation by or on behalf of the Issuer, the Arranger or any of the Dealers to subscribe for or purchase, any of the Notes.

This Supplemental Information Memorandum and any other document or material 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 Dealer(s) of the Notes from time to time to be issued pursuant to the Programme. This Supplemental Information Memorandum and such other document or material 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 Dealer(s) as aforesaid 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 (including copies thereof) in any manner whatsoever.

Neither the delivery of this Supplemental Information Memorandum (or any part thereof) or the issue, offering, subscription, purchase 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 in the information herein since the date hereof or the date on which this Supplemental Information Memorandum has been most recently amended or supplemented. Nothing herein is or may be relied upon as, a promise or representation of the Issuer's future performance or policies.

The Arranger and the Dealers have not separately verified the information contained in this Supplemental Information Memorandum. None of the Arranger, the Dealers or any of their respective directors, officers or employees is making any representation or warranty 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, its subsidiaries or associated companies (if any). Further, none of the Arranger or the Dealers 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, 275 and 276 or any other

provisions of the SFA) and 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, the Arranger or any of the 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 subscriber or 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 Arranger, any of the Dealers or any of their respective directors, 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).

Website(s) referenced in this Supplemental Information Memorandum are intended as guides as to where other public information relating to the Issuer, its subsidiaries and associated companies (if any) may be obtained free of charge. Unless otherwise incorporated by reference, information appearing on such website(s) does not form part of this Supplemental Information Memorandum or any applicable Pricing Supplement and none of the Issuer, any of its subsidiaries or associated companies (if any), the Arranger or any of the Dealers accepts any responsibility whatsoever that such information, if available, is accurate and/or up to date. Such information, if available, should not form the basis of any investment decision by an investor to subscribe for or purchase any of the Notes.

To the fullest extent permitted by law, none of the Arranger or any of the Dealers accepts any responsibility for the contents of this Supplemental Information Memorandum or for any other statement, made or purported to be made by the Arranger or any of the Dealers or on its behalf in connection with the Issuer, the Group (as defined herein), the Programme or the issue and offering of the Notes. The Arranger and each Dealer accordingly disclaim 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 this Supplemental Information Memorandum or any such statement.

Any subscription, purchase or acquisition of the Notes is in all respects conditional on the satisfaction of certain conditions set out in the Programme Agreement 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 subscription, 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, the Arranger or any of the 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.

In connection with the issue of any tranche or series of Notes, one or more Dealers named as stabilising manager(s) (the “**Stabilising Manager(s)**”) (or persons acting on behalf of any Stabilising Manager) in the relevant Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager) will undertake any stabilisation action. Any stabilisation action may begin at any time, on or after the date on

which adequate public disclosure of the terms of the offer of the relevant series of Notes is made and, if begun, may be ended or discontinued at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant series of Notes and 60 days after the date of the allotment of the relevant series of Notes. Any stabilisation action will be conducted in accordance with the law.

The attention of recipients of this Supplemental Information Memorandum is drawn to the restrictions on resale of the Notes set out under the section “Subscription, Purchase and Distribution” on pages 119 and 127 of the Original Information Memorandum (as supplemented by 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 or purchase any of the Notes consult their own legal, financial, tax and other advisers before subscribing for, purchasing or acquiring the Notes.

Prospective purchasers of any of the Notes are advised to consult their own tax advisers concerning the tax consequences of the acquisition, ownership or disposal of Notes.

Prospective investors should pay attention to the risk factors set out in the section on “Risk Factors” of the Original Information Memorandum (as supplemented by the section “Risk Factors” of this Supplemental Information Memorandum).

Notification under Section 309B of the SFA: Unless otherwise stated in the Pricing Supplement in respect of any Notes, all Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) 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).

MiFID II PRODUCT GOVERNANCE/TARGET MARKET – The applicable Pricing Supplement in respect of any Notes may include a legend entitled “MiFID II Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, “**MiFID II**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MiFIR PRODUCT GOVERNANCE/TARGET MARKET – The applicable Pricing Supplement in respect of any Notes may include a legend entitled “UK MiFIR Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is

responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise none of the Arranger, the Dealers or any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – If the applicable Pricing Supplement in respect of any Notes includes a legend entitled “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 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 – If the applicable Pricing Supplement in respect of any Notes includes a legend entitled “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 (“**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 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.

NOTICE TO CAPITAL MARKET INTERMEDIARIES AND PROSPECTIVE INVESTORS PURSUANT TO PARAGRAPH 21 OF THE HONG KONG SFC CODE OF CONDUCT – Prospective investors should be aware that certain intermediaries in the context of certain offerings of Notes pursuant to this Programme (each such offering, a “**CMI Offering**”), including certain Dealers, may be “capital market intermediaries” (“**CMI**s”) subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the “**SFC Code**”). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMI, which require the attention and cooperation of prospective investors. Certain CMI may also be acting as “overall coordinators” (“**OC**s”) for a CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealer(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an association (“**Association**”) with the Issuer, the CMI or the relevant group company. Prospective investors associated with the Issuer or any CMI (including its group companies) should specifically disclose this when placing an order for the relevant Notes and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not disclose their

Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to the relevant CMI Offering, such order is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). A rebate may be offered by the Issuer to all private banks for orders they place (other than in relation to Notes subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of the relevant CMI Offering based on the principal amount of the Notes distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMIs otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate. Details of any such rebate will be set out in the applicable Pricing Supplement or otherwise notified to prospective investors. If a prospective investor is an asset management arm affiliated with any relevant Dealer, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the relevant Dealer or its group company has more than 50 per cent. interest, in which case it will be classified as a “proprietary order” and subject to appropriate handling by CMIs in accordance with the SFC Code and should disclose, at the same time, if such “proprietary order” may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a “proprietary order”. If a prospective investor is otherwise affiliated with any relevant Dealer, such that its order may be considered to be a “proprietary order” (pursuant to the SFC Code), such prospective investor should indicate to the relevant Dealer when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a “proprietary order”. Where prospective investors disclose such information but do not disclose that such “proprietary order” may negatively impact the price discovery process in relation to the relevant CMI Offering, such “proprietary order” is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the relevant Dealers and/or any other third parties as may be required by the SFC Code, including to the Issuer, any OCs, relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. Failure to provide such information may result in that order being rejected.

NON-SFRS(I) FINANCIAL MEASURES

EBIT as presented in this Supplemental Information Memorandum is a supplemental measure of the performance and liquidity of the Issuer and the Group that is not required by, or presented in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”). EBIT in this Supplemental Information Memorandum is based on a measure of the Issuer’s and the Group’s adjusted profit/(loss) for the year after non-controlling interests, before net finance costs, income tax expense, and fair value changes. EBIT is not a measurement of financial performance or liquidity under SFRS(I) and should not be considered as an alternative to net income, operating income or any other performance measures derived in accordance with SFRS(I) or as an alternative to cash flow from operating activities as a measure of liquidity. In addition, EBIT is not a standardised term, hence a direct comparison between companies using such terms may not be possible. EBIT has limitations as an analytical tool, and should not be considered in isolation from, or as a substitute for analysis of, the financial condition or results of operations

of the Issuer and the Group, as reported under SFRS(I). Because of these limitations, EBIT should not be considered as a measure of discretionary cash available to invest in the growth of the Issuer and the Group's business.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Rounding adjustments have been made in calculating some of the financial and other numerical information included in this Supplemental Information Memorandum. As a result, numerical figures shown as totals may not be exact arithmetic aggregations of the figures that precede them.

AMENDMENTS TO THE ORIGINAL INFORMATION MEMORANDUM

The Original Information Memorandum shall be amended as follows:

1. by deleting the last paragraph appearing on page 6 of the Original Information Memorandum under the section “NOTICE” and substituting therefor the following:

“PROHIBITION OF SALES TO UK RETAIL INVESTORS – If the applicable Pricing Supplement in respect of any Notes includes a legend entitled “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 (“**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 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.”;

2. by inserting the following paragraph after the section “NON-SFRS(I) FINANCIAL MEASURES” appearing on page 8 of the Original Information Memorandum under the section “NOTICE”:

“PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Rounding adjustments have been made in calculating some of the financial and other numerical information included in this Information Memorandum. As a result, numerical figures shown as totals may not be exact arithmetic aggregations of the figures that precede them.”;

3. by deleting the definition of “Latest Practicable Date” appearing on page 11 of the Original Information Memorandum under the section “DEFINITIONS” and substituting therefor the following:

““Latest Practicable Date” : 17 June 2026.”;

4. by amending the section “CORPORATE INFORMATION” appearing on page 14 of the Original Information Memorandum as follows:

- (i) by deleting the paragraph “Board of Directors” in its entirety and substituting therefor the following:

“Board of Directors	:	Dr Chua Thian Poh
		Mr Nicholas Chua Wee-Chern
		Mr Lim Swee Say
		Ms Pauline Goh
		Mr Esmond Choo Liong Gee
		Ms Choo Yi Ming
		Mr Bobby Chin Yoke Choong”;

- (ii) by deleting the paragraph “Issuing and Paying Agent and Agent Bank” in its entirety and substituting therefor the following:

“Issuing and Paying Agent and Agent Bank	:	DBS Bank Ltd.
		1 Venture Ave
		#05-06, Perennial Business City
		Singapore 608521”;

5. the section "SUMMARY OF THE PROGRAMME" appearing on pages 15 to 21 of the Original Information Memorandum shall be amended by deleting the paragraph "Listing" appearing on page 21 of the Original Information Memorandum in its entirety and substituting therefor the following:

"Listing

: Each Series of the Notes may, if so agreed between the Issuer and the Relevant Dealer(s), be listed on the SGX-ST or any stock exchange(s) as may be agreed between the Issuer and the Relevant Dealer(s), subject to all necessary approvals having been obtained. If the application to the SGX-ST to list a particular Series of Notes is approved, such Notes will be traded on the SGX-ST in a minimum board lot size of not less than S\$200,000 (or its equivalent in foreign currencies) for so long as such Notes are listed on the SGX-ST and the rules of the SGX-ST so require.";

6. by amending the section "RISK FACTORS" appearing on pages 80 to 111 of the Original Information Memorandum as follows:

- (i) by inserting the following risk factor immediately after the risk factor "*Application of Singapore insolvency and related laws to the Issuer may result in a material adverse effect on the Noteholders*" appearing on pages 85 and 86 of the Original Information Memorandum:

"Certain controlling shareholders and directors of the Issuer and/or entities and/or persons related to them, may subscribe to a substantial portion of the aggregate principal amount of the Notes and may therefore be able to exercise certain rights and powers on its own which will be binding on all Noteholders. Additionally, this may reduce the liquidity of the Notes in the secondary trading market

Certain controlling shareholders and directors of the Issuer and/or entities and/or persons related to them may subscribe to a substantial portion of the aggregate principal amount of the Notes, and this portion may constitute up to a majority of such aggregate principal amount. Certain matters relating to the Noteholders may be considered at meetings of the Noteholders and certain matters to be considered by way of Extraordinary Resolutions (as defined in the Trust Deed) may only be passed by not less than 75 per cent. of the aggregate principal amount of a Series of Notes then outstanding. Accordingly, any Noteholder holding 25 per cent. of the aggregate principal amount of a Series of Notes outstanding or more will be able to prevent the passing of an Extraordinary Resolution and the holder of a majority of the aggregate principal amount of the Notes may be able to exercise certain rights and powers on its own, each of which will be binding on all Noteholders, and to control the outcome of votes on such matters.

In addition, the existence of any such significant Noteholder may reduce the liquidity of the Notes in the secondary trading market. If such Noteholder sells a material amount of the aggregate principal amount of the Notes at any one time, it may materially and adversely affect the trading price of the Notes.";

- (ii) by deleting the risk factor *“The regulation and reform of “benchmark” rates of interest and indices may adversely affect the value of Notes linked to or referencing such “benchmarks”* appearing on pages 86 to 88 of the Original Information Memorandum in its entirety and substituting therefor the following:

“The regulation and reform of “benchmark” rates of interest and indices may adversely affect the value of Notes linked to or referencing such “benchmarks”

The Programme allows for the issuance of Notes that reference certain interest rates or other types of rates or indices which are deemed to be “benchmarks”.

Interest rates and indices which are deemed to be, or used as, “benchmarks” are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to or referencing such a benchmark.

Regulation (EU) 2016/1011 (the **“EU Benchmarks Regulation”**) applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the European Union (**“EU”**). Among other things, it (a) requires benchmark administrators to be authorised or registered (or, if non-EU based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (b) prevents certain uses by EU supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed). The EU Benchmarks Regulation, as it forms part of domestic law by virtue of the EUWA (the **“UK Benchmarks Regulation”**) among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the UK Financial Conduct Authority (the **“FCA”**) or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to or referencing a benchmark, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the national or international reforms or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. For example, the sustainability of the London Interbank Offered Rate (**“LIBOR”**) has been questioned as a result of the absence of relevant active underlying markets and possible disincentives (including as a result of regulatory reforms) for market participants to continue contributing to such benchmarks. Following FCA’s announcement on 5 March 2021, LIBOR was discontinued on 30 June 2023 and was replaced by the Secured Overnight Financing Rate.

As the Singapore Dollar Swap Offer Rate (**“SOR”**) methodology relies on USD LIBOR in its computation, the discontinuation of LIBOR on 30 June 2023 impacted the future sustainability of SOR. Following industry consultations by The Association of Banks in

Singapore, the Singapore Foreign Exchange Market Committee and the Steering Committee for SOR & SIBOR Transition to SORA (“**SC-STs**”) (together, the “**Committees**”), SOR was discontinued by end-June 2023 and the issuance of SOR-linked loans and securities that mature after end-2021 has ceased since end-April 2021, with financial institutions and their customers to cease usage of SOR in new derivative contracts (except for specified purposes relating to the risk management and transition of legacy SOR positions to SORA) by end-September 2021. Similarly, the Committees have discontinued SIBOR, with 6-month SIBOR having been discontinued on 31 March 2022 and 1-month and 3-month SIBOR having been discontinued on 31 December 2024. In order to mitigate further build up in the stock of legacy SIBOR contracts, the SC-STs has recommended that financial institutions and their customers cease usage of SIBOR in new contracts by end-September 2021. On 25 February 2025, the SC-STs announced the successful completion of the interest rate benchmark transition exercise from SOR and SIBOR to SORA.

The elimination of the LIBOR, SOR and SIBOR benchmarks or any other benchmark, or changes in the manner of administration of any benchmark, could require an adjustment to the Conditions, or result in other consequences, in respect of any Notes linked to such benchmark. Such factors may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark, (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the “benchmark”. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to, referencing, or otherwise dependent (in whole or in part) upon, a benchmark. Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative rates and as to potential changes to such benchmark may adversely affect such benchmark during the term of the relevant Notes, the return on the relevant Notes and the trading market for securities based on the same benchmark.

Any of the above changes or any other consequential changes as a result of international reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to or referencing a benchmark.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by any of the national or international reforms in making any investment decision with respect to any Notes linked to or referencing a benchmark.”; and

- (iii) by deleting the subsection “ISSUER’S AND THE GROUP’S BUSINESS, FINANCIAL CONDITION AND/OR RESULTS OF OPERATIONS” appearing on pages 90 to 111 of the Original Information Memorandum in its entirety and substituting therefor the following:

“RISKS RELATING TO THE ISSUER’S AND THE GROUP’S BUSINESS, FINANCIAL CONDITION AND/OR RESULTS OF OPERATIONS

Economic and social conditions globally and in the countries where the Group operates may adversely impact the Group

Political, economic and other factors such as the ongoing conflicts in the Middle East between the U.S. and Israel against Iran, the ongoing war between Russia and Ukraine, the ongoing war in the Gaza Strip, the geopolitical tensions between the U.S. and China and the impact of such continued geopolitical tensions and uncertainties on the global

economy, the effects of the monetary and fiscal policies adopted by the central banks and financial authorities of some of the world's leading economies, including those of the United States, the rising interest rate environment, rising inflation, rising energy costs, disruptions to global shipping routes, supply chain disruptions and the impact of the global downturn on the economies of the countries in which the Group's businesses are located could adversely affect the Group's business, financial condition, prospects and results of operations. For example, the U.S. – Israel and Iran conflict 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. Notwithstanding any negotiation or agreement to end the conflict, including any agreement to reopen the Strait of Hormuz, there can be no assurance that the conflict or the blockade will be effectively resolved or that the conflict or the blockade will not restart.

The global credit markets have experienced, and may continue to experience, volatile liquidity disruptions and declining investor confidence. While there have been periods of stability in these markets, the environment has become more unpredictable. Any volatility and liquidity disruptions in the global economy and credit markets may impede the Group's ability to borrow from financial institutions for property-related purposes and increase the Group's risk of counterparty default. Such volatility and liquidity disruptions could adversely affect the Group's business, financial condition, prospects and results of operations, as a result of, among other things, the 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.

In addition, trade frictions between the largest trading partners in the world and a number of other events have contributed to trade uncertainties. Among other things, the imposition of trade tariffs by the U.S. on its trading partners, the large fiscal deficit incurred by the U.S., significant uncertainty regarding the rising debt burden and a slowdown of growth in China which has affected consumer confidence and concerns about the Chinese economy and Europe remaining on the path of economic recovery, could undermine the stability of global economies and result in a general global economic downturn or recession or even a financial crisis, which could have a material adverse effect on the Group's business, results of operations, financial condition, profitability, liquidity and/or prospects.

Such uncertain and unfavourable economic and political conditions could have a collateral effect on growth and financial performance in trade-exposed economies such as Singapore, China and Australia. The Group has no control over such conditions and developments and can provide no assurance that such conditions and developments will not adversely affect its operations. These political upheavals have caused significant geopolitical and economic uncertainty across the world, which could have the effect of decreasing international trade and investment.

These events have damaged, and may continue to damage, market confidence and access to and costs of funding, and may slow down the activity of the Group and have other impacts on the entities with which it does business. For example:

- (i) a slowdown in economic growth and reduced availability of credit may result in a lower demand for commercial and residential properties and declining property prices and rents;
- (ii) a slowdown in economic growth may adversely impact homeowners and potential property purchasers, and in turn, lead to a decline in the general demand for property products and a further erosion of their selling prices;
- (iii) a tightening of credit can negatively impact the ability of property developers and potential property purchasers to obtain financing;
- (iv) consumers and businesses are generally more cautious when making decisions to purchase property and/or when making or renewing new leases; and
- (v) a negative impact on the ability of its tenants to pay their rents in a timely manner or to continue their leases, thereby reducing the Group's cash flow.

Other effects include, but are not limited to, decreases in valuations of the Group's properties, decreases in the sales of, or prices for residential, industrial or commercial developments, deferment in the construction of development projects, delays in the sales launches of the Group's residential projects in order to take advantage of future periods of more robust real estate demand, decreases in rental or occupancy rates for commercial properties, insolvency of contractors resulting in construction delays, the inability of customers to obtain credit to finance purchases of properties and/or customer insolvencies, defaults by customers on their purchases of the Group's properties and the granting to the Group's customers of an extension of time to pay for their purchases of the Group's properties.

Such events could adversely affect the Group's business, financial condition, prospects and results of operations.

Risk factors relating to property investment and development

Higher interest rates may have negative consequences on the Group's revenue and business, financial condition and results of operations

Any increase in interest rates in Singapore and/or any of the other countries in which the Group operates may negatively impact the Group's residential, industrial and commercial property developments. Interest rate conditions remain volatile and may diverge across the countries in which the Group operates. There is no assurance that interest rate conditions in Singapore and/or any of the other countries in which the Group operates will remain stable, and any future movements in interest rates may be sudden, significant and difficult to predict since such movements are generally influenced by a multitude of factors, including any changes in interest rates by the central banks of countries such as the U.S.

Higher interest rates generally impact the real estate industry by making it harder for consumers to secure financing, which can lead to a decrease in the demand for residential and commercial sites. The level of the interest rates is also an important parameter for the valuation of real estate, and a change in one of the assumptions used or factors considered in making a property's valuation could considerably decrease or increase the value of the property. For example, the rise in the interest rates by the Bank of England since 2022 contributed to an expansion of the capitalisation rates adopted for the valuation of the UK commercial properties, which resulted in a lower valuation for the UK commercial properties. Moreover, as a substantial portion of the Group's banking facilities are based on a floating rate of interest, an increase in interest rates will lead to higher borrowing costs and lower profits overall for the Group. Holding costs for the Group's projects are also

directly correlated to the rates of interest. Any decline in rental levels or market values, or a spike in borrowing costs or holding costs, may adversely affect the revenues, business, financial condition and results of operations of the Group and accordingly the Issuer's ability to meet its obligations under the Notes.

The Group is exposed to interest rate risks

The Group's exposure to changes in interest rates relates primarily to interest-earning financial assets and interest-bearing financial liabilities. Interest rate risk is managed on an ongoing basis with the primary objective of limiting the extent to which net interest expenses could be affected by an adverse movement in interest rates. Surplus cash balances are placed with reputable banks and financial institutions on varying maturities and interest rate terms. The Group has also incurred indebtedness to finance its corporate activities and operations. As at 31 December 2025, all of the Group's bank loans are pegged to floating rates, of which 67.8% are hedged to fixed rates, and 32.2% of the Group's bank loans remain exposed to the floating interest rates. 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. Where appropriate, the Group may seek to minimise its cash flow 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. As a result, the Group's revenues, business, financial condition and results of operations may be materially and adversely affected.

The Group's strategy of investing in office properties as a key source of rental income may entail a higher level of risk compared to other real estate companies that have a more diverse range of investments

As of 31 December 2025, 79% of the value of the Group's property portfolio consisted of commercial properties, which largely comprised office properties. Furthermore, rental income and service charges from investment properties, which is heavily concentrated in office properties, was a main contributor to the Group's revenue of S\$440.1 million for the financial year ended 31 December 2025 and constituted 54.0% of the Group's total revenue. As such, the Group will be subject to risks inherent in concentrating on investments in office properties. The level of risk of the Group's portfolio could be higher compared to other types of real estate companies that have a more diverse range of investments. A concentration of investments in a portfolio of such specific real estate assets exposes the Group to both a downturn in the real estate market as well as the job industry and general economic climate in each of its respective countries of operation. In addition, the nature of the office rental industry makes it particularly susceptible to a downturn in the economy. A lagging economy could lead to retrenchments and job losses, which, in turn, would lead to a reduction in demand for office space and a decline in occupancy for office properties.

These may affect the Group's rental income from the tenants of the properties in the Group's portfolio, or may result in a decline in the capital value of the properties, either of which may lead to an adverse effect on the Group's business, financial condition and results of operations.

The Group's investment properties and property development business are heavily dependent on the performance of the real estate market in Singapore, UK and in the jurisdictions in which it operates

Most of the Group's existing investment properties are located in Singapore and the UK. The Group also has property interests in Australia, Europe and China, and may from time to time expand into new markets. The success of the Group's investment properties and property development business therefore depends heavily on the continued growth of the real estate markets in Singapore, the UK and in the jurisdictions in which it operates. The Group's financial condition, results of operations and profitability may be materially and adversely affected by any adverse development in the supply of or demand for property or property prices in Singapore, the UK and/or in the jurisdictions in which it operates. A downturn in the real estate market may lead to a decline in the rental income in the Group's properties and/or a decline in the capital value of the Group's properties and development projects, which may have an adverse impact on the business, financial condition and results of operations of the Group.

The Group may not be able to generate adequate returns on its properties held for long-term purposes

The Group's investment in properties held for long-term purposes is subject to varying degrees of risk. The investment returns available from investments in real estate depend, to a large extent, on the amount of capital appreciation generated, income earned from the rental of the relevant properties and expenses incurred. Maximising yields from properties held for long-term investment also hinges to a large extent on active ongoing management and maintenance of the properties. The ability to eventually dispose of investment properties will also depend on market conditions and levels of liquidity, which may be limited or subject to significant fluctuation in the case of certain types of commercial properties. The revenue derived from and the value of property investment may be adversely affected by a number of factors including, but not limited to, changes in market rates for comparable rentals, the inability to collect rent due to bankruptcy or insolvency of tenants as well as the costs resulting from periodic maintenance, repair and re-letting. In the case of older properties, the revenue derived from and the value of property investment may further be adversely affected by the need to undertake major renovations or asset enhancement works that require capital expenditure, which may result in loss of rental income during the period of renovation, as well as the inability of the owner to provide adequate maintenance to preserve the value of the investment. If the Group expands the property investment aspect of the Group's business but is unable to generate adequate returns, the Group's business, financial condition and results of operations may be adversely affected.

Rental income stream from, and the value of, the Group's investment properties may be adversely affected by a number of factors

For the financial year ended 31 December 2025, the Issuer's rental income and service charges from investment properties constituted 54.0% of its total revenue. The amount of cash flow available to the Issuer to make interest payments on the Notes will therefore depend significantly on the Issuer's ability to continue to let its investment properties on economically favourable terms. The Issuer's cash flow could be adversely affected by any significant decline in the rental rates at which it is able to lease its investment properties and by its ability to renew existing leases or attract new tenants. Rental revenue may also decrease for a number of reasons including the lowering of occupancy rates, insolvency

or delay in the payment of rent by tenants. During times of economic recession, these risks will increase.

There can be no assurance that rental rates will not decline and that such decline will not have an adverse effect on the cash flow of the Issuer. Factors that may adversely affect the revenue earned from, and the value of, the Group's investment properties include but are not limited to:

- vacancies following the expiry or termination of leases that lead to lower occupancy rates which reduce the Issuer's revenue and its ability to recover certain operating costs (such as through a service charge);
- tenants requesting for rental rebates due to the impact of an economic downturn on their respective businesses and market pressure;
- tenants requesting waivers of interest on late payment of rent;
- the ability of tenants to pay rent on a timely basis or at all;
- the quality of the tenants and the financial strength of their businesses;
- the attractiveness of the Group's investment properties and each of their respective locations thereof;
- in respect of the investment properties of the Group which feature a retail component, the compatibility of, and development progress of, assets in areas surrounding such investment properties which may have a direct impact on shopper traffic;
- tenants seeking the protection of bankruptcy laws which could result in delays in the receipt of rent payments, inability to collect rental income, or delays in the termination of the tenant's lease which could hinder or delay the re-letting of the space in question, or the sale of the Group's investment properties;
- the amount of rent payable by tenants and other terms on which tenancy renewals and new tenancies are agreed being less favourable than those under current tenancies;
- competition for tenants from other properties which may affect rental levels or occupancy levels of the investment properties of the Group and/or competitors' initiatives to increase the attractiveness of their investment properties (for example, upgrades to their facilities);
- the economic climate and real estate market conditions in Singapore, the UK, Australia, China or Europe (such as oversupply of, or reduced demand, for office and/or retail space, inflation, changes in market rental rates and operating expenses of the Group's investment properties);
- changes in laws and governmental regulations in relation to real estate, including those governing the environment, ownership, real estate development, usage, zoning, taxes and government charges. Such revisions may lead to an increase in management expenses or unforeseen capital expenditure needed to ensure compliance. Rights related to the investment properties held by the Group may also be restricted by legislative actions, such as revisions to the laws relating to environmental and building standards or town planning laws, or the enactment of new laws related to condemnation and redevelopment;

- price and wage controls, taxation, expropriation and other political, economic or diplomatic developments in or affecting Singapore, the UK, Australia, China or Europe;
- any environmental claims in respect of real estate; and/or
- natural disasters, acts of God, wars, terrorist attacks, riots, civil commotions, widespread communicable diseases and other events beyond the control of the Issuer.

Outbreaks of infectious diseases or any other serious public health concerns could adversely impact the Group's business, financial condition and results of operations

Outbreaks of infectious diseases or other serious public health concerns 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 Singapore and the other countries in which the Group operates. The occurrence of any of these events or developments may materially and adversely affect the Group's business, financial condition and results of operations.

The outbreak of infectious diseases and other serious public health concerns, including epidemics and pandemics in Singapore or the other countries in which the Group operates may be beyond the Group's control and may adversely affect the economics and business activities in Singapore and the other countries in which the Group operates or could potentially expand to. Such outbreaks include, but are not limited to, Influenza A (H1N1), Severe Acute Respiratory Syndrome, Middle East Respiratory Syndrome, streptococcal toxic shock syndrome, monkey pox, Zika virus, Ebola, Hand, Foot and Mouth Disease or COVID-19. There can be no assurance that any precautionary measures taken against infectious diseases would be effective, and any resulting disruption to business operations or the imposition of restrictions on travel and/or quarantines may have a negative impact on the overall market sentiment, economy and business activities in Singapore and the other countries in which the Group operates.

Future outbreaks of communicable diseases and pandemics/epidemics may also have an impact on consumption patterns and real estate needs. For instance, if there is a wider adoption of flexible work and work-from-home arrangements, this may lead to a decrease in demand for business space. These factors have overlapping impacts on the different asset classes and could lead to new shifts in the real estate market with varying degrees of impact to different asset classes, as owners and investors of real estate adapt to changing needs of the different demand drivers. There is no assurance that such trends and/or developments, if any, in the real estate market will not adversely affect the performance of the Group's business, financial condition and results of operations.

Properties of the Group and the Group's operations may be affected or damaged by acts of terrorism and other acts of violence or war and adverse political developments

The presence of terrorist activities, acts of violence or war and adverse political developments could materially and adversely affect international financial markets and the economies of countries in which the Group operates.

Acts of terrorism and other acts of violence and war could also cause physical damage to the properties owned by the Group. Such developments may lead to a significant

disruption to the business or operation of the relevant properties and result in an adverse impact on the business, financial condition and results of operations of the Group.

The Group faces increasing competition

The Group is a medium-sized real estate business which competes with larger domestic and international companies in both the domestic and overseas markets, including property developers and real estate funds in the Singapore market, real estate investment funds in the UK market and Australian property developers in the Australian market. Such competition pervades both its property investment and property development businesses in which the Group operates.

On the property investment end, the supply of similar rental properties at comparable or lower rental rates by competitors may adversely affect the attractiveness of the Group's commercial properties and, as a result, the value of the Group's investment properties as well as the contribution of rental income from the Group's investment properties to its overall turnover.

Intensified competition between real estate companies and funds may also result in increased costs for land acquisition, lower profit margins and a slowdown in the approval process for new property developments by the relevant government authorities, all of which may adversely affect the Group's property development business.

There can be no assurance that the Group will be able to compete successfully in the future against its existing or potential competitors or that increased competition with respect to the Group's activities may not have a material adverse effect on its business, financial condition and results of operations.

Changing market conditions may adversely affect the Group's financial condition

Property markets tend to be cyclical and are subject to changes in economic outlook and financial market volatility. Any such changes are likely to have an impact on the Group's rental revenues and property values. The Group has experienced in the past, and expects to experience in the future, the negative impact of periods of economic slowdown or recession and corresponding declines in the demand for property for rent or for sale in the markets in which it operates. The Group's decision to hold, lease, buy or sell properties may not deliver the expected returns or may fail to meet value or performance expectations because of the Group's failure to anticipate the market cycle correctly. Entering into tenancy agreements, buying or selling at the wrong point in the property cycle or in the wrong location could lead to an underperformance of the Group's portfolio.

Timing of launching new projects is the key to securing sales of units at optimal sales prices. A downturn in the property market leading to lower property values may result in the Group having to delay the launches of new developments. This will result in increased holding costs until the development properties are sold. Further, property development requires significant capital outlays and returns on capital are not achieved until cash is received from pre-sale, sales or leases. The size of the capital outlays and number of parties involved in a property development project make it difficult to change property development plans once set. As a result, the Group may not be able to adjust its plans or reallocate its resources to adapt to rapidly changing market conditions. Depending on the size of the development, the time span for completing a property development usually lasts for more than a year. Consequently, changes in the business environment or market conditions, such as changes in customer tastes, market prices and the desirability of a location, during the length of the project may affect the revenue and cost of the

development, which in turn has a direct impact on the profitability of the projects and the financial condition of the Group.

Fluctuations in the value of the currencies of the countries in which the Group operates may have a material and adverse effect on the Group

The Group has a business presence overseas and, as a result, is exposed to movements in foreign exchange rates. The Group holds assets, collects revenue, incurs liabilities and expenses and borrows and transacts in the domestic currency of the countries it operates in, while its reporting currency is in Singapore dollars. This being the case, some of the Group's activities and income, costs and operating cash flows are exposed to foreign exchange risks arising from various currency exposures, primarily with respect to the respective local currencies of the countries in which the Group operates or has investments, when the assets and liabilities are translated into Singapore dollars for financial reporting purposes. Consequently, portions of the Group's costs and margins may be affected by fluctuations in the exchange rates between these currencies.

The value of the British pound, Euro or Australian dollar against the Singapore dollar, U.S. dollar and other currencies is affected by, amongst other things, changes in the UK's, EU's or Australia's political and economic conditions respectively. Any significant revaluation of the British pound, Euro or Australian dollar may materially and adversely affect the Group's cash flows, revenues, earnings and financial position, and the value of, and any dividends payable on, the shares in foreign currency terms.

To mitigate this risk, the Group may adopt a natural hedge by funding its operations and investments in the relevant local currency to mitigate its exposure to exchange rate fluctuations. The Group may also enter into foreign exchange contracts, where appropriate, to hedge against the risk of foreign exchange fluctuations resulting from its overseas operations. However, the impact of future exchange rate fluctuations on the Group's cost, profit margins and asset values cannot be accurately predicted, and there is no assurance that the Group's hedging measures can adequately protect the Group from material adverse effects arising from the fluctuations in the relative values of the Singapore dollar and foreign currencies, which may result in a financial loss. Some of the currencies may also not be convertible or exchangeable or may be subject to exchange controls.

The Group is dependent on the performance of the property industry in the countries it operates in

The Group's real estate business is subject to the performance of the property industry in the countries it operates, where property prices are largely affected by supply and demand for properties. The demand for properties could be adversely affected by any of the following:

- weakness in the local and regional economies;
- competition from other property companies;
- surge in supply of properties for sale;
- adverse government regulation;
- absence of financing for the purchase of properties; and/or
- higher interest rates.

To the extent that any of these factors occur, they are likely to impact the demand for the Group's properties and pricing which will then affect the business, financial condition,

results of operations and prospects of the Group and the value of the Group's properties. The Group may also incur losses in its property development business by retaining unsold properties or selling them below cost in a depressed market. In the event that the Group is unable to sell its unsold properties, the Group may incur holding costs, including interest costs and maintenance costs.

The tenants of the properties in the Group's 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, the Group's failure to attract new tenants when existing tenants do not wish to renew upon lease expiry, 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.

The Group is subject to risks associated with the development of residential, industrial and commercial properties and the undertaking of asset enhancement initiatives

A significant portion of the Group's business is dedicated to the development of residential, industrial and commercial properties. Property developments typically require substantial capital outlay during the land acquisition and construction phases and may take one or more years before positive cashflows may be generated through pre-sales or sales of completed property developments. The Group may also from time to time undertake asset enhancement, refurbishment or redevelopment works on its investment properties.

A significant amount of funds is required for property development, property investment projects and asset enhancement initiatives. The Group finances its property development and property investment projects as well as asset enhancement works largely through internally generated funds as well as debt financing. The ability of the Group to undertake its property development, property investment projects and asset enhancement initiatives is subject to its ability to secure adequate funding. In addition, it is charged interest at rates which may fluctuate according to market rates charged by commercial banks, and its profitability may be adversely affected in the event that the interest expense arising from such debt financing is underestimated.

The time taken and the costs involved in completing a property development project and asset enhancement initiative can be adversely affected by many factors, including shortages of materials, equipment, labour and unforeseen engineering, environmental or geological problems, global or regional supply chain disruptions arising from geopolitical tensions, logistics bottlenecks, adverse weather conditions, natural disasters, litigation, work stoppages and labour disputes with contractors and subcontractors, accidents, changes in government priorities, unexpected delay in obtaining required approvals, licences, permits, allocations or authorisations, and other unforeseen problems or circumstances. Any delay in the completion of a property development project or asset enhancement works may result in cost overruns and increased financing costs and, in the case of property development projects, may expose the Group to claims for liquidated

damages from the purchasers of the property development projects. This may, in turn, adversely affect the Group's profitability.

Factors that may affect the profitability of a project also include the risk that the receipt of government approvals may take more time than expected, the failure to complete construction according to original specifications, schedule or budget, the availability of financing and lacklustre sales of the properties. The sales and the value of a property development project may be adversely affected by a number of factors including, but not limited to, the international, regional and local political and economic climate, local real estate conditions, perceptions of property buyers, competition from other available properties, changes in market rates for comparable sales and increased business and operating costs. If any of the property development risks described above materialise, the Group's returns on investments may be lower than originally expected, and the Group's financial performance may be materially and adversely affected.

The Group may not be able to identify new property development projects, source for new land sites at commercially acceptable prices or successfully manage its land inventory, which could adversely affect its margins

Sourcing high-quality land for future development remains one of the Group's growth strategies. The Group competes with other property developers for the sourcing of land sites and its ability to acquire land or licensing rights for future development, and the acquisition costs of such land, will be affected by the policies of governments toward land supply. If the Group is unable to identify and acquire attractive new sites at commercially acceptable prices and with good potential returns, its ability to compete effectively and to grow its business and maintain its profitability may be materially and adversely affected. In addition, the Group may have difficulty in attracting landowners to enter into joint venture agreements with the Group on terms that will provide it with reasonable returns, or at all.

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 subdivided 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.

The occurrence of any of the foregoing events could have a material adverse effect on the Group's business, financial condition and results of operations.

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 a pre-sold property development is not completed and vacant possession of the unit is not delivered to buyers 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, disputes 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. 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.

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.

The Group may encounter problems with its joint ventures that may adversely affect its business

The Group has, and expects to have, interests in joint venture entities in connection with its property development plans and may in the future, enter into new joint ventures or similar arrangements. Depending on the nature of 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. In addition, there is no assurance that any new joint ventures that the Group enters into will yield their anticipated benefits. There may be disagreements between the Group and its joint venture partners regarding the business and operations of the joint ventures which may not be resolved amicably. In addition, the Group's joint venture partners may (i) have economic or business interests or goals that are inconsistent with that of the Group, (ii) take actions contrary to the Group's instructions, requests, policies or objectives, (iii) be unable or unwilling to fulfil their obligations, (iv) have financial or other difficulties (such as, amongst others, corporate governance deficiencies, shareholder or board disputes, management instability or reputational issues such as adverse publicity, regulatory investigations, sanctions exposure or allegations of fraud, bribery, corruption or other misconduct), or (v) have disputes with the Group as to the scope of their responsibilities and obligations. Any of these and other factors may materially and adversely affect the performance of the Group's joint ventures, which may, in turn, materially and adversely affect the Group's business, financial condition and results of operations.

Political uncertainties or new government regulations such as restrictions on ownership or changes in economic, business and operating conditions may also result in a decline in the Group's investment in these joint venture entities and associated companies or a loss in its ability to influence the management and directors of, and the decisions made by, these joint venture entities and associated companies. 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 encounter such risks that may have a material adverse effect on its business, financial condition and results of operations in the future.

The Group's performance may be affected by changes in commodity prices

The Group faces risks in relation to changes in commodity prices due to the consumption of large quantities of building materials, including raw iron, steel, sand, granite and concrete, in its property development operations. In particular, the disruption to global shipping routes and the surge in oil and commodity prices arising from the conflict between the U.S., Israel and Iran may materially increase the cost of building materials upon which the Group's operations depend. In addition, ongoing trade tensions may cause further cost escalations, impact budgeting and procurement of materials. As a property developer, in general, the Group enters into fixed or guaranteed maximum-price construction contracts with independent construction companies, each of which affects the development of a significant part of its overall development project. These contracts typically cover both the supply of the building materials and the construction of the facility during the construction period. Therefore, should the price of building materials increase significantly prior to the Group entering into a fixed or guaranteed maximum-price construction contract, or should its existing contractors fail to perform under their contracts, the Group may be required to pay more to existing or prospective contractors, which could materially and adversely affect the Group's results of operations and financial condition.

The Group may be affected by accidents at its work sites

Accidents or mishaps may occur at the work sites of the Group's projects. Such accidents or mishaps may severely disrupt the operations of the Group and lead to delays in project completion. In the event of such a delay, the Group may be liable to pay liquidated damages to its clients and its business, financial condition and results of operations may be materially and adversely affected. Furthermore, such accidents or mishaps may subject the Group to claims from workers or other persons involved in such accidents or mishaps for damages, and any claims which are not covered by the Group's insurance policies may materially and adversely affect the Group's business, financial condition and results of operations.

In addition, in the event that the Group's work sites contravene the requisite safety standards imposed by the regulatory authorities, the Group may be subject to penalties, which include being fined or issued with partial or full stop-work orders. The issuance of such stop-work orders may disrupt operations and lead to a delay in the completion of a project. These circumstances may adversely affect the Group's business, financial condition and results of operations.

The Group relies on independent contractors to provide property development products and services

The Group engages independent third-party contractors to provide significant property development services, including construction, piling and foundation, building and property fitting-out work, interior decoration and installation of air-conditioning units and elevators. There can be no assurance that the services rendered by any such independent contractor or any subcontractor will be completed in a timely manner or of satisfactory quality. If these services are not timely or of acceptable quality, the Group may incur substantial costs to complete the projects and remedy any defects, and the Group's reputation could be significantly harmed. The Group is also exposed to the risk that a contractor may require additional funds in excess of the fixed cost to which they committed contractually, and the

Group may have to bear such additional amounts. Furthermore, any contractor that experiences financial or other difficulties, including labour disputes with its employees, may be unable to carry out construction or related work, resulting in delays in the completion of the Group's development projects or resulting in additional costs. The Group believes that any problems with the Group's contractors, individually or in the aggregate, may materially and adversely affect the Group's business, financial condition, results of operations or reputation. There is no assurance that such problems with the Group's contractors will not occur in the future.

The Group's operations are subject to various regulatory requirements

The Group's operations are subject to various regulatory requirements. Failure to comply with these requirements could result in the imposition of fines or other penalties by governmental authorities, which may include the revocation of governmental licences. This may also delay the completion of the Group's property development projects. Any penalties imposed by governmental authorities may materially and adversely affect the business of the Group.

The real estate industry in the countries in which the Group operates is subject to significant government regulation. In particular, regulatory approvals may be required for, amongst other things, land and title acquisition or divestment, development planning and design, construction, renovation and asset enhancement, usage, zoning, building standards, fire regulations, seismic regulations, town planning, taxes, government charges, environmental issues and mortgage financing and refinancing. Such approvals may stipulate maximum periods for the commencement of development of the land. Some of these countries may also restrict the level, percentage and manner of foreign ownership and investment in real estate or may impose additional costs on foreigners seeking to invest in or own properties. Some of these laws and regulations are at times ambiguous and their interpretations and applications can be inconsistent or uncertain, making compliance with them challenging, and may be potentially detrimental to the Group. If the Group fails to obtain the relevant approvals or comply with applicable laws and regulations, it may be subject to penalties, have its licences or approvals revoked, or lose its right to own, develop or manage its properties and its businesses, any or all of which could have a material and adverse impact on its business, financial condition, results of operations and prospects.

The Group's financial performance and business may be affected by changes in government laws and regulation (and in particular foreign ownership laws and tax laws) in the countries where it operates

The Group currently owns, or may in the future own, properties in Singapore, Australia, China, Europe and the UK. In these countries, 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. Compliance with, as well as failure to comply with such laws, regulations and policies can have an adverse effect on the business, financial condition, results of operations and prospects of the Group.

These governments may also introduce new regulations or amend or abolish existing regulations at any time and these policies may have retroactive effect. The Group is unable to foresee the nature of governmental laws and regulations applicable to its operations or properties that may be introduced in future. Laws and regulations governing business

entities in these countries may change and are often 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.

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.

The Group may be affected by changes in regulatory, political, legal and social conditions

The Group currently operates and/or has investments in Singapore, UK, Australia, Europe and China and, as part of its future plans, the Group may consider expanding its businesses further overseas. Any unfavourable changes in the political, economic and social conditions, laws or government policies of these countries could materially and adversely affect its business, financial condition, results of operations and future growth. In particular, changes in the immigration laws and policies of these countries may cause changes in immigration levels (including, without limitation, a reduction in the influx of expatriates) and lead to changes in housing demand, which may in turn have a material and adverse effect on the business, financial condition and results of operations of the Group.

In addition, risks of doing business abroad include but are not limited to (a) political upheavals, internal strife, civil commotions, strikes and riots; (b) expropriation or seizure of property; (c) nullification, renegotiation or modification of existing agreements; (d) import/export quotas, trade tariffs, embargoes and other forms of public and governmental regulation; (e) unfavourable taxes, tax increases and retroactive tax claims; (f) currency exchange rate fluctuations, devaluations and restrictions on currency repatriation; and (g) insurrection or war that may disrupt or limit markets. The occurrence of these political, economic and social conditions in countries (i) where the Group currently operates and has investments and (ii) where it may operate or have investments in the future, may affect its ability to operate or invest in those countries.

The Group may not always be able to obtain timely approval, if at all, for its development projects

In order to develop and complete a property development project, a property developer must obtain various 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 government 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 with respect to the real estate industry in general or the particular processes with respect to the granting of approvals. If the Group fails to obtain relevant approvals or fulfil the conditions of those approvals for its property developments, these developments may not proceed as scheduled, and the Group's business, financial condition and results of operations may be adversely affected.

The Group's real estate investments may be illiquid

Real estate investments are generally illiquid. Such illiquidity limits the ability of an owner or a developer to convert real estate assets into cash on short notice or may require a substantial reduction in the price that may otherwise be sought for such asset to ensure a quick sale. Such illiquidity also limits the ability of the Group to vary its portfolio in response to changes in the economy, real estate market or other conditions. Moreover, the Group may face difficulties in securing timely and commercially favourable financing in asset-based lending transactions secured by real estate due to the illiquidity of its real estate investments. These factors 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.

The Group relies on key management personnel, and the Group's business may be adversely affected by any inability to recruit, train, retain and motivate key employees

The Group believes that its management team contributes significant experience and expertise to the management and growth of the Group's business. The continued success of the Group's business and the Group's ability to execute its business strategies in the future will depend in large part on the efforts of the Group's key personnel and its ability to attract and retain a team of experienced professional managers. The loss of any key management staff, and with them any such experience, knowledge, business relationships and expertise, for any reason, without suitable and timely replacement, and the inability to attract, train and retain qualified and experienced management personnel may lead to the loss or deterioration of important business relations as well as the management's ability to implement plans and maintain operational effectiveness. This may in turn have an adverse impact on the Group's operations, thereby adversely affecting the Group's financial position and profitability.

The Group may be subject to litigation and other proceedings

Legal proceedings against the Group and/or its subsidiaries relating to property management and disputes over tenancies may arise from time to time. There can be no assurance that the Group and/or its subsidiaries will not be involved in such proceedings or that the outcome of these proceedings will not adversely affect the financial condition, results of operations or cash flow of the Group.

The Group is regulated by various government authorities and regulations. 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 action by any government authority would have a material adverse effect on the business, financial condition and results of operations or cash flow of the Group.

The Group faces technology and cyber-risks which are evolving in nature including risks from the regulation of data privacy, technology, and cybersecurity

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, introduce risks 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 will be able to fully keep up with technological changes and cyber-risks. If the Group is unable to prevent or contain the effects of any cyberattacks, 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, this may impair critical system functions, compromise confidential data or undermine public confidence in the Group's operational reliability. Consequently, this may cause the Group to incur financial losses, substantial regulatory fines or penalties, liability, reputational harm, and 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.

Potential liability for environmental problems could result in substantial costs

The Group is subject to a variety of laws and regulations concerning the 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 on 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. This gives rise to several risks, including:

- the risk of prosecution by environmental authorities;
- the requirement for unbudgeted additional expenditure to remedy such issues;
- the adverse impact on the operations at the affected property, which may in turn adversely affect the revenue of the Group; and
- the adverse impact on the value of the affected property.

The Group may be liable to bear the costs of remedying or removing such contamination, and there is no guarantee that the Group can recover such costs from other parties which might have contributed to or are responsible for such contamination.

The cost of investigation, remediation or removal of these substances may be substantial. There is no assurance that potential environmental liability does not exist or will not arise in the future. Existing environmental reports, investigations and due diligence exercises with respect to any of the Group's properties may not reveal all environmental liabilities, whether previous or current owners or operators of such properties had created any material environmental condition not known to them or whether a material environmental

condition exists in any one or more of these properties. There also exists the risk that compliance concerns may have arisen or may arise in the future.

Environmental laws and regulations 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.

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.

Climate change, environmental laws and evolving sustainability regulations may adversely affect the Group's properties, operations and financial performance

The Group is subject to various environmental, health and safety laws and regulations in the jurisdictions in which it operates, including those relating to air and water pollution control, waste management, noise control, energy efficiency and workplace safety. Certain of these frameworks may impose liability for investigation and rectification costs or penalties for non-compliance, and may entail ongoing monitoring, certification and reporting obligations that increase operating costs or impose operating constraints.

Regulatory requirements relating to sustainability and carbon reduction continue to evolve in the Group's key markets. Across the Group's key markets of Singapore and the UK, governments are progressively tightening environmental and energy-efficiency regulations as part of their climate and net-zero commitments. These initiatives aim to improve the sustainability performance of buildings, and may require landlords and operators to upgrade assets, enhance disclosure standards and reduce carbon emissions over time.

For example, in Singapore, regulatory and policy measures such as the BCA Green Mark certification scheme and enhanced building energy standards are being strengthened to encourage more sustainable building designs and operations as part of efforts to promote sustainable development and progress towards the national target of achieving net-zero emissions by 2050. The transition to a low-carbon economy may also result in further regulations requiring businesses to monitor, disclose and reduce energy usage and emissions. For example, the Singapore Exchange Regulation has announced the implementation of mandatory climate-related disclosures which must incorporate requirements set out in the IFRS Sustainability Disclosure Standards issued by the International Sustainability Standards Board. Such evolving disclosure requirements may increase compliance, audit and reporting costs for real estate owners and operators.

In addition to regulatory and transition risks, climate change may increase the frequency and severity of adverse weather events and result in long-term environmental changes, including rising sea levels, temperature extremes and coastal erosion. These factors may have a physical impact on certain properties within the Group's portfolio, particularly assets

located in low-lying coastal areas, which may face heightened risks of flooding, erosion or submersion over time.

Climate change may also affect urban properties and other assets in metropolitan areas. Heavy rainfall, flash flooding, heatwaves or other extreme weather conditions may damage building infrastructure or utilities, disrupt operations, and increase repair and insurance costs. The Group's investment properties in London and Singapore, being located in major urban centres, may also be exposed to such climate-related risks. Changes in weather patterns and environmental conditions could further influence the demand for the Group's properties. In addition, higher costs of operating, maintaining or insuring properties exposed to climate-related risks may ultimately need to be passed on to tenants, making such properties less competitive and dampening demand.

Ongoing compliance with such environmental and sustainability-related regulations may increase the costs of managing the Group's assets, including third-party consultancy fees, additional internal resources or unforeseen capital expenditure to ensure compliance and maintain regulatory certification. Failure to meet applicable environmental or energy-efficiency requirements in any jurisdiction could result in enforcement action, civil penalties or restrictions on use, and the Group may need to incur additional expenditure to achieve or maintain compliance.

There can be no assurance that such climate-related physical risks, or the costs of compliance with evolving environmental, sustainability and energy-efficiency regulations, will not materially and adversely affect the value, marketability or insurability of the Group's properties, or its business, financial condition, results of operations and/or prospects.

Increased focus on Environmental, Social and Governance issues

Environmental, Social and Governance ("ESG") issues have been gaining prominence and attention amongst governments, shareholders and activists, due to concerns over, among other things, climate change and sustainability of businesses. The Group may be subject to regulations and requirements imposed by governments in Singapore and other countries in which it operates to address ESG concerns and may need to implement measures and processes to comply with such regulations and requirements. This, together with any failure by the Group to adequately respond to the impact of climate change and associated legislative / regulatory requirements, may result in increased costs for various aspects of the Group's businesses and operations and may adversely affect the financial condition of the Group. Further, there is no assurance that the Group will be able to fully respond to and comply with changes in laws and regulations relating to ESG issues and there could be situations where the Group may not be able to adhere to such laws or regulations. In addition, investors, both institutional and individual, are increasingly more selective in their investment decisions in companies that include ESG in their business and sustainability strategies and may choose not to invest in the Group, divest their shares or through lobbying or other shareholder activist activities, seek to hold the Group accountable for ESG issues. Such actions may adversely impact the Group's reputation if the Group is not fully able to comply with ESG requirements or meet the expectations of certain investors, and this may adversely affect the Group's business, financial condition and results of operations.

Failure to achieve certain environmental sustainability goals and strategies may affect the Group's future growth and profitability

Several of the Group's portfolio companies have been driving environmental sustainability efforts to align with the objectives and frameworks set out in the United Nations

Sustainable Development Goals. Despite government incentives to encourage the adoption of environmental, social and governance practices, there is no assurance that the Group's portfolio companies will be able to achieve or implement their environmental sustainability goals and strategies. The inability to achieve such goals and strategies could affect the Group's future growth and profitability.

The due diligence exercise 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, maintenance or replacement (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. Costs or liabilities arising from such defects or deficiencies may require or result in significant capital expenditure or obligations to third parties and may involve significant and potentially unpredictable patterns and levels of expenditure which may have a material adverse effect on the Group's earnings and cash flows. In addition, laws and regulations (including those relating to real estate) may have been breached and certain regulatory requirements in relation to the Group's properties or future acquisitions may not be or have been complied with, which the due diligence investigations did not or might not uncover. Should any of the Group's properties or their holding entities not be in compliance with certain laws and regulations, the Group may incur financial or other obligations in relation to such breaches or non-compliance.

Assets and entities that the Group has acquired or may acquire in the future may also be subject to unknown, contingent or unquantifiable liabilities for which the Group may have limited or no recourse against the sellers. Such liabilities may include, among others, liabilities for environmental clean-up or remediation, structural or building defects, non-compliance with planning, fire safety or accessibility requirements, outstanding tax liabilities, employee-related claims, claims of tenants, vendors or other persons dealing with the acquired entities, lease or contract disputes, and other liabilities whether incurred in the ordinary course of business or otherwise. Some of these liabilities may only become apparent after completion of the acquisition, and may arise from events that occurred prior to the Group's ownership.

In certain transactions, the Group may acquire assets or entities with limited representations and warranties, or with representations and warranties that do not survive the closing of the transactions. In this event, the Group would have no or limited post-completion recourse against the sellers. Even where representations and warranties survive, the scope of protection is typically restricted. While the Group will seek to negotiate for sellers to provide indemnities in respect of breaches of representations and warranties that survive the closing of the transactions, the Group may not always be able to obtain such indemnities, and any indemnity that is obtained is often limited in duration and subject to various materiality thresholds, deductibles or aggregate caps on recoverable losses.

Statutory or contractual representations, warranties and indemnities given by any seller of the Group's properties are typically subject to express limitations on their scope, the amount recoverable and the time period within which claims may be brought, and are thus

unlikely to afford satisfactory protection from costs or liabilities arising from such property or equipment defects. Even where a claim is theoretically available, recovery may be constrained by contractual limits, the financial position of the seller, or exclusions within the applicable warranty or indemnity. In some cases, the sellers may be special-purpose vehicles or entities with limited assets, making enforcement or recovery of any indemnity difficult. The Group may also choose, or be required, to rely on escrow retentions or warranty and indemnity insurance, which may not cover all potential losses and are subject to exclusions and coverage limits.

Accordingly, there can be no assurance that the Group will be able to recover any amounts in respect of losses arising from breaches or non-compliance by sellers. The total amount of costs and expenses that the Group may incur in connection with such costs or liabilities may exceed its estimates or purchase price adjustments agreed with the sellers. Any such liabilities or shortfall in recovery could adversely affect the business, financial condition and results of operations of the Group.

The Group may suffer material losses in excess of insurance proceeds

The Group maintains insurance policies covering its properties in line with general market practice and legal requirements. Where practicable, the Group also maintains certain property damage, business interruption and general liability insurance in the various countries in which it operates.

Certain types of risks (such as risk of war, acts of God, certain terrorist acts and losses caused by the outbreak of contagious diseases) may be uninsurable or the cost of insurance may be prohibitive. Should an uninsured loss or a loss in excess of insured limits occur, or should the Group's insurers fail to fulfil their obligations for the sum insured, the Group could be required to pay compensation and/or lose the capital invested in the affected property as well as anticipated future revenue from that property. The Group would also remain liable for any debt or other financial obligation related to that property. No assurance can be given that uninsured losses or losses in excess of insurance proceeds will not occur in the future or that adequate insurance coverage for the Group will be available in the future on commercially reasonable terms, at commercially reasonable rates or at all. If any such risk were to materialise, the business, financial condition, results of operations and prospects of the Group may be adversely affected.

The Issuer faces risks associated with debt financing

The property development and property investment sectors are capital-intensive. The Group does routinely seek external debt financing and, as such, it has significant obligations to service its borrowings. In recent years, credit markets worldwide have experienced significant volatility, including a reduction in liquidity levels, increasing costs for credit protection and a general decline in lending activity between financial institutions and commercial lending markets worldwide. The Issuer's ability to obtain debt financing or funds on acceptable terms will depend on a number of factors, including capital market conditions, general economic and political conditions, the general condition of the property market, the acceptability of the financing terms offered, the Issuer's performance and credit rating and credit availability.

Any deterioration or decline in lending activity may result in the Group incurring increasing financing costs associated with the Group's levels of debt in order to raise additional funds. The Group cannot ensure that future financing will be available or available on acceptable terms or in an amount sufficient to fund its needs. In the event that the Group is unable to

obtain acceptable financing, it may not be able to undertake certain new projects, and the Group's operational results may be adversely affected.

Bank facilities granted to the Group usually come attached with interest components, a substantial proportion of which are at a floating rate. The interest rates may vary according to prevailing market interest rates. In the event that the provision for interest expense is inadequate, the Group's financial performance may be adversely affected. Any increase in the costs of financing as a result of an increase in interest rates will also affect the profitability of the Group.

As security for payment under such financing, the Group may also be required to mortgage or pledge certain of its assets to the lenders and/or assign sale and rental proceeds, performance bonds and insurances in respect of its properties to these lenders.

The Group is therefore subject to the risks typically associated with significant debt levels, such as the risk of not being able to meet principal or interest payments, in the event of which it also risks the lenders foreclosing on its properties or effecting forced sales, resulting in a loss of assets and income to the Group and adversely affecting its financial performance.

The Group has previously incurred net losses and may experience losses in the future

The Group incurred net losses of S\$259.0 million for the year ended 31 December 2023. While it recorded a net profit of S\$109.7 million for the year ended 31 December 2024 and S\$102.4 million for the year ended 31 December 2025, and it may continue to incur losses in the future. The Group may incur losses in the future for a number of reasons, including but not limited to the risks posed by higher interest rates, elevated capitalisation rates and corresponding fair value losses, and may further encounter unforeseen expenses, difficulties, complications, delays and other unknown events. The Group's ability to achieve and maintain profitability depends on a number of factors, including but not limited to the operational performance of the Group, the continued growth and maintenance of its customer base, its ability to control its costs and expenses and its ability to continue to lease its properties on economically favourable terms. In addition, the Group's ability to achieve profitability is affected by many factors beyond its control, including but not limited to the overall demand for commercial, industrial and residential property in the jurisdictions in which the Group operates and general economic conditions. The occurrence of one or more of the above risks may have an adverse effect on the Group's business, financial condition and/or results of operations, and it may incur losses in the future.

The properties held by the Group may be revalued downwards

Property valuations generally include a subjective evaluation of certain factors relating to the relevant properties, such as their relative market positions, their financial and competitive strengths, and their physical conditions. General property prices are subject to the volatilities of the property market and there can be no assurance that the Group will not be required to make downward revaluation of the properties owned by it in the future. Any decline in the gross revenue or net property income earned from the Group's properties, market rental rates, higher capitalisation rates, or broader market conditions could result in downward revaluation of such properties. Downward revaluations could negatively impact the Group's gearing, which could in turn trigger a default under certain loan covenants and/or impact the Group's ability to refinance its existing borrowings or secure additional borrowings. In addition, the Group is required to measure investment properties at fair value at each balance sheet date. Changes in fair value may have an

adverse effect on the Group's financial results for the financial year if there is a significant decrease in the valuation of the Group's properties which results in revaluation losses that are recognised in its financial statements.

Planned amenities and transportation infrastructure near the Group's properties may not be implemented as planned, or may be closed, relocated, terminated, delayed or not completed

There can be no assurance that amenities, transportation infrastructure and public transport services within the proximity of the Group's properties will be implemented or completed as planned or will not be closed, relocated, terminated or delayed. If such an event were to occur, it may materially and adversely impact the accessibility and attractiveness of the relevant properties. This may then have a material and adverse effect on the demand, selling prices and/or rental rates of the relevant properties and may materially and adversely affect the Group's business, financial condition and results of operations.

Risk factors relating to Singapore

The Group's business is dependent on the performance of the real estate market in Singapore

A significant proportion of the Group's existing properties are located in Singapore. As such, the success of the Group's business depends on the continued growth of the real estate market in Singapore. The Group is exposed to any adverse development in the property prices or supply of or demand for property in Singapore. The Singapore real estate market continues to face macroeconomic uncertainties, ongoing geopolitical risks abroad, cost inflation and moderating interest rates. The confluence of these factors, as well as other adverse developments domestically and abroad, may significantly dampen property demand and valuations. There is no guarantee that any such adverse developments will not have a material and adverse effect on the Group's business, financial condition, results of operations and profitability.

The Group's business may be affected by changes in government policies, including governmental measures to cool the property market in Singapore and anti-speculation measures

To curb speculation in real estate and promote a stable and sustainable property market, the governments of Singapore and the foreign jurisdictions where the Group operates have been seen to adopt measures including tightening lending policies, imposing higher down payments and property tax. These governments may introduce new laws or amend or abolish existing laws at any time and these laws may have retroactive effect. Jurisdictions in which the Group has invested in may be subject to such changes in laws and regulations. These changes may have a material and adverse impact on the overall performance of the property markets in which the Group operates, thereby affecting the Group's business, prospects, financial condition and results of operations.

Historically, the Singapore Government has sought to regulate or reduce property speculation through measures such as the adoption and enforcement of regulations and the imposition of credit controls, taxes and fees. In recent years, the Singapore Government has implemented a series of measures to cool the Singapore property market and to seek to maintain a stable and sustainable property market where prices move in line with economic fundamentals. 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 again in 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 IRAS may impose conditions on the Group. If such conditions are not met, ABSD with interest will be payable.

The Group may be subject to ABSD and interest for future residential land acquisitions which the Group may undertake. Further, the Group may, where necessary, apply for ABSD remission, and if granted, the IRAS may impose conditions on the Group. Such conditions may be more stringent compared to the conditions imposed under the Qualifying Certificate (the “**Qualifying Certificate**”) issued pursuant to the Residential Property Act 1976 of Singapore (the “**Residential Property Act**”). 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 conditions of the Qualifying Certificate, 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 from the date of the Qualifying Certificate and to sell all dwelling units within two years from the date of TOP. An extension charge of 8%, 16% and 24% of the land purchase price for the first, second and subsequent years past the two-year TOP deadline will be incurred to extend the deadline. The Group is, on the basis of the legislation, affected by the Qualifying Certificate scheme and it may incur extension charges if any units in its residential property developments remain unsold after a period of two years from TOP. However, the Ministry of Law in Singapore has, on 6 February 2020, announced that it will, with immediate effect, allow publicly listed housing developers with a substantial connection to Singapore to be treated as a Singapore company within the meaning of the Residential Property Act when they acquire residential land for development. To this end, publicly listed developers can apply for exemption from the Qualifying Certificate regime on the basis that they have a substantial connection to Singapore.

In June 2013, the MAS introduced a total debt servicing ratio (“**TDSR**”) framework for property loans granted by financial institutions to individuals. 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. Subject to certain exemptions, the TDSR threshold restricts the borrower’s monthly debt obligations to not more than 60% of his gross monthly income. On 10 March 2017, the Singapore Government announced that the TDSR framework will no longer apply to mortgage equity withdrawal loans with loan-to-value ratios of 50% and below with effect from 11 March 2017. In December 2021, the TDSR framework was further tightened by the MAS where the aforementioned TDSR threshold of 60% was reduced to 55%.

The TDSR framework complements the existing loan-to-value (“**LTV**”) limits which determines the maximum amount an individual can borrow from the financial institution for a housing loan. The LTV limits for individuals depends on a number of factors, including but not limited to the number of outstanding housing loans a borrower has. The Singapore Government, has in the past, lowered the LTV limits as a form of cooling measure to regulate or reduce property speculation. For example, the current LTV limit of up to 75% for loans on residential properties was adjusted down from the previous LTV limit of up to 80% as part of the July 2018 cooling measures introduced by the Singapore Government.

To address the stamp duty rate differential between direct acquisition/disposal of residential properties and acquisition/disposal of equity interest in entities holding primarily residential properties, the Singapore Government introduced the Additional Conveyance Duties (“**ACD**”). ACD is chargeable on qualifying acquisitions/disposals of equity interest (for example shares or units) in property-holding entities (“**PHEs**”) which own primarily residential properties in Singapore on or after 11 March 2017. No ACD will apply if the transfer of equity interest in a PHE is pursuant to a will or by way of assent. ACD was enhanced in 2018, 2021, 2023 and 2025. With effect from 27 April 2023, ACD of up to 71% is payable by the buyer of shares in PHEs. With effect from 4 July 2025, ACD of up to 16% is payable by the seller of shares in a PHE and the holding period to avoid ACD was also extended from three years to four years.

On 13 January 2011, the Singapore Government announced the extension of the holding period for the 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 February 2018, the Singapore Government raised the top marginal buyer’s stamp duty (“**BSD**”) rate from 3% to 4% for residential properties worth more than S\$1 million. This rate applied to all residential properties acquired from 20 February 2018. The top marginal BSD rate for non-residential properties remained unchanged at 3%. From 15 February 2023, the top marginal rate for residential properties worth more than S\$3 million was raised to 6%, and the top marginal rate for non-residential properties worth more than S\$1.5 million was raised to 5%.

On 8 May 2022, the Singapore Government announced a new additional buyer’s stamp duty (“**ABSD (Trust)**”) 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. ABSD (Trust) was further enhanced in April 2023 where the rate of 35% was increased to 65% and shall apply on any transfer of residential property into a living trust where such transfer occurs on or after 27 April 2023. The said ABSD (Trust) is payable upfront, and the trustee may apply to the Inland Revenue Authority of Singapore for a refund provided that certain conditions are met and remission of ABSD (Trust) has been granted.

The Singapore Government may introduce further legislation or policies or amend existing legislation or policies to moderate the Singapore residential property market or to encourage financial prudence. Such measures may have an adverse effect on the Singapore residential property market and on the Group’s financial performance.

The Group may be adversely affected by a compulsory acquisition of property by the Singapore Government

The Land Acquisition Act 1966 of Singapore, *inter alia*, gives the Singapore Government the power to acquire any land in Singapore:

- for any public purpose;
- where the acquisition is required by any person, corporation or statutory board, for any work or undertaking which is of public benefit or of public utility or in the public interest; or
- for any residential, commercial or industrial purpose.

In determining the amount of compensation to be awarded pursuant to any such compulsory acquisition, the following matters, *inter alia*, would be considered: (i) the market value of the property as at the date of the publication in the Singapore Government Gazette of the notification of likely acquisition of the land (provided that within six months from the date of publication of such notification, a declaration of intention to acquire is made by publication in the Singapore Government Gazette), or (ii) the market value of the property as at the date of publication in the Singapore Government Gazette of the declaration of intention to acquire in any other case.

Accordingly, if the market price of the property or part thereof which is acquired is greater than the market values referred to above, the compensation paid in respect of the property will be less than its market value. In such an event, such compulsory acquisitions would have an adverse effect on the Group's business, financial condition and results of operations.

If any property development project of the Group is compulsorily acquired by the Singapore Government before the temporary occupation permit is attained, it is not established under existing Singapore laws that the risk of compulsory acquisition lies with the respective buyers. Even if the risk resides with the respective buyers, an event of compulsory acquisition would conceivably lead to a high default rate of the buyers under their respective sale agreements and could, in turn, have an adverse effect on the Group's cash flow, business and financial position.

Risk factors relating to the UK

Exposure to UK political and legal developments could have a material adverse effect on the Group

The Group has significant investments, assets and development projects in the UK, including central London office properties, and accordingly remains exposed to political, economic, legal and regulatory developments in the UK. Changes in UK government priorities, legislation, regulation, public policy or administrative practice, whether arising from domestic policy developments, changes in government or regulatory approaches, or the continuing evolution of the post-Brexit legal and regulatory framework, may adversely affect the Group's operations and investments in the UK.

The UK legal and regulatory framework continues to evolve following the UK's departure from the EU. Divergence between UK and EU legal and regulatory regimes may increase compliance burdens and create legal uncertainty for businesses with UK operations or investments. Changes to laws and regulations relating to planning and development, building and fire safety, landlord and tenant matters, or real estate ownership and investment structures may result in additional costs, liabilities or operational constraints for the Group.

For instance, the UK parliament has voted to implement the English Devolution and Community Empowerment Act 2026, which introduces changes affecting the commercial real estate sector and leasing arrangements. The use of certain upwards-only rent review mechanisms will be restricted in future commercial leases in England and Wales. Such

changes could affect the structure and terms of future lease arrangements entered into by the Group, affect the predictability of rental growth and cash flows, influence tenant behaviour and leasing strategies, and adversely affect rental income, asset valuations and investment returns in respect of the Group's UK properties.

Some of the properties in the UK may be subject to defects relating to title

Certain of the Group's properties located in the UK may be subject to various kinds of defects in title, including (without limitation):

- (a) title being subject to unknown covenants, rights and rent charges;
- (b) the relevant property lacking planning permission and/or conservation area consent;
- (c) the relevant property being subject to a restrictive covenant;
- (d) the existence of unauthorised structures; and
- (e) the relevant property interfering with certain rights of way of their neighbouring properties.

Title indemnity insurance policies have not been taken out to address any of these potential title defects. Even if such title indemnity insurance policies are taken out in future, there can be no assurance that such title indemnity insurance will be sufficient to cover all potential losses, liabilities, costs or expenses that may arise from title defects. Coverage may be subject to exclusions, limitations, conditions precedent, claim notification requirements or monetary caps. In addition, the insurer may dispute coverage or become insolvent, which could prevent the Group from recovering under such policies. While there are no current disputes in respect of any title defects identified, there can be no assurance that claims will not arise in the future. If a claim were to arise, whether or not covered by insurance, such claim could materially and adversely affect the Group's business, financial condition and results of operations.

Risk factors relating to Australia

The Group's business, financial condition and results of operations may be affected by changes in the Australian property market

The Group has a portfolio of residential properties in the cities of Brisbane and Melbourne in Australia, several of which have not yet been fully sold. As such, the Group's revenue from its residential projects in Australia may be affected by any changes in the Australian property market in the near future. This, in turn, is influenced by a number of factors, including but not limited to the Australian and international economic outlook, changes in economic conditions, including inflation, recessions and interest rates, changes in the Australian government's fiscal, monetary and regulatory policies, changes in housing demand from population growth and demographic changes (including immigration levels and trends in urban and suburban migration), the political climate and stability in Australia as well as changes in the Australian banking industry's lending policies. In particular, any changes or proposed changes in immigration policy, foreign investment rules, taxes, duties or other regulatory measures applicable to overseas purchasers or investors in Australian residential real estate, whether at the federal, state or territory level, may affect demand for residential properties, purchaser sentiment, pricing and transaction volumes. Public and political debate in Australia in relation to immigration levels, foreign ownership of residential property, housing affordability and related matters may also contribute to changes in policy direction or market sentiment, which could in turn adversely affect the

Group's ability to sell its Australian residential properties on a timely basis or at expected prices. In addition, in recent times, the governments of a number of states in Australia have introduced a new stamp duty surcharge on overseas residential real estate investors, while certain major Australian banks have also tightened their lending criteria for home loans to overseas investors.

The occurrence of any of these and other factors may affect the Australian property market, which may in turn materially and adversely affect the Group's business, financial condition and results of operations.

Investments by the Issuer may be subject to Australia's foreign investment regime

In relation to investments by the Issuer, the Group is a "foreign person" for the purposes of the Foreign Acquisitions and Takeovers Act 1975 ("**FATA**") and Australia's Foreign Investment Policy (the "**Policy**"), such that investments in Australia by the Group (including acquisitions of Australian residential, agricultural and commercial land and some acquisitions in Australian corporations) may be subject to notice requirements under the FATA and the Policy for review and the issue of a prior Foreign Investment Review Board ("**FIRB**") approval by the Australian Treasurer (which may or may not be given or may be given subject to conditions). If such approval is required and not given in relation to an investment, the Group may not be able to proceed with that investment, which may in turn have a material adverse effect on the Group's business, financial condition and results of operations. The Group seeks to manage this risk by maintaining blanket pre-approvals issued by FIRB to enable it to undertake business-as-usual investments; however, certain investments may not fall within the scope of those pre-approvals and separate notice to FIRB may be required.

Investments by the Issuer may be subject to Australia's merger clearance regime

Pursuant to Australia's merger control regime under the Competition and Consumer Act 2010 (Cth), acquisitions of interests in companies and assets with a connection to Australia that meet certain thresholds must be notified to the Australian Competition and Consumer Commission ("**ACCC**") before the acquisition can proceed and receive approval, subject to any applicable exemptions. Investments by the Group as part of its day-to-day activities (namely, acquisitions of land for the purposes of development) are exempted from this regime. However, other acquisitions which are not in the ordinary course may be subject to such notice and approval requirements. If such approval is required and not given in relation to an investment, the Group may not be able to proceed with that investment, which may in turn have a material adverse effect on the Group's business, financial condition and results of operations.";

7. by amending the section "SINGAPORE TAXATION" appearing on pages 115 to 118 of the Original Information Memorandum as follows:

- (i) by deleting the first paragraph appearing on page 115 of the Original Information Memorandum in its entirety and substituting therefor the following:

"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 IRAS and 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 and 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 Noteholder 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 Noteholders 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.”;

- (ii) by deleting “QDS” appearing in line 5 of the second paragraph appearing on page 116 of the Original Information Memorandum in its entirety and substituting with the term “qualifying debt securities (**“QDS”**)”; and
 - (iii) by deleting “Singapore Financial Reporting Standard (**“FRS”**) 109” appearing in lines 2 and 3 of the third paragraph appearing on page 118 of the Original Information Memorandum in its entirety and substituting with the term “Singapore Financial Reporting Standard 109 (**“FRS 109”**)”; and
8. by deleting the section “SUBSCRIPTION, PURCHASE AND DISTRIBUTION – United Kingdom” appearing on pages 122 to 124 of the Original Information Memorandum in its entirety and substituting therefor the following:

“United Kingdom

Prohibition of Sales to UK Retail Investors

Unless the Pricing Supplement in respect of any Notes specifies the “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered, sold, distributed or otherwise made available and will not offer, sell, distribute or otherwise make available any Notes which are the subject of 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.

If the Pricing Supplement in respect of any Notes specifies “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of this Information Memorandum as completed by the Pricing Supplement in relation thereto to the public in the United Kingdom, except that it may make an offer:

- (i) at any time to any legal entity which is a qualified investor as defined in paragraph 15 of Schedule 1 to the POATRs;
- (ii) at any time to fewer than 150 persons (other than qualified investors as defined in paragraph 15 of Schedule 1 to the POATRs) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (iii) at any time in any other circumstances falling within Part 1 of Schedule 1 to the POATRs.

For the purposes of this provision, the expression “**an offer of Notes to the public**” in relation to any Notes means 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 and the expression “**POATRs**” means the Public Offers and Admissions to Trading Regulations 2024.

Other regulatory restrictions

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (i) in relation to any Notes which have a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the “**FSMA**”) by the Issuer;
- (ii) 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 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
- (iii) 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.”.

THE ISSUER

The section below should replace the section “THE ISSUER” appearing on pages 47 to 79 of the Original Information Memorandum.

A. OVERVIEW AND HISTORY

The Issuer is a property investment and property development company as well as an investment holding company headquartered in Singapore. The Issuer was incorporated in Singapore under the Companies Act on 8 August 1987 with the name “Ho Bee Investment Pte Ltd” as a private limited company. The Issuer was established by its founder Dr Chua Thian Poh, the Executive Chairman of the Group. The Issuer’s name was changed to “Ho Bee Investment Ltd” on 15 November 1999 in connection with its conversion to a public company limited by shares and its shares were listed on the Main Board of the SGX-ST on 2 December 1999. Following a rebranding exercise, the Issuer was renamed “Ho Bee Land Limited” on 23 October 2013 to better reflect the Group’s positioning in the real estate industry as an international developer with property investments and developments in Singapore, the UK, Australia, China and Germany. The Issuer’s registered office is presently located at 9 North Buona Vista Drive, #11-01, The Metropolis Tower 1, Singapore 138588.

The market capitalisation of the Issuer is S\$1.40 billion as at the Latest Practicable Date.

Backed by a long history of accomplishments since its incorporation in 1987, the Group, whose principal activities are property investment, property development and investment holding, has established itself as a reputable, long-standing household name that has managed and invested in high quality commercial properties in Singapore and the UK, as well as developed numerous quality residential, commercial, life sciences business park and industrial projects spanning across Singapore, the UK, Australia, China and Germany. As at 31 December 2025, the Group holds a total of 28 investment and development properties with total assets of S\$6.549 billion. Of these, the investment portfolio covers 3.0 million sq. ft. of total lettable area, with a value of S\$5.17 billion.

With its strategic pivot towards commercial properties, the Group has since built a portfolio of high-quality commercial properties in Singapore and the UK, which provided the Group with a diversification of its revenue streams and allowed the Group to grow a resilient stream of recurring revenue through rental income and service charges. The Group’s total revenue from rental income and service charges from its investment and development properties for FY2025 was S\$239.9 million. In addition to the recurring rental income, the Group has property developments in Australia and Singapore, which contributed S\$200.1 million in revenue for FY2025.

The table below sets out the summary of some of the major events in the corporate activities of the Group.

Year	Event
1987	The Issuer was incorporated.
1996	The Group made a strategic move to grow its business overseas with its first foray into London.
1999	The Issuer was listed on the Singapore Exchange.
2002	Acting to seize opportunities emerging from the phenomenal growth in the China market, the Group made its first investments in the key city of Shanghai.

2003	The Issuer became the pioneer developer in the exclusive residential enclave of Sentosa Cove, Singapore, eventually becoming the biggest developer in Sentosa Cove and building a total of eight high-end condominiums, terrace houses and luxurious villas.
2009	The Group started collaborating with Yanlord Land Group (“ Yanlord ”) to undertake the joint developments of high-end residential projects in China.
2010	The Group was named in Forbes Asia’s “Best Under a Billion” 2010 listing.
2011	The Group embarked on a 1.2 million sq. ft. office development, The Metropolis at one-north, Singapore as part of its strategic move to build up its recurrent income. The Metropolis was subsequently completed in 2013.
2012	The Group further diversified into Australia by acquiring two prime residential sites in Gold Coast, and subsequently one residential site in Doncaster, Melbourne.
2013	The Group started to build up its portfolio of office investments in London through the acquisition of Rose Court. The property was subsequently divested in 2017.
2014	The Group further acquired two more offices in London, 1 St Martin’s Le Grand and 60 St Martin’s Lane.
2015	The Group further added three offices, 39 Victoria Street, 110 Park Street and Apollo and Lunar House in London, to its commercial portfolio.
2017	The Group acquired 67 Lombard Street, a Grade A commercial building, located at a prime location in the core of City of London.
2018	The Group purchased Ropemaker Place, a 21-storey Grade A office building situated in London. The acquisition forms part of the Group’s strategy to diversify overseas and grow its recurrent income base.
2020	The Group won a tender to develop a biomedical sciences development on a site that has an area of 7,521 square metres and is located next to its flagship commercial office development, The Metropolis, at one-north, Singapore. The Group also acquired residential development sites in Queensland, Australia: a 47.41 hectares site in Ripley and an 8.98 hectares site in Bli Bli. The Ripley site is expected to yield 570 residential lots, a regional sports facility and associated community facilities upon completion. The final two stages of development of the Bli Bli site were completed in 2021, yields 95 residential lots and is closely situated to the Sunshine Coast Airport and Maroochy City Centre.
2021	The Group acquired the following residential development sites in Australia, namely: Collingwood Park, Park Ridge and Gympie in Queensland as well as Tarneit, Officer, Mickleham and Craigieburn in Victoria. These acquisitions are in line with the Group’s objective to focus on developing master-planned communities in Queensland and Victoria.

2022	The Group acquired 52 Lime Street, The Scalpel, in London that has a total of approximately 36,987 square metres of Grade A office space. In addition, Mr Nicholas Chua was appointed as Executive Director and Chief Executive Officer, while Dr Chua Thian Poh was redesignated as Executive Chairman.
2023	The Group's biomedical sciences development was completed in December 2023 and named Elementum. The Elementum is a Green Mark Platinum-certified project and marks the Group's first foray into the biomedical sector. The Group was awarded the EY Family Enterprise Award of Excellence.
2024	The Group divested a 49% stake in HB Universal Pte Ltd, a subsidiary which holds Elementum, for a cash consideration of S\$133.6 million and a gain on disposal of S\$34.8 million. The Group finalised its Green Finance Framework, strengthening the Group's approach to green financing and reinforcing its alignment with the national sustainability goals. The Group also successfully issued its inaugural S\$160.0 million Green Bond, channelling capital into financing green buildings that enhance efficiency and reduce carbon emissions. In addition, the Group acquired additional development sites in Queensland, Australia, including 360 lots and a central park in Bayliss Road, South Ripley.
2025	The Group acquired Donnybrook, 30 Norman Road and Batesford, 35-55 Ballan Road in Victoria, Australia, in line with the Group's objective of focusing on developing master-planned communities in Queensland and Victoria. The Group also secured planning permission for the major redevelopment of 1 St Martin's Le Grand. The Group secured its inaugural S\$460.0 million Sustainability-Linked Loan for The Metropolis, marking a significant milestone in the Group's sustainable finance journey.
2026	The Group acquired Elimbah, Pumicestone Road and Clinker Road in Queensland, its largest land acquisition to date. The acquisition is in line with the Group's objective of expanding into a large-scale, long-term land bank in the Group's key markets across Australia. In addition, Mr Li Xiangrun was appointed as Chief Financial Officer.

In Singapore, the Group's portfolio recorded a net profit of S\$102.4 million in FY2025 (compared to S\$109.7 million in FY2024), and revenue for FY2025 was S\$440.1 million. As at 31 December 2025, The Metropolis, the Group's flagship office building in Singapore, maintains a strong average occupancy of 94%, while Elementum, the Group's biomedical sciences development at one-north (in which the Group holds a 51% interest following the disposal of a 49% stake to a sovereign wealth fund in FY2024), achieved an average occupancy of 93% in FY2025.

In FY2025, the revenue from Singapore operations was S\$110.8 million (compared to S\$141.8 million in FY2024), accounting for 25.2% of the Group's total revenue in FY2025. While revenue declined 21.9% from FY2024, this was mainly due to the reclassification of Elementum following

the 49% stake sale in FY2024 and lower year-on-year development sales at Turquoise¹, which has already been largely sold.

The Metropolis and Elementum remain the Group's key commercial assets in Singapore. As at 31 December 2025, The Metropolis is the largest Grade A office development outside the Central Business District of Singapore, by net lettable area ("**NLA**"). The Group's share of profits from jointly-controlled entities in Singapore also improved, supported by sales from Seascope², as well as contributions from Elementum.

The Group's UK property portfolio continues to anchor the Group's recurring income base. As at 31 December 2025, the Group's UK portfolio delivered rental income of £80.0 million (compared to £88.9 million in FY2024). Portfolio occupancy remains healthy at over 95%, with positive rental reversion in the Group's office assets.

In Australia, the Group handed over more than 500 land lots across Queensland and Victoria, generating revenue of A\$222.1 million in FY2025 (compared to A\$277.0 million in FY2024). To further strengthen its footprint, the Group also acquired additional land parcels in both states, including Elimbah near Brisbane, the Group's largest land acquisition to date. With more than 5,000 development lots in the pipeline, Australia is well-positioned to remain a meaningful contributor to the Group's performance in the coming years.

In China, all of the Group's joint venture projects have been completed. Its overall loss narrowed to RMB 9.1 million (compared to a loss of RMB 64.3 million in FY2024), with over 99% of units sold.

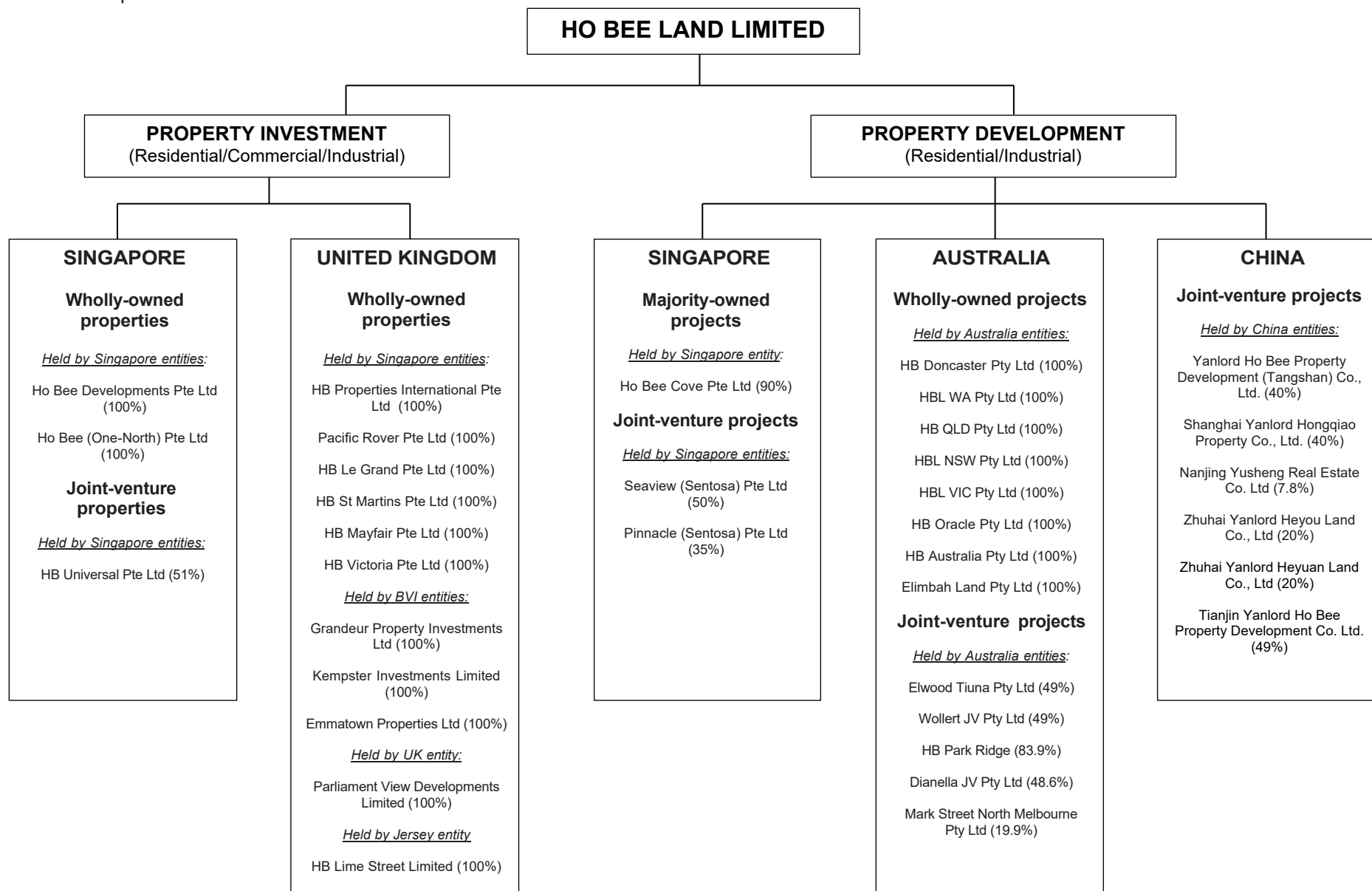
The Group's strategy remains focused on making strategic and sustainable investments that create long-term value for its stakeholders. While the Group expects macroeconomic uncertainties to persist, it will continue to adopt a prudent and disciplined approach to capital management, while strengthening its asset management capabilities and embarking on enhancement initiatives to improve the quality and performance of the Group's assets.

¹ Turquoise is co-owned with a 90:10 equity interest split by the Group and Engro Corporation Limited.

² Seascope is co-owned with equal equity interest by the Group and IOI Land Singapore Pte. Ltd.

B. CORPORATE STRUCTURE

The corporate structure of the Issuer is as follows:



C. PRINCIPAL ACTIVITIES AND PORTFOLIO DETAILS

The Group's properties consist mainly of investment properties and development properties.

(i) Investment Properties

As of the date of this Information Memorandum, the Group's key investment properties consist primarily of 10 commercial and biomedical buildings mainly located in Singapore and the UK. The Group's investment properties in Singapore include one Grade A office development (*The Metropolis*) and a biomedical sciences hub (*Elementum*). In the UK, the Group owns seven commercial properties located at prime locations in London. Please refer to the portfolio details on page 50 of this Supplemental Information Memorandum for more information.

As part of the Issuer's leasing strategy, the Issuer maintains a variety of tenants from different trade sectors and a wide range of lease tenors across its commercial properties in Singapore and the UK. This strategy enables it to strengthen its base of recurring income from its investment properties and ensures that the Issuer's income stream remains resilient in spite of seasonal changes associated with a particular trade sector or the general economic climate of a country in which the Issuer operates.

As at 31 December 2025, the Group's investment properties have a Weighted Average Lease Expiry³ (weighted by NLA) of 3.9 years and a total portfolio occupancy rate³ (weighted by NLA) of 95%.

(ii) Development Properties

The Group has a track record of developing quality residential, commercial, life sciences business park and industrial projects spanning across Singapore, the UK, Australia, China and Germany. The Group's completed development projects include, amongst others, Turquoise, Seascape and Cape Royale in Singapore, Canalatto, Goodman's Fields and Parliament View in London, UK and Park Ridge Road, Tiuna Grove and Male Street in Australia.

The Group's current development projects include properties in Batesford, 35-55 Ballan Road and Donnybrook, 30 Norman Road in Victoria Australia and Elimbah, Pumicestone Road and Clinker Road in Queensland, Australia.

Before embarking on a development project, the Group carries out detailed market research, feasibility studies and risk-return analysis. Please refer to the portfolio details on pages 54 to 57 of this Supplemental Information Memorandum for more information.

³ 1 St Martin's Le Grand has been excluded as it is earmarked for major redevelopment.

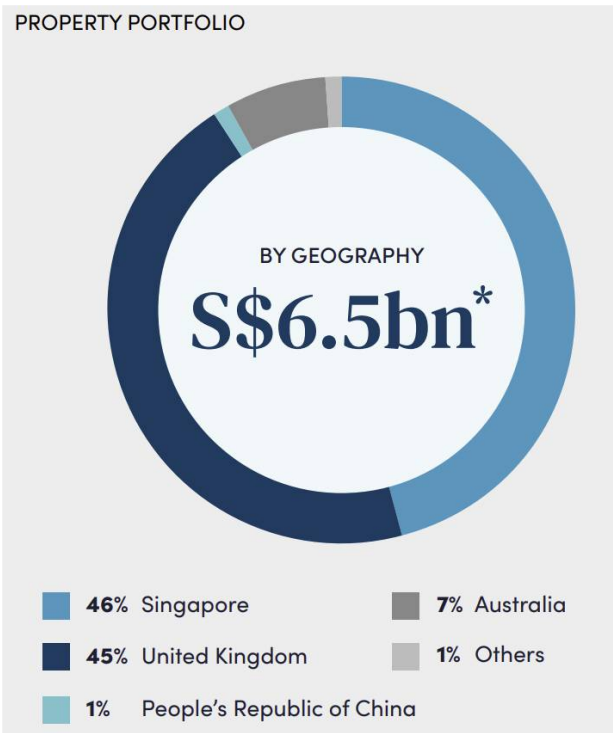
Asset Breakdown by Sector

The diagram below illustrates a breakdown of the Issuer’s assets by sector for FY2025. The Issuer presently has a higher concentration of commercial properties than residential and other properties (which includes industrial and life sciences properties).



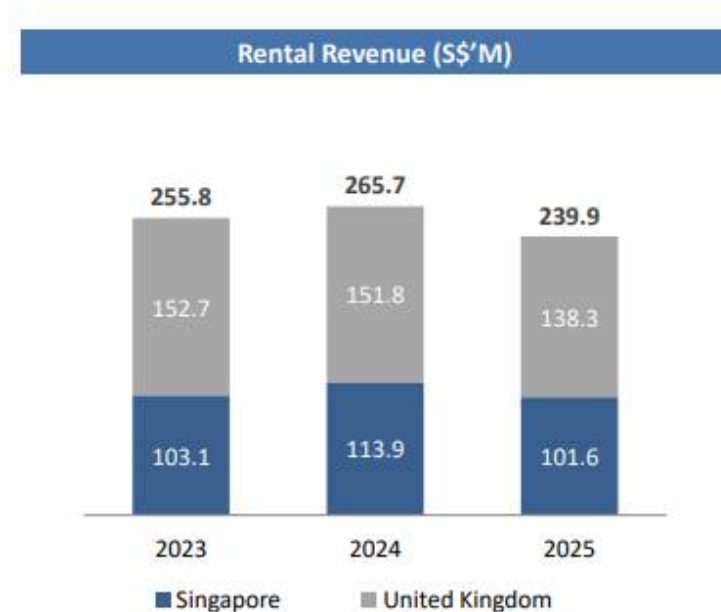
Asset Breakdown by Region

The diagram below illustrates a breakdown of the Issuer’s assets by region for FY2025. Singapore continues to be the Issuer’s primary market.



Recurring Rental Revenue from Investment Properties and Development Properties

The diagram below illustrates a comparison between the Issuer's recurring rental revenue received from its investment properties and development properties in Singapore and the UK from FY2023 to FY2025.



Portfolio of High Occupancy Investment Properties

The table below lists the occupancy rate and average remaining tenor of lease of each of the Issuer's various investment properties across Singapore and the UK as at 31 December 2025.

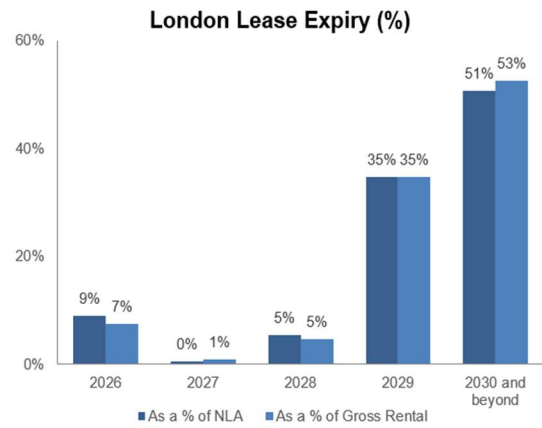
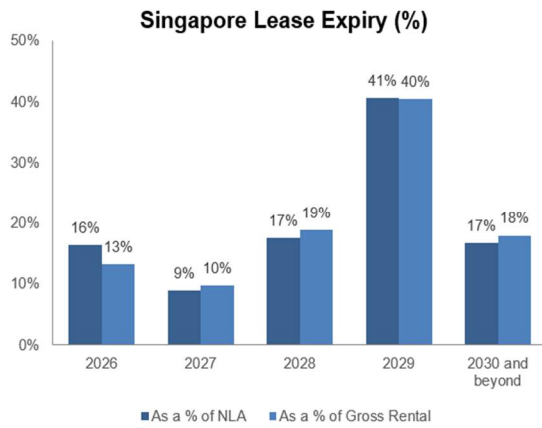
Properties	Location	Occupancy Rate	Average Remaining Term of Lease
The Metropolis	Singapore	94%	2 Years
Elementum ⁽¹⁾	Singapore	93%	3 Years
623A Bukit Timah Rd ⁽²⁾	Singapore	100%	22 Years
1 St Martin's Le Grand ⁽³⁾	United Kingdom	26%	<1 Year
60 St Martin's Lane	United Kingdom	100%	2 Years
39 Victoria Street	United Kingdom	100%	4 Years
110 Park Street	United Kingdom	91%	3 Years
67 Lombard Street	United Kingdom	100%	2 Years
Ropemaker Place	United Kingdom	100%	4 Years
The Scalpel	United Kingdom	96%	6 Years

Notes:

- (1) Elementum was reclassified as a jointly-controlled entity following the Group's disposal of its 49% interest in HB Universal Pte Ltd, a subsidiary which holds Elementum, on 21 August 2024.
- (2) Petrol station.
- (3) Property earmarked for redevelopment.

Well-Spread Lease Expiry Profile from Investment Properties

The diagrams below illustrate the lease expiry profiles of the Group's Singapore and UK properties as (i) a proportion of total NLA; as well as (ii) a proportion of total gross rental, each as at 31 December 2025.



Portfolio Details of the Group's Investment Properties

Property / Project Name	Location	Property Type	Tenure	Lettable Area (square metres)	Average Remaining Term of Lease	Occupancy Rate as at 31 Dec 2025	Major Tenants	Group's Stake (%)
Singapore								
THE METROPOLIS	One-North	Office	99-Yr Leasehold	101,307	2 Years	94%	Procter and Gamble, Shell Eastern Petroleum, CMA CGM, Modec, Huawei International	100%
PETROL STATION	Bukit Timah Road	Industrial/Utilities	999-Yr Leasehold	1,857	22 Years	100%	Sinopec	100%
ELEMENTUM	One-North	Business Park/ Office	60-Yr Leasehold	34,796	3 Years	93%	Synapse, Ministry of Health Holdings	51%
United Kingdom								
1 ST MARTIN'S LE GRAND	City of London	Office	Freehold	25,409	<1 Year ⁽¹⁾	26%	Mitsui & Co	100%
60 ST MARTIN'S LANE	Covent Garden	Office	Freehold	3,370	2 Years	100%	Spaces	100%
39 VICTORIA STREET	Victoria	Office	Freehold	8,821	4 Years	100%	The Corporate Officer of The House of Commons	100%
110 PARK STREET	Mayfair	Office	125-Yr Leasehold	2,508	3 Years	91%	Rede	100%
67 LOMBARD STREET	City of London	Office	Freehold	8,612	2 Years	100%	Arthur J. Gallagher	100%
ROPEMAKER PLACE	City of London	Office	Freehold	55,829	4 Years	100%	Macquarie Group, MUFG	100%
THE SCALPEL	City of London	Office	Freehold	36,987	6 Years	96%	W.R. Berkley, Morrison and Foerster, Britannia Financial Group	100%

Note:

(1) Property earmarked for redevelopment.

Brief Description of Major Investment Properties in Singapore and UK

1. 39 VICTORIA STREET *London*

The freehold property is situated in Victoria, one of the West End's most established office markets. Completed in 2014, the building provides 8,821 square metres of lettable area in the form of Grade A office and retail space arranged over basement, ground and nine upper floors.

The location provides excellent transport connections to Central London, the south-east of England and beyond. It is within short distance to Victoria Station – the second busiest station in London and a major London Underground interchange, providing access to both the Victoria, Circle and District lines. It also provides easy access to Westminster and St James's Park Underground stations.

2. 110 PARK STREET *London*

110 Park Street is a 5-storey building which provides 2,508 square metres of lettable area in the form of Grade A office accommodation on lower ground, ground and four upper floors. The building was re-constructed behind its original Victorian façades in 1990/1991. It underwent a comprehensive high-specification refurbishment providing open plan Grade A office accommodation to the common areas, reception and the ground, first and fourth floors.

The property is situated at the northern end of Park Street in Mayfair – one of the most exclusive districts of London's West End. The location is also well connected to London's transportation network, with Bond Street (Central, Jubilee and Elizabeth Lines), Marble Arch (Central Line), Oxford Circus and Green Park underground stations a short walk away.

3. 60 ST MARTIN'S LANE *London*

The property is located in the heart of the world-renowned Covent Garden, one of London's most famous retail, entertainment and business districts. It is located close to four London Underground Stations. 60 St Martin's Lane is a prime retail building comprehensively redeveloped in 2011 behind a retained Portland Stone façade with a lettable area of 3,370 square metres. Constructed around a modern steel frame, the building has been designed to exacting standards with an impressive and dramatic double height reception area complementing the contemporary feel of the surrounding area.

Internally, the building comprises six floors of high-quality Grade A office accommodation and a substantial, well-configured retail/restaurant unit at ground and lower ground floor level, providing an extensive frontage to St Martin's Lane.

4. 1 ST MARTIN'S LE GRAND *London*

1 St Martin's Le Grand is located in a prominent island site in the western core of the City of London. The freehold commercial property stands beside the historical banking address of Gresham Street, and is about 50 metres north of the London Stock Exchange. It is well connected to London's transportation network, with St Paul's and Barbican Underground Stations in close proximity.

1 St Martin's Le Grand was originally constructed in the late 19th Century. It served as the General Post Office of London in the past. The building was redeveloped behind its original Portland stone facade in the late 1980s. The building comprises 25,409 square metres of lettable area in the form of Grade A office arranged over basement, ground and nine upper floors. A comprehensive refurbishment was completed in 2007 and an internal refurbishment programme was also undertaken in 2011.

Planning permission for major redevelopment of 1 St Martin's Le Grand, with the retention of its historic façade, was secured in mid-2025. Upon completion, the development is expected to improve its Energy Performance Certificate ("EPC") rating from C to A, strengthening its positioning as a Grade A, best-in-class office.

5. 67 LOMBARD STREET *London*

The freehold commercial property is located on Lombard Street, in the core of the City of London. It is 100 metres away from the Bank of England and the Royal Exchange and is situated amongst some of the world's biggest global companies and iconic buildings. The location is well connected to London's transportation network with convenient access to the rest of central London, commuter destinations, and London's airports.

The property is a Grade A office building redeveloped in 2014 behind a classic retained 1930s red brick façade. Occupying a virtual island site of 0.32 acres, the property provides 8,612 square metres of lettable area in the form of Grade A office space, restaurant and ancillary accommodation arranged over ground and eight upper floors.

The Group will be embarking on asset enhancement works at 67 Lombard Street to further elevate the property and reinforce its positioning as a best-in-class Grade A office asset.

6. ROPEMAKER PLACE *London*

Ropemaker Place is a freehold, prime office building that occupies about 0.55 hectares in the heart of the City of London. The Group acquired Ropemaker Place for a consideration of £650 million in 2018.

Located near the Crossrail at Moorgate, the property is six minutes' walk away from Liverpool Street Station—the busiest transportation hub in the city. The property is well connected to all major infrastructure hubs: London City Airport and London Gatwick are within 20 and 35 minutes from the property.

The 21-storey best-in-class Grade A office tower was completed in May 2009, with four floors offering exclusive garden terraces. It comprises 55,829 square metres of lettable area in the form of office space, retail, and ancillary accommodation.

The property was the first building in the City of London to achieve a LEED (Leadership in Energy and Environmental Design) Platinum pre-certification for sustainability. It was also awarded "Excellent" BREEAM (*Building Research Establishment Environmental Assessment Method*) In-Use.

7. THE SCALPEL *London*

The Scalpel is a 675-foot tall landmark office tower built on a freehold site of about 0.31 hectares. It is strategically located at the junction of Lime Street and Leadenhall Street, adjacent to The Lloyd's of London, deemed to be the heart of London's insurance district. The property is well connected with London's public transportation network, particularly since the opening of the Elizabeth Line at Liverpool Street in May 2022. Notably known as "The Scalpel" because of its geometrical intersecting reflective planes, it was designed by world renowned architectural firm KPF and completed in early 2019. In terms of sustainability, the building achieved a classification of BREEAM (*Building Research Establishment Environmental Assessment Method*) "Excellent" – New Construction and an Energy Performance Certificate rating of B.

The Scalpel has 36,987 square metres of lettable area in the form of best-in-class Grade A office space spread over 36 storeys and three retail units at ground and basement levels.

8. THE METROPOLIS *Singapore*

With a strategic location along North Buona Vista Drive, The Metropolis was conceptualised to become the gateway to the iconic one-north, home to the region's finest research facilities and business parks. The Metropolis is a Grade A office building comprising two soaring office towers that are earmarked to serve as headquarters for leading multinational corporations. The Buona Vista MRT Interchange is located right at its doorstep, and it is well-connected to the rest of the island via major expressways and arterial roads.

Awarded the BCA Green Mark Platinum, the building has large floor plates of about 29,000 and 27,000 sq. ft. with column-free spaces that provide complete flexibility and efficiency to meet the demands of 21st century business. The Metropolis was completed in 2013 and has a lettable area of 101,307 square metres.

As at 31 December 2025, The Metropolis is the Group's global headquarters and a key income-generating asset within the Group's investment portfolio.

9. ELEMENTUM *Singapore*

In March 2020, the Group was awarded a site next to its flagship commercial office development, The Metropolis. Named Elementum, the biomedical sciences development was designed by award-winning architectural practice, Skidmore, Owings & Merrill to achieve leading industry standards in design and functionality.

Completed in December 2023 with 12 storeys of laboratories and office spaces, Elementum faces one of Singapore's newest parks, a 24-kilometre railway-turned-greenway called the Rail Corridor and elevates the precinct with an ecologically driven, community-focused design. Elementum, together with The Metropolis, serves as key landmarks and the anchors of business activity and vibrancy in this ecosystem.

A Green Mark Platinum-certified development, Elementum offers 34,796 square metres of lettable area in the form of high-quality business park space for biomedical sciences research and supporting activities, including fitted-out laboratory spaces, as well as office and retail amenities.

The building is specially designed for companies in the biomedical industry and constructed to the highest specifications featuring high-grade power, chilled water and other critical building systems and infrastructure that such tenants require.

Portfolio Details of the Group's Development Properties

Below is a description of the development projects and developed projects by the Group which have not been completed or fully sold.

Property / Project Name	Location	Type of Development	Tenure	Net Saleable Area (square metres)	Site Area (square metres)	Total Units	Launch Date	No. of Units Sold	% Sold	Actual / Expected Year of Completion	Group's Stake (%)
AUSTRALIA											
Ripley Road, Ripley QLD	Queensland	Residential	Freehold	17,905	474,000	577	2021	577	100	2026	100
Courtney Drive, Upper Coomera QLD	Queensland	Residential	Freehold	39,191	185,500	196	2024	195	99	2026	100
Oxford Street, Joyner QLD	Queensland	Residential	Freehold	26,297	180,000	229	2024	181	79	2026	50
Green Road, Park Ridge QLD	Queensland	Residential	Freehold	24,010	56,917	93	2025	90	97	2027	84
Bayliss Road, South Ripley QLD	Queensland	Residential	Freehold	127,150	219,900	367	2026	0	0	2029	100
Binnies Road, Ripley QLD	Queensland	Residential	Freehold	50,040	76,900	123	2026	0	0	2027	100
Coach Road West, Morayfield QLD	Queensland	Residential	Freehold	29,847	40,950	81	2025	0	0	2027	50
Park Ridge Road, Park Ridge QLD	Queensland	Residential	Freehold	422	211,600	307	2023	306	99	2025	84
Pumicestone Road, Elimbah East QLD	Queensland	Residential & Industrial	Freehold	834,350	1,813,900	1,464	2026	0	0	2034	100
Mickleham Road, Mickleham VIC	Victoria	Residential	Freehold	193,618	538,400	705	2023	337	48	2029	100
Leakes Road, Tarneit VIC	Victoria	Residential	Freehold	170,591	597,310	755	2021	564	75	2027	100
Bayview Road, Officer VIC	Victoria	Residential	Freehold	5,137	83,050	119	2021	110	92	2027	100

Norman Road, Donnybrook VIC	Victoria	Residential	Freehold	38,900	157,500	111	2026	0	0	2027	100
Bodycoats Road, Wollert VIC	Victoria	Residential	Freehold	100,000	157,600	303	2027	0	0	2027	49
Dunhelen Land, Craigieburn VIC	Victoria	Residential	Freehold	414,200	684,500	1,156	2025	0	0	2031	100
Ballan Road, Batesford VIC	Victoria	Residential	Freehold	107,700	237,200	374	2028	0	0	2032	100
Mark Street, North Melbourne VIC	Victoria	Industrial	Freehold	8,008	N.A.	1	2026	0	0	2030	20
Tiuna Grove, Elwood VIC	Victoria	Residential	Freehold	303	N.A.	14	2021	12	86	2024	49
Male Street, Brighton VIC	Victoria	Residential	Freehold	1,131	N.A.	19	2021	13	81	2024	49

Portfolio Details of the Group's Properties Held for Sale

Property / Project Name	Location	Type of Development	Tenure	Net Saleable Area (square metres)	Total Units	Launch Date	No. of Units Sold	% Sold	% Leased for Unsold Units	Actual / Expected Year of Completion	Group's Stake (%)
SINGAPORE											
Turquoise	Sentosa Cove	Residential	99-Yr Leasehold	1,031	91	Sep 2007	89 ⁽¹⁾	98 ⁽¹⁾	0	2010	90
Seascape	Sentosa Cove	Residential	99-Yr Leasehold	15,821	151	Mar 2010	89 ⁽²⁾	59 ⁽²⁾	81	2011	50
Cape Royale	Sentosa Cove	Residential	99-Yr Leasehold	38,760	302	Jun 2022	123 ⁽³⁾	41 ⁽³⁾	83	2014	35

Notes:

(1) 90 units sold based on options issued. Total percentage sold is 99%.

(2) 91 units sold based on options issued. Total percentage sold is 60%.

(3) 128 units sold based on options issued. Total percentage sold is 42%.

Property / Project Name	Location	Type of Development	Tenure	Net Saleable Area (square metres)	Total Units	Launch Date	No. of Units Sold	% Sold	% Leased for Unsold Units	Actual / Expected Year of Completion	Group's Stake (%)
LONDON											
Parliament View	1 Albert Embankment	Residential	Freehold	271	190	Mar 2001	188	99	100	2000	100
Goodman's Fields	37 Lehman Street	Residential	999-Yr Leasehold	708	17	Not launched yet	-	-	100	2016	100
Canaletto	City Road	Residential	999-Yr Leasehold	1,048	21	Not launched yet	-	-	100	2017	100

Property / Project Name	Location	Type of Development	Tenure	Net Saleable Area (square metres)	Total Units	Launch Date	No. of Units Sold	% Sold	Actual / Expected Year of Completion	Group's Stake (%)
CHINA										
Marina Peninsula Gardens	Zhuhai	Residential	70-Yr Leasehold	486,551	3,669 (Apartment / Duplex)	November 2014	3,667	99.9%	June 2021	20%
Bei An Yuan	Zhuhai	Residential	70-Yr Leasehold	36,183	381 (Apartment)	June 2021	364	96%	October 2021	20%
Nanhu Eco City	Tangshan	Residential	70-Yr Leasehold	368,057.80	2,065 (Apartment) 261 (Commercial)	September 2013	2,322	99.8%	August 2024	50%
Yunyi Metropolis Garden	Nanjing	Residential	70-Yr Leasehold	364,288.80	3,052 (Apartment) 113 (Commercial)	September 2019	3,051 (Apartment) 107 (Commercial)	99.9%	end-December 2021	8%
Jinluyuan	Tianjin	Residential	70-Yr Leasehold	96,951.61	752 (Apartment) 11 (Commercial)	Aug 2021	752 (Apartment) 10 (Commercial)	100%	end-May 2024	49%

D. BUSINESS STRATEGY

The Group is focused on making strategic and sustainable investments that will create long-term value for its stakeholders. To this end, the Group looks to adopt the following strategies:

- *Focus on the dual engine of growth in property investment and development*

The Group has a robust business model built on a solid recurring income base and supplemented by development income to capitalise on opportunities within its key markets. In FY2025, the Group's revenue was S\$440.1 million. Rental income from the Group's Singapore and London portfolio stood at S\$239.9 million in FY2025, while development income contributed S\$200.1 million, reflecting continued contributions from the Group's master-planned residential communities in Australia and sales from its Singapore projects.

- *Diversify geographically*

The property business is cyclical. However, such cycles vary from region to region at different points in time. The Group seeks to diversify its real estate and investment activities across Singapore, the UK, Australia and China and other jurisdictions globally. The Group continues to explore opportunities for diversification in new markets where these would support its diversification strategy, strengthen its overall competitiveness and provide a platform for future growth. The Group's total investments in the seven commercial properties in London amounted to £1.7 billion, with a stable rental income of £80.0 million in FY2025. The Group's master-planned residential communities in Australia continued to deliver strong results, more than 500 land lots handed over across Queensland and Victoria, generating revenue of A\$222.1 million in FY2025, with a land inventory of more than 5,000 development lots in the pipeline. In China, all of the Group's joint venture projects have been completed, with over 99% of units sold.

- *Diversified portfolio of properties*

The Group intends to continue to hold a diversified portfolio of development and investment properties in the residential, commercial, life sciences and industrial sectors. The good mix of properties held by the Group in the different property sub-sectors will allow the Group to spread its exposure effectively.

In London, the Group holds a portfolio of commercial properties ranging in size and located in different parts of London including Mayfair, Victoria and City. This diversity in size and location is a prudent approach to reducing its risks.

- *Focus on quality assets for stable recurring income*

The Group intends to continue its strategy of maintaining a portfolio of high-quality commercial properties for investment both locally and overseas. The Group's existing investment portfolio comprises mainly ten properties held across Singapore and London. The high-quality investment properties in both Singapore and London are well-occupied and positioned to continue contributing positively to the Group's earnings in the coming years. The Group achieved a stable recurring rental revenue of S\$239.9 million in FY2025. The Group has also undertaken targeted asset enhancement initiatives to improve the performance of its properties and strengthen portfolio quality – for more information, kindly refer to the business strategy titled “*Active asset management and portfolio enhancement*” below.

- *Active asset management and portfolio enhancement*

The Group is focused on actively managing and enhancing its existing portfolio of investment properties to strengthen performance, improve asset quality, and drive long-

term value creation. Through active asset management, the Group evaluates opportunities and moves deliberately within changing market conditions, with a view to strengthening its asset management capabilities and embarking on enhancement initiatives to improve the quality and performance of its assets. This represents a strategic evolution from maintaining a diversified portfolio towards proactively repositioning and enhancing each asset to meet evolving occupier expectations and sustainability standards.

In the UK, the Group has commenced targeted asset enhancement initiatives across its London portfolio and has further strengthened its UK office through increased headcount, supporting its asset management capabilities and execution capacity in the market. Planning permission for the major redevelopment of 1 St Martin's Le Grand, with retention of its historic façade, was secured in mid-2025. Upon completion, the development is expected to improve its EPC rating from C to A, strengthening its positioning as a Grade A, best-in-class office building and supporting the Group's pursuit of top-tier sustainability recognition. The Group is also embarking on asset enhancement works at 67 Lombard Street to further elevate the property and reinforce its positioning as a best-in-class Grade A office asset.

These targeted asset enhancement initiatives are intended to ensure the long-term competitiveness of the Group's assets and tenant retention.

- *Capital recycling*

The Group employs capital recycling to ensure it is well-positioned to seize growth opportunities to grow its portfolio of investment properties and/or its pipeline of development projects. In particular, the Group will undertake proactive capital recycling by planning, identifying and undertaking appropriate divestment of assets opportunistically and redeploying proceeds into other growth opportunities. The Group also reviews its property portfolio from time to time to assess if its interest in any asset (or part thereof) should be divested as a result of the asset having reached its optimal life cycle or becoming non-strategic or non-core over time.

For example, in 2023, the Group divested HB Centre 1 and 2 for a consideration of S\$115.0 million and a gain on disposal of S\$46.5 million. The Group also divested the Broadbeach site in Australia for A\$32.0 million, which it then recycled the proceeds into acquiring a new land bank in Queensland. In FY2024, the Group divested a 49% stake in HB Universal Pte Ltd, a subsidiary which holds Elementum, for a cash consideration of S\$133.6 million and a gain on disposal of S\$34.8 million. In addition, in FY2025, the Group divested Apollo House and Lunar House as part of its strategy to divest non-core assets.

- *Identifying and pursuing opportunities for expansion*

The Group consistently seeks to complement and strengthen its current and future businesses by pursuing acquisitions, joint ventures and strategic partnerships where it identifies suitable opportunities. The Group believes that suitable acquisitions, joint ventures and partnerships will give the Group access to prospective clients and new business lines, and leverage on local expertise to grow and develop its property portfolio (including its land bank), whilst delivering greater economies of scale and serving as a catalyst for the Group's continued growth.

In Australia, the Group has actively pursued acquisitions to expand its development pipeline, acquiring additional land parcels both in Queensland and Victoria, including Elimbah near Brisbane, the Group's largest land acquisition to date. These acquisitions are in line with the Group's strategic objective of expanding into a large-scale, long-term land bank in the Group's key markets across Australia.

For more information on the Group's joint venture projects, please refer to the competitive strength titled "*Established business relationships*" below.

The Group continues to identify and pursue opportunities for expansion in its existing markets. Supported by a diversified portfolio of investment and development properties and established relationships with its joint venture partners, the Group believes that it is well-positioned to identify and capitalise on suitable opportunities as they arise.

E. COMPETITIVE STRENGTHS

The competitive strengths of the Group are set out below:

- *Diversified portfolio across sectors and regions*

The Group is able to mitigate its investment risks through geographical diversification into the UK, China and Australia markets. By spreading its investment across different regions whose economic cycles are not significantly interdependent, the Group is able to achieve greater stability in its income stream. Such geographical diversification adds a further layer of protection to the Group's overall diversification strategy, which also lays emphasis on sector diversification. Presently, the Group's Singapore and UK commercial properties primarily contribute to its property investment business, while its Australia residential properties primarily contribute to the property development branch of its business. As at 31 December 2025, the Group's China properties represent 1% of the total valuation of the Group's property portfolio as over 99% of units in the Group's joint venture projects in China have been sold.

- *Strong mix of recurring income*

The Group has a strong base of recurring rental income with total assets under management both in Singapore and London amounting to over three million sq. ft. The Group's portfolio of properties enjoys high occupancies, a well-spread lease expiry profile and generated about S\$239.9 million and S\$265.7 million in rental income in FY2025 and FY2024 respectively.

- *Established business relationships*

The Group has numerous blue-chip business partners as major tenants in both Singapore and the UK, including government agencies, financial institutions and multinational corporations. The Group has also partnered with established joint venture partners to achieve successful results. Such strategic partnerships allow the Group to tap into the experience, expertise and resources of its joint venture partners and pave the Group's expansion into new markets where such partners have established reputations. Furthermore, the synergy ensuing from such partnerships gives the Group and its joint venture partners a competitive edge when they are bidding jointly for projects.

Instances of the Group's joint venture partnerships include:

- its 50:50 joint venture with Sunway MCL (then known as MCL Land) in 2006 to acquire a freehold residential site in Holland Hill for the subsequent development of *Parvis*, for a consideration of S\$292.0 million. Sunway MCL is a property group which was part of the Jardine Matheson Group under Hongkong Land Holdings until its acquisition by Sunway Group in 2025. Sunway MCL has a long track record of building quality homes in Singapore and Malaysia;
- its 50:50 joint venture with IOI Land in 2007 to acquire the land parcel located at Sentosa Cove for the subsequent development of *Seascape*, for a consideration of

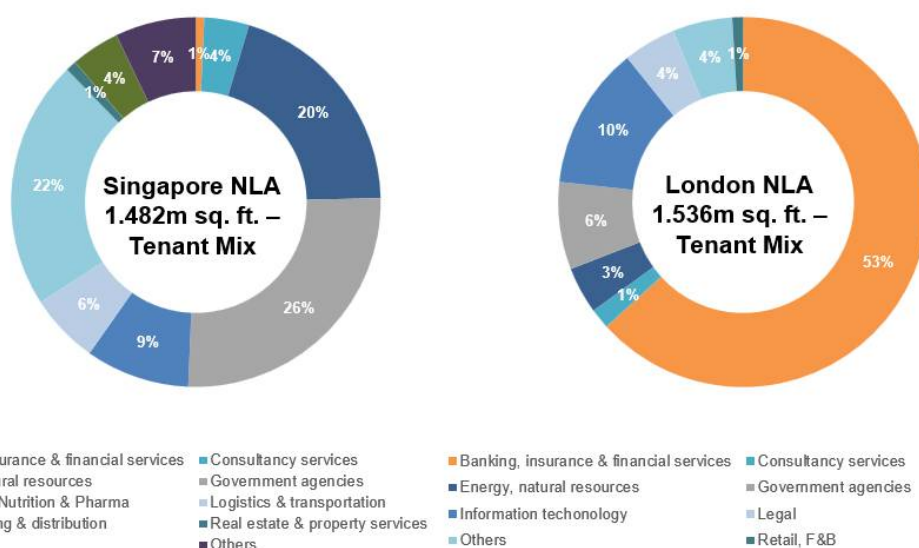
S\$459.8 million. IOI Land is a wholly-owned subsidiary of IOI Properties Group Berhad which is listed on the Main Market of Bursa Malaysia;

- its 35:65 joint venture with IOI Properties (S) in 2008 to acquire the last prime condominium site at Sentosa Cove for the subsequent development of *Cape Royale*, for a consideration of S\$1.10 billion. IOI Properties (S) is also a wholly-owned subsidiary of IOI Properties Group Berhad;
- its partnership with NTUC Choice Homes Co-operative Limited in 2007 to acquire the land parcel in Dakota Crescent for the development of the 348-unit *Dakota Residences* in Singapore;
- its 50:50 joint venture with Yanlord in 2009 to explore the investment and development of a high-end residential development within the Nanhu Eco-City in Tangshan, China. Yanlord is a real estate developer based in China that focuses on developing high-end residential, commercial and integrated property projects in strategically selected key high-growth cities in China, and is listed on the Main Board of the SGX-ST;
- its 40:60 joint venture with Yanlord in 2010 to acquire a 13.69 hectares prime residential development site in Qingpu District, Shanghai for RMB 3.82 billion;
- its 20:20:60 joint venture with Shanghai Youyou Group and Yanlord in 2011 to acquire two adjacent prime residential sites with a combined gross floor area of 499,329 square metres in Tang Jia Wan district, Zhuhai, for RMB 3.0 billion. Located along Zhuhai's picturesque seafront, the project is part of the Chinese government's initiative to develop the area into a prime waterfront residential district;
- its 49:51 joint venture with Villa World Wollert Pty Ltd in 2017 for a residential land subdivision development in Wollert, Melbourne, Australia, for the development of a 16 hectare site into 285 land lots. The site is located adjacent to the future Wollert Town Centre, is less than 30 km from the CBD and under 20 km from Melbourne airport; and
- its co-operation agreement with Yanlord in 2021 to jointly develop a residential site located in Hongqiao District, Tianjin, China. Plans are underway to transform the site into a new high-end residential development with ancillary community retail space and educational facilities with a total gross floor area of approximately 117,100 square metres.

- *Diversified tenant network*

The Group maintains a diverse mix of tenants across its commercial properties in Singapore and the UK, allowing it to withstand seasonal changes affecting each trade sector or the general economic climate. The Group's tenant mix is diversified across multiple sectors, such as financial institutions, healthcare, shipping, telecommunications, real estate, insurance, professional services and the public sector.

The Group's diversified tenant mix is illustrated by the diagrams below on the Tenant Trade Breakdown from Investment Properties by NLA.



In addition, many of the Group's anchor tenants are from established multinational corporations and government institutions. Examples of the Group's key tenants include: the UK House of Commons, Ministry of Health Holdings, Macquarie Group, National Australia Bank, Morrison and Foerster, Arthur J. Gallagher, Britannia Financial Group, W.R. Berkley Corporation, Shell Eastern Petroleum, Procter & Gamble, Sinopec, CMA CGM, Modec, Spaces, Synapxe, Mitsui & Co. None of the tenants contributes more than 10% of the total NLA of the relevant property.

- ***Prudent Capital Management***

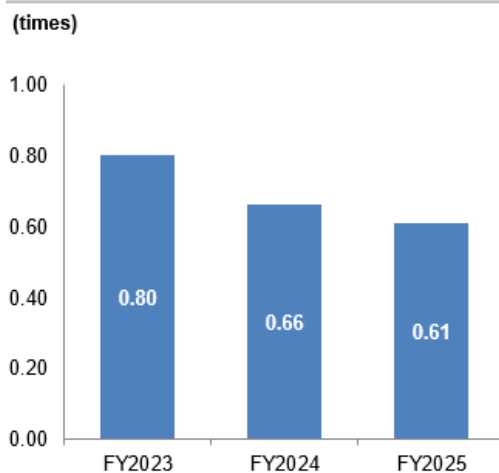
The Group adopts a prudent capital management approach where it maintains an adequate capital base so as to maintain investor, creditor and market confidence, sustain future development of the business and navigate emerging issues and risks including global financial stress, persistent inflation and the current higher interest rate environment.

As part of its overall liquidity management, the Group maintains sufficient levels of cash and fixed deposits to meet its working capital requirements. As at 31 December 2025, the Group has cash and cash equivalents of S\$228,660,000 and net current assets of S\$93,435,000.

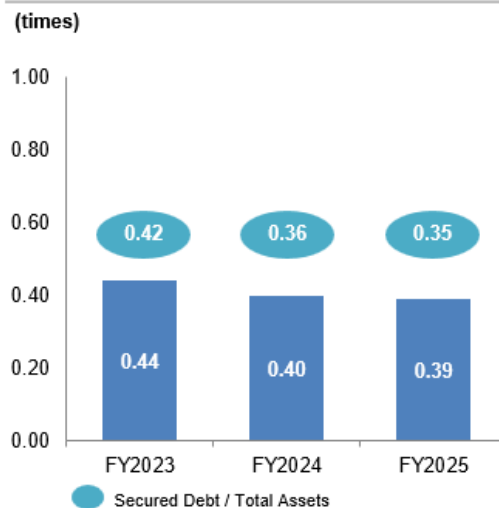
In addition, the Group actively manages its debt maturity profile, operating cash flows and the availability of funding to ensure that all refinancing, repayment and funding needs are met.

As illustrated in the diagram below, the Group's Net Gearing Ratio (as measured by Consolidated Total Loans and Borrowings (Net of Cash) to Consolidated Total Equity) and Leverage Ratio (as measured by Consolidated Total Loans and Borrowings to Consolidated Total Assets) have remained stable between FY2023 to FY2025. In addition, net gearing improved to 0.61 times as at 31 December 2025 (compared to 0.66 times as at 31 December 2024).

Net Gearing Ratio¹



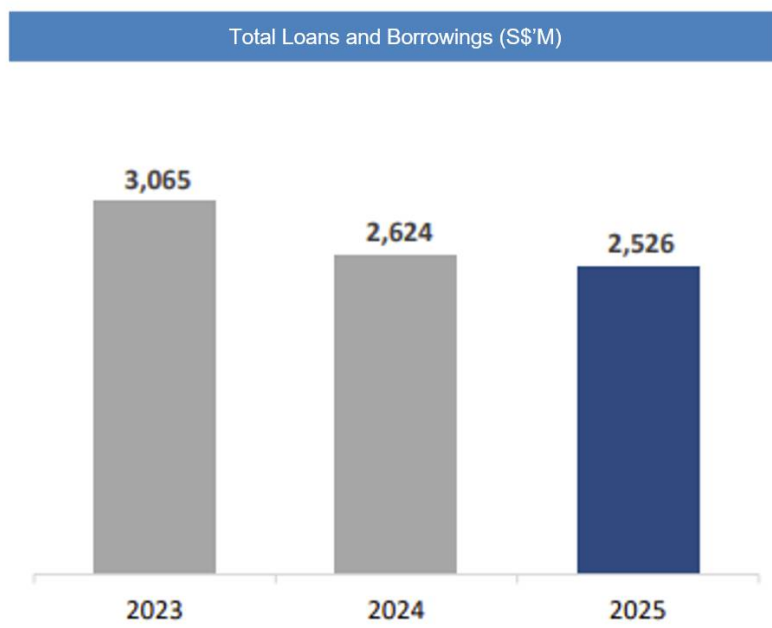
Leverage Ratio²



Notes

- (1): Consolidated Total Loans and Borrowings (Net of Cash) to Consolidated Total Equity
 (2): Consolidated Total Loans and Borrowings to Consolidated Total Assets

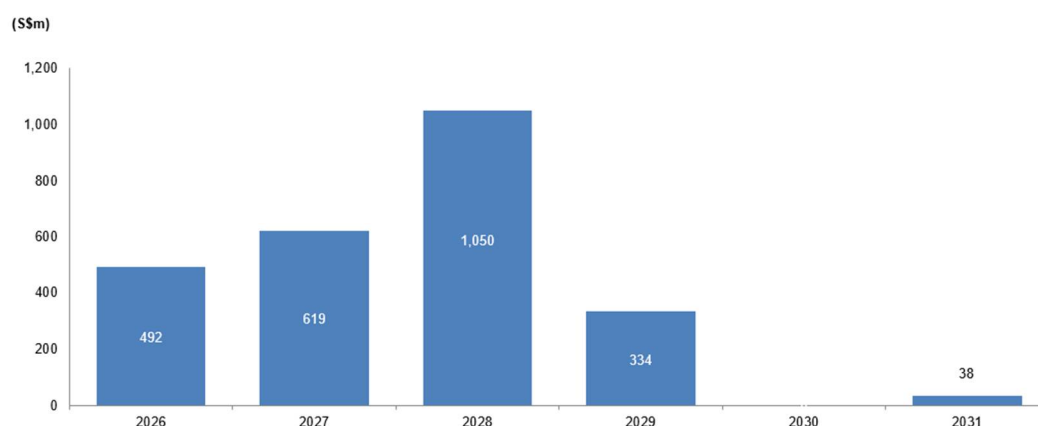
Furthermore, as illustrated in the diagram below, the Group has reduced its total loans and borrowings by S\$98 million from S\$2,624 million in FY2024 to S\$2,526 million in FY2025.



The Group maintains revolving credit facilities of a reasonable level compared to its current debt obligation. As at 31 December 2025, the Group is well supported by relationship banks with S\$438.5 million of undrawn committed facilities.

As at 31 December 2025, the Group also has a well-termed-out debt maturity profile (as illustrated in the diagram below) and has a weighted average debt maturity of more than 2 years.

Debt Maturity Profile



- ***Experienced management team***

The Group boasts an experienced and qualified management team with a successful track record in managing its businesses. Most of the core members of the Group's senior management team have been instrumental in its development since the establishment of the Issuer. The Group's founder and Executive Chairman, Dr Chua Thian Poh, provides the leadership to promote the culture of the Issuer and further strengthen the effectiveness and performance of the Board, particularly in charting the growth strategies of the Group. The Group's CEO, Mr Nicholas Chua, who joined the Group in 2002, is responsible for implementing the Group's overall strategies set by the Board and driving the growth and operational performance of the Group. The Group has a capable and experienced management team that has an aggregate of more than 120 years of experience in the business. The Group believes that its senior management team possesses the appropriate mix of multi-disciplinary skills and experience.

F. AWARDS

The Group has been accorded the following awards:

	Award	Awarding Organisation	Date of Award
1.	Singapore Landscape Architecture Awards (Silver) for Elementum and the Rail Corridor	SILA	2025
2.	BCA Green Mark Platinum award for Elementum	BCA	2024
3.	Water Efficiency Awards 2024 for The Metropolis	PUB	2024
4.	EY Family Enterprise Award of Excellence	EY	2023
5.	Best Returns to Shareholders in the real estate sector	The Edge Singapore	2022
6.	Patron of the Arts Award	National Arts Council	2017, 2018, 2022, 2023, 2025
7.	Friend of the Arts Award		
8.	Singapore Good Design SG Mark Award for <i>The Metropolis</i>	DBCS	2015
9.	BCA Construction Excellence Award, Commercial / Mixed Development Buildings for <i>The Metropolis</i>	BCA	2015
10.	Singapore Property Awards, Winner 2014 Office Category for <i>The Metropolis</i>	FIABCI-Singapore	2014
11.	Singapore Property Awards, Winner 2012 Residential (Low Rise) Category for Seascape	FIABCI-Singapore	2012
12.	BCA Construction Excellence Award, Residential Buildings for Dakota Residences	BCA	2012
13.	BCA Green Mark Platinum Award for <i>The Metropolis</i>	BCA	2011
14.	'Best Architecture Multiple Residence', 'Best Apartment', Singapore for <i>Dakota Residences</i>	International Property Awards	2011
15.	"Best Under a Billion" 2010 Listing for Ho Bee Land Limited	Forbes Asia	2010
16.	MIPIM Award (Marche International des Professionnels de l'immobilier) for <i>The Berth</i>	MIPIM	2007

G. SUSTAINABILITY

Sustainability and climate resilience remain integral to the Group's long-term business strategy. The Group recognises that strengthening its environmental, social and governance performance is essential to safeguarding business continuity, enhancing stakeholder trust and positioning it for future growth. In this regard, the Group integrates measurable environmental performance and climate-aligned financing frameworks into the way it manages its portfolio. In addition, with sustainability-linked financing, the Group balances long-term value creation with responsible environmental stewardship, ensuring every investment and improvement move is accountable, data-backed and future-oriented.

By incorporating sustainable business practices into its businesses, the Group delivers the best value to stakeholders in terms of environmental, social and governance issues. In this regard, the Group's approach to sustainable value creation is five-pronged and involves five pillars:

- *Enhancing Economic Value* – Enhanced profitability, value creation, distribution and retention for shareholders
- *Contributing to a Sustainable Environment* – Mitigating its environmental footprint
- *Developing People* – Talent management strategy and practices
- *Enriching Communities* – Giving back to society through philanthropic efforts
- *Strengthening Corporate Governance* – Compliance with applicable laws and regulations including ethics, integrity and anti-corruption.

In addition, the Group finalised its Green Finance Framework in FY2024, strengthening the Group's approach to green financing and reinforcing its alignment with the national sustainability goals. Aligned to four core components of the Green Bond Principles 2021 (including the June 2022 Appendix 1) and Green Loan Principles 2023, the Group's Green Finance Framework enables its teams to deliver maximum sustainability impact.

H. FINANCIAL SUMMARY AND OVERVIEW

The summary of the audited consolidated financial results of the Group for FY2025, FY2024 and FY2023 are as follows:

CONSOLIDATED INCOME STATEMENT

	FY2025	FY2024	FY2023
	\$'000	\$'000	\$'000
Revenue	440,052	528,040	444,870
Other gains and fair value changes	6,243	70,095	52,711
Cost of sales – residential development projects	(145,591)	(207,436)	(137,924)
Direct rental expenses	(32,998)	(32,463)	(22,434)
Exchange differences	(2,297)	(5,373)	(7,377)
Staff costs & directors' remuneration	(20,946)	(18,775)	(16,078)
Other operating expenses	(15,498)	(15,600)	(12,845)
Net finance costs	(115,172)	(153,070)	(157,704)
	113,793	165,418	143,219
Share of results, net of tax, of:			
- associates	3,189	(2,081)	(10,230)
- jointly-controlled entities	12,552	5,914	12,363
	129,534	169,251	145,352
Fair value changes in investment properties	3,685	(17,037)	(363,921)
Profit/(loss) before tax	133,219	152,214	(218,569)
Income tax expense	(30,827)	(42,546)	(40,468)
Profit/(loss) for the year	102,392	109,668	(259,037)
Attributable to:			
Owners of the Issuer	100,204	109,555	(259,845)
Non-controlling interests	2,188	113	808
Profit/(loss) for the year	102,392	109,668	(259,037)

CONSOLIDATED BALANCE SHEET

	FY2025	FY2024	FY2023
	\$'000	\$'000	\$'000
Non-current assets			
Property, plant and equipment	49,874	48,523	55,772
Investment properties	5,166,879	5,162,566	5,607,769
Associates	34,045	52,013	53,902
Jointly-controlled entities	415,419	512,154	379,392
Other assets	150	150	150
Financial assets	69,640	60,050	64,609
Other receivables, including derivatives	42,147	60,556	38,826
Deferred tax assets	927	595	532
	5,779,081	5,896,607	6,200,952
Current assets			
Financial assets	24,602	—	2,524
Development properties	424,925	439,257	516,114
Trade and other receivables, including derivatives	91,674	60,652	83,715
Cash and cash equivalents	228,660	183,119	172,677
	769,861	683,028	775,030
Total assets	6,548,942	6,579,635	6,975,982
Equity attributable to equity holders of the Issuer			
Share capital	156,048	156,048	156,048
Reserves	3,611,611	3,536,378	3,439,919
	3,767,659	3,692,426	3,595,967
Non-controlling interests	9,638	12,111	14,088
Total equity	3,777,297	3,704,537	3,610,055
Non-current liabilities			
Loans and borrowings	1,982,887	2,419,065	2,585,013
Other liabilities, including derivatives	64,616	41,660	32,291

Deferred income	35,501	37,635	41,853
Deferred tax liabilities	12,215	11,087	12,263
	2,095,219	2,509,447	2,671,420
Current liabilities			
Trade and other payables, including derivatives	94,426	115,696	164,061
Loans and borrowings	543,243	205,020	479,671
Deferred income	1,671	1,849	2,001
Current tax payable	37,086	43,086	48,774
	676,426	365,651	694,507
Total liabilities	2,771,645	2,875,098	3,365,927
Total equity and liabilities	6,548,942	6,579,635	6,975,982

RATIOS	FY2025	FY2024	FY2023
Consolidated Total Loans and Borrowings (Net of Cash)	S\$2.297 billion	S\$2.441 billion	S\$2.892 billion
Consolidated Tangible Net Worth ⁽¹⁾	S\$3.768 billion	S\$3.692 billion	S\$3.596 billion
Net Gearing Ratio	0.61	0.66	0.80
Consolidated Total Assets	S\$6.549 billion	S\$6.580 billion	S\$6.976 billion
Consolidated Total Loans and Borrowings to Consolidated Total Assets	0.39	0.40	0.44
EBIT ⁽²⁾	S\$243 million	S\$322 million	S\$302 million

Notes:

- (1) Consolidated Tangible Net Worth is defined as consolidated equity attributable to equity holders of the company less intangible assets.
- (2) EBIT is defined as the profit/(loss) for the year after non-controlling interests, before net finance costs, income tax expense and fair value changes.

PERFORMANCE REVIEW OF THE GROUP

Full Year Ended 31st December 2025 vs Full Year Ended 31st December 2024

The Group's revenue for FY2025 was 17% lower at S\$440.1 million compared to last year (FY2024: S\$528.0 million).

Development property sales decreased by 24% to S\$200.1 million (FY2024: S\$262.3 million), mainly due to lower settlements for the Group's projects in Australia and decreased sales recognition from Turquoise in Sentosa Cove. The cost of sales for residential development projects decreased to S\$145.6 million (FY2024: S\$207.4 million), in line with the lower sales.

Rental income decreased by 10% to S\$239.9 million (FY2024: S\$265.7 million), mainly attributable to the reclassification of Elementum as a jointly-controlled asset following the sale of 49% interest in the project in August 2024 and decreased contribution from Apollo House and Lunar House and 1 St Martin's Le Grand. Direct rental expenses increased by 2% to S\$33.0 million (FY2024: S\$32.5 million), primarily due to higher property taxes and insurance.

Other gains and fair value changes decreased by 91% to S\$6.2 million (FY2024: S\$70.1 million), mainly attributable to a S\$34.8 million divestment gain on the sale of 49% interest in Elementum and a S\$36.2 million remeasurement gain on the jointly-controlled entity holding Elementum. The decrease was partially offset by S\$4.5 million in dilapidation income from Apollo House and Lunar House.

Other operating expenses remain stable at S\$15.5 million (FY2024: S\$15.6 million).

Net finance costs decreased by 25% to S\$115.2 million (FY2024: S\$153.1 million), mainly due to loan repayments and a reduction of interest rates by the central banks.

The share of profits of the China associates was at S\$3.2 million (FY2024: share of losses of S\$2.1 million) mainly attributable to a S\$11.1 million net reversal of provisions for foreseeable losses on projects in China, partly offset by a S\$6.1 million tax provision related to the Zhuhai project.

The share of profits of jointly-controlled entities increased significantly to S\$12.6 million (FY2024: S\$5.9 million), mainly due to higher sales recognition from Seascope in Sentosa Cove, the addition of Elementum as a jointly-controlled asset in August 2024, and a decrease in provision made for foreseeable losses on the Tangshan project. The increase was mitigated by lower contributions from the Australian joint-venture projects as most of the land lots were sold in 2024.

The valuation of the London portfolio recorded a net fair value gain of S\$3.7 million (FY2024: net fair value loss of S\$17.0 million), while the Singapore portfolio remained unchanged.

Income tax expense decreased by 28% to S\$30.8 million (FY2024: S\$42.5 million), in line with the lower profit from operations of S\$113.8 million (FY2024: S\$165.4 million) and a S\$13.0 million tax refund received.

Overall, the Group recorded a profit of S\$102.4 million in FY2025 (FY2024: S\$109.7 million). Consequently, profit attributable to owners of the Issuer was S\$100.2 million (FY2024: S\$109.6 million). This translates to earnings per share of 15.09 cents (FY2024: 16.50 cents).

Full Year Ended 31st December 2024 vs Full Year Ended 31st December 2023

The Group's revenue for full year FY2024 was 19% higher at S\$528.0 million compared to last year (FY2023: S\$444.9 million).

Development property sales increased significantly by 39% to S\$262.3 million (FY2023: S\$189.1 million), driven by higher sales in Australia, including a sale of a development site at Broadbeach,

Gold Coast, which was sold for S\$28.3 million. This was accompanied by increased sales recognition from Turquoise in Sentosa Cove. The cost of sales for residential development projects increased to S\$207.4 million (FY2023: S\$137.9 million), in line with the higher sales.

Rental income grew by 4% to S\$265.7 million (FY2023: S\$255.8 million), primarily due to additional contribution from the newly completed Elementum. Direct rental expenses increased by 45% to S\$32.5 million (FY2023: S\$22.4 million), mainly due to rental commission and advertisement expenses incurred for Elementum and higher property tax incurred.

Other gains increased by 33% to S\$70.1 million (FY2023: S\$52.7 million), mainly attributable to a S\$34.8 million divestment gain on the stake sale of Elementum and a S\$36.2 million remeasurement gain on the jointly-controlled entity holding Elementum. The prior gains in FY2023 included a S\$46.5 million disposal gain on HB Centre 1 and 2. Other operating expenses increased by 21% to S\$15.6 million (FY2023: S\$12.8 million), mainly due to higher donations and a one-time true up of S\$2.1 million value-added tax in respect of prior year.

Net finance costs decreased by 3% to S\$153.1 million (FY2023: S\$157.7 million), mainly due to loan repayments, interest rate hedging, and reduction of interest rates by the central banks. The decrease was partially offset by additional interest incurred on bank loans to fund the construction of Elementum.

The share of losses of the China associates was 80% lower at S\$2.1 million (FY2023: S\$10.2 million). The higher prior losses in FY2023 included a S\$11.2 million provision made with respect to foreseeable losses on the Tianjin project.

The share of profits of jointly-controlled entities decreased by 52% to S\$5.9 million (FY2023: S\$12.4 million), mainly due to losses from the Tangshan project and lower sales recognition from Cape Royale and Seascape. The decrease was mitigated by profits from the Australia projects and additional contribution from Elementum as a jointly-controlled asset after the Stake Sale.

The valuation of the Group's investment properties in London has stabilised, with fair value adjustment of -S\$17.0 million (FY2023: -S\$363.9 million).

Income tax expense increased by 5% to S\$42.5 million (FY2023: S\$40.5 million), in line with the higher profit from operations of S\$165.4 million (FY2023: S\$143.2 million).

Overall, the Group recorded a profit of S\$109.7 million in FY2024 compared to a prior loss of S\$259.0 million in FY2023. Consequently, profit attributable to owners of the Issuer was S\$109.6 million compared to a prior loss of S\$259.8 million in FY2023. This translates to earnings per share of 16.50 cents (FY2023: loss per share of 39.13 cents).

I. MANAGEMENT OF THE ISSUER

(i) Board of Directors

The Board of the Issuer is made up of seven Directors, comprising two Executive Directors, four Independent Non-Executive Directors and one Non-Independent and Non-Executive Director.

Information on the business and working experience of each of the Directors is set out below:

Dr Chua Thian Poh

Executive Chairman

Dr Chua Thian Poh is the founder of Ho Bee Group. He was appointed as the Group's Chairman and Chief Executive Officer ("**CEO**") in 1999. On 1 January 2022, he was redesignated as Executive Chairman.

Dr Chua has held several public appointments. He was appointed as the Non-Resident Ambassador of Singapore to the Republic of Maldives (2015 – 2019), a member of the Constitutional Commission for the review of Elected Presidency (2016), an alternate member (2017) and subsequently a full member (2019) of the Council of Presidential Advisers.

An active community leader, Dr Chua serves as Honorary President of the Singapore Federation of Chinese Clan Associations and Singapore Chinese Chamber of Commerce & Industry. He also serves as Chairman of the Board of Governors of Singapore Hokkien Huay Kuan, Honorary Chairman of Ren Ci Hospital and Board Chairman of Ho Bee Foundation.

Dr Chua has received many accolades for his business leadership and philanthropic impact, as well as contributions towards the community and public service sector. In July 2019, he was conferred the Honorary Doctor of Letters by the National University of Singapore and was appointed Pro-Chancellor of Nanyang Technological University in May 2026.

Among the other awards conferred on him include the Public Service Star (BBM, 2004), Justice of the Peace (2005 – 2020), Businessman of the Year (2006), President's Award for Philanthropy (Individual, 2012), Forbes Asia's Heroes of Philanthropy (2014), and Distinguished Service Order (2014).

Mr Nicholas Chua Wee-Chern

Chief Executive Officer and Executive Director

Mr Nicholas Chua was appointed as CEO and Executive Director on 1 January 2022.

Mr Chua joined the Group in 2002 and held several senior management positions prior to his current appointment. Over the past 20 years, Mr Chua has been instrumental in leading the growth of the Group's development footprint in Australia and China, as well as the investment portfolio in Europe and the UK.

As CEO of the Group, Mr Chua is responsible for leading the development and execution of the Group's overall strategies and policies, as well as overseeing the management of the Group's development and investment portfolios.

Mr Chua graduated with a Bachelor of Science in Finance and Marketing from the University of Oregon, and started his career with DBS Group Holdings Ltd. He is also currently the Chairman of Chua Foundation, providing innovative solutions and financial assistance to Voluntary Welfare Organisations (VWOs) in Singapore.

Mr Lim Swee Say

Lead Independent Director

Mr Lim Swee Say was appointed to the Board in October 2021. Mr Lim is a trustee and Adviser of the National Trades Union Congress (“**NTUC**”), and is Chairman of NTUC-Administration & Research Unit Board of Trustees, NTUC LearningHub Pte. Ltd. and NCS Pte Ltd. Mr Lim is also Director of NTUC Enterprise Co-operative Ltd, Temasek Foundation Ltd. and TF IPC Ltd.

Mr Lim joined the public sector in 1976. He joined the Labour Movement in 1996 and entered politics in 1997 to serve in various capacities including Minister of State for Trade and Industry, Minister of State for Communication and Information Technology, Minister for Environment, Second Minister for National Development, Minister in Prime Minister’s Office and Minister for Manpower. He stepped down from the Cabinet in May 2018 and retired from politics as a member of the Parliament of Singapore in 2020.

Mr Lim graduated from Loughborough University with a First Class Honours degree in Electronics, Computer and Systems Engineering. He also holds a Master’s degree in Management from Stanford University.

Ms Pauline Goh

Independent Non-Executive Director

Ms Pauline Goh was appointed to the Board in 2021. She previously served as Chairman of CBRE Southeast Asia. Over her 43-year-long career with CBRE, Ms Goh held several senior leadership roles and played a key role in building the brand into a leading real estate services firm across Southeast Asia.

Ms Goh is currently a Director of NTUC Health for Life Fund Ltd. and Asia Philanthropic Ventures Pte Ltd. She also serves as Chairman of Catholic Foundation Limited, member of Ngee Ann Polytechnic Council and member of Singapore Prison Service – Institutional Discipline Advisory Committee and Board of Visiting Justices & Board of Inspection.

Ms Goh graduated from the National University of Singapore with a Bachelor of Science (Estate Management). She is a Fellow of the Singapore Institute of Surveyors and Valuers (SISV) and the Royal Institution of Chartered Surveyors.

Mr Esmond Choo Liong Gee

Independent Non-Executive Director

Mr Esmond Choo was appointed to the Board in 2025. He has held senior leadership roles across the insurance and financial services sectors. He was Executive Director of UOB Kay Hian Holdings Limited until his retirement in April 2022, where he guided the Group’s regional growth and M&A initiatives, and served as Chairman of its Malaysian arm. He transformed UOB Kay Hian (Malaysia) Sdn Bhd into one of Malaysia’s most profitable brokerages by expanding its business across multiple verticals.

A respected capital markets veteran, Mr Choo was twice elected Chairman of the Stockbrokers Association of Singapore and received the Distinguished Financial Industry Certified Professional (Securities and Futures Industry) award in 2013.

He currently serves as Director of various CSOP investments, variable capital company funds and several private companies in the capital market sectors. He is also active in philanthropy, holding board roles in several charitable organisations, including Sustainable Finance Institute Asia Limited, SJI International Preschool Ltd. and SPH Foundation Limited.

Mr Choo is a qualified Australian Chartered Accountant and holds a Bachelor of Commerce (Honours) degree from the University of Melbourne.

Ms Choo Yi Ming

Independent Non-Executive Director

Ms Choo Yi Ming was appointed to the Board in 2026. Ms Choo is a Director at Ashurst ADT Law, where she leads the firm's regional real estate practice in Asia. She specialises in mergers and acquisitions and joint ventures, with a strong focus on real estate transactions.

Ms Choo has advised on a number of significant real estate transactions across Asia and has extensive experience in investments in real estate platforms, including data centres, industrial and logistics properties, hotels, student accommodation, and offices.

Ms Choo began her career as a Justices' Law Clerk to the Chief Justice and Judges of the Supreme Court of Singapore.

Ms Choo graduated with a Bachelor of Laws (LLB) from the National University of Singapore.

Mr Bobby Chin Yoke Choong

Non-Independent and Non-Executive Director

Mr Bobby Chin was appointed to the Board in 2006. He was the Managing Partner of KPMG Singapore from 1992 until his retirement in 2005. He is a Fellow of the Institute of Chartered Accountants in England and Wales, and a Distinguished Lifetime Member of The Institute of Singapore Chartered Accountants.

Mr Chin has held several public appointments, including Chairman of Urban Redevelopment Authority, Singapore Totalisator Board, NTUC Fairprice Co-operative Ltd, Housing & Development Board and the Corporate Governance Advisory Committee. He was formerly a member of the Council of Presidential Advisers and chaired the MediShield Life Review Committee and the Committee to review the Accountancy Sector. He was previously on the boards of various listed companies, including The Straits Trading Company Limited, Neptune Orient Lines Limited, Oversea-Chinese Banking Corporation Limited, Sembcorp Industries Limited, Singapore Telecommunications Limited, Yeo Hiap Seng Limited and AVJennings Limited, as well as non-listed entities including Singapore Power Limited and Temasek Holdings (Private) Limited.

Mr Chin currently serves on the boards of Frasers Property Limited, Singapore Health Services Pte Ltd, Temasek Trust Limited and Temasek Capital (China) Holdings Pte Ltd.

(ii) Senior Management of the Group

Information on the experience and expertise of each of the key executive officers (who are not Executive Directors) of the Group is set out below:

Mr Chong Hock Chang

Group Director, Projects and Marketing

Mr Chong Hock Chang was appointed as Group Director (Projects and Marketing) in January 2017. Mr Chong is responsible for the Group's projects, both local and overseas. He also steers the marketing of the Group's investment and development properties, both local and overseas. Prior to his current appointment, Mr Chong held several senior management roles since joining the Group in 1995.

Mr Chong started his career as a valuer at the Inland Revenue Authority of Singapore. He then joined Jones Lang Wootton (now known as Jones Lang LaSalle) as a consultant and undertook major research, feasibility studies and formulated marketing strategies for clients.

Mr Chong holds a Bachelor of Science (Honours) degree in Estate Management from the National University of Singapore. He currently serves as the Honorary Secretary on the Management Committee of the Real Estate Developers Association of Singapore.

Mr Li Xiangrun

Chief Financial Officer

Mr Li Xiangrun joined Ho Bee Land in June 2023 and was appointed Chief Financial Officer in February 2026. Mr Li has nearly twenty years of experience in corporate finance, having worked in various global financial institutions. He oversees the Group's corporate finance, sustainability, financial reporting, treasury, tax, corporate governance and investor relations functions, and also serves as Company Secretary.

Before joining Ho Bee Land, Mr Li was an investment banker responsible for leading real estate advisory transactions across mergers and acquisitions, equity capital raisings, debt capital raisings, and sustainability-linked real estate financings across Asia. Mr Li has been based in Singapore, Hong Kong, and Shanghai throughout his career.

Mr Li holds a Master of Business Administration (Distinction) from Imperial College Business School, a Master of Science in Global Finance from New York University's Leonard N. Stern School of Business and Hong Kong University of Science & Technology Business School, and a Bachelor of Science in Economics (Summa Cum Laude) from Singapore Management University. He also completed the General Management Programme at The Wharton School of the University of Pennsylvania and is also a member of the Institute of Singapore Chartered Accountants.

Mr Michael Vinodolac

Chief Executive Officer, Australia

Mr Michael Vinodolac joined Ho Bee Land in February 2020 as the CEO in Australia. He is responsible for charting the Group's property business and growth strategy in Australia.

Mr Vinodolac has more than 15 years of experience in the master-planned residential communities, having initially started his career as a lawyer before moving into development finance, followed by residential development roles.

Prior to joining Ho Bee Land, Mr Vinodolac was the Chief Operating Officer for Villa World Limited, an ASX-listed residential developer and home builder where he oversaw a substantial growth phase for the business. Mr Vinodolac holds a Bachelor of Commerce in Accounting and Finance from Notre Dame University Australia and a Bachelor of Laws from Griffith University.

Mr Federico Bianchi

Chief Executive Officer, United Kingdom

Mr Federico Bianchi joined Ho Bee Land in February 2025 as CEO in the UK. He is responsible for overseeing the Group's operations in the UK.

Mr Bianchi has extensive experience in real estate investment and asset management across Europe. Prior to joining Ho Bee Land, he was a Managing Director and Head of Asset Management in Europe for Starwood Capital Group, where he also sat on the Investment Committee. In this role, he led a team of investment professionals and was responsible for

managing a multi-billion-dollar portfolio spanning opportunistic, value-add, and core strategies. Prior to this, he spent four years with BentallGreenOak, overseeing the European portfolio. His other professional experience includes working as a country manager (Italy) for ISG and as a Development Director with Tishman Speyer.

Mr Bianchi holds an Honours degree in Architecture from South Bank University in London, as well as a Master of Science in Architecture (cum laude) from Politecnico di Milano. He is also a Member of the Royal Institution of Chartered Surveyors (RICS).

Mr Roy Lim Wee Hiong

Chief of Staff

Mr Roy Lim joined Ho Bee Land in December 2024 as Chief of Staff.

Mr Lim has more than 17 years of experience in real estate investment and asset management. Before joining Ho Bee Land, he was the Head of Investment, Asset & Development Management, Singapore & Regional (excluding China) at Perennial Holdings Private Limited. In that role, Mr Lim was responsible for the development and management of assets in Singapore and overseas markets.

He also led business development and expansion into new markets. Mr Lim holds a Master of Engineering and a Bachelor of Arts from the University of Cambridge. He is a CFA charterholder.

GENERAL AND OTHER INFORMATION

INFORMATION ON DIRECTORS

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

Name	Position
Dr Chua Thian Poh	Executive Chairman
Mr Nicholas Chua Wee-Chern	Chief Executive Officer and Executive Director
Mr Lim Swee Say	Lead Independent Director
Ms Pauline Goh	Independent Non-Executive Director
Mr Esmond Choo Liong Gee	Independent Non-Executive Director
Ms Choo Yi Ming	Independent Non-Executive Director
Mr Bobby Chin Yoke Choong	Non-Independent and Non-Executive 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 a named subject to any proceedings pending as at the date of this Supplemental Information Memorandum 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 in paragraph 6 below, none of the Directors are related by blood or marriage to one another or related to any substantial shareholder of the Issuer.
4. No option to subscribe for shares in, or debentures of, the Issuer has been granted to, or was exercised by, any Director or employees of the Group during the last financial year ended 31 December 2025.
5. No Director is interested, directly or indirectly, in the promotion of any assets acquired or disposed of by or leased to, the Issuer or any of its subsidiaries, within the two years preceding the date of this Supplemental Information Memorandum, or in any proposal for such acquisition, disposal or lease as aforesaid.

6. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

	Direct Interest		Deemed Interest	
	Number of Shares	% of total Issued Shares ⁽¹⁾	Number of Shares	% of total issued Shares ⁽¹⁾
Directors				
Chua Thian Poh ⁽²⁾	-	-	505,044,750	76.06
Nicholas Chua Wee-Chern	3,350,000	0.50	-	-
Bobby Chin Yoke Choong	131,000	0.02	-	-
Substantial Shareholders				
Ho Bee Holdings (Pte) Ltd ⁽³⁾	502,294,100	75.64	1,414,000	0.21
Chua Thian Poh ⁽²⁾	-	-	505,044,750	76.06

Notes:

- (1) The percentage is calculated based on the number of issued ordinary shares of the Company as at the Latest Practicable Date, excluding 39,321,600 shares held as treasury shares as at that date.
- (2) Dr Chua Thian Poh has a deemed interest in 502,294,100 Shares held by Ho Bee Holdings (Pte) Ltd, 1,414,000 Shares held by Kingdom Investment Holdings Pte. Ltd. and 1,336,650 Shares held by his spouse, Mdm Ng Noi Hinoy.
- (3) Ho Bee Holdings (Pte) Ltd has a deemed interest in the 1,414,000 Shares held by Kingdom Investment Holdings Pte. Ltd.

SHARE CAPITAL

7. 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.
8. As at the Latest Practicable Date, the issued share capital of the Issuer is as follows:

Share Designation	Issued Share Capital	
	Number of Shares	Amount
Ordinary Shares	703,338,000	156,048,000

Note: There were 39,321,600 treasury shares held by the Issuer as at the Latest Practicable Date and these were included in the number of issued ordinary shares above.

BORROWINGS

9. Save as disclosed in Appendix IV, 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

10. 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 their present requirements.

CHANGES IN ACCOUNTING POLICIES

11. 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

12. There are no legal or arbitration proceedings pending or, as 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.

CONSENT

13. The Auditors have given and have 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.

MATERIAL ADVERSE CHANGE

14. There has been no material adverse change in the financial condition or business of the Issuer or the Group since 31 December 2025.

DOCUMENTS AVAILABLE FOR INSPECTION

15. Copies of the following documents may be inspected at the registered office of the Issuer at 9 North Buona Vista Drive, #11-01, The Metropolis Tower 1, Singapore 138588 during normal business hours:
 - (a) the Constitution of the Issuer;
 - (b) the Trust Deed;
 - (c) the letter of consent referred to in paragraph 13 above; and
 - (d) the audited consolidated financial statements of the Issuer and its subsidiaries for the financial years ended 31 December 2023, 31 December 2024 and 31 December 2025.

FUNCTIONS, RIGHTS AND OBLIGATIONS OF THE TRUSTEE

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

APPENDIX II

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF HO BEE LAND LIMITED AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

The information in this Appendix II has been extracted and reproduced from the Annual Report of Ho Bee Land Limited and its subsidiaries for the financial year ended 31 December 2023 and has not been specifically prepared for inclusion in this Supplemental Information Memorandum.

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DIRECTORS' STATEMENT

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended 31 December 2023.

In our opinion:

- (a) the financial statements set out on pages 72 to 145 are drawn up so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2023 and the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International); and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

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

DIRECTORS

The Directors of the Company in office at the date of this statement are as follows:

Chua Thian Poh
 Nicholas Chua Wee-Chern
 Ong Chong Hua
 Lim Swee Say
 Ko Kheng Hwa
 Seow Choke Meng
 Josephine Choo Poh Hua
 Pauline Goh
 Bobby Chin Yoke Choong

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the register kept by the Company for the purposes of Section 164 of the Companies Act 1967 ("the Act"), particulars of interests of Directors who held office at the end of the financial year (including those held by their spouses and infant children) in shares, debentures, warrants and share options in the Company and in related corporations (other than wholly-owned subsidiaries) are as follows:

DIRECTORS' STATEMENT

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

Name of director and corporation in which interests are held	Holdings in which the director has a direct interest		Holdings in which the director is deemed to have an interest	
	At beginning of the year	At end of the year	At beginning of the year	At end of the year
Chua Thian Poh				
The Company				
- ordinary shares	–	–	501,819,150	501,819,150
<u>Immediate and ultimate holding company</u>				
Ho Bee Holdings (Pte) Ltd				
- ordinary shares	18,150,000	18,150,000	3,850,000	3,850,000
Nicholas Chua Wee-Chern				
The Company				
- ordinary shares	3,072,000	3,192,000	–	–
Ong Chong Hua				
The Company				
- ordinary shares	1,940,000	1,940,000	–	–
Bobby Chin Yoke Choong				
The Company				
- ordinary shares	131,000	131,000	–	–

By virtue of Section 7 of the Act, Dr Chua Thian Poh is deemed to have an interest in all the subsidiaries of Ho Bee Land Limited and Ho Bee Holdings (Pte) Ltd at the beginning and at the end of the financial year.

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

There were no changes in any of the abovementioned interests in the Company or in related corporations between the end of the financial year and 21 January 2024.

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement to which the Company is a party, being arrangements whose objects are, or one of whose objects is, to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' STATEMENT

DIRECTORS' CONTRACTUAL BENEFITS

During the financial year, the Company and its related corporations have in the normal course of business entered into transactions with affiliated parties and parties in which Dr Chua Thian Poh is deemed to have an interest. Such transactions comprised payments for rental expenses, printing expenses and other transactions carried out on normal commercial terms and in the normal course of the business of the Company and its related corporations. However, the director has neither received nor will he be entitled to receive any benefit arising out of these transactions other than those to which he may be entitled as a customer, supplier or member of these corporations.

Except for salaries, bonuses and fees and those benefits that are disclosed in this statement and in Note 30 to the financial statements, since the end of the last financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or its related corporations with the director, or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

SHARE OPTIONS

The Company does not have any share option scheme or share scheme in place.

AUDIT & RISK COMMITTEE

The members of the Audit & Risk Committee at the date of this statement are as follows:

Ko Kheng Hwa	(Chairman, Independent Director)
Lim Swee Say	(Lead Independent Director)
Josephine Choo Poh Hua	(Independent Director)
Pauline Goh	(Independent Director)
Bobby Chin Yoke Choong	(Non-Independent Director)

The Audit & Risk Committee performs the functions specified in Section 201B(5) of the Companies Act 1967, the SGX-ST Listing Manual and the Singapore Code of Corporate Governance. These functions include a review of the financial statements of the Company and of the Group for the financial year and the auditors' report thereon.

The Audit & Risk Committee also assists the Board with risk governance and overseeing the Company's risk management framework and policies.

The Audit & Risk Committee has undertaken a review of the nature and extent of non-audit services provided by the firm acting as the auditors. In the opinion of the Audit & Risk Committee, these services would not affect the independence of the auditors.

The Audit & Risk Committee is satisfied with the independence and objectivity of the auditors and has recommended to the Board that the auditors, KPMG LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

In appointing the auditors of the Company and its subsidiaries, the Group has complied with Rule 712, Rule 715 and Rule 716 of the SGX-ST Listing Manual.

DIRECTORS' STATEMENT

AUDITORS

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

Chua Tian Poh
Director

Nicholas Chua
Director

Singapore
15 March 2024

INDEPENDENT AUDITORS' REPORT

Members of the Company
Ho Bee Land Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Ho Bee Land Limited ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2023, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of material accounting policy information as set out on pages 72 to 145.

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

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the 'Auditors' 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 *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 year. 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.

INDEPENDENT AUDITORS' REPORT

Members of the Company
Ho Bee Land Limited

Valuation of investment properties (S\$5,608 million)

(Refer to Notes 5 & 36 to the financial statements)

<i>The key audit matter</i>	<i>How the matter was addressed in our audit</i>
The Group owns a portfolio of investment properties in Singapore and the United Kingdom. Investment properties represent the single largest asset category on the Group's consolidated statement of financial position. These properties are stated at fair values based on independent external valuations. The valuation of investment properties requires significant judgement to be made in the determination of the appropriate valuation methodologies and the underlying assumptions to be applied. Changes to these valuation methodologies and assumptions used may have a significant impact to the valuations of investment properties. In view of the global inflationary pressures, challenging macro-economic, geopolitical and supply chain risks, the external valuers have included heightened market volatility clauses in their valuation reports. As the external valuations were based on the information available as at the date of the valuations, the external valuers have also recommended to keep the valuation of these properties under frequent review as the fair values may change significantly and unexpectedly over a short period of time.	As part of our audit procedures, we have: • Updated our understanding of the business processes and controls implemented around the valuation procedures. • Evaluated the qualifications and objectivity of the independent external valuers. • Held discussions with the valuers to understand their valuation methodologies, key assumptions and basis used. • Assessed the appropriateness of the valuation methodologies and evaluated reasonableness of key assumptions used by the independent external valuers, and compared the assumptions and parameters used to externally derived data. Where appropriate, we also involved our in-house valuation specialists to assist us in the assessment. • Evaluated the completeness, accuracy and relevance of disclosures in the Group's financial statements, including disclosures on sources of estimation uncertainty. <i>Findings:</i> The valuers are members of recognised professional bodies for valuers and have confirmed their own independence in carrying out their work. We found the valuation methodologies used are in line with generally accepted market practices and the key assumptions used to be within acceptable range and are comparable to market trends and externally derived data. The changes in fair value of investment properties are appropriately recognised in the Group's financial statements.

INDEPENDENT AUDITORS' REPORT

Members of the Company
Ho Bee Land Limited

Valuation of development properties (S\$516 million)

(Refer to Note 13 to the financial statements)

<i>The key audit matter</i>	<i>How the matter was addressed in our audit</i>
The Group holds a number of development projects in Australia, and completed properties in both Singapore and the United Kingdom. In addition, the Group has interests in development projects in Singapore and China held by associates and jointly-controlled entities of which the Group's share is included in the carrying value of investments in associates and jointly-controlled entities presented in the Group's consolidated statement of financial position. The carrying value of development properties are stated at the lower of cost and estimated net realisable value ("NRV"). The determination of the estimated NRV requires significant judgement and is critically dependent upon the Group's expectations of future selling prices and costs to be incurred in selling the property. Changes to these estimates can result in material changes in the carrying value of the properties.	As part of our audit procedures, we have: - Updated our understanding of the business processes and controls implemented around the valuation procedures. - Held discussions with management to obtain an understanding of the macroeconomic and real estate price trends that have been considered in their NRV assessment. - Assessed the reasonableness of management's NRV by comparing the expected selling prices against recent transacted sales prices of the same project and/or comparable properties sold in the vicinity of the Group's development properties, as well as market research reports. - Where independent external valuation was obtained, we held discussion with the valuer to understand their valuation methodologies, assumptions and basis used. We assessed the appropriateness of the valuation methodologies and compared the assumptions and parameters used to externally derived data. - Compared the NRV against the carrying value of the development property and assessed whether any adjustment is required. - For development projects held by the Group's associates and jointly-controlled entities in China, we reviewed the working papers of the component auditors and ascertained that the above procedures have been performed.

Findings:

In making its estimates of the expected selling prices and costs to be incurred in selling the property, management considered the macroeconomic and future real estate price trends for the markets in which the properties are located. We found the estimates made by the management in the determination of NRVs to be within the range of observable price trends in the market and externally derived data.

INDEPENDENT AUDITORS' REPORT

Members of the Company
Ho Bee Land Limited

Other information

Management is responsible for the other information contained in the annual report. The other information comprises all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained the Directors' Statement prior to the date of this auditors' report, and other sections in the annual report (collectively, "the Reports") are expected to be made available to us after that date.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, 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.

When we read the Reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Responsibilities of management and directors for the financial statements

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

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

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

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

INDEPENDENT AUDITORS' REPORT

Members of the Company
Ho Bee Land Limited

- 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, 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 auditors' report unless the law or regulations preclude 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 auditors' report is Shelley Chan Hoi Yi.

KPMG LLP

*Public Accountants and
Chartered Accountants*

Singapore

15 March 2024

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2023

		Group		Company	
	Note	2023	2022	2023	2022
		\$'000	\$'000	\$'000	\$'000
Non-current assets					
Property, plant and equipment	4	55,772	53,748	1,569	1,909
Investment properties	5	5,607,769	5,756,115	–	–
Subsidiaries	6	–	–	522,974	1,469,072
Associates	7	53,902	108,180	4,136	7,237
Jointly-controlled entities	8	379,392	433,124	222,155	290,248
Other assets	9	150	150	–	–
Financial assets	10	64,609	64,474	59,164	60,226
Other receivables	11	38,826	125,559	1,902,668	1,367,226
Deferred tax assets	12	532	255	–	–
		6,200,952	6,541,605	2,712,666	3,195,918
Current assets					
Financial assets	10	2,524	17,385	2,524	17,385
Development properties	13	516,114	570,366	–	–
Trade and other receivables, including derivatives	14	83,715	144,917	50,982	79,613
Cash and cash equivalents	15	172,677	327,386	22,644	160,890
		775,030	1,060,054	76,150	257,888
Total assets		6,975,982	7,601,659	2,788,816	3,453,806
Equity attributable to equity holders of the Company					
Share capital	16	156,048	156,048	156,048	156,048
Reserves	17	3,439,919	3,759,681	1,967,858	2,137,201
		3,595,967	3,915,729	2,123,906	2,293,249
Non-controlling interests		14,088	14,263	–	–
Total equity		3,610,055	3,929,992	2,123,906	2,293,249
Non-current liabilities					
Loans and borrowings	18	2,585,013	2,193,979	261,338	143,033
Other liabilities	19	32,291	27,614	5,024	27,276
Deferred income	20	41,853	46,525	–	–
Deferred tax liabilities	12	12,263	20,168	–	–
		2,671,420	2,288,286	266,362	170,309
Current liabilities					
Trade and other payables, including derivatives	21	164,061	108,133	366,311	44,534
Loans and borrowings	18	479,671	1,230,725	12,390	931,487
Deferred income	20	2,001	1,671	–	–
Current tax payable		48,774	42,852	19,847	14,227
		694,507	1,383,381	398,548	990,248
Total liabilities		3,365,927	3,671,667	664,910	1,160,557
Total equity and liabilities		6,975,982	7,601,659	2,788,816	3,453,806

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED INCOME STATEMENT

Year ended 31 December 2023

	Note	2023 \$'000	2022 \$'000
Revenue	22	444,870	435,622
Other gains and fair value changes	23	52,711	39,178
Cost of sales – residential development projects		(137,924)	(126,596)
Direct rental expenses		(22,434)	(19,842)
Exchange differences		(7,377)	(18,413)
Staff costs & directors' remuneration		(16,078)	(11,990)
Other operating expenses		(12,845)	(11,980)
Net finance costs	25	(157,704)	(88,019)
		143,219	197,960
Share of results, net of tax, of:			
- associates	7	(10,230)	32,711
- jointly-controlled entities	8	12,363	45,987
		145,352	276,658
Fair value changes in investment properties	5	(363,921)	(98,749)
(Loss)/profit before tax		(218,569)	177,909
Income tax expense	26	(40,468)	(10,803)
(Loss)/profit for the year	27	(259,037)	167,106
Attributable to:			
Owners of the Company		(259,845)	165,880
Non-controlling interests		808	1,226
(Loss)/profit for the year		(259,037)	167,106
(Loss)/earnings per share			
Basic and diluted (loss)/earnings per share (cents)	28	(39.13)	24.98

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2023

	2023 \$'000	2022 \$'000
(Loss)/profit for the year	(259,037)	167,106
Items that are or may be reclassified subsequently to profit or loss:		
Changes in fair value of cash flow hedges	(21,645)	27,143
Foreign currency translation differences relating to foreign operations	24,767	(62,228)
Exchange differences on hedges of net investment in foreign operations	(5,778)	(38,632)
Share of foreign currency translation differences of equity-accounted investees	(4,523)	(40,096)
Other comprehensive income for the year, net of tax	(7,179)	(113,813)
Total comprehensive income for the year	(266,216)	53,293
Attributable to:		
Owners of the Company	(266,641)	52,814
Non-controlling interests	425	479
Total comprehensive income for the year	(266,216)	53,293

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2023

	Attributable to owners of the Company								Total equity \$'000
	Share capital \$'000	Reserve for own shares \$'000	Capital reserve \$'000	Hedging reserve \$'000	Foreign currency translation reserve \$'000	Retained earnings \$'000	Total \$'000	Non- controlling interests \$'000	
Group									
At 1 January 2022	156,048	(67,796)	791	(14,843)	7,696	3,847,421	3,929,317	20,334	3,949,651
Total comprehensive income for the year									
Profit for the year	–	–	–	–	–	165,880	165,880	1,226	167,106
Other comprehensive income									
Changes in fair value of cash flow hedges	–	–	–	27,143	–	–	27,143	–	27,143
Foreign currency translation differences relating to foreign operations	–	–	–	–	(61,481)	–	(61,481)	(747)	(62,228)
Exchange differences on hedges of net investment in foreign operations	–	–	–	–	(38,632)	–	(38,632)	–	(38,632)
Share of foreign currency translation differences of equity-accounted investees	–	–	–	–	(40,096)	–	(40,096)	–	(40,096)
Total other comprehensive income	–	–	–	27,143	(140,209)	–	(113,066)	(747)	(113,813)
Total comprehensive income for the year	–	–	–	27,143	(140,209)	165,880	52,814	479	53,293
Transactions with owners of the Company, recognised directly in equity									
Distributions to owners of the Company									
Dividend paid to non-controlling shareholder	–	–	–	–	–	–	–	(6,550)	(6,550)
Final tax-exempt dividend paid of 10 cents per share in respect of 2021	–	–	–	–	–	(66,402)	(66,402)	–	(66,402)
Total distributions to owners of the Company	–	–	–	–	–	(66,402)	(66,402)	(6,550)	(72,952)
At 31 December 2022	156,048	(67,796)	791	12,300	(132,513)	3,946,899	3,915,729	14,263	3,929,992

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2023

	Attributable to owners of the Company								
	Share capital \$'000	Reserve for own shares \$'000	Capital reserve \$'000	Hedging reserve \$'000	Foreign currency translation reserve \$'000	Retained earnings \$'000	Total \$'000	Non- controlling interests \$'000	Total equity \$'000
Group									
At 1 January 2023	156,048	(67,796)	791	12,300	(132,513)	3,946,899	3,915,729	14,263	3,929,992
Total comprehensive income for the year									
Loss for the year	-	-	-	-	-	(259,845)	(259,845)	808	(259,037)
Other comprehensive income									
Changes in fair value of cash flow hedges	-	-	-	(21,645)	-	-	(21,645)	-	(21,645)
Foreign currency translation differences relating to foreign operations	-	-	-	-	25,150	-	25,150	(383)	24,767
Exchange differences on hedges of net investment in foreign operations	-	-	-	-	(5,778)	-	(5,778)	-	(5,778)
Share of foreign currency translation differences of equity-accounted investees	-	-	-	-	(4,523)	-	(4,523)	-	(4,523)
Total other comprehensive income	-	-	-	(21,645)	14,849	-	(6,796)	(383)	(7,179)
Total comprehensive income for the year	-	-	-	(21,645)	14,849	(259,845)	(266,641)	425	(266,216)
Transactions with owners of the Company, recognised directly in equity									
Distributions to owners of the Company									
Dividend paid to non-controlling shareholder	-	-	-	-	-	-	-	(600)	(600)
Final tax-exempt dividend paid of 8 cents per share in respect of 2022	-	-	-	-	-	(53,121)	(53,121)	-	(53,121)
Total distributions to owners of the Company	-	-	-	-	-	(53,121)	(53,121)	(600)	(53,721)
At 31 December 2023	156,048	(67,796)	791	(9,345)	(117,664)	3,633,933	3,595,967	14,088	3,610,055

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2023

	Note	2023 \$'000	2022 \$'000
Cash flows from operating activities			
(Loss)/profit for the year		(259,037)	167,106
Adjustments for:			
Depreciation of property, plant and equipment and right-of-use assets	4	1,240	997
Gain on disposal of investment property	23	(46,480)	(2,806)
(Gain)/loss on disposal of property, plant and equipment		(198)	2
Exchange differences		31,335	22,356
Interest income	25	(9,920)	(3,486)
Impairment loss/(writeback of impairment loss) on trade receivables		2	(685)
Write-down of properties held for sale to net realisable values		692	–
Dividend income from investment at FVTPL	23	(112)	(167)
Distribution income from financial assets at FVTPL	23	(2)	(73)
Finance costs	25	167,624	91,505
Fair value changes in investment properties	5	363,921	98,749
Fair value changes in financial assets at FVTPL	23	12,963	(27,286)
Share of results of associates		10,230	(32,711)
Share of results of jointly-controlled entities		(12,363)	(45,987)
Income tax expense		40,468	10,803
		300,363	278,317
Changes in:			
Development properties		51,060	(237,191)
Trade and other receivables		200	(3,522)
Trade and other payables		7,762	49,453
Cash generated from operations		359,385	87,057
Income taxes paid		(40,285)	(29,966)
Net cash generated from operating activities carried forward		319,100	57,091

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2023

	Note	2023 \$'000	2022 \$'000
Net cash generated from operating activities brought forward		319,100	57,091
Cash flows from investing activities			
Net cash outflow on acquisition of a subsidiary (Note A)		–	(1,283,713)
Purchase of property, plant and equipment	4	(3,576)	(10,144)
Proceeds from sale of property, plant and equipment		503	182
Interest received		9,405	2,445
Dividends from investment at FVTPL		112	167
Dividends from associate		101,085	77,137
Investment in jointly-controlled entities		(8,245)	(1,379)
Distributions from associates (capital reduction)		–	122,760
Redemption of preference shares of jointly-controlled entity		68,093	–
Repayment from jointly-controlled entities (non-trade)		84,294	49,589
Additions to investment properties		(165,080)	(31,318)
Proceeds from sale of investment properties		114,380	16,406
Purchase of financial assets at FVTPL		(12,419)	(6,941)
Redemption of financial assets at FVTPL		490	123,935
Distributions from financial assets at FVTPL		15,277	49,900
Net cash generated from/(used in) investing activities		204,319	(890,974)
Cash flows from financing activities			
Proceeds from bank loans		1,210,614	1,640,883
Repayment of bank loans		(1,672,655)	(418,327)
Payment of lease liability		(312)	(216)
Interest paid		(165,789)	(88,759)
Dividend paid		(53,121)	(66,402)
Dividend paid to non-controlling shareholder		(600)	(6,550)
Repayment to non-controlling shareholder		–	(14,785)
Net cash (used in)/generated from financing activities		(681,863)	1,045,844
Net (decrease)/increase in cash and cash equivalents		(158,444)	211,961
Cash and cash equivalents at 1 January		327,386	123,415
Effect of exchange rate fluctuations on cash held		3,735	(7,990)
Cash and cash equivalents at 31 December	15	172,677	327,386

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2023

Note A - Net cash outflow on acquisition of a subsidiary

In 2022, the Group acquired a 100% interest in 34 Leadenhall Street Limited which holds 52 Lime Street, The Scalpel, in London. The acquisition has been accounted for by the acquisition of assets method of accounting.

The identifiable net assets acquired and the net cash outflow are as follows:

	Note	2022 \$'000
Investment property	5	1,305,324
Other assets		653
Other liabilities		(21,611)
Identifiable net assets acquired		1,284,366
Total purchase consideration		1,284,366
Less: Cash and bank balances acquired		(653)
Net cash outflow on acquisition of a subsidiary		1,283,713

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 15 March 2024.

1 DOMICILE AND ACTIVITIES

Ho Bee Land Limited (“the Company”) is incorporated in the Republic of Singapore. The address of the Company’s registered office is 9 North Buona Vista Drive, #11-01 The Metropolis Tower 1, Singapore 138588.

The financial statements of the Company as at and for the year ended 31 December 2023 comprise the Company and its subsidiaries (together referred to as the “Group” and individually as “Group entities”) and the Group’s interests in associates and jointly-controlled entities.

The Group is primarily involved in property development, property investment and investment holding. The immediate and ultimate holding company during the financial year is Ho Bee Holdings (Pte) Ltd, incorporated in the Republic of Singapore.

2 BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)s”). The changes to material accounting policies are described in Note 2.6.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described below.

2.3 Functional and presentation currency

These financial statements are presented in Singapore dollars, which is the Company’s functional currency. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

2.4 Change in presentation of consolidated income statement

The Group changed its presentation of the consolidated income statement to re-order two financial statement captions: net finance costs and fair value changes in investment properties. As a result, certain headings and subtotals have also been aligned. The change is intended to facilitate economic decision-making needs of users and does not impact the profit for the year. This change in presentation was also applied retrospectively with no impact on the comparative results.

2.5 Use of estimates and judgements

The preparation of financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions about the future, including climate-related risks and opportunities, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Group’s risk management and climate-related commitments where appropriate. Revisions to accounting estimates are recognised prospectively.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

2 BASIS OF PREPARATION (CONT'D)

2.5 Use of estimates and judgements (cont'd)

Information about critical judgements in applying accounting policies and assumptions and estimation uncertainties that have the most significant effect on the amounts recognised in the financial statements or have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

- Notes 5 and 36 Valuation of investment properties
- Note 12 and 26 Estimation of provisions for current and deferred taxation
- Note 13 Measurement of realisable amounts of development properties
- Note 34 Estimation of credit loss allowance on trade and other receivables
- Note 34 Valuation of financial instruments

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This framework includes a finance team that reports directly to the Head of Finance, and has overall responsibility for all significant fair value measurements, including Level 3 fair values.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. Significant valuation issues are reported to the Audit & Risk Committee.

When measuring the fair value of an asset or liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is 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 (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values are included in the following notes:

- Note 34 – valuation of financial instruments
- Note 36 – determination of fair values

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

2 BASIS OF PREPARATION (CONT'D)

2.6 Changes in accounting policies

New accounting standards and amendments

The Group has applied the following SFRS(I)s, amendments to and interpretations of SFRS(I) for the first time for the annual period beginning on 1 January 2023:

- SFRS(I) 17: *Insurance Contracts*
- Amendments to SFRS(I) 1-12: *Deferred tax related to Assets and Liabilities arising from a Single Transaction*
- Amendments to SFRS(I) 1-12: *International Tax Reform – Pillar Two Model Rules*
- Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: *Disclosure of Accounting Policies*
- Amendments to SFRS(I) 1-8: *Definition of Accounting Estimates*

The application of these SFRS(I)s, amendments to standards and interpretations did not have a material effect on the Group's consolidated financial statements and the Company's statement of financial position.

Management reviewed the accounting policies and made updates to the information disclosed in Note 3 Material accounting policies (2022: Significant accounting policies) in certain instances in line with the amendments.

3 MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in Note 2.6, which addresses changes in material accounting policies.

In addition, the Group adopted the Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2 *Disclosure of Accounting Policies* from 1 January 2023. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed.

The accounting policies have been applied consistently by the Group entities.

3.1 Basis of consolidation

(i) Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group (see Note ii). In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

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

The Group measures goodwill at the date of acquisition as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interest ("NCI") in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree,

over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (cont'd)

(i) *Business combinations (cont'd)*

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is recognised at fair value at the date of acquisition and included in the consideration transferred. If the contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

When share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards) and relate to past services, then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based value of the replacement awards compared with the market-based value of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

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

Costs related to the acquisition, other than those associated with the issue of debt or equity investments, that the Group incurs in connection with a business combination are expensed as incurred.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(ii) *Subsidiaries*

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

(iii) *Loss of control*

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(iv) *Investments in associates and jointly-controlled entities (equity-accounted investees)*

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies of these entities. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity. A jointly-controlled entity is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investments in associates and jointly-controlled entities are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (cont'd)

(iv) *Investments in associates and jointly-controlled entities (equity-accounted investees) (cont'd)*

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

(v) *Joint operations*

A joint operation is an arrangement in which the Group has joint control whereby the Group has rights to the assets, and obligations for the liabilities, relating to an arrangement. The Group accounts for each of its assets, liabilities and transactions, including its share of those held or incurred jointly, in relation to the joint operation, in accordance with the contractual arrangement governing the joint operation.

(vi) *Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates and jointly-controlled entities are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(vii) *Subsidiaries, associates and jointly-controlled entities in the separate financial statements*

Investments in subsidiaries, associates and jointly-controlled entities are stated in the Company's statement of financial position at cost less accumulated impairment losses.

3.2 Foreign currency

(i) *Foreign currency transactions*

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on translation are recognised in profit or loss, except for the following differences which are recognised in other comprehensive income ("OCI") arising on the translation of:

- an investment in equity securities designated as at fair value through other comprehensive income ("FVOCI");
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent the hedges are effective.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.2 Foreign currency (cont'd)

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

(iii) Net investment in a foreign operation

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation. These are recognised in OCI, and are presented in the foreign currency translation reserve in equity.

(iv) Hedge of a net investment in foreign operation

Foreign currency differences arising on the translation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised in OCI to the extent that the hedge is effective, and are presented within equity in the foreign currency translation reserve. To the extent that the hedge is ineffective, such differences are recognised in profit or loss. When the hedged net investment is disposed of, the relevant amount in the foreign currency translation reserve is transferred to profit or loss as part of the gain or loss on disposal.

3.3 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables and debt investments issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provision of the instrument.

A financial asset (unless it is a trade receivable without significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (cont'd)

(ii) *Classification and subsequent measurement*

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt investments at FVOCI

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity investments at FVOCI

On initial recognition of an equity investment that is not held-for-trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI, at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (cont'd)

(ii) *Classification and subsequent measurement (cont'd)*

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held-for-trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investment at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transaction cost. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. These financial liabilities comprised loans and borrowings, bank overdrafts, and trade and other payables.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire, or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
 - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
 - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (cont'd)

(iii) *Derecognition (cont'd)*

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or when they expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) *Offsetting*

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

(v) *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments. For the purpose of the statement of cash flows, pledged deposits are excluded whilst bank overdrafts that are repayable on demand and that form an integral part of the Group's cash management are included in cash and cash equivalents.

(vi) *Derivative financial instruments and hedge accounting*

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value and any directly attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The Group designates certain derivatives and non-derivative financial instruments as hedging instruments in qualifying hedging relationships. At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationships between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in interest rates.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts ("forward points") is separately accounted for as a cost of hedging and recognised in a cost of hedging reserve within equity.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in the hedging reserve and the cost of hedging reserve is included directly in the initial cost of the non-financial item when it is recognised.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (cont'd)

(vi) *Derivative financial instruments and hedge accounting (cont'd)*

Cash flow hedges (cont'd)

For all other hedged forecast transactions, the amount accumulated in the hedging reserve and the cost of hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve and the cost of hedging reserve remains in equity until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to profit or loss.

Net investment hedges

The Group designates certain derivative and non-derivative financial liabilities as hedges of foreign exchange risk on a net investment in a foreign operation.

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of, for a derivative, changes in the fair value of the hedging instrument or, for a non-derivative, foreign exchange gains or losses is recognised in OCI and presented in the translation reserve within equity. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains or losses on the non-derivative is recognised immediately in profit or loss. The amount recognised in OCI is reclassified to profit or loss as a reclassification adjustment on disposal of the foreign operation.

(vii) *Share capital*

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with SFRS(I) 1-12.

Repurchase, disposal and reissue of share capital (treasury shares)

Where share capital recognised as equity is repurchased (treasury shares), the amount of the consideration paid, including directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the reserve for own share account. Where such shares are subsequently reissued, sold or cancelled, the consideration received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in non-distributable capital reserve.

(viii) *Intra-group financial guarantees in the separate financial statements*

Financial guarantees are financial instruments issued by the Company that require the issuer to make specified payments to reimburse the holder for the loss it incurs because a specified debtor fails to meet payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at the higher of the loss allowance determined in accordance with SFRS(I) 9 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15.

Expected credit losses ("ECLs") are a probability-weighted estimate of credit losses. ECLs are measured for financial guarantees issued as the expected payments to reimburse the holder less any amounts that the Company expects to recover.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (cont'd)

(viii) *Intra-group financial guarantees in the separate financial statements (cont'd)*

Liabilities arising from financial guarantees are included within 'loans and borrowings'.

3.4 Property, plant and equipment

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and is recognised net within other income/other expenses in profit or loss.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Paintings and sculptures are not depreciated. Depreciation on other property, plant and equipment is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

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

The estimated useful lives for the current and comparative years are as follows:

Freehold property	50 years
Leasehold improvements	5 to 10 years
Furniture, fittings and office equipment	5 years
Motor vehicles	5 years
Right-of-use asset – office premise	3 to 5 years

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date. Property, plant and equipment which are fully depreciated, are retained in the financial statements until they are no longer in use.

3.5 Investment properties

Investment properties comprise of completed properties and properties under development held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss. At each year end, the Group's investment property portfolio is valued by an external, independent valuation company, having appropriate recognised professional qualifications. Rental income from investment properties is accounted for in the manner described in Note 3.13.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss. When an investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.5 Investment properties (cont'd)

When the use of a property changes such that it is reclassified as property, plant and equipment, or development properties, its fair value at the date of reclassification becomes its cost for subsequent accounting.

Property that is being constructed for future use as investment property is accounted for at fair value.

Where a property is expected to be sold within the foreseeable future, it is reclassified to current assets in the statement of financial position. The property is measured at fair value with any change recognised in profit or loss.

3.6 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.6 Leases (cont'd)

As a lessee (cont'd)

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, then the Group applies SFRS(I) 15 to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements in SFRS(I) 9 to the net investment in the lease (see Note 3.8(i)). The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognises lease payments received from investment property under operating leases as income on a straight-line basis over the lease term as part of 'revenue'.

3.7 Impairment

(i) Non-derivative financial assets

The Group recognises loss allowances for expected credit losses ("ECLs") on:

- financial assets measured at amortised costs; and
- intra-group financial guarantee contracts ("FGC").

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.7 Impairment (cont'd)

(i) *Non-derivative financial assets (cont'd)*

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Company considers a FGC to be in default when the debtor of the loan is unlikely to pay its credit obligations to the creditor and the Company in full, without recourse by the Company to actions such as realising security (if any is held). The Company only applies a discount rate if, and to the extent that, the risks are not taken into account by adjusting the expected cash shortfalls.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.7 Impairment (cont'd)

(i) *Non-derivative financial assets (cont'd)*

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Loss allowances for FGC are recognised as a financial liability to the extent that they exceed the initial carrying amount of the FGC less the cumulated income recognised.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) *Non-financial assets*

The carrying amounts of the Group's non-financial assets, other than investment properties, development properties and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amounts are estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. For the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

An impairment loss in respect of an associate or joint venture is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with the requirements for non-financial assets. An impairment loss is recognised in profit or loss. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount and only to the extent that the recoverable amount increases.

Goodwill that forms part of the carrying amount of an investment in an associate or joint venture is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate or joint venture is tested for impairment as a single asset when there is objective evidence that the investment in an associate or joint venture may be impaired.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.8 Development properties

Development properties are those properties which are held with the intention of development and sale in the ordinary course of business. They are measured at the lower of cost and net realisable value. Cost includes acquisition costs, development expenditure, capitalised borrowing costs (applicable to construction of a development for which revenue is to be recognised at a point in time) and other costs directly attributable to the development activities.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. The write-down to net realisable value is presented as allowance for foreseeable losses.

3.9 Employee benefits

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual, or voluntary basis. The Group has no further payment obligations once the contributions have been paid. Obligations for contributions are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

Short-term employee benefits

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

3.10 Interest-free related party loans – non-quasi equity

Loans to subsidiaries and associate

Interest-free loans to subsidiaries and associate are stated at fair value at inception. The difference between the fair value and the loan amount at inception is recognised as additional investments in subsidiaries and associate in the financial statements. Subsequently, these loans are measured at amortised cost using the effective interest method. The unwinding of the difference is recognised as interest income in profit or loss over the expected repayment period.

Intra-group balances between the Company and its subsidiaries are eliminated in full in the Group's consolidated financial statements.

3.11 Revenue recognition

Sale of development properties in Singapore and overseas

Revenue is recognised when control over the property has been transferred to the customer.

In respect of a development property where the Group has an enforceable right to payment for performance completed to date, revenue is recognised based on the percentage of completion. The percentage of completion is measured by reference to the work performed, based on the stage of completion certified by quantity surveyors. Profits are recognised only in respect of finalised sales contracts to the extent that such profits relate to the progress of the construction work.

In respect of a development property where the Group has no enforceable right to payment until the property is delivered to the customer (i.e. overseas property development projects where no progress payments are received from purchasers during construction), revenue is recognised upon handover of units to the customers.

Revenue is measured at the transaction price agreed under the contract. Progress billings to the customer are based on a payment schedule in the contract and are typically triggered upon achievement of specified construction milestones.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.11 Revenue recognition (cont'd)

Sale of development properties in Singapore and overseas (cont'd)

Where the period between the satisfaction of a performance obligation and payment by the customer exceeds a year, the Group adjusts the transaction price with its customer and recognises a financing component. In adjusting for the financing component, the Group uses a discount rate that would reflect that of a separate financing transaction between the Group and its customer at contract inception.

Rental income

Rental income receivable under operating leases is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income to be received. Contingent rentals are recognised as income in the accounting period in which they are earned.

Dividend income

Dividend income is recognised on the date that the shareholder's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Interest income

Interest income from bank deposits is recognised as it accrues, using the effective interest method.

Management fee income

The Group recognises income over time as the services are rendered.

3.12 Finance income and finance costs

The Group's finance income and finance costs include:

- interest income on funds invested;
- interest expense on borrowings; and
- hedge ineffectiveness recognised in profit or loss.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.13 Tax

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

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*.

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

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

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences relating to investments in subsidiaries, associates and jointly-controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on initial recognition of goodwill.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the carrying amount of the investment property is presumed to be recovered through sale, and the Group has not rebutted this presumption. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date, and reflects uncertainty related to income taxes, if any.

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

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

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

3.14 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted-average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.15 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by management to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to management include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses, and tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the year to acquire investment properties.

3.16 New standards and amendments not adopted

A number of new accounting standards and amendments to standards are effective for annual periods beginning after 1 January 2023 and earlier application is permitted; however, the Group has not early adopted the new or amended accounting standards in preparing these financial statements.

The following amendments to SFRS(I)s are not expected to have a significant impact on the Group's consolidated financial statements.

- Amendments to SFRS(I) 1-1: *Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants*
- Amendments to SFRS(I) 1-7 and SFRS(I) 7: *Supplier Finance Arrangements*
- Amendments to SFRS(I) 16: *Lease Liability in a Sale and Leaseback*
- Amendments to SFRS(I) 1-21: *Lack of Exchangeability*

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

4 PROPERTY, PLANT AND EQUIPMENT

Group	Freehold property \$'000	Right-of-use asset \$'000	Leasehold improvements \$'000	Paintings and sculptures \$'000	Furniture, fittings and office equipment \$'000	Motor vehicles \$'000	Total \$'000
Cost							
At 1 January 2022	1,722	521	1,536	40,087	6,194	2,275	52,335
Additions	–	577	47	8,590	848	657	10,719
Disposals	–	(43)	–	–	(233)	(230)	(506)
Effects of movements in exchange rate	(122)	(83)	(101)	–	(86)	(51)	(443)
At 31 December 2022	1,600	972	1,482	48,677	6,723	2,651	62,105
Additions	–	247	–	765	1,244	1,320	3,576
Disposals	–	–	(626)	–	(664)	(816)	(2,106)
Effects of movements in exchange rate	(18)	(14)	30	–	(11)	28	15
At 31 December 2023	1,582	1,205	886	49,442	7,292	3,183	63,590
Accumulated depreciation							
At 1 January 2022	343	106	1,012	–	5,238	1,128	7,827
Depreciation charge for the year	34	208	86	–	287	382	997
Disposals	–	(32)	–	–	(120)	(159)	(311)
Effects of movements in exchange rate	(26)	(17)	(48)	–	(20)	(45)	(156)
At 31 December 2022	351	265	1,050	–	5,385	1,306	8,357
Depreciation charge for the year	31	308	92	–	435	374	1,240
Disposals	–	–	(626)	–	(661)	(513)	(1,800)
Effects of movements in exchange rate	(4)	–	17	–	1	7	21
At 31 December 2023	378	573	533	–	5,160	1,174	7,818
Carrying amounts							
At 1 January 2022	1,379	415	524	40,087	956	1,147	44,508
At 31 December 2022	1,249	707	432	48,677	1,338	1,345	53,748
At 31 December 2023	1,204	632	353	49,442	2,132	2,009	55,772

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

4 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company	Right-of-use asset \$'000	Furniture, fittings and office equipment \$'000	Motor vehicles \$'000	Paintings \$'000	Total \$'000
Cost					
At 1 January 2022	5,368	3,583	729	3	9,683
Additions	–	67	536	–	603
Disposals	–	–	(230)	–	(230)
At 31 December 2022	5,368	3,650	1,035	3	10,056
Additions	13	72	754	–	839
Derecognition	(5,381)	–	–	–	(5,381)
At 31 December 2023	–	3,722	1,789	3	5,514
Accumulated depreciation					
At 1 January 2022	3,333	3,483	213	–	7,029
Depreciation charge for the year	1,110	56	111	–	1,277
Disposals	–	–	(159)	–	(159)
At 31 December 2022	4,443	3,539	165	–	8,147
Depreciation charge for the year	938	58	183	–	1,179
Derecognition	(5,381)	–	–	–	(5,381)
At 31 December 2023	–	3,597	348	–	3,945
Carrying amounts					
At 1 January 2022	2,035	100	516	3	2,654
At 31 December 2022	925	111	870	3	1,909
At 31 December 2023	–	125	1,441	3	1,569

The Company leases its office space from a subsidiary. The right-of-use asset arising from this lease is presented as part of property, plant and equipment. The lease ended on 31 October 2023.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

5 INVESTMENT PROPERTIES

	Note	Group 2023 \$'000	2022 \$'000
Freehold properties			
At 1 January		3,214,716	2,511,220
Capital expenditure/addition	(i)	10,446	1,305,324
Disposals		(67,900)	–
Fair value changes		(468,852)	(189,541)
Exchange differences		115,992	(412,287)
At 31 December		2,804,402	3,214,716
Leasehold properties			
At 1 January		2,541,399	2,441,773
Capital expenditure		154,634	31,318
Disposal		–	(13,600)
Fair value changes		104,931	90,792
Exchange differences		2,403	(8,884)
At 31 December		2,803,367	2,541,399
Total investment properties		5,607,769	5,756,115

(i) On 7 March 2022, the Group acquired a 100% interest in 34 Leadenhall Street Limited which holds 52 Lime Street, The Scalpel, in London.

Investment properties comprise a number of commercial properties that are leased to third party customers. Each of the leases contains an initial non-cancellable period of 1 to 15 years. Subsequent renewals are negotiated with the lessees. During the year, contingent rent of \$120,000 (2022: \$240,000) was charged and recognised as rental income in profit or loss.

Certain investment properties with carrying value amounting to \$5,505,747,000 (2022: \$4,546,238,000) have been pledged to secure banking facilities granted to the Group (see Note 18).

Investment properties are stated at fair value based on valuations carried out by independent external valuers, namely Savills Valuation & Professional Services (S) Pte Ltd, and Cushman & Wakefield Debenham Tie Leung Limited. The valuers have recognised professional qualifications and relevant experience in the location and category of property being valued. In determining the fair value, the valuers have used valuation techniques which involve certain key assumptions.

In 2023, the Group recognised a net fair value loss of \$363,921,000 (2022: \$98,749,000) on its investment properties. See Note 36 – Determination of fair values for disclosure on the valuation techniques used by the independent valuers.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

6 SUBSIDIARIES

	Company	
	2023	2022
	\$'000	\$'000
Equity investments, at cost	643,922	1,474,063
Discount implicit in interest-free loans to subsidiaries	2,161	2,161
Impairment loss	(123,109)	(7,152)
	522,974	1,469,072

Impairment loss

Impairment loss of \$115,957,000 (2022: nil) was recognised on the Company's investment in subsidiaries, taking into consideration the fair values of the underlying assets and liabilities held by the subsidiaries. The fair value measurement was categorised as a Level 3 in the fair value hierarchy as it is derived from unobservable inputs.

Details of the material subsidiaries are as follows:

Name of company	Country of incorporation	Effective equity held by the Group	
		2023	2022
		%	%
Ho Bee Developments Pte Ltd	Singapore	100	100
Ho Bee Realty Pte Ltd	Singapore	100	100
Ho Bee (One North) Pte Ltd	Singapore	100	100
HB Croydon Pte Ltd	Singapore	100	100
HB Doncaster Pty Ltd	Australia	100	100
HB VIC Pty Ltd	Australia	100	100
HB QLD Pty Ltd	Australia	100	100
Stream Field Investments Limited [#]	British Virgin Islands	100	100
Grandeur Property Investments Ltd [#]	British Virgin Islands	100	100
34 Leadenhall Street Limited [#]	Island of Jersey	100	100
HB Lime Street Limited [#]	Island of Jersey	100	100

[#] Not required to be audited under the laws in the country of incorporation.

KPMG LLP are the auditors of all material Singapore-incorporated subsidiaries.

KPMG Melbourne are the auditors of all material Australia-incorporated subsidiaries.

The Group does not have non-controlling interest of which its results are material to the Group.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

6 SUBSIDIARIES (CONT'D)

Acquisition of a subsidiary

In 2022, the Group acquired a 100% interest in 34 Leadenhall Street Limited which holds 52 Lime Street, The Scalpel, in London for a cash consideration of \$1,284,366,000. The acquisition has been accounted for by the acquisition of assets method of accounting.

7 ASSOCIATES

	Group		Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Interests in associates	53,902	108,180	4,136	7,237

There was no associate that was individually material to the Group (2022: nil).

Reconciliation of carrying amounts of interest in associates

	Group \$'000
Balance at 1 January 2023	108,180
Group's share of results from continuing operations	(6,830)
Group's writeback of provision for foreseeable loss during the year	1,624
Dividends declared during the year	(46,813)
Foreign currency translation differences	(2,259)
Balance at 31 December 2023	53,902
	Group \$'000
Balance at 1 January 2022	369,545
Group's share of results from continuing operations	32,111
Group's writeback of provision for foreseeable loss during the year	600
Capital reduction with no change in effective shareholding	(122,760)
Dividends declared during the year	(138,814)
Foreign currency translation differences	(32,502)
Balance at 31 December 2022	108,180

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

8 JOINTLY-CONTROLLED ENTITIES

	Group		Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Interests in jointly-controlled entities	379,392	433,124	310,092	378,185
Impairment loss	–	–	(87,937)	(87,937)
	379,392	433,124	222,155	290,248

There was no jointly-controlled entity that was individually material to the Group (2022: nil). These jointly-controlled entities are structured as separate vehicles and the Group has a residual interest in their net assets.

Reconciliation of carrying amounts of interest in jointly-controlled entities

	Group \$'000
Balance at 1 January 2023	433,124
Group's share of results from continuing operations	12,363
Intra-group eliminations ¹	(3,983)
Group's capital contribution during the year	8,245
Group's redemption of preference shares	(68,093)
Foreign currency translation differences	(2,264)
Balance at 31 December 2023	379,392

	Group \$'000
Balance at 1 January 2022	395,501
Group's share of results from continuing operations	21,987
Group's writeback of allowance for foreseeable losses on development projects	24,000
Adjusted Group's share of results	45,987
Intra-group eliminations ¹	(2,148)
Group's capital contribution during the year	1,379
Foreign currency translation differences	(7,595)
Balance at 31 December 2022	433,124

¹ Includes elimination of intercompany loan interest and management fee for the year.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

8 JOINTLY-CONTROLLED ENTITIES (CONT'D)

Company

The cumulative impairment loss as at 31 December 2023 is \$87,937,000 (2022: \$87,937,000).

During the year, no impairment loss was recognised (2022: writeback of impairment loss of \$37,560,000) on the Company's investment in its jointly-controlled entities, taking into consideration the net realisable values of the underlying assets held by the jointly-controlled entities.

Movements in impairment loss on the Company's jointly-controlled entities are as follows:

	Company	
	2023	2022
	\$'000	\$'000
At 1 January	87,937	125,497
Writeback of impairment loss for the year	–	(37,560)
At 31 December	87,937	87,937

9 OTHER ASSETS

	Group	
	2023	2022
	\$'000	\$'000
At cost		
Club membership	150	150

10 FINANCIAL ASSETS

	Note	Group		Company	
		2023	2022	2023	2022
		\$'000	\$'000	\$'000	\$'000
Non-current					
Investments designated at FVTPL:					
- Quoted equity securities		5,368	4,089	–	–
- Private equity funds		–	81	–	–
- European property fund		27,939	33,961	27,939	33,961
Investments mandatorily at FVTPL:					
- Debt instruments – subscription of notes	(i)	31,225	26,265	31,225	26,265
Investments designated at FVOCI:					
- Unquoted equity securities		77	78	–	–
		64,609	64,474	59,164	60,226
Current					
Investments mandatorily at FVTPL:					
- Debt instruments – subscription of notes	(i)	2,524	17,385	2,524	17,385
		67,133	81,859	61,688	77,611

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

10 FINANCIAL ASSETS (CONT'D)

- (i) Included in debt instruments is the Company's subscription of notes via a private placement in Europe. Proceeds from the private placement were used for investing in commercial properties. Distribution and redemption of the notes, including interest at 8% per annum, is dependent on the underlying properties' performance. As the contractual cash flows from the notes are not solely payments of principal and interest, the debt instruments are mandatorily measured at FVTPL.

Refer to Note 34 – estimation of fair values for financial assets and valuation processes applied by the Group for these investments.

11 OTHER RECEIVABLES

		Group		Company	
	Note	2023	2022	2023	2022
		\$'000	\$'000	\$'000	\$'000
Non-current assets					
Other deposits		620	–	1	–
Other receivables		–	734	–	–
Prepayments		100	386	–	–
		720	1,120	1	–
Amounts due from subsidiaries (non-trade)					
- interest bearing	(i)	–	–	934,189	743,943
- non-interest bearing	(ii)	–	–	951,330	499,319
		–	–	1,885,519	1,243,262
Amounts due from jointly-controlled entities (non-trade)					
- interest bearing	(i)	30,959	117,506	10,468	117,506
- non-interest bearing	(ii)	7,147	6,933	6,680	6,458
		38,106	124,439	17,148	123,964
		38,826	125,559	1,902,668	1,367,226

- (i) Interest-bearing amounts due from subsidiaries and jointly-controlled entities are charged at an interest rate of 2.00% to 8.11% (2022: 2.00% to 5.00%) and 3.60% to 12.70% (2022: 2.00% to 3.60%) per annum, respectively.
- (ii) Amounts owing from subsidiaries and jointly-controlled entities are unsecured, interest-free, and have no fixed terms of repayment. The settlement of these balances is neither planned nor likely to occur in the foreseeable future, and hence are classified as non-current receivables. Allowance for impairment on the amounts owing by subsidiaries and jointly-controlled entities under SFRS(I) 9 is insignificant.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

12 DEFERRED TAX

Movements in deferred tax liabilities of the Group (prior to offsetting of balances) during the year are as follows:

	At 1 January 2022 \$'000	Recognised in income statement (Note 26) \$'000	Exchange differences \$'000	At 31 December 2022 \$'000	Recognised in income statement (Note 26) \$'000	Exchange differences \$'000	At 31 December 2023 \$'000
Group							
Deferred tax liabilities							
Investment properties	23,877	(8,415)	(2,082)	13,380	(13,449)	216	147
Development properties	2,165	3,845	(373)	5,637	4,298	(36)	9,899
Others	57	1,137	(43)	1,151	1,062	4	2,217
	26,099	(3,433)	(2,498)	20,168	(8,089)	184	12,263
Deferred tax assets							
Tax losses	142	127	(14)	255	272	5	532

13 DEVELOPMENT PROPERTIES

	Group	
	2023 \$'000	2022 \$'000
Properties for which revenue is to be recognised at a point in time		
Properties held for sale	78,551	77,378
Properties under development	438,769	493,482
	517,320	570,860
Allowance for foreseeable losses	(1,206)	(494)
Total development properties	516,114	570,366

During the year, development properties of \$128,373,000 (2022: \$120,947,000) were recognised as cost of sales and included in 'cost of sales – residential development projects'.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

13 DEVELOPMENT PROPERTIES (CONT'D)

Movements in allowance for foreseeable losses are as follows:

	Group	
	2023	2022
	\$'000	\$'000
At 1 January	(494)	(551)
Allowance made	(692)	–
Exchange differences	(20)	57
At 31 December	(1,206)	(494)

The Group's development properties are carried at lower of cost and net realisable value. The determination of net realisable value requires judgement and estimate by management. The Group estimates the level of allowance for foreseeable losses based on the prevailing selling prices of the development properties or similar development properties within the vicinity at the reporting date, and costs to be incurred in selling the property. In the absence of current prices in an active market, valuations were obtained from an independent property valuer. Where necessary, allowance for foreseeable losses would be recorded as a result of deterioration in the estimated market values for development properties.

During the year, allowance for foreseeable losses of \$692,000 (2022: nil) was made due to the Group's write-down of properties held for sale to net realisable values.

Certain development properties with carrying value amounting to \$27,314,000 (2022: \$26,934,000) were pledged to secure banking facilities granted to the Group (see Note 18).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

14 TRADE AND OTHER RECEIVABLES, INCLUDING DERIVATIVES

	Group		Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Trade receivables	35,364	16,577	–	–
Accrued rent receivables	3,847	5,270	–	–
Impairment losses	(52)	(50)	–	–
Net trade receivables	39,159	21,797	–	–
Other deposits	6,263	7,824	121	150
Amounts due from:				
- subsidiaries (non-trade)				
- interest bearing	–	–	30,931	8,997
- non-interest bearing	–	–	19,646	5,190
- jointly-controlled entities (non-trade)				
- interest bearing	18,976	12,959	–	–
- non-interest bearing	219	–	218	–
Other receivables	3,707	82,770	–	65,108
Derivative financial asset	4,923	12,300	–	–
	73,247	137,650	50,916	79,445
GST recoverable	6,619	1,903	–	–
Prepayments	2,606	1,157	66	168
Tax recoverable	1,243	4,207	–	–
	83,715	144,917	50,982	79,613

Amounts due from subsidiaries and jointly-controlled entities are unsecured and repayable within the next 12 months. These balances are amounts lent to subsidiaries and jointly-controlled entities to meet their short-term funding requirements. Interest-bearing amounts due from subsidiaries and jointly-controlled entities are charged at an interest rate of 2.00% to 2.50% (2022: 2.00% to 2.50%) and 7.50% to 10.00% (2022: 7.50%) per annum, respectively.

In 2022, other receivables included an amount of \$58,593,000 pertaining to dividend declared and receivable from a China associate. The amount has been fully received in 2023.

The measurement of expected credit loss on trade and other receivables involves management's estimate of the credit risk of the financial instruments and reflects the Group's assessment of economic conditions and possible default events over the expected lives of these receivables. Refer to Note 34 for the Group's assessment on credit risk exposure and determination of expected credit loss ("ECL").

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

15 CASH AND CASH EQUIVALENTS

	Group		Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Cash at banks and in hand	81,704	80,167	2,604	11,209
Fixed deposits	90,973	247,219	20,040	149,681
	172,677	327,386	22,644	160,890

The weighted average effective interest rates relating to fixed deposits at the balance sheet date for the Group is 4.76% (2022: 3.78%) per annum.

16 SHARE CAPITAL

Group and Company	
2023	2022
Number of shares '000	Number of shares '000

Fully paid ordinary shares, with no par value:

At 1 January and 31 December	703,338	703,338

As at 31 December 2023, included in the total number of ordinary shares was 39,321,600 (2022: 39,321,600) shares purchased by the Company (the "Treasury Shares") by way of market acquisition at an average price of \$1.72 per share. The Treasury Shares were deducted from total equity (see Note 17).

The holders of ordinary shares (excluding treasury shares) are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares (excluding treasury shares) rank equally with regard to the Company's residual assets.

Capital management

The Board's policy is to maintain an adequate capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Board of Directors monitors the return on capital, which the Group defines as net profit divided by total shareholders' equity, excluding non-controlling interests. The Board of Directors also monitors the level of dividends to ordinary shareholders. The Group funds its operations and growth through a mix of equity and debt. This includes the maintenance of adequate lines of credit and assessing the need to raise additional equity where required.

From time to time, the Group may undertake share purchases or acquisitions under its approved Share Purchase Mandate if and when circumstances permit, as part of the Group's management mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements, in an expedient and cost-efficient manner. The purchases or acquisitions of its shares seek to increase shareholders' values and provide greater flexibility over the Company's share capital structure.

There were no changes in the Group's approach to capital management during the year.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

16 SHARE CAPITAL (CONT'D)

The net gearing ratio is calculated as net debt divided by total equity (excluding non-controlling interests). Net debt is calculated as borrowings less cash and cash equivalents.

	Group		Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Borrowings	3,064,684	3,424,704	273,728	1,074,520
Less: Cash and cash equivalents	(172,677)	(327,386)	(22,644)	(160,890)
Net debt	2,892,007	3,097,318	251,084	913,630
Total equity (excluding non-controlling interests)	3,595,967	3,915,729	2,123,906	2,293,249
Net gearing ratio	0.80	0.79	0.12	0.40

Certain entities in the Group are required to comply with externally imposed capital requirements in respect of some of their external borrowings, and these have either been complied with, or waived by the lenders during the year.

17 RESERVES

	Group		Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Reserve for own shares	(67,796)	(67,796)	(67,796)	(67,796)
Capital reserve	791	791	–	–
Hedging reserve	(9,345)	12,300	(2,931)	–
Foreign currency translation reserve	(117,664)	(132,513)	–	–
Retained earnings	3,633,933	3,946,899	2,038,585	2,204,997
	3,439,919	3,759,681	1,967,858	2,137,201

Reserve for own shares

Reserve for own shares comprises the cost of the Company's shares held by the Group.

Capital reserve

The capital reserve which arose prior to 1 January 2001, comprises negative goodwill arising on acquisition of interests in subsidiaries and effect of discounting of a loan extended to a subsidiary.

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

17 RESERVES (CONT'D)

Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the functional currency of the Company, the gain or loss on instruments used to hedge the Group's net investment in foreign operations that are determined to be effective hedges and exchange differences on monetary items which form part of the Group's net investment in foreign operations, provided certain conditions are met.

18 LOANS AND BORROWINGS

	Group		Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Non-current liabilities				
Secured bank loans	2,484,587	2,193,486	161,338	143,033
Unsecured bank loan	100,000	–	100,000	–
Lease liabilities	426	493	–	–
	2,585,013	2,193,979	261,338	143,033
Current liabilities				
Secured bank loans	479,439	1,230,498	12,390	930,515
Lease liabilities	232	227	–	972
	479,671	1,230,725	12,390	931,487
	3,064,684	3,424,704	273,728	1,074,520

The bank loans are secured on the following assets:

		Group	
	Note	2023	2022
		\$'000	\$'000
Investment properties	5	5,505,747	4,546,238
Development properties	13	27,314	26,934
Carrying amounts		5,533,061	4,573,172

In addition, the Group's bank loans are secured by legal assignment of sales and rental proceeds of the above properties pledged.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

18 LOANS AND BORROWINGS (CONT'D)

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

	Effective interest rate %	Expected year of maturity	Face value \$'000	Carrying amount \$'000
Group				
31 December 2023				
Secured bank loans	2.96 – 6.67	2024 – 2028	2,964,026	2,964,026
Unsecured bank loan	5.81	2025	100,000	100,000
Lease liabilities	4.00	2024 – 2028	706	658
31 December 2022				
Secured bank loans	1.05 – 5.05	2023 – 2026	3,423,984	3,423,984
Lease liabilities	4.00	2023 – 2028	786	720
Company				
31 December 2023				
Secured bank loans	4.60 – 4.79	2027	173,728	173,728
Unsecured bank loan	5.81	2025	100,000	100,000
31 December 2022				
Secured bank loans	1.17 – 5.05	2023 – 2025	1,073,548	1,073,548
Lease liabilities	2.50	2023	983	972

The Group's bank loans are all pegged to floating rates.

Intra-group financial guarantees

Intra-group financial guarantees comprise guarantees provided by the Company to banks in respect of banking facilities amounting to \$2,892,399,000 (2022: \$2,464,332,000) extended to its subsidiaries and jointly-controlled entities. The Group's financial guarantees relate to those extended by the Company to jointly-controlled entities. The periods in which the financial guarantees expire are as follows:

	Group		Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Less than 1 year	–	111,475	470,177	410,662
Between 1 and 5 years	93,975	–	2,422,222	2,053,670
More than 5 years	–	–	–	–
	93,975	111,475	2,892,399	2,464,332

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

18 LOANS AND BORROWINGS (CONT'D)

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Liabilities			Derivative liabilities/ (assets) held to hedge long-term borrowings	
	Bank loans	Lease liabilities	Amount due to non-controlling shareholder	Interest rate swap – net liabilities/ (assets)	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Group					
Balance at 1 January 2022	2,545,336	423	17,666	14,843	2,578,268
Changes from financing cash flows					
Proceeds from bank loans	1,640,883	–	–	–	1,640,883
Repayment of liabilities	(418,327)	(216)	(14,785)	–	(433,328)
Interest paid	(88,745)	(14)	–	–	(88,759)
Total changes from financing cash flows	1,133,811	(230)	(14,785)	–	1,118,796
Exchange differences	(346,654)	(64)	(176)	–	(346,894)
Fair value changes	–	–	–	(27,143)	(27,143)
Other changes					
Liability-related					
Lease liabilities recognised	–	577	–	–	577
Interest expense	91,491	14	–	–	91,505
Total liability-related other changes	91,491	591	–	–	92,082
Balance at 31 December 2022	3,423,984	720	2,705	(12,300)	3,415,109
Balance at 1 January 2023	3,423,984	720	2,705	(12,300)	3,415,109
Changes from financing cash flows					
Proceeds from bank loans	1,210,614	–	–	–	1,210,614
Repayment of liabilities	(1,672,655)	(312)	–	–	(1,672,967)
Interest paid	(165,757)	(32)	–	–	(165,789)
Total changes from financing cash flows	(627,798)	(344)	–	–	(628,142)
Exchange differences	100,248	4	(24)	–	100,228
Fair value changes	–	–	–	21,645	21,645
Other changes					
Liability-related					
Lease liabilities recognised	–	246	–	–	246
Interest expense	167,592	32	–	–	167,624
Total liability-related other changes	167,592	278	–	–	167,870
Balance at 31 December 2023	3,064,026	658	2,681	9,345	3,076,710

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

19 OTHER LIABILITIES

	Group		Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Amount due to subsidiary (non-trade)	–	–	–	27,276
Rental deposits	20,026	24,909	–	–
Sales deposits	4,560	–	–	–
Amount due to non-controlling shareholder (non-trade)	2,681	2,705	–	–
Amount due to related company (non-trade)	5,024	–	5,024	–
	32,291	27,614	5,024	27,276

Amount due to a subsidiary is unsecured and interest-free, and not expected to be repayable within the next 12 months.

Amount due to a non-controlling shareholder (non-trade) represents the non-controlling shareholder's net investment in the Group. The amount is unsecured and interest-free, and not expected to be repayable within the next 12 months. Accordingly, this non-current financial liability is measured at amortised cost.

Amount due to a related company (non-trade) is unsecured and interest-free, and not expected to be repayable within the next 12 months.

20 DEFERRED INCOME

	Group	
	2023	2022
	\$'000	\$'000
Rental advances from tenants:		
- non-current	41,853	46,525
- current	2,001	1,671
	43,854	48,196

Included within rental advances from tenants is an amount of \$40,513,000 (2022: \$42,183,000) received by the Group arising from its sale of a 30-year leasehold interest in an investment property with 999-year tenure in 2018. The sale proceeds are amortised and recognised as rental income over the 30-year leasehold period.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

21 TRADE AND OTHER PAYABLES, INCLUDING DERIVATIVES

	Group		Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Sales deposits	12,333	10,758	–	–
Rental deposits	3,412	5,112	–	–
Advance rental	18,862	28,880	–	–
Accrued operating expenses and development expenditure	59,213	26,542	3,242	6,688
Amounts due to subsidiaries (non-trade)	–	–	345,242	37,526
Other payables	44,403	29,257	–	47
Derivative financial liabilities	17,528	–	17,528	–
Goods and services tax payable	8,310	7,584	299	273
	164,061	108,133	366,311	44,534

Amounts due to subsidiaries (non-trade) are unsecured and interest-free, and are repayable on demand.

22 REVENUE

Revenue represents the sale of development properties, rental income and service charges, after eliminating inter-company transactions.

	Group	
	2023	2022
	\$'000	\$'000
Revenue from contracts with customers:		
- sales of development properties, transferred at a point in time	189,072	175,940
Rental income and service charges from:		
- investment properties	252,961	255,844
- development properties	2,837	3,838
	444,870	435,622

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

23 OTHER GAINS AND FAIR VALUE CHANGES

	Group	
	2023	2022
	\$'000	\$'000
Income from property management services	1,515	1,263
Management fee income	3,454	878
Dividend income from investment at FVTPL	112	167
Realised gains from financial assets at FVTPL	2	73
Fair value changes in financial assets at FVTPL	(12,963)	27,286
Gain on disposal of investment properties	46,480	2,806
Surrender premium received from tenant	8,929	–
Rent top-up received from vendor	3,892	–
Right-to-lights compensation	–	4,064
Dilapidation income	–	1,799
Others	1,290	842
	52,711	39,178

24 DIRECTORS' REMUNERATION

Number of directors in remuneration bands:

	2023	2022
	Number of Directors	Number of Directors
\$500,000 and above	3	3
\$250,000 to \$499,999	–	–
Below \$250,000	6*	6*
Total	9	9

* Comprises 6 (2022: 6) non-executive directors.

25 FINANCE INCOME AND FINANCE COSTS

	Group	
	2023	2022
	\$'000	\$'000
Interest income from debt investments carried at amortised cost/finance income	9,920	3,486
Interest expenses on financial liabilities measured at amortised cost/finance costs	(167,624)	(91,505)
Net finance costs recognised in profit or loss	(157,704)	(88,019)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

26 INCOME TAX EXPENSE

	Note	Group 2023 \$'000	2022 \$'000
Current tax expense			
Current year		43,209	48,300
Under/(over) provision in respect of prior years		4,376	(36,940)
		47,585	11,360
Deferred tax expense			
Movements in temporary differences		(11,492)	4,500
Under/(over) provision in respect of prior years		3,131	(8,060)
	12	(8,361)	(3,560)
Withholding tax		1,244	3,003
Total income tax expense		40,468	10,803
Reconciliation of effective tax rate			
(Loss)/profit for the year		(259,037)	167,106
Total income tax expense		40,468	10,803
(Loss)/profit before income tax		(218,569)	177,909
Tax calculated using Singapore tax rate of 17% (2022: 17%)		(37,157)	30,245
Expenses not deductible for tax purposes		104,862	43,118
Tax exempt revenue		(70)	(122)
Income not subject to tax		(41,834)	(7,253)
Effect of different tax rates in other countries		9,785	4,131
Effect of results of equity-accounted investees presented net of tax		(288)	(13,027)
Withholding tax		1,244	3,003
Tax incentives		(3,581)	(3,907)
Utilisation of previously unrecognised tax losses		–	(385)
Under/(over) provision in respect of prior years		7,507	(45,000)
		40,468	10,803

Significant judgement is required in determining the Group's taxability of certain income, capital allowances, and deductibility of certain expenses during the estimation of the provision for income taxes and deferred tax liabilities. The carrying amounts of provision for taxation, deferred tax assets and liabilities are as disclosed in the Group's statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

27 (LOSS)/PROFIT FOR THE YEAR

The following significant items have been included in arriving at (loss)/profit for the year:

	Note	Group 2023 \$'000	Group 2022 \$'000
Included in staff costs & directors' remuneration:			
- Contributions to defined contribution plans		781	679
Included in other operating expenses:			
- Audit fees payable/paid to auditors of the Company		598	595
- Non-audit fees paid to auditors of the Company		349	892
- Depreciation of property, plant and equipment and right-of-use assets	4	1,240	997
- Impairment loss/(writeback of impairment loss) on trade receivables	34	2	(685)
- Write-down of properties held for sale to net realisable values	13	692	–

28 (LOSS)/EARNINGS PER SHARE

	Group 2023 \$'000	Group 2022 \$'000
Basic (loss)/earnings per share is based on:		
Net (loss)/profit attributable to ordinary shareholders	(259,845)	165,880

The Company does not have any dilutive potential ordinary shares in existence for the current and previous financial years.

	Group 2023 Number of shares '000	Group 2022 Number of shares '000
Ordinary shares in issue at beginning of the year	703,338	703,338
Effect of own shares held	(39,322)	(39,322)
Weighted average number of ordinary shares in issue during the year	664,016	664,016

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

29 DIVIDENDS

After the balance sheet date, the Directors proposed the following dividends, which have not been provided for.

	Group and Company	
	2023	2022
	\$'000	\$'000
Proposed first and final tax-exempt dividend of 3 cents (2022: 8 cents) per share	19,920	53,121

30 SIGNIFICANT RELATED PARTY TRANSACTIONS

Key management personnel

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

Key management personnel compensation comprises:

	Group	
	2023	2022
	\$'000	\$'000
Directors' fees	555	539
Directors' remuneration:		
- short-term employee benefits	5,407	6,296
	5,962	6,835

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

30 SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D)

Other related party transactions

During the financial year, other than as disclosed elsewhere in the financial statements, the transactions with related parties entered into on terms agreed between the parties are as follows:

	Group	
	2023	2022
	\$'000	\$'000
Associates and jointly-controlled entities		
Management fee	3,420	294
Interest income	1,991	1,978
Related corporations		
Rental income	69	81
Other operating expenses:		
- insurance on investment properties	144	146
- other insurances	100	141
- printing	13	9
- others	50	51
Other related parties		
Donations made	(i) 1,200	2,100

(i) The donation of \$1,200,000 (2022: \$2,100,000) was made to Ho Bee Foundation ("Foundation"), of which Dr Chua Thian Poh, Mr Seow Choke Meng and Ms Josephine Choo are directors.

31 LEASES

(a) Leases as lessee

The Group leases some office premises for its subsidiaries in Australia. The leases run for a period of 1 to 6 years.

Information about the right-of-use asset relating to the leased office premise is in Note 4.

(b) Leases as lessor

The Group leases out its investment properties and certain properties held for sale. The Group classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Note 5 sets out information about the operating leases of investment properties.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

31 LEASES (CONT'D)

(b) Leases as lessor (cont'd)

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	Group	
	2023	2022
	\$'000	\$'000
Operating leases under SFRS(I) 16		
Less than one year	258,596	239,104
One to two years	226,572	199,128
Two to three years	182,548	181,370
Three to four years	153,883	125,696
Four to five years	139,833	113,794
More than five years	213,670	298,459
Total	1,175,102	1,157,551[#]

[#] Excluded lease payments to be received for Elementum, which cannot be reliably estimated in 2022.

32 COMMITMENTS

As at 31 December 2023, commitments for expenditure which have not been provided for in the financial statements were as follows:

	Group	
	2023	2022
	\$'000	\$'000
Authorised and contracted for:		
Subscription for additional interest in European property funds and notes	14,420	24,859
Development expenditure for properties under development	21,659	26,919
Capital expenditure for investment properties	–	142,488
Balance sum on purchase of land for development properties	6,731	–
	42,810	194,266

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

33 FINANCIAL RISK MANAGEMENT

Overview

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, and the Group's objectives, policies and processes for measuring and managing the risk.

Risk management framework

The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. Management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and financial assets. The Group has procedures in place to manage credit risk and exposure to such risk is monitored on an ongoing basis.

The Group establishes an allowance for impairment that represents its estimate of the expected credit loss and specific loss component in respect of trade and other receivables. The allowance account in respect of trade and other receivables is used to record impairment losses. When the Group is satisfied that no recovery of the amount owing is possible, the financial asset is considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial asset.

Cash and fixed deposits are placed with banks and financial institutions which are regulated. Investments and transactions involving derivative financial instruments are restricted with counterparties who meet the appropriate credit criteria and/or are of high credit standing. As such, management does not expect any counterparty to fail to meet its obligations.

Financial guarantee

The principal risk to which the Company is exposed to is credit risk in connection with guarantee contracts it has issued. The credit risk represents the loss that would be recognised upon a default by the parties to which the guarantees were provided on behalf of. To mitigate these risks, management continually monitors the risks and has established processes including performing credit evaluations of the parties it is providing the guarantee on behalf of. Guarantees are only given to its subsidiaries, associates and jointly-controlled entities.

The intra-group financial guarantees with subsidiaries are eliminated in preparing the consolidated financial statements. Estimates of the Company's obligations arising from financial guarantee contracts may be affected by future events, which cannot be predicted with any certainty. The assumptions may well vary from actual experience so that the actual liability may vary considerably from the best estimates.

The Company has assessed that the subsidiaries and jointly-controlled entity have strong financial capacity to meet their contractual cash flow obligations in the near future and hence, does not expect significant credit losses from these guarantees. The Company's assessment is based on qualitative and quantitative factors that are indicative of the risk of default.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

33 FINANCIAL RISK MANAGEMENT (CONT'D)

Liquidity risk

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding to ensure that all refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group maintains sufficient level of cash and fixed deposits to meet its working capital requirements.

In addition, the Group maintains revolving credit facilities of a reasonable level compared to its current debt obligation. When necessary, the Group will raise committed funding from either the capital markets and/or financial institutions and prudently balance its portfolio with some short term funding so as to achieve overall cost effectiveness.

As at the reporting date, the Group has undrawn committed revolving credit facilities of \$466,029,000 (2022: \$280,300,000) which can be drawn down to meet short-term financing needs.

Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Interest rate risk

The Group manages its interest rate exposure by actively reviewing its debt portfolio and switching to cheaper sources of funding to achieve a certain level of protection against interest rate hikes. Where appropriate, the Group uses interest rate derivatives to hedge its interest rate exposure for specific underlying debt obligations.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates and maturities and the notional or par amounts.

Interest rate derivatives are used to manage interest rate risk, to the extent that the perceived cost is considered to outweigh the benefit from the flexibility of variable rate borrowings, and the Group actively monitors the need and timing for such derivatives.

Where used, interest rate derivatives are classified as cash flow hedges and stated at fair value within the Group's statement of financial position.

Cash flow hedges

The Group has entered into interest rate swaps and cross currency interest rate swaps to fix the interest relating to the payment of periodic interest charges arising from bank borrowings, and designated these as cash flow hedges. The risk being hedged was the variability of cash flows arising from movements in interest rates.

The cash flows will occur on a periodic basis until the underlying loans mature and these hedges which are designated as cash flow hedges, are considered to be highly effective. The carrying value of the hedging instruments were remeasured to their fair value at each reporting date, with the effective portion of changes in fair value since inception being taken to the hedging reserve.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

33 FINANCIAL RISK MANAGEMENT (CONT'D)

Cash flow hedges (cont'd)

The following table shows the derivatives designated as cash flow hedges by the Group.

	2023	2023	During the year - 2023		
	Nominal amount \$'000	Carrying amount - liabilities \$'000	Changes in fair value recognised in OCI \$'000	Reclassified from hedging reserve to profit or loss \$'000	Hedge ineffective-ness recognised in profit or loss \$'000
Fixed rate derivatives					
Interest rate swaps	699,315	(6,414)	(18,285)	(429)	–
Cross currency interest rate swaps	175,412	(2,931)	(2,931)	–	–

Foreign currency risk

The Group is exposed to foreign currency risk on sales, purchases, receivables and borrowings that are denominated in a currency other than the respective functional currencies of the Group's entities. The Group is also exposed to currency translation risk on its net investments in foreign operations. The currencies giving rise to these risks are primarily the British pound ("GBP"), Australian dollar ("AUD"), and Euro ("EUR").

Net investment hedge in foreign operation

The Group designated its GBP and AUD-denominated external borrowings as a hedge of the net investment in its subsidiaries that are denominated in GBP and AUD to minimise the Group's exposure to the currency risk arising on translation of net investment in foreign operations. The hedged risk in the net investment hedge is the risk of a weakening GBP and/or AUD against the Singapore dollar ("SGD") that will result in a reduction in the carrying amount of the Group's net investment in the GBP and/or AUD foreign operations. The loan is designated as a hedging instrument for the changes in the value of the net investment that is attributable to changes in the SGD/GBP and SGD/AUD spot rates.

To assess hedge effectiveness, the Group determines the economic relationship between the hedging instrument and the hedged item by comparing changes in the carrying amount of the debt that is attributable to a change in the spot rate with changes in the investment in the foreign operation due to movements in the spot rate (the offset method). The Group's policy is to hedge the net investment only to the extent of the debt principal. No ineffectiveness was recognised from the net investment hedge.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

34 FINANCIAL INSTRUMENTS

Credit risk

Exposure to credit risk

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

The Group's credit risk is primarily attributable to trade and other receivables and financial assets. Based on the Group's historical experience in the collection of accounts receivable, credit risk falls within the recorded allowance. Due to these factors, management believes that no additional credit risk is inherent in the Group's trade receivables.

Impairment losses on financial assets recognised in profit or loss were as follows:

	Group	
	2023	2022
	\$'000	\$'000
Impairment loss/(writeback of impairment loss) on trade receivables	2	(685)

At the reporting date, the Group has receivables owing from jointly-controlled entities totalling to \$57,301,000 (2022: \$137,398,000) representing 47% (2022: 51%) of total gross trade and other receivables. Except for these receivables, there was no concentration of credit risk.

Impairment losses

Expected credit loss ("ECL") assessment

The Group uses an allowance matrix to measure the ECLs of trade receivables from individual customers. ECL is calculated based on actual credit loss experience over the past three years, and adjusted for differences between economic conditions during the period over which the historic data has been collected, current market conditions and the Group's view of economic conditions over the expected lives of the receivables. As of 31 December 2023, no scalar factor has been applied.

The following table provides information about the exposure to credit risk and ECLs for trade receivables:

	2023		2022	
	Gross carrying amount	Impairment loss allowance	Gross carrying amount	Impairment loss allowance
	\$'000	\$'000	\$'000	\$'000
Group				
Not past due	14,569	–	17,907	–
Past due 1 – 30 days	24,170	–	1,390	–
Past due 31 – 120 days	349	–	684	–
More than 120 days past due	123	(52)	1,866	(50)
	39,211	(52)	21,847	(50)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

34 FINANCIAL INSTRUMENTS (CONT'D)

Credit risk (cont'd)

Movements in allowance for impairment in respect of trade receivables

The movements in impairment loss in respect of trade receivables during the year are as follows:

	Group	
	2023	2022
	\$'000	\$'000
At 1 January	50	871
Impairment loss recognised	2	–
Writeback of impairment loss	–	(685)
Bad debt written off	(2)	(129)
Exchange differences	2	(7)
At 31 December	52	50

Impairment loss relates to tenants that are in financial difficulties and have defaulted on payments. Where the tenants have provided security deposits, the impairment loss were recognised based on rental in arrears net of security deposits.

Based on the Group's assessment, the Group believes that no further impairment allowance beyond that provided for is necessary in respect of trade and other receivables as the remaining balances are considered fully recoverable.

Guarantees

The Group's policy is to provide financial guarantees only for its subsidiaries, associates and jointly-controlled entities' liabilities. At 31 December 2023, the Company has issued guarantees to certain banks in respect of credit facilities granted to nine subsidiaries and one jointly-controlled entity (see Note 18). The Company had assessed that the expected credit loss in respect of the Company's guarantees issued was insignificant.

Amounts due from subsidiaries and jointly-controlled entities

Impairment on these balances has been measured on the 12-month expected loss basis which reflects the low credit risk of the exposures. The amount of the allowance on these balances was insignificant.

Cash and cash equivalents

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents was negligible.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

34 FINANCIAL INSTRUMENTS (CONT'D)

Liquidity risk

The following are the expected contractual undiscounted cash inflows/(outflows) of financial liabilities, including interest payments and excluding the impact of netting agreements:

	Carrying amount \$'000	Cash flows			
		Contractual cash flows \$'000	Within 1 year \$'000	Within 2 to 5 years \$'000	More than 5 years \$'000
Group					
31 December 2023					
Non-derivative financial liabilities					
Bank loans*	3,064,026	(3,560,783)	(661,770)	(2,899,013)	–
Rental deposits	23,438	(23,438)	(3,412)	(20,026)	–
Trade and other payables**	130,183	(130,183)	(122,478)	(7,705)	–
Lease liability	658	(706)	(253)	(453)	–
Recognised liabilities	3,218,305	(3,715,110)	(787,913)	(2,927,197)	–
Financial guarantees (unrecognised)	–	(93,975)	–	(93,975)	–
	3,218,305	(3,809,085)	(787,913)	(3,021,172)	–
31 December 2022					
Non-derivative financial liabilities					
Bank loans*	3,423,984	(3,712,898)	(1,343,423)	(2,369,475)	–
Rental deposits	30,021	(30,021)	(5,112)	(24,909)	–
Trade and other payables**	86,153	(86,153)	(83,447)	(2,706)	–
Lease liability	720	(786)	(251)	(489)	(46)
Recognised liabilities	3,540,878	(3,829,858)	(1,432,233)	(2,397,579)	(46)
Financial guarantees (unrecognised)	–	(111,475)	(111,475)	–	–
	3,540,878	(3,941,333)	(1,543,708)	(2,397,579)	(46)

* The contractual cashflows are net of the impact of interest rate swaps/cross currency swaps.

For bank loans with no interest rate swap arrangements, the contractual cashflows include the estimated interest payments based on interest rates repriced in the 4th quarter of each financial year.

** Exclude derivative financial liabilities, sales deposits and goods and services tax payable.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

34 FINANCIAL INSTRUMENTS (CONT'D)

Liquidity risk (cont'd)

The following are the expected contractual undiscounted cash inflows/(outflows) of financial liabilities, including interest payments and excluding the impact of netting agreements: (cont'd)

Company	Carrying amount \$'000	Cash flows			
		Contractual cash flows \$'000	Within 1 year \$'000	Within 2 to 5 years \$'000	More than 5 years \$'000
31 December 2023					
Non-derivative financial liabilities					
Bank loans*	273,728	(307,980)	(25,689)	(282,291)	–
Amounts due to subsidiaries	345,242	(345,242)	(345,242)	–	–
Trade and other payables**	3,242	(3,242)	(3,242)	–	–
Recognised liabilities	622,212	(656,464)	(374,173)	(282,291)	–
Intragroup financial guarantees (unrecognised)	–	(2,892,399)	(470,177)	(2,422,222)	–
	622,212	(3,548,863)	(844,350)	(2,704,513)	–
31 December 2022					
Non-derivative financial liabilities					
Bank loans	1,073,548	(1,099,478)	(945,222)	(154,256)	–
Amounts due to subsidiaries	64,802	(64,802)	(37,526)	(27,276)	–
Trade and other payables**	6,735	(6,735)	(6,735)	–	–
Lease liability	972	(983)	(983)	–	–
Recognised liabilities	1,146,057	(1,171,998)	(990,466)	(181,532)	–
Intragroup financial guarantees (unrecognised)	–	(2,464,332)	(410,662)	(2,053,670)	–
	1,146,057	(3,636,330)	(1,401,128)	(2,235,202)	–

* The contractual cashflows are net of the impact of interest rate swaps/cross currency swaps.

** Exclude derivative financial liabilities, goods and services tax payable.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

34 FINANCIAL INSTRUMENTS (CONT'D)

Currency risk

Exposure to currency risk

The following table shows the Group's significant exposure to foreign currencies after taking into account cross currency interest rate swaps. Differences resulting from the translation of the financial statements of foreign operations into the Group's presentation currency, and exposure arising from inter-company balances which are considered to be in the nature of interests in the subsidiaries are excluded.

	2023			2022		
	GBP	AUD	EUR	GBP	AUD	EUR
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group						
Financial assets	–	–	61,688	–	–	77,611
Cash and cash equivalents	2,267	18,073	136	1,468	818	144
Amounts due to subsidiaries	(269,642)	–	–	(30,233)	–	–
Loans and borrowings	(511,579)	–	–	(1,470,837)	(43,273)	–
Net exposure in the statement of financial position	(778,954)	18,073	61,824	(1,499,602)	(42,455)	77,755
Cross currency interest rate swaps	174,546	–	–	–	–	–
Borrowings designated for net investment hedges	337,033	–	–	1,470,837	43,273	–
Net exposure	(267,375)	18,073	61,824	(28,765)	818	77,755
Company						
Financial assets	–	–	61,688	–	–	77,611
Cash and cash equivalents	2,267	18,073	132	1,468	818	144
Amounts due to subsidiaries	(269,642)	–	–	(30,233)	–	–
Loans and borrowings	(174,546)	–	–	(930,758)	(43,273)	–
Net exposure in the statement of financial position	(441,921)	18,073	61,820	(959,523)	(42,455)	77,755
Cross currency interest rate swaps	174,546	–	–	–	–	–
Net exposure	(267,375)	18,073	61,820	(959,523)	(42,455)	77,755

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

34 FINANCIAL INSTRUMENTS (CONT'D)

Currency risk (cont'd)

Sensitivity analysis

The foreign currencies which the Group is significantly exposed to are GBP, AUD and EUR. A 10% strengthening of the SGD against these foreign currencies at the reporting date would (decrease)/increase profit before tax and equity by amounts shown below. This analysis assumes that all other variables, in particular, interest rates, remain constant.

	10% strengthening of SGD	
	Profit before tax \$'000	Equity \$'000
Group		
31 December 2023		
GBP	26,737	(92,557)
AUD	(1,807)	(37,136)
EUR	(6,182)	–
31 December 2022		
GBP	2,877	(20,559)
AUD	(82)	(42,853)
EUR	(7,776)	–
Company		
31 December 2023		
GBP	26,737	–
AUD	(1,807)	–
EUR	(6,182)	–
31 December 2022		
GBP	95,952	–
AUD	4,245	–
EUR	(7,776)	–

A 10% weakening of the SGD against the above currencies would have had the equal but opposite effect to the amounts shown above, on the basis that all other variables remain constant.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

34 FINANCIAL INSTRUMENTS (CONT'D)

Currency risk (cont'd)

Hedge accounting

Net investment hedges

At 31 December 2023, the Group's amounts relating to items designated as hedging instruments for net investment hedge are as follows:

	Nominal amount	Carrying amount – assets	Carrying amount – liabilities	Line item in the statement of financial position where the hedging instrument is included	Change in value used for calculating hedge ineffectiveness	Change in value of hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from hedging reserve to profit or loss	Line item affected in profit or loss because of the reclassification
	\$'000	\$'000	\$'000		\$'000	\$'000	\$'000		\$'000	
2023										
Foreign exchange denominated debt (GBP)	320,046	–	320,046	Loans and borrowings	(255)	(255)	–	NA	–	NA
Foreign exchange denominated debt (AUD)	103,278	–	103,278	Loans and borrowings	(5,523)	(5,523)	–	NA	–	NA
	423,324	–	423,324		(5,778)	(5,778)	–	NA	–	NA
2022										
Foreign exchange denominated debt (GBP)	1,505,360	–	1,505,360	Loans and borrowings	(16,860)	(16,860)	–	NA	–	NA
Foreign exchange denominated debt (AUD)	136,940	–	136,940	Loans and borrowings	(21,772)	(21,772)	–	NA	–	NA
	1,642,300	–	1,642,300		(38,632)	(38,632)	–	NA	–	NA

	Change in value used for calculating hedge ineffectiveness	Foreign currency translation reserve	Balances remaining in the foreign currency translation reserve from hedging relationships for which hedge accounting is no longer applied
	\$'000	\$'000	\$'000
For the year ended 31 December 2023			
GBP net investment	(255)	(14,125)	–
AUD net investment	(5,523)	(27,295)	–
	(5,778)	(41,420)	–
For the year ended 31 December 2022			
GBP net investment	(16,860)	(13,870)	–
AUD net investment	(21,772)	(21,772)	–
	(38,632)	(35,642)	–

For the year ended 31 December 2023

GBP net investment	(255)	(14,125)	–
AUD net investment	(5,523)	(27,295)	–
	(5,778)	(41,420)	–

For the year ended 31 December 2022

GBP net investment	(16,860)	(13,870)	–
AUD net investment	(21,772)	(21,772)	–
	(38,632)	(35,642)	–

NA: Not Applicable

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

34 FINANCIAL INSTRUMENTS (CONT'D)

Interest rate risk

At the reporting date, the interest rate profile of the interest-bearing financial instruments was:

	Group		Company	
	Carrying amount		Carrying amount	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Fixed rate instruments				
Financial assets	109,949	377,683	312,176	1,011,129
Lease liabilities	(658)	(720)	–	(972)
Effect of interest rate swaps	(699,315)	(450,000)	(294,315)	–
Effect of cross currency interest rate swaps	(175,412)	–	(175,412)	–
	(765,436)	(73,037)	(157,551)	1,010,157
Variable rate instruments				
Financial assets	30,959	–	450,075	–
Bank loans	(3,064,026)	(3,423,984)	(273,728)	(1,073,548)
Effect of interest rate swaps	699,315	450,000	294,315	–
Effect of cross currency interest rate swaps	175,412	–	175,412	–
	(2,158,340)	(2,973,984)	646,074	(1,073,548)

Sensitivity analysis

Fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Variable rate instruments

For the interest rate swaps/cross currency swaps and the other variable rate financial assets and liabilities, an increase of 100 basis points (“bp”) in interest rate at the reporting date would (decrease)/increase profit before tax by amounts shown below. This analysis assumes that all other variables, in particular, foreign currency rates, remain constant.

	100 bp increase in interest rate	
	2023	2022
	\$'000	\$'000
Group		
Variable rate instruments	(21,583)	(29,740)
Company		
Variable rate instruments	6,461	(10,735)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

34 FINANCIAL INSTRUMENTS (CONT'D)

Estimation of fair values for financial assets and liabilities

Valuation processes applied by the Group

The Group has an established control framework with respect to the measurement of fair values. This framework includes a finance team that reports directly to the Head of Finance, and has overall responsibility for all significant fair value measurements, including Level 3 fair values.

The following summarises the methods and significant assumptions used in estimating the fair values of financial instruments of the Group and the Company.

Financial assets designated at FVTPL and FVOCI

The fair value of the Group's and the Company's financial assets designated at FVTPL and FVOCI is determined by reference to their quoted bid price at the balance sheet date. If a quoted market price is not available, the fair value of the financial assets is estimated using valuation techniques disclosed in the respective fair value levels.

Amounts due from/to subsidiaries, jointly-controlled entities and non-controlling shareholder

The carrying values of amounts due from/to subsidiaries and jointly-controlled entities that reprice within six months of the balance sheet date approximate their fair values. Fair value is calculated based on discounted expected future principal and interest cash flows. The non-current loans due from subsidiaries form part of the Company's net investments in subsidiaries where settlements are neither planned nor likely to occur in the foreseeable future. For non-interest bearing amounts, the prevailing market interest rates of similar loans are used to discount the loans due to subsidiaries, due from/to jointly-controlled entities and non-controlling shareholder to arrive at their fair values.

Interest-bearing bank loans

The carrying values of interest-bearing bank loans that reprice within six months of the balance sheet date approximate their fair values. Fair value is calculated based on discounted expected future principal and interest cash flows.

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables, including derivatives) approximate their fair values because of the short period to maturity. All other financial assets and liabilities are discounted to determine their fair values.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

34 FINANCIAL INSTRUMENTS (CONT'D)

Estimation of fair values for financial assets and liabilities (cont'd)

Interest rates used in determining fair values

The interest rates used to discount estimated cash flows, where applicable, are as follows:

	2023 %	2022 %
Receivables	3.6 – 12.7	2.0 – 4.4
Payables	3.0 – 6.7	3.0 – 5.1

Fair values versus carrying amounts

The carrying amounts of the Group's and the Company's financial instruments carried at amortised cost are not materially different from their fair values as at 31 December 2023 and 31 December 2022. Fair value disclosure of lease liabilities is not required.

Fair value hierarchy

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000

Financial assets/(liabilities) carried at fair value

Group

31 December 2023

Financial assets at FVTPL	5,368	–	61,688	67,056
Financial assets at FVOCI	–	–	77	77
Interest rate swaps	–	(6,414)	–	(6,414)
Cross currency interest rate swaps	–	(2,931)	–	(2,931)
	5,368	(9,345)	61,765	57,788

31 December 2022

Financial assets at FVTPL	4,089	–	77,692	81,781
Financial assets at FVOCI	–	–	78	78
Interest rate swaps	–	12,300	–	12,300
	4,089	12,300	77,770	94,159

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

34 FINANCIAL INSTRUMENTS (CONT'D)

Estimation of fair values for financial assets and liabilities (cont'd)

Level 2 fair values

The Group entered into interest rate swaps/cross currency swaps to hedge its interest rate exposure on its variable rate borrowings. The interest rate swaps/cross currency swaps are carried at fair value at each reporting date, based on broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments. There are no significant unobservable inputs in measuring the fair value.

	Group	
	Contract/ notional amount \$'000	Fair value of assets/ (liabilities) \$'000
31 December 2023		
Cash flow hedges:		
- Interest rate swaps	699,315	(6,414)
- Cross currency interest rate swaps	175,412	(2,931)
	874,727	(9,345)

31 December 2022

Cash flow hedges:

- Interest rate swaps	450,000	12,300

Level 3 fair values

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy:

	Financial assets at FVTPL \$'000	Financial assets at FVOCI \$'000	Total \$'000
Group			
2023			
At 1 January	77,692	78	77,770
Fair value changes	(12,650)	–	(12,650)
Realised gain recognised in profit or loss	2	–	2
Exchange differences recognised in profit or loss	1,594	(1)	1,593
Purchases	10,817	–	10,817
Distribution	(15,277)	–	(15,277)
Redemption	(490)	–	(490)
At 31 December	61,688	77	61,765
Total loss for the year included in profit or loss for assets held as at 31 December	(11,054)	(1)	(11,055)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

34 FINANCIAL INSTRUMENTS (CONT'D)

Estimation of fair values for financial assets and liabilities (cont'd)

Level 3 fair values (cont'd)

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy: (cont'd)

	Financial assets at FVTPL \$'000	Financial assets at FVOCI \$'000	Total \$'000
Group			
2022			
At 1 January	226,059	78	226,137
Fair value changes	29,213	–	29,213
Realised gain recognised in profit or loss	73	–	73
Exchange differences recognised in profit or loss	(9,628)	–	(9,628)
Purchases	5,810	–	5,810
Distribution	(49,900)	–	(49,900)
Redemption	(123,935)	–	(123,935)
At 31 December	77,692	78	77,770
Total gain for the year included in profit or loss for assets held as at 31 December	19,658	–	19,658

The gain for the year included in profit or loss comprises:

	2023 \$'000	2022 \$'000
Included in other gains and fair value changes:		
- fair value changes	(12,650)	29,213
- realised gains from financial assets at FVTPL	2	73
Included in exchange differences:		
- exchange differences recognised	1,593	(9,628)
	(11,055)	19,658

The fair values of the Group's unquoted investments in private equity funds and unquoted equity securities are determined based on quotations from the respective fund managers.

The fair values of European property fund and debt instruments (notes) are determined based on the latest available net asset value ("NAV") of the funds and notes obtained from the investment property/fund manager. The underlying assets of the European property fund and debt instruments consist of real estate properties which are measured at fair value by independent valuers. The estimated fair value of the investments would increase/(decrease) if the NAV was higher/(lower).

Due to the inherent uncertainty of valuations of financial assets, the estimated values may differ significantly from the values that would have been used had a ready market for the securities existed, and the differences could be material.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

34 FINANCIAL INSTRUMENTS (CONT'D)

Estimation of fair values for financial assets and liabilities (cont'd)

Level 3 fair values (cont'd)

Sensitivity analysis

For financial assets at FVTPL, a change of 10% in fair value of the investments would result in an increase or decrease of profit before income tax by \$6,706,000 (2022: \$8,178,000).

Financial instruments by category

	Financial assets at amortised cost \$'000	Financial assets at FVTPL \$'000	FVOCI – equity instruments \$'000	Fair value – hedging instruments \$'000	Financial liabilities at amortised cost \$'000	Total \$'000
Group						
31 December 2023						
Trade and other receivables, including derivatives*	107,050	–	–	4,923	–	111,973
Financial assets at FVOCI	–	–	77	–	–	77
Financial assets at FVTPL	–	67,056	–	–	–	67,056
Cash and cash equivalents	172,677	–	–	–	–	172,677
Loans and borrowings	–	–	–	–	(3,064,684)	(3,064,684)
Trade and other payables, including derivatives**	–	–	–	(14,268)	(173,775)	(188,043)
	279,727	67,056	77	(9,345)	(3,238,459)	(2,900,944)
31 December 2022						
Trade and other receivables*	250,522	–	–	12,300	–	262,822
Financial assets at FVOCI	–	–	78	–	–	78
Financial assets at FVTPL	–	81,781	–	–	–	81,781
Cash and cash equivalents	327,386	–	–	–	–	327,386
Loans and borrowings	–	–	–	–	(3,424,704)	(3,424,704)
Trade and other payables, including derivatives**	–	–	–	–	(128,163)	(128,163)
	577,908	81,781	78	12,300	(3,552,867)	(2,880,800)

* Excludes prepayments, tax recoverable and goods and services tax recoverable.

** Excludes goods and services tax payable and sale deposits.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

34 FINANCIAL INSTRUMENTS (CONT'D)

Financial instruments by category (cont'd)

	Financial assets at amortised cost \$'000	Financial assets at FVTPL \$'000	Fair value - hedging instruments \$'000	Financial liabilities at amortised cost \$'000	Total \$'000
Company					
31 December 2023					
Trade and other receivables*	1,953,585	-	-	-	1,953,585
Financial assets at FVTPL	-	61,688	-	-	61,688
Cash and cash equivalents	22,644	-	-	-	22,644
Loans and borrowings	-	-	-	(273,728)	(273,728)
Trade and other payables including derivatives**	-	-	(2,931)	(368,106)	(371,037)
	1,976,229	61,688	(2,931)	(641,834)	1,393,152
31 December 2022					
Trade and other receivables*	1,446,670	-	-	-	1,446,670
Financial assets at FVTPL	-	77,611	-	-	77,611
Cash and cash equivalents	160,890	-	-	-	160,890
Loans and borrowings	-	-	-	(1,074,520)	(1,074,520)
Trade and other payables**	-	-	-	(71,537)	(71,537)
	1,607,560	77,611	-	(1,146,057)	539,114

* Excludes prepayments.

** Excludes goods and services tax payable.

35 OPERATING SEGMENTS

The Group has two reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different marketing strategies. The following summary describes the operations in each of the Group's reportable segments:

- Property development : The development and trading in properties.
- Property investment : The investment in properties.

Other segments include investing in equity securities, private equity and European property fund and notes. These segments do not meet any of the quantitative thresholds for determining reportable segments in 2023 or 2022.

Information regarding the results of each reportable segment is presented. Performance is measured based on segment operating results, as included in the internal management reports that are reviewed by management. Segment operating results are used to measure performance as management believe that such information is the most relevant in evaluating the results of specific segments relative to other entities that operate within these industries.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

35 OPERATING SEGMENTS (CONT'D)

(a) Operating segments

	Property Development \$'000	Property Investment \$'000	Others \$'000	Total \$'000
31 December 2023				
External revenue	189,072	255,798	–	444,870
Operating results	51,148	233,364	–	284,512
Other gains and fair value changes				52,711
Other operating expenses				(36,300)
Net finance costs				(157,704)
Share of results of associates	(10,230)	–	–	(10,230)
Share of results of jointly-controlled entities	12,363	–	–	12,363
Fair value changes in investment properties	–	(363,921)	–	(363,921)
Income tax expense				(40,468)
Loss for the year				(259,037)
Other material items:				
Capital expenditure	–	165,080	–	165,080
Reportable segment assets	531,145	5,725,662	67,133	6,323,940
Investments in associates and jointly-controlled entities*	490,595	–	–	490,595
Reportable segment liabilities	138,450	3,008,249	–	3,146,699
31 December 2022				
External revenue	175,940	259,682	–	435,622
Operating results	50,014	239,170	–	289,184
Other gains and fair value changes				39,178
Other operating expenses				(42,383)
Net finance costs				(88,019)
Share of results of associates	32,711	–	–	32,711
Share of results of jointly-controlled entities	45,987	–	–	45,987
Fair value changes in investment properties	–	(98,749)	–	(98,749)
Income tax expense				(10,803)
Profit for the year				167,106
Other material items:				
Addition/capital expenditure	–	1,336,642	–	1,336,642
Reportable segment assets	610,677	5,862,232	81,859	6,554,768
Investments in associates and jointly-controlled entities*	554,739	–	–	554,739
Reportable segment liabilities	175,806	3,333,397	–	3,509,203

* Include amounts due from jointly-controlled entities which are in substance, a part of the Group's investments in the jointly-controlled entities.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

35 OPERATING SEGMENTS (CONT'D)

(a) Operating segments (cont'd)

Reconciliations of reportable segment assets and liabilities and other material items

	2023	2022
	\$'000	\$'000
Assets		
Total assets for reportable segments	6,256,807	6,472,909
Assets for other segment	67,133	81,859
Investments in equity accounted investees*	452,956	554,739
Other unallocated amounts	199,086	492,152
Consolidated total assets	6,975,982	7,601,659
Liabilities		
Total liabilities for reportable segments	3,146,699	3,509,203
Other unallocated amounts	219,228	162,464
Consolidated total liabilities	3,365,927	3,671,667

* Include amounts due from jointly-controlled entities which are in substance, a part of the Group's investments in the jointly-controlled entities.

	Reportable segment total	Unallocated amounts	Consolidated total
	\$'000	\$'000	\$'000

Other material items

31 December 2023

Capital expenditure	165,080	–	165,080
Depreciation of property, plant and equipment and right-of-use assets	–	(1,240)	(1,240)

31 December 2022

Addition/capital expenditure	1,336,642	–	1,336,642
Depreciation of property, plant and equipment and right-of-use assets	–	997	997

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

35 OPERATING SEGMENTS (CONT'D)

(b) Geographical segments

The Group operates principally in Singapore, United Kingdom, Australia and China.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of business. Segment assets are based on the geographical location of the assets.

	Singapore \$'000	United Kingdom \$'000	Australia \$'000	China \$'000	Consolidated total \$'000
31 December 2023					
Revenue	103,213	152,671	188,986	-	444,870
Non-current assets*	3,079,747	2,868,382	42,069	106,787	6,096,985
31 December 2022					
Revenue	158,021	157,612	116,156	3,833	435,622
Non-current assets*	2,942,883	3,211,207	34,595	162,633	6,351,318

* Excludes financial assets, other receivables and deferred tax asset.

The Group has a large and diversified customer base which consists of individuals and corporations. There was no single customer that contributed 10% or more to the Group's revenue.

36 DETERMINATION OF FAIR VALUES

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Financial assets and liabilities

The valuation techniques and the inputs used in the fair value measurements of the financial assets and financial liabilities for measurement and/or disclosure purposes are set out in Note 34.

Investment properties

Investment properties are stated at fair value. External, independent valuation companies, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued, value the Group's investment property portfolio at each year end.

The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing, wherein the parties had each acted knowledgeably. The valuers have considered valuation techniques including market comparison method and the income capitalisation method in arriving at the open market value as at the reporting date. In determining the fair value, the valuers have used valuation techniques which involve certain estimates. Assumptions used to determine the fair value of investment properties include market-corroborated capitalisation rate, discount rate, comparable market price and occupancy rate.

The market comparison method involves the analysis of comparable sales of similar properties and adjusting the sale prices to that reflective of the investment properties.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

36 DETERMINATION OF FAIR VALUES (CONT'D)

Investment properties (cont'd)

The income capitalisation method capitalises the estimated net income of the property for perpetuity or the balance term of the lease tenure at a capitalisation rate that is appropriate for the type of use, tenure and reflective of the quality of the investment property.

Fair value hierarchy

Fair value and fair value hierarchy information on financial instruments are disclosed in Note 34.

The table below analyses recurring non-financial assets carried at fair value. The different levels are defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000

Non-financial assets carried at fair value

Group

31 December 2023

Investment properties	–	–	5,607,769	5,607,769

31 December 2022

Investment properties	–	–	5,756,115	5,756,115

Level 3 fair values

The following table shows a reconciliation from the beginning balances to the ending balances for Level 3 fair value measurements.

	Investment properties 2023 \$'000	Investment properties 2022 \$'000

Group

At 1 January	5,756,115	4,952,993
Capital expenditure/addition	165,080	1,336,642
Disposal	(67,900)	(13,600)

Gains and losses for the year

Fair value changes	(363,921)	(98,749)
Exchange differences	118,395	(421,171)
At 31 December	5,607,769	5,756,115

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

36 DETERMINATION OF FAIR VALUES (CONT'D)

Valuation technique and significant unobservable inputs

The following table shows the key unobservable inputs used in the valuation models for deriving Level 3 fair values as at 31 December 2023:

Type	Valuation technique	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Commercial properties in Singapore	Market comparison method	Transacted price of comparable properties ¹ : \$1,200 - \$3,150 psf (2022: \$701 - \$2,502 psf)	The estimated fair value would increase with higher transacted prices of comparable properties
	Income capitalisation approach	Capitalisation rates: 3.50% - 5.00% (2022: 3.50% - 5.00%)	The estimated fair value would increase with a lower capitalisation rate
Commercial properties in the United Kingdom	Income capitalisation approach	Capitalisation rates: 5.00% - 9.81% (2022: 4.21% - 7.66%)	The estimated fair value would increase with a lower capitalisation rate

¹ Adjusted for any differences in location, tenure, size and conditions of the specific property.

APPENDIX III

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF HO BEE LAND LIMITED AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

The information in this Appendix III has been extracted and reproduced from the Annual Report of Ho Bee Land 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.

FINANCIAL STATEMENTS

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DIRECTORS' STATEMENT

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended 31 December 2024.

In our opinion:

- (a) the financial statements set out on pages 67 to 138 are drawn up 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 the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International); and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

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

DIRECTORS

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

Chua Thian Poh
Nicholas Chua Wee-Chern
Ong Chong Hua
Lim Swee Say
Ko Kheng Hwa
Seow Choke Meng
Josephine Choo Poh Hua
Pauline Goh
Bobby Chin Yoke Choong

DIRECTORS' STATEMENT

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the register kept by the Company for the purposes of Section 164 of the Companies Act 1967 ("the Act"), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and infant children) in shares, debentures, warrants and share options in the Company and in related corporations (other than wholly-owned subsidiaries) are as follows:

Name of director and corporation in which interests are held	Holdings in which the director has a direct interest		Holdings in which the director is deemed to have an interest	
	At beginning of the year	At end of the year	At beginning of the year	At end of the year
Chua Tian Poh				
The Company				
– ordinary shares	–	–	501,819,150	501,939,150
– medium term notes (series 1)	–	–	–	32,500,000
<u>Immediate and ultimate holding company</u>				
Ho Bee Holdings (Pte) Ltd				
– ordinary shares	18,150,000	18,150,000	3,850,000	3,850,000
Nicholas Chua Wee-Chern				
The Company				
– ordinary shares	3,192,000	3,192,000	–	–
Ong Chong Hua				
The Company				
– ordinary shares	1,940,000	1,940,000	–	–
Bobby Chin Yoke Choong				
The Company				
– ordinary shares	131,000	131,000	–	–

By virtue of Section 7 of the Act, Dr Chua Tian Poh is deemed to have an interest in all the subsidiaries of Ho Bee Land Limited and Ho Bee Holdings (Pte) Ltd at the beginning and at the end of the financial year.

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

There were no changes in any of the abovementioned interests in the Company or in related corporations between the end of the financial year and 21 January 2025.

DIRECTORS' STATEMENT

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement to which the Company is a party, being arrangements whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' CONTRACTUAL BENEFITS

During the financial year, the Company and its related corporations have in the normal course of business entered into transactions with affiliated parties and parties in which Dr Chua Thian Poh is deemed to have an interest. Such transactions comprised payments for rental expenses, printing expenses and other transactions carried out on normal commercial terms and in the normal course of the business of the Company and its related corporations. However, the director has neither received, nor will he be entitled to receive any benefit arising out of these transactions other than those to which he may be entitled as a customer, supplier or member of these corporations.

Except for salaries, bonuses and fees and those benefits that are disclosed in this statement and in Note 30 to the financial statements, since the end of the last financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or its related corporations with the director, or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

SHARE OPTIONS

The Company does not have any share option scheme or share scheme in place.

AUDIT & RISK COMMITTEE

The members of the Audit & Risk Committee at the date of this statement are as follows:

Ko Kheng Hwa	(Chairman, Independent Director)
Lim Swee Say	(Lead Independent Director)
Josephine Choo Poh Hua	(Independent Director)
Pauline Goh	(Independent Director)
Bobby Chin Yoke Choong	(Non-Independent Director and Non-Executive Director)

The Audit & Risk Committee performs the functions specified in Section 201B(5) of the Companies Act 1967, the SGX-ST Listing Manual and the Singapore Code of Corporate Governance. These functions include a review of the financial statements of the Company and of the Group for the financial year and the auditors' report thereon.

The Audit & Risk Committee also assists the Board with risk governance and overseeing the Company's risk management framework and policies.

The Audit & Risk Committee has undertaken a review of the nature and extent of non-audit services provided by the firm acting as the auditors. In the opinion of the Audit & Risk Committee, these services would not affect the independence of the auditors.

The Audit & Risk Committee is satisfied with the independence and objectivity of the auditors and has recommended to the Board that the auditors, KPMG LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

In appointing the auditors of the Company and its subsidiaries, the Group has complied with Rule 712, Rule 715 and Rule 716 of the SGX-ST Listing Manual.

DIRECTORS' STATEMENT

AUDITORS

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

Chua Thian Poh
Director

Nicholas Chua
Director

Singapore
14 March 2025

INDEPENDENT AUDITORS' REPORT

MEMBERS OF THE COMPANY
HO BEE LAND LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Ho Bee Land Limited ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2024, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information as set out on pages 67 to 138.

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

INDEPENDENT AUDITORS' REPORT

MEMBERS OF THE COMPANY
HO BEE LAND LIMITED

Valuation of investment properties (S\$5,162 million) (Refer to Notes 5 & 36 to the financial statements)

The key audit matter

The Group owns a portfolio of investment properties in Singapore and the United Kingdom. Investment properties represent the single largest asset category on the Group's consolidated statement of financial position.

These properties are stated at fair values based on independent external valuations. The valuation of investment properties requires significant judgement to be made in the determination of the appropriate valuation methodologies and the underlying assumptions to be applied. Changes to these valuation methodologies and assumptions used may have a significant impact to the valuations of investment properties.

How the matter was addressed in our audit

As part of our audit procedures, we have:

- Updated our understanding of the business processes and controls implemented around the valuation procedures.
- Evaluated the qualifications and objectivity of the independent external valuers.
- Held discussions with the valuers to understand their valuation methodologies, key assumptions and basis used.
- Assessed the appropriateness of the valuation methodologies and evaluated reasonableness of key assumptions used by the independent external valuers, and compared the assumptions and parameters used to externally derived data. Where appropriate, we also involved our in-house valuation specialists to assist us in the assessment.
- Evaluated the completeness, accuracy and relevance of disclosures in the Group's financial statements, including disclosures on sources of estimation uncertainty.

Findings:

The valuers are members of recognised professional bodies for valuers and have confirmed their own independence in carrying out their work. We found the valuation methodologies used are in line with generally accepted market practices and the key assumptions used to be within acceptable range and are comparable to market trends and externally derived data.

The changes in fair value of investment properties are appropriately recognised in the Group's financial statements.

INDEPENDENT AUDITORS' REPORT

MEMBERS OF THE COMPANY
HO BEE LAND LIMITED

Valuation of development properties (\$\$439 million) (Refer to Note 13 to the financial statements)

The key audit matter

The Group holds a number of development projects in Australia, and completed properties in both Singapore and the United Kingdom. In addition, the Group has interests in development projects in Singapore and China held by associates and jointly-controlled entities of which the Group's share is included in the carrying value of investments in associates and jointly-controlled entities presented in the Group's consolidated statement of financial position.

The carrying value of development properties are stated at the lower of cost and estimated net realisable value ("NRV").

The determination of the estimated NRV requires significant judgement and is critically dependent upon the Group's expectations of future selling prices and costs to be incurred in selling the property. Changes to these estimates can result in material changes in the carrying value of the properties.

How the matter was addressed in our audit

As part of our audit procedures, we have:

- Updated our understanding of the business processes and controls implemented around the valuation procedures.
- Held discussions with management to obtain an understanding of the macroeconomic and real estate price trends that have been considered in their NRV assessment.
- Assessed the reasonableness of management's NRV by comparing the expected selling prices against recent transacted sales prices of the same project and/or comparable properties sold in the vicinity of the Group's development properties, as well as market research reports.
- Where independent external valuation was obtained, we held discussion with the valuer to understand their valuation methodologies, assumptions and basis used. We assessed the appropriateness of the valuation methodologies and compared the assumptions and parameters used to externally derived data.
- Compared the NRV against the carrying value of the development property and assessed whether any adjustment is required.
- For development projects held by the Group's associates and jointly-controlled entities in China, we reviewed the working papers of the component auditors and ascertained that the above procedures have been performed.

Findings:

In making its estimates of the expected selling prices and costs to be incurred in selling the property, management considered the macroeconomic and future real estate price trends for the markets in which the properties are located. We found the estimates made by the management in the determination of NRVs to be within the range of observable price trends in the market and externally derived data.

INDEPENDENT AUDITORS' REPORT

MEMBERS OF THE COMPANY
HO BEE LAND LIMITED

Other information

Management is responsible for the other information contained in the annual report. The other information comprises all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained the Directors' Statement prior to the date of this auditors' report, and other sections in the annual report (collectively, "the Reports") are expected to be made available to us after that date.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, 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.

When we read the Reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Responsibilities of management and directors for the financial statements

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

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

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

Auditors' 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 auditors' 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 controls 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 controls.

INDEPENDENT AUDITORS' REPORT

MEMBERS OF THE COMPANY
HO BEE LAND LIMITED

Auditors' responsibilities for the audit of the financial statements (cont'd)

- 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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 group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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 auditors' report unless the law or regulations preclude 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 auditors' report is Shelley Chan Hoi Yi.

KPMG LLP
*Public Accountants and
Chartered Accountants*

Singapore
14 March 2025

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	Group		Company	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Non-current assets					
Property, plant and equipment	4	48,523	55,772	1,470	1,569
Investment properties	5	5,162,566	5,607,769	-	-
Subsidiaries	6	-	-	474,817	522,974
Associates	7	52,013	53,902	4,136	4,136
Jointly-controlled entities	8	512,154	379,392	310,624	222,155
Other assets	9	150	150	-	-
Financial assets	10	60,050	64,609	44,095	59,164
Other receivables	11	60,556	38,826	1,879,903	1,902,668
Deferred tax assets	12	595	532	-	-
		5,896,607	6,200,952	2,715,045	2,712,666
Current assets					
Financial assets	10	-	2,524	-	2,524
Development properties	13	439,257	516,114	-	-
Trade and other receivables, including derivatives	14	60,652	83,715	137,338	50,982
Cash and cash equivalents	15	183,119	172,677	43,535	22,644
		683,028	775,030	180,873	76,150
Total assets		6,579,635	6,975,982	2,895,918	2,788,816
Equity attributable to equity holders of the Company					
Share capital	16	156,048	156,048	156,048	156,048
Reserves	17	3,536,378	3,439,919	1,965,292	1,967,858
		3,692,426	3,595,967	2,121,340	2,123,906
Non-controlling interests		12,111	14,088	-	-
Total equity		3,704,537	3,610,055	2,121,340	2,123,906
Non-current liabilities					
Loans and borrowings	18	2,419,065	2,585,013	307,520	261,338
Other liabilities	19	41,660	32,291	5,024	5,024
Deferred income	20	37,635	41,853	-	-
Deferred tax liabilities	12	11,087	12,263	-	-
		2,509,447	2,671,420	312,544	266,362
Current liabilities					
Trade and other payables, including derivatives	21	115,696	164,061	337,894	366,311
Loans and borrowings	18	205,020	479,671	112,390	12,390
Deferred income	20	1,849	2,001	-	-
Current tax payable		43,086	48,774	11,750	19,847
		365,651	694,507	462,034	398,548
Total liabilities		2,875,098	3,365,927	774,578	664,910
Total equity and liabilities		6,579,635	6,975,982	2,895,918	2,788,816

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED INCOME STATEMENT

YEAR ENDED 31 DECEMBER 2024

	Note	2024 \$'000	2023 \$'000
Revenue	22	528,040	444,870
Other gains and fair value changes	23	70,095	52,711
Cost of sales – residential development projects		(207,436)	(137,924)
Direct rental expenses		(32,463)	(22,434)
Exchange differences		(5,373)	(7,377)
Staff costs and directors' remuneration		(18,775)	(16,078)
Other operating expenses		(15,600)	(12,845)
Net finance costs	25	(153,070)	(157,704)
		165,418	143,219
Share of results, net of tax, of:			
– associates	7	(2,081)	(10,230)
– jointly-controlled entities	8	5,914	12,363
		169,251	145,352
Fair value changes in investment properties	5	(17,037)	(363,921)
Profit/(loss) before tax		152,214	(218,569)
Income tax expense	26	(42,546)	(40,468)
Profit/(loss) for the year	27	109,668	(259,037)
Attributable to:			
Owners of the Company		109,555	(259,845)
Non-controlling interests		113	808
Profit/(loss) for the year		109,668	(259,037)
Earnings/(loss) per share			
Basic and diluted earnings/(loss) per share (cents)	28	16.50	(39.13)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31 DECEMBER 2024

	2024 \$'000	2023 \$'000
Profit/(loss) for the year	109,668	(259,037)
Items that are or may be reclassified subsequently to profit or loss:		
Changes in fair value of cash flow hedges	13,167	(21,645)
Foreign currency translation differences relating to foreign operations	2,328	24,767
Exchange differences on hedges of net investment and loans forming part of net investment in foreign operations	(6,726)	(5,778)
Share of foreign currency translation differences of equity-accounted investees	(2,035)	(4,523)
Other comprehensive income for the year, net of tax	6,734	(7,179)
Total comprehensive income for the year	116,402	(266,216)
Attributable to:		
Owners of the Company	116,379	(266,641)
Non-controlling interests	23	425
Total comprehensive income for the year	116,402	(266,216)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31 DECEMBER 2024

	Attributable to owners of the Company						Total \$'000	Non- controlling interests \$'000	Total equity \$'000
	Share capital \$'000	Reserve for own shares \$'000	Capital reserve \$'000	Hedging reserve \$'000	Foreign currency translation reserve \$'000	Retained earnings \$'000			
Group									
At 1 January 2023	156,048	(67,796)	791	12,300	(132,513)	3,946,899	3,915,729	14,263	3,929,992
Loss for the year	-	-	-	-	-	(259,845)	(259,845)	808	(259,037)
Changes in fair value of cash flow hedges	-	-	-	(21,645)	-	-	(21,645)	-	(21,645)
Foreign currency translation differences relating to foreign operations	-	-	-	-	25,150	-	25,150	(383)	24,767
Exchange differences on hedges of net investment in foreign operations	-	-	-	-	(5,778)	-	(5,778)	-	(5,778)
Share of foreign currency translation differences of equity-accounted investees	-	-	-	-	(4,523)	-	(4,523)	-	(4,523)
Other comprehensive income	-	-	-	(21,645)	14,849	-	(6,796)	(383)	(7,179)
Total comprehensive income for the year	-	-	-	(21,645)	14,849	(259,845)	(266,641)	425	(266,216)
Transactions with owners of the Company, recognised directly in equity									
Dividend paid to non-controlling shareholder	-	-	-	-	-	-	-	(600)	(600)
Final tax-exempt dividend paid of 8 cents per share in respect of 2022	-	-	-	-	-	(53,121)	(53,121)	-	(53,121)
Total distributions to owners of the Company	-	-	-	-	-	(53,121)	(53,121)	(600)	(53,721)
At 31 December 2023	156,048	(67,796)	791	(9,345)	(117,664)	3,633,933	3,595,967	14,088	3,610,055

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31 DECEMBER 2024

	Attributable to owners of the Company						Total \$'000	Non- controlling interests \$'000	Total equity \$'000
	Share capital \$'000	Reserve for own shares \$'000	Capital reserve \$'000	Hedging reserve \$'000	Foreign currency translation reserve \$'000	Retained earnings \$'000			
Group									
At 1 January 2024	156,048	(67,796)	791	(9,345)	(117,664)	3,633,933	3,595,967	14,088	3,610,055
Profit for the year	-	-	-	-	-	109,555	109,555	113	109,668
Changes in fair value of cash flow hedges	-	-	-	13,167	-	-	13,167	-	13,167
Foreign currency translation differences relating to foreign operations	-	-	-	-	2,418	-	2,418	(90)	2,328
Exchange differences on loans forming part of net investment in foreign operations	-	-	-	-	(6,726)	-	(6,726)	-	(6,726)
Share of foreign currency translation differences of equity-accounted investees	-	-	-	-	(2,035)	-	(2,035)	-	(2,035)
Other comprehensive income	-	-	-	13,167	(6,343)	-	6,824	(90)	6,734
Total comprehensive income for the year	-	-	-	13,167	(6,343)	109,555	116,379	23	116,402
Transactions with owners of the Company, recognised directly in equity									
Dividend paid to non-controlling shareholder	-	-	-	-	-	-	-	(2,000)	(2,000)
Final tax-exempt dividend paid of 3 cents per share in respect of 2023	-	-	-	-	-	(19,920)	(19,920)	-	(19,920)
Total distributions to owners of the Company	-	-	-	-	-	(19,920)	(19,920)	(2,000)	(21,920)
At 31 December 2024	156,048	(67,796)	791	3,822	(124,007)	3,723,568	3,692,426	12,111	3,704,537

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 DECEMBER 2024

	Note	2024 \$'000	2023 \$'000
Cash flows from operating activities			
Profit/(loss) for the year		109,668	(259,037)
Adjustments for:			
Depreciation of property, plant and equipment and right-of-use assets	4	1,030	1,240
Fair value changes in investment properties	5	17,037	363,921
Fair value changes in financial assets at FVTPL	23	11,334	12,963
Fair value changes in financial assets at FVOCI		39	-
Gain on disposal of interest in a subsidiary	6	(34,816)	-
Remeasurement gain on interest in a jointly-controlled entity		(36,238)	-
Gain on disposal of property, plant and equipment		(1,036)	(198)
Gain on disposal of investment properties	23	-	(46,480)
Gain on disposal of financial assets at FVOCI		(28)	-
Impairment loss on trade receivables		-	2
Write-down of properties held for sale to net realisable values		-	692
Dividend income from investment at FVTPL	23	-	(112)
Distribution income from financial assets at FVTPL	23	-	(2)
Interest income	25	(6,699)	(9,920)
Interest expense	25	159,769	167,624
Share of results of associates		2,081	10,230
Share of results of jointly-controlled entities		(5,914)	(12,363)
Income tax expense		42,546	40,468
Exchange differences		12,236	31,335
		271,009	300,363
Changes in:			
Development properties		51,660	51,060
Trade and other receivables		(135,172)	200
Trade and other payables		138,734	7,762
Cash generated from operations		326,231	359,385
Income taxes paid		(47,374)	(40,285)
Net cash generated from operating activities carried forward		278,857	319,100

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 DECEMBER 2024

	Note	2024 \$'000	2023 \$'000
Net cash generated from operating activities brought forward		278,857	319,100
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		9,111	503
Proceeds from sale of investment properties		–	114,380
Proceeds from disposal of interest in a subsidiary	6	133,314	–
Proceeds from sale of financial assets at FVOCI		65	–
Dividends from associate		–	101,085
Capital reduction in jointly-controlled entities	8	7,929	–
Redemption of preference shares of jointly-controlled entity		–	68,093
Repayment from jointly-controlled entities		14,508	84,294
Dividends from investment at FVTPL		–	112
Distributions from financial assets at FVTPL		1,101	15,277
Redemption of financial assets at FVTPL		252	490
Interest received		6,699	9,405
Advances to jointly-controlled entities		(20,570)	–
Investment in jointly-controlled entities		(2,674)	(8,245)
Purchase of property, plant and equipment	4	(1,882)	(3,576)
Capital expenditure on investment properties		(22,739)	(165,080)
Purchase of financial assets at FVTPL		(8,151)	(12,419)
Net cash generated from investing activities		116,963	204,319
Cash flows from financing activities			
Proceeds from notes issuance		160,000	–
Proceeds from bank loans		365,161	1,210,614
Repayment of bank loans		(723,713)	(1,672,655)
Payment of lease liability		(281)	(312)
Interest paid		(164,902)	(165,789)
Dividend paid		(19,920)	(53,121)
Dividends paid to non-controlling shareholder		(2,000)	(600)
Net cash used in financing activities		(385,655)	(681,863)
Net increase/(decrease) in cash and cash equivalents		10,165	(158,444)
Cash and cash equivalents at 1 January		172,677	327,386
Effect of exchange rate changes on cash held		277	3,735
Cash and cash equivalents at 31 December	15	183,119	172,677

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 14 March 2025.

1 DOMICILE AND ACTIVITIES

Ho Bee Land Limited ("the Company") is incorporated in the Republic of Singapore. The address of the Company's registered office is 9 North Buona Vista Drive, #11-01 The Metropolis Tower 1, Singapore 138588.

The financial statements of the Company as at and for the year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interests in associates and jointly-controlled entities.

The Group is primarily involved in property development, property investment and investment holding. The immediate and ultimate holding company during the financial year is Ho Bee Holdings (Pte) Ltd, incorporated in the Republic of Singapore.

2 BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)s"). The changes to material accounting policies are described in Note 2.5.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described below.

2.3 Functional and presentation currency

These financial statements are presented in Singapore dollars, which is the Company's functional currency. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

2.4 Use of estimates and judgements

The preparation of financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions about the future, including climate-related risks and opportunities, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Group's risk management and climate-related commitments where appropriate. Revisions to accounting estimates are recognised prospectively.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

2 BASIS OF PREPARATION (CONT'D)

2.4 Use of estimates and judgements (cont'd)

Information about critical judgements in applying accounting policies and assumptions and estimation uncertainties that have the most significant effect on the amounts recognised in the financial statements or have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

- Notes 5 and 36 Valuation of investment properties
- Note 12 and 26 Estimation of provisions for current and deferred taxation
- Note 13 Measurement of realisable amounts of development properties
- Note 34 Estimation of credit loss allowance on trade and other receivables
- Note 34 Valuation of financial instruments

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This framework includes a finance team that reports directly to the Head of Finance and has overall responsibility for all significant fair value measurements, including Level 3 fair values.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. Significant valuation issues are reported to the Audit & Risk Committee.

When measuring the fair value of an asset or liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is 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 (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values are included in the following notes:

- Note 34 – valuation of financial instruments
- Note 36 – determination of fair values

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

2 BASIS OF PREPARATION (CONT'D)

2.5 Changes in material accounting policies

New accounting standards and amendments

The Group has applied the following SFRS(I)s, amendments to and interpretations of SFRS(I) for the first time for the annual period beginning on 1 January 2024:

- Amendments to SFRS(I) 1-1: *Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants*
- Amendments to SFRS(I) 1-7 and SFRS(I) 7: *Supplier Finance Arrangements*
- Amendments to SFRS(I) 16: *Lease Liability in a Sale and Leaseback*

The application of these SFRS(I)s, amendments to standards and interpretations did not have a material effect on the Group's consolidated financial statements and the Company's statement of financial position.

Management reviewed the accounting policies and made updates to the information disclosed in Note 3 Material accounting policies in certain instances in line with the amendments.

3 MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in Note 2.5, which addresses changes in material accounting policies.

The accounting policies have been applied consistently by the Group entities.

3.1 Basis of consolidation

(i) Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group (see Note ii). In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

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

The Group measures goodwill at the date of acquisition as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interest ("NCI") in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree,

over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (cont'd)

(i) Business combinations (cont'd)

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is recognised at fair value at the date of acquisition and included in the consideration transferred. If the contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

When share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards) and relate to past services, then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based value of the replacement awards compared with the market-based value of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

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

Costs related to the acquisition, other than those associated with the issue of debt or equity investments, that the Group incurs in connection with a business combination are expensed as incurred.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

(iii) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (cont'd)

(iv) *Investments in associates and jointly-controlled entities (equity-accounted investees)*

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies of these entities. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity. A jointly-controlled entity is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investments in associates and jointly-controlled entities are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

(v) *Joint operations*

A joint operation is an arrangement in which the Group has joint control whereby the Group has rights to the assets, and obligations for the liabilities, relating to an arrangement. The Group accounts for each of its assets, liabilities and transactions, including its share of those held or incurred jointly, in relation to the joint operation, in accordance with the contractual arrangement governing the joint operation.

(vi) *Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates and jointly-controlled entities are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(vii) *Subsidiaries, associates and jointly-controlled entities in the separate financial statements*

Investments in subsidiaries, associates and jointly-controlled entities are stated in the Company's statement of financial position at cost less accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.2 Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on translation are recognised in profit or loss, except for the following differences which are recognised in other comprehensive income ("OCI") arising on the translation of:

- an investment in equity securities designated as at fair value through other comprehensive income ("FVOCI");
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent the hedges are effective.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

(iii) Net investment in a foreign operation

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation. These are recognised in OCI and are presented in the foreign currency translation reserve in equity.

(iv) Hedge of a net investment in foreign operation

Foreign currency differences arising on the translation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised in OCI to the extent that the hedge is effective and are presented within equity in the foreign currency translation reserve. To the extent that the hedge is ineffective, such differences are recognised in profit or loss. When the hedged net investment is disposed of, the relevant amount in the foreign currency translation reserve is transferred to profit or loss as part of the gain or loss on disposal.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables and debt investments issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provision of the instrument.

A financial asset (unless it is a trade receivable without significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt investments at FVOCI

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity investments at FVOCI

On initial recognition of an equity investment that is not held-for-trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI, at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (cont'd)

(ii) *Classification and subsequent measurement (cont'd)*

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held-for-trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (cont'd)

(ii) *Classification and subsequent measurement (cont'd)*

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investment at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transaction cost. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. These financial liabilities comprise loans and borrowings, bank overdrafts, and trade and other payables.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (cont'd)

(iii) *Derecognition*

Financial assets

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire, or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
 - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
 - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Group enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or when they expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) *Offsetting*

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

(v) *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value and are used by the Group in the management of its short-term commitments. For the purpose of the statement of cash flows, pledged deposits are excluded whilst bank overdrafts that are repayable on demand and that form an integral part of the Group's cash management are included in cash and cash equivalents.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (cont'd)

(vi) *Derivative financial instruments and hedge accounting*

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value and any directly attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The Group designates certain derivatives and non-derivative financial instruments as hedging instruments in qualifying hedging relationships. At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationships between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in interest rates.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts ("forward points") is separately accounted for as a cost of hedging and recognised in a cost of hedging reserve within equity.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in the hedging reserve and the cost of hedging reserve is included directly in the initial cost of the non-financial item when it is recognised.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve and the cost of hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve and the cost of hedging reserve remains in equity until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (cont'd)

Net investment hedges

The Group designates certain derivative and non-derivative financial liabilities as hedges of foreign exchange risk on a net investment in a foreign operation.

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of, for a derivative, changes in the fair value of the hedging instrument or, for a non-derivative, foreign exchange gains or losses is recognised in OCI and presented in the translation reserve within equity. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains or losses on the non-derivative is recognised immediately in profit or loss. The amount recognised in OCI is reclassified to profit or loss as a reclassification adjustment on disposal of the foreign operation.

(vii) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with SFRS(I) 1-12.

Repurchase, disposal and reissue of share capital (treasury shares)

Where share capital recognised as equity is repurchased (treasury shares), the amount of the consideration paid, including directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the reserve for own share account. Where such shares are subsequently reissued, sold or cancelled, the consideration received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in non-distributable capital reserve.

(viii) Intra-group financial guarantees in the separate financial statements

Financial guarantees are financial instruments issued by the Company that require the issuer to make specified payments to reimburse the holder for the loss it incurs because a specified debtor fails to meet payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at the higher of the loss allowance determined in accordance with SFRS(I) 9 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15.

Expected credit losses ("ECLs") are a probability-weighted estimate of credit losses. ECLs are measured for financial guarantees issued as the expected payments to reimburse the holder less any amounts that the Company expects to recover.

Liabilities arising from financial guarantees are included within 'loans and borrowings'.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.4 Property, plant and equipment

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and is recognised net within other income/other expenses in profit or loss.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Paintings and sculptures are not depreciated. Depreciation on other property, plant and equipment is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

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

The estimated useful lives for the current and comparative years are as follows:

Freehold property	50 years
Leasehold improvements	5 to 10 years
Furniture, fittings and office equipment	5 years
Motor vehicles	5 years
Right-of-use asset – office premise	3 to 5 years

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date. Property, plant and equipment which are fully depreciated, are retained in the financial statements until they are no longer in use.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.5 Investment properties

Investment properties comprise of completed properties and properties under development held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss. At each year end, the Group's investment property portfolio is valued by an external, independent valuation company, having appropriate recognised professional qualifications. Rental income from investment properties is accounted for in the manner described in Note 3.13.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss. When an investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to retained earnings.

When the use of a property changes such that it is reclassified as property, plant and equipment, or development properties, its fair value at the date of reclassification becomes its cost for subsequent accounting.

Property that is being constructed for future use as investment property is accounted for at fair value.

Where a property is expected to be sold within the foreseeable future, it is reclassified to current assets in the statement of financial position. The property is measured at fair value with any change recognised in profit or loss.

3.6 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.6 Leases (cont'd)

As a lessee (cont'd)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for a major part of the economic life of the asset.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.6 Leases (cont'd)

As a lessor (cont'd)

If an arrangement contains lease and non-lease components, then the Group applies SFRS(I) 15 to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements in SFRS(I) 9 to the net investment in the lease (see Note 3.8(i)). The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognises lease payments received from investment property under operating leases as income on a straight-line basis over the lease term as part of 'revenue'.

3.7 Impairment

(i) *Non-derivative financial assets*

The Group recognises loss allowances for expected credit losses ("ECLs") on:

- financial assets measured at amortised costs; and
- intra-group financial guarantee contracts ("FGC").

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.7 Impairment (cont'd)

(i) *Non-derivative financial assets (cont'd)*

General approach (cont'd)

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Company considers a FGC to be in default when the debtor of the loan is unlikely to pay its credit obligations to the creditor and the Company in full, without recourse by the Company to actions such as realising security (if any is held). The Company only applies a discount rate if, and to the extent that, the risks are not taken into account by adjusting the expected cash shortfalls.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.7 Impairment (cont'd)

(i) *Non-derivative financial assets (cont'd)*

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Loss allowances for FGC are recognised as a financial liability to the extent that they exceed the initial carrying amount of the FGC less the cumulated income recognised.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) *Non-financial assets*

The carrying amounts of the Group's non-financial assets, other than investment properties, development properties and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amounts are estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. For the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.7 Impairment (cont'd)

(ii) *Non-financial assets (cont'd)*

An impairment loss in respect of an associate or joint venture is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with the requirements for non-financial assets. An impairment loss is recognised in profit or loss. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount and only to the extent that the recoverable amount increases.

Goodwill that forms part of the carrying amount of an investment in an associate or joint venture is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate or joint venture is tested for impairment as a single asset when there is objective evidence that the investment in an associate or joint venture may be impaired.

3.8 Development properties

Development properties are those properties which are held with the intention of development and sale in the ordinary course of business. They are measured at the lower of cost and net realisable value. Cost includes acquisition costs, development expenditure, capitalised borrowing costs (applicable to construction of a development for which revenue is to be recognised at a point in time) and other costs directly attributable to the development activities.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. The write-down to net realisable value is presented as allowance for foreseeable losses.

3.9 Employee benefits

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual, or voluntary basis. The Group has no further payment obligations once the contributions have been paid. Obligations for contributions are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

Short-term employee benefits

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

3.10 Interest-free related party loans – non-quasi equity

Loans to subsidiaries and associate

Interest-free loans to subsidiaries and associate are stated at fair value at inception. The difference between the fair value and the loan amount at inception is recognised as additional investments in subsidiaries and associate in the financial statements. Subsequently, these loans are measured at amortised cost using the effective interest method. The unwinding of the difference is recognised as interest income in profit or loss over the expected repayment period.

Intra-group balances between the Company and its subsidiaries are eliminated in full in the Group's consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.11 Revenue recognition

Sale of development properties in Singapore and overseas

Revenue is recognised when control over the property has been transferred to the customer.

In respect of a development property where the Group has an enforceable right to payment for performance completed to date, revenue is recognised based on the percentage of completion. The percentage of completion is measured by reference to the work performed, based on the stage of completion certified by quantity surveyors. Profits are recognised only in respect of finalised sales contracts to the extent that such profits relate to the progress of the construction work.

In respect of a development property where the Group has no enforceable right to payment until the property is delivered to the customer (i.e. overseas property development projects where no progress payments are received from purchasers during construction), revenue is recognised upon handover of units to the customers.

Revenue is measured at the transaction price agreed under the contract. Progress billings to the customer are based on a payment schedule in the contract and are typically triggered upon achievement of specified construction milestones.

Where the period between the satisfaction of a performance obligation and payment by the customer exceeds a year, the Group adjusts the transaction price with its customer and recognises a financing component. In adjusting for the financing component, the Group uses a discount rate that would reflect that of a separate financing transaction between the Group and its customer at contract inception.

Rental income

Rental income receivable under operating leases is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income to be received. Contingent rentals are recognised as income in the accounting period in which they are earned.

Dividend income

Dividend income is recognised on the date that the shareholder's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Interest income

Interest income from bank deposits is recognised as it accrues, using the effective interest method.

Management fee income

The Group recognises income over time as the services are rendered.

3.12 Finance income and finance costs

The Group's finance income and finance costs include:

- interest income on funds invested;
- interest expense on borrowings; and
- hedge ineffectiveness recognised in profit or loss.

Interest income or expense is recognised using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.12 Finance income and finance costs (cont'd)

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

3.13 Tax

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

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*.

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

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

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences relating to investments in subsidiaries, associates and jointly-controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on initial recognition of goodwill.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the carrying amount of the investment property is presumed to be recovered through sale, and the Group has not rebutted this presumption. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date, and reflects uncertainty related to income taxes, if any.

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.13 Tax (cont'd)

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

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

3.14 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted-average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

3.15 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by management to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to management include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses, and tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the year to acquire investment properties.

3.16 New standards and amendments not adopted

A number of new accounting standards and amendments to standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted; however, the Group has not early adopted the new or amended accounting standards in preparing these financial statements.

The following amendments to SFRS(I)s are not expected to have a significant impact on the Group's consolidated financial statements.

- Amendments to SFRS(I) 1-21: *Lack of exchangeability*
- Amendments to SFRS(I) 9 and SFRS(I) 7: *Classification and Measurement of Financial Instruments and Contracts Referencing Nature-dependent Electricity*
- Annual Improvements to SFRS(I)s: *Volume 11*
- Amendments to SFRS(I) 18: *Presentation and Disclosure in Financial Statements*
- Amendments to SFRS(I) 19: *Subsidiaries without Public Accountability – Disclosures*
- Amendments to SFRS(I) 1-28: *Investments in Associates and Joint Ventures*
- Amendments to SFRS(I) 10: *Consolidated Financial Statements – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

4 PROPERTY, PLANT AND EQUIPMENT

Group	Freehold property \$'000	Right-of-use asset \$'000	Leasehold improvements \$'000	Paintings and sculptures \$'000	Furniture, fittings and office equipment \$'000	Motor vehicles \$'000	Total \$'000
Cost							
At 1 January 2023	1,600	972	1,482	48,677	6,723	2,651	62,105
Additions	-	247	-	765	1,244	1,320	3,576
Disposals	-	-	(626)	-	(664)	(816)	(2,106)
Exchange differences	(18)	(14)	30	-	(11)	28	15
At 31 December 2023	1,582	1,205	886	49,442	7,292	3,183	63,590
Additions	-	292	-	880	773	220	2,165
Disposals	-	(144)	-	(7,678)	(464)	(170)	(8,456)
Disposal of interest in a subsidiary	-	-	-	-	(78)	-	(78)
Exchange differences	(96)	(81)	13	-	(135)	(9)	(308)
At 31 December 2024	1,486	1,272	899	42,644	7,388	3,224	56,913
Accumulated depreciation							
At 1 January 2023	351	265	1,050	-	5,385	1,306	8,357
Depreciation charge for the year	31	308	92	-	435	374	1,240
Disposals	-	-	(626)	-	(661)	(513)	(1,800)
Exchange differences	(4)	-	17	-	1	7	21
At 31 December 2023	378	573	533	-	5,160	1,174	7,818
Depreciation charge for the year	32	263	94	-	253	388	1,030
Disposals	-	(113)	-	-	(91)	(146)	(350)
Disposal of interest in a subsidiary	-	-	-	-	(10)	-	(10)
Exchange differences	(24)	(44)	8	-	(29)	(9)	(98)
At 31 December 2024	386	679	635	-	5,283	1,407	8,390
Carrying amounts							
At 1 January 2023	1,249	707	432	48,677	1,338	1,345	53,748
At 31 December 2023	1,204	632	353	49,442	2,132	2,009	55,772
At 31 December 2024	1,100	593	264	42,644	2,105	1,817	48,523

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

4 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company	Right-of-use asset \$'000	Furniture, fittings and office equipment \$'000	Motor vehicles \$'000	Paintings \$'000	Total \$'000
Cost					
At 1 January 2023	5,368	3,650	1,035	3	10,056
Additions	13	72	754	–	839
Derecognition	(5,381)	–	–	–	(5,381)
At 31 December 2023	–	3,722	1,789	3	5,514
Additions	–	209	16	–	225
Disposals	–	–	–	–	–
At 31 December 2024	–	3,931	1,805	3	5,739
Accumulated depreciation					
At 1 January 2023	4,443	3,539	165	–	8,147
Depreciation charge for the year	938	58	183	–	1,179
Derecognition	(5,381)	–	–	–	(5,381)
At 31 December 2023	–	3,597	348	–	3,945
Depreciation charge for the year	–	51	273	–	324
Disposals	–	–	–	–	–
At 31 December 2024	–	3,648	621	–	4,269
Carrying amounts					
At 1 January 2023	925	111	870	3	1,909
At 31 December 2023	–	125	1,441	3	1,569
At 31 December 2024	–	283	1,184	3	1,470

The Company's right-of-use asset pertained to leasing of office space from a subsidiary and was derecognised when the lease ended on 31 October 2023.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

5 INVESTMENT PROPERTIES

	Note	Group 2024 \$'000	2023 \$'000
Freehold properties			
At 1 January		2,804,402	3,214,716
Capital expenditure		10,773	10,446
Disposals		–	(67,900)
Fair value changes		(17,037)	(468,852)
Exchange differences		43,385	115,992
At 31 December		2,841,523	2,804,402
Leasehold properties			
At 1 January		2,803,367	2,541,399
Capital expenditure		646	154,634
Disposal of interest in a subsidiary	6	(483,946)	–
Fair value changes		–	104,931
Exchange differences		976	2,403
At 31 December		2,321,043	2,803,367
Total investment properties		5,162,566	5,607,769

Investment properties comprise a number of commercial properties that are leased to third party customers. Each of the leases contains an initial non-cancellable period of 1 to 15 years. Subsequent renewals are negotiated with the lessees. During the year, contingent rent of \$141,000 (2023: \$120,000) was charged and recognised as rental income in profit or loss.

Certain investment properties with carrying value amounting to \$5,062,037,000 (2023: \$5,505,747,000) have been pledged to secure banking facilities granted to the Group (see Note 18).

Investment properties are stated at fair value based on valuations carried out by independent external valuers, namely Savills Valuation & Professional Services (S) Pte Ltd, and Cushman & Wakefield Debenham Tie Leung Limited. The valuers have recognised professional qualifications and relevant experience in the location and category of property being valued. In determining the fair value, the valuers have used valuation techniques which involve certain key assumptions.

In 2024, the Group recognised a net fair value loss of \$17,037,000 (2023: \$363,921,000) on its investment properties. See Note 36 – Determination of fair values for disclosure on the valuation techniques used by the independent valuers.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

6 SUBSIDIARIES

	Company	
	2024	2023
	\$'000	\$'000
Equity investments, at cost	643,006	643,922
Discount implicit in interest-free loans to subsidiaries	1,252	2,161
Impairment loss	(169,441)	(123,109)
	474,817	522,974

Impairment loss

Impairment loss of \$46,332,000 (2023: \$115,957,000) was recognised on the Company's investment in subsidiaries, taking into consideration the fair values of the underlying assets and liabilities held by the subsidiaries. The fair value measurement was categorised as a Level 3 in the fair value hierarchy as it is derived from unobservable inputs.

Details of the material subsidiaries are as follows:

Name of company	Country of incorporation	Effective equity held by the Group	
		2024	2023
		%	%
Ho Bee Developments Pte Ltd	Singapore	100	100
Ho Bee (One North) Pte Ltd	Singapore	100	100
HB Doncaster Pty Ltd	Australia	100	100
HB VIC Pty Ltd	Australia	100	100
HB QLD Pty Ltd	Australia	100	100
HB Park Ridge Partnership	Australia	83.9	83.9
Queensgate Investments Pty Ltd	Australia	100	100
Grandeur Property Investments Ltd [#]	British Virgin Islands	100	100
HB Lime Street Limited [#]	Island of Jersey	100	100

[#] Not required to be audited under the laws in the country of incorporation.

KPMG LLP are the auditors of all material Singapore-incorporated subsidiaries.

KPMG Melbourne are the auditors of all material Australia-incorporated subsidiaries.

The Group does not have non-controlling interest of which its results are material to the Group.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

6 SUBSIDIARIES (CONT'D)

Disposal of interest in a subsidiary

On 21 August 2024, the Group disposed its 49% interest in HB Universal Pte Ltd, a subsidiary which holds Elementum in Singapore, for a cash consideration of \$133,572,000.

Consequent to the partial disposal, HB Universal Pte Ltd was deconsolidated as a subsidiary of the Group, with remaining interest accounted for under jointly-controlled entities.

The cash flows and net assets relating to the interest disposed are summarised as follows:

	Note	Group 2024 \$'000
Property, plant and equipment		68
Investment property	5	483,946
Cash and cash equivalents		258
Other assets		23,964
Loans and borrowings		(270,460)
Other liabilities		(36,233)
Net assets of the subsidiary deconsolidated		<u>201,543</u>
Disposal of 49% interest in the subsidiary		98,756
Gain on disposal	23	34,816
Sale consideration		133,572
Less: Cash balances of the subsidiary deconsolidated		(258)
Net cash inflow on disposal		<u>133,314</u>

7 ASSOCIATES

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Interests in associates	<u>52,013</u>	53,902	<u>4,136</u>	4,136

There was no associate that was individually material to the Group (2023: nil).

Reconciliation of carrying amounts of interest in associates

	Group	
	2024 \$'000	2023 \$'000
At 1 January	53,902	108,180
Group's share of results from continuing operations	(2,081)	(6,830)
Group's writeback of provision for foreseeable loss	-	1,624
Dividends declared during the year	-	(46,813)
Foreign currency translation differences	192	(2,259)
At 31 December	<u>52,013</u>	53,902

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

8 JOINTLY-CONTROLLED ENTITIES

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Interests in jointly-controlled entities	512,154	379,392	383,593	310,092
Impairment loss	–	–	(72,969)	(87,937)
	512,154	379,392	310,624	222,155

There was no jointly-controlled entity that was individually material to the Group (2023: nil).

These jointly-controlled entities are structured as separate vehicles, and the Group has a residual interest in their net assets.

Reconciliation of carrying amounts of interest in jointly-controlled entities

	Group	
	2024	2023
	\$'000	\$'000
At 1 January	379,392	433,124
Addition	139,024	–
Group's share of results from continuing operations	5,914	12,363
Intra-group eliminations ¹	(8,612)	(3,983)
Group's capital contribution	6,592	8,245
Group's capital reduction	(7,929)	–
Group's redemption of preference shares	–	(68,093)
Foreign currency translation differences	(2,227)	(2,264)
At 31 December	512,154	379,392

¹ Includes elimination of intercompany loan interest and management fee for the year.

Company

The cumulative impairment loss as at the reporting date is \$72,969,000 (2023: \$87,937,000).

During the year, a writeback of impairment loss of \$14,968,000 (2023: nil) was made against the Company's investment in its jointly-controlled entity, Pinnacle (Sentosa) Pte Ltd. The Group obtained an external valuation of its development project as at 31 December 2024 which indicated an increase in the estimated selling price of the property.

Movements in impairment loss on the Company's jointly-controlled entities are as follows:

	Company	
	2024	2023
	\$'000	\$'000
At 1 January	87,937	87,937
Writeback of impairment loss for the year	(14,968)	–
At 31 December	72,969	87,937

Addition of a jointly-controlled entity

On 21 August 2024, the Group disposed its 49% interest in HB Universal Pte Ltd, a subsidiary which holds Elementum in Singapore. Consequent to the partial disposal, HB Universal Pte Ltd was deconsolidated as a subsidiary of the Group, with remaining interest accounted for under jointly-controlled entities. The cash flows and net assets relating to the interest disposed are disclosed in Note 6.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

9 OTHER ASSETS

	Group	
	2024	2023
	\$'000	\$'000
At cost		
Club membership	150	150

10 FINANCIAL ASSETS

	Note	Group	Group	Company	Company
		2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
Non-current					
Investments designated at FVTPL:					
– Quoted equity securities		16,006	5,368	51	–
– European property fund		18,974	27,939	18,974	27,939
Investments mandatorily at FVTPL:					
– Debt instruments – subscription of notes	(i)	25,070	31,225	25,070	31,225
Investments designated at FVOCI:					
– Unquoted equity securities		–	77	–	–
		60,050	64,609	44,095	59,164
Current					
Investments mandatorily at FVTPL:					
– Debt instruments – subscription of notes	(i)	–	2,524	–	2,524
		–	67,133	–	61,688

- (i) Included in debt instruments is the Company's subscription of notes via a private placement in Europe. Proceeds from the private placement were used for investing in commercial properties. Distribution and redemption of the notes, including interest at 8% per annum, is dependent on the underlying properties' performance. As the contractual cash flows from the notes are not solely payments of principal and interest, the debt instruments are mandatorily measured at FVTPL.

Refer to Note 34 – estimation of fair values for financial assets and valuation processes applied by the Group for these investments.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

11 OTHER RECEIVABLES

	Note	Group		Company	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Non-current assets					
Other deposits		139	620	-	1
Prepayments		3,194	100	-	-
		3,333	720	-	1
Amounts due from subsidiaries (non-trade)					
- interest bearing	(i)	-	-	464,570	934,189
- non-interest bearing	(ii)	-	-	1,381,313	951,330
		-	-	1,845,883	1,885,519
Amounts due from jointly-controlled entities (non-trade)					
- interest bearing	(i)	35,302	30,959	12,567	10,468
- non-interest bearing	(ii)	21,921	7,147	21,453	6,680
		57,223	38,106	34,020	17,148
		60,556	38,826	1,879,903	1,902,668

- (i) Interest-bearing amounts due from subsidiaries and jointly-controlled entities are charged at an interest rate of 2.00% to 6.66% (2023: 2.00% to 8.11%) and 4.16% to 12.76% (2023: 3.60% to 12.70%) per annum, respectively.
- (ii) Amounts owing from subsidiaries and jointly-controlled entities are unsecured, interest-free, and have no fixed terms of repayment. The settlement of these balances is neither planned nor likely to occur in the foreseeable future, and hence are classified as non-current receivables. There are no indications that suggest any of the balances will be impaired.

12 DEFERRED TAX

Movements in deferred tax liabilities of the Group (prior to offsetting of balances) during the year are as follows:

	At 1 January 2023 \$'000	Recognised in income statement (Note 26) \$'000	Exchange differences \$'000	At 31 December 2023 \$'000	Recognised in income statement (Note 26) \$'000	Exchange differences \$'000	At 31 December 2024 \$'000
Group							
Deferred tax liabilities							
Investment properties	13,380	(13,449)	216	147	(146)	(1)	-
Development properties	5,637	4,298	(36)	9,899	209	(625)	9,483
Others	1,151	1,062	4	2,217	(480)	(133)	1,604
	20,168	(8,089)	184	12,263	(417)	(759)	11,087
Deferred tax assets							
Tax losses	255	272	5	532	100	(37)	595

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

13 DEVELOPMENT PROPERTIES

	Group	
	2024	2023
	\$'000	\$'000
<i>Properties for which revenue is to be recognised at a point in time</i>		
Properties held for sale	56,754	78,551
Properties under development	383,726	438,769
	440,480	517,320
Allowance for foreseeable losses	(1,223)	(1,206)
Total development properties	439,257	516,114

During the year, development properties of \$190,939,000 (2023: \$128,373,000) were recognised as cost of sales and included in 'cost of sales – residential development projects'.

Movements in allowance for foreseeable losses are as follows:

	Group	
	2024	2023
	\$'000	\$'000
At 1 January	(1,206)	(494)
Allowance made	-	(692)
Exchange differences	(17)	(20)
At 31 December	(1,223)	(1,206)

The Group's development properties are carried at lower of cost and net realisable value. The determination of net realisable value requires judgement and estimate by management. The Group estimates the level of allowance for foreseeable losses based on the prevailing selling prices of the development properties or similar development properties within the vicinity at the reporting date, and costs to be incurred in selling the property. In the absence of current prices in an active market, valuations were obtained from an independent property valuer. Where necessary, allowance for foreseeable losses would be recorded as a result of deterioration in the estimated market values for development properties.

During the year, no allowance for foreseeable losses (2023: \$692,000) was made, taking into consideration the net realisable values of the development properties.

Certain development properties with carrying value amounting to \$27,736,000 (2023: \$27,314,000) were pledged to secure banking facilities granted to the Group (see Note 18).

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

14 TRADE AND OTHER RECEIVABLES, INCLUDING DERIVATIVES

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Trade receivables	32,226	35,364	-	-
Accrued rent receivables	2,097	3,847	-	-
Impairment losses	-	(52)	-	-
Net trade receivables	34,323	39,159	-	-
Other deposits	5,749	6,263	376	121
Amounts due from:				
- subsidiaries (non-trade)				
- interest bearing	-	-	66,003	30,931
- non-interest bearing	-	-	65,412	19,646
- jointly-controlled entities (non-trade)				
- interest bearing	194	18,976	-	-
- non-interest bearing	220	219	220	218
Other receivables	1,220	3,707	1,717	-
Derivative financial assets	11,823	4,923	3,513	-
	53,529	73,247	137,241	50,916
GST recoverable	3,950	6,619	-	-
Prepayments	2,974	2,606	97	66
Tax recoverable	199	1,243	-	-
	60,652	83,715	137,338	50,982

Amounts due from subsidiaries and jointly-controlled entities are unsecured and repayable within the next 12 months. These balances are amounts lent to subsidiaries and jointly-controlled entities to meet their short-term funding requirements. Interest-bearing amounts due from subsidiaries and jointly-controlled entities are charged at an interest rate of 2.00% to 2.50% (2023: 2.00% to 2.50%) and 10.00% (2023: 7.50% to 10.00%) per annum, respectively.

The measurement of expected credit loss on trade and other receivables involves management's estimate of the credit risk of the financial instruments and reflects the Group's assessment of economic conditions and possible default events over the expected lives of these receivables. Refer to Note 34 for the Group's assessment on credit risk exposure and determination of expected credit loss ("ECL").

15 CASH AND CASH EQUIVALENTS

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Cash at banks and in hand	79,561	81,704	2,118	2,604
Fixed deposits	103,558	90,973	41,417	20,040
	183,119	172,677	43,535	22,644

The weighted average effective interest rates relating to fixed deposits at the reporting date for the Group is 4.11% (2023: 4.76%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

16 SHARE CAPITAL

	Group and Company	
	2024	2023
	Number	Number
	of shares	of shares
	'000	'000
Fully paid ordinary shares, with no par value:		
At 1 January and 31 December	703,338	703,338

As at the reporting date, included in the total number of ordinary shares was 39,321,600 (2023: 39,321,600) shares purchased by the Company (the "Treasury Shares") by way of market acquisition at an average price of \$1.72 per share. The Treasury Shares were deducted from total equity (see Note 17).

The holders of ordinary shares (excluding Treasury Shares) are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares (excluding Treasury Shares) rank equally with regard to the Company's residual assets.

Capital management

The Company's policy is to maintain an adequate capital base so as to maintain investor, creditor and market confidence and to sustain future development of the Group's business.

The Board of Directors monitors the return on equity, which the Group defines as net profit divided by total shareholders' equity, excluding non-controlling interests. The Board of Directors also monitors the Group's financial performance, capital requirements and plans for expansion before declaring dividends to shareholders. The Group funds its operations and growth through a mix of equity and debt. This includes the maintenance of adequate credit lines and assessing the need to raise additional equity where required.

From time to time, the Company may undertake share purchases under its approved Share Purchase Mandate if and when circumstances permit, as part of the Group's management mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements, in an expedient and cost-efficient manner. The purchases of its shares seek to increase shareholders' values and provide greater flexibility over the Company's share capital structure.

There were no changes in the Group's approach to capital management during the year.

The net gearing ratio is calculated as net debt divided by total shareholders' equity, excluding non-controlling interests. Net debt is calculated as borrowings less cash and cash equivalents.

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Borrowings	2,624,085	3,064,684	419,910	273,728
Less: Cash and cash equivalents	(183,119)	(172,677)	(43,535)	(22,644)
Net debt	2,440,966	2,892,007	376,375	251,084
Total shareholders' equity, excluding non-controlling interests	3,692,426	3,595,967	2,121,340	2,123,906
Net gearing ratio	0.66	0.80	0.18	0.12

Certain Group entities are required to comply with their bank loans covenants, and these have been complied with during the year.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

17 RESERVES

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Reserve for own shares	(67,796)	(67,796)	(67,796)	(67,796)
Capital reserve	791	791	-	-
Hedging reserve	3,822	(9,345)	381	(2,931)
Foreign currency translation reserve	(124,007)	(117,664)	-	-
Retained earnings	3,723,568	3,633,933	2,032,707	2,038,585
	3,536,378	3,439,919	1,965,292	1,967,858

Reserve for own shares

The reserve for own shares comprises the cost of Treasury Shares held by the Company (see Note 16).

Capital reserve

The capital reserve which arose prior to 1 January 2001, comprises negative goodwill arising on acquisition of interests in subsidiaries and effect of discounting of a loan extended to a subsidiary.

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges.

Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the functional currency of the Company, the gain or loss on instruments used to hedge the Group's net investment in foreign operations that are determined to be effective hedges, and exchange differences on monetary items which form part of the Group's net investment in foreign operations, provided certain conditions are met.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

18 LOANS AND BORROWINGS

		Group		Company	
	Note	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Non-current liabilities					
Secured bank loans		2,258,640	2,484,587	147,520	161,338
Unsecured bank loan		–	100,000	–	100,000
Medium term notes	(i)	160,000	–	160,000	–
Lease liabilities		425	426	–	–
		2,419,065	2,585,013	307,520	261,338
Current liabilities					
Secured bank loans		104,820	479,439	12,390	12,390
Unsecured bank loan		100,000	–	100,000	–
Lease liabilities		200	232	–	–
		205,020	479,671	112,390	12,390
		2,624,085	3,064,684	419,910	273,728

- (i) On 11 July 2024, the Company issued \$160,000,000 of 5-year 4.35% fixed-rate unsecured green notes under its \$800,000,000 multi-currency medium term note programme.

Certain bank loans are subject to covenants that need to be complied with within 12 months after the reporting date. At the reporting date, \$2,267,276,000 of bank loans are required to be tested quarterly, semi-annually or annually on covenants including interest coverage ratios and loan-to-value ratios.

The Group expects to comply with or cure these covenants within 12 months after the reporting date. At the reporting date, there are no non-current loans that need to be reclassified as current due to anticipated covenant breaches that would make the loans repayable on demand.

The bank loans are secured on the following assets, and legal assignment of the assets' sales and rental proceeds:

	Note	Group	
		2024 \$'000	2023 \$'000
Investment properties	5	5,062,037	5,505,747
Development properties	13	27,736	27,314
		5,089,773	5,533,061

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

18 LOANS AND BORROWINGS (CONT'D)

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

	Effective interest rate %	Expected year of maturity	Face value \$'000	Carrying amount \$'000
Group				
31 December 2024				
Secured bank loans	4.16 – 6.24	2025 – 2028	2,363,460	2,363,460
Unsecured bank loan	5.92	2025	100,000	100,000
Medium term notes	4.35	2029	160,000	160,000
Lease liabilities			625	625
31 December 2023				
Secured bank loans	2.96 – 6.67	2024 – 2028	2,964,026	2,964,026
Unsecured bank loan	5.81	2025	100,000	100,000
Lease liabilities	4.00	2024 – 2028	706	658
Company				
31 December 2024				
Secured bank loans	6.24	2027	159,910	159,910
Unsecured bank loan	5.92	2025	100,000	100,000
Medium term notes	4.35	2029	160,000	160,000
31 December 2023				
Secured bank loans	4.60 – 4.79	2027	173,728	173,728
Lease liabilities	5.81	2025	100,000	100,000

The Group's bank loans are all pegged to floating rates.

Intra-group financial guarantees

Intra-group financial guarantees comprise guarantees provided by the Company to banks in respect of banking facilities amounting to \$2,545,953,000 (2023: \$2,892,399,000) extended to its subsidiaries and jointly-controlled entities. The Group's financial guarantees relate to those extended by the Company to jointly-controlled entities. The periods in which the financial guarantees expire are as follows:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Less than 1 year	64,050	–	156,748	470,177
Between 1 and 5 years	271,038	93,975	2,389,205	2,422,222
More than 5 years	–	–	–	–
	335,088	93,975	2,545,953	2,892,399

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

18 LOANS AND BORROWINGS (CONT'D)

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Liabilities		Derivative liabilities/ (assets) held to hedge long-term borrowings		
	Bank loans \$'000	Lease liabilities \$'000	Amount due to non-controlling shareholder \$'000	Interest rate swap – net liabilities/ (assets) \$'000	Total \$'000
Group					
Balance at 1 January 2023	3,423,984	720	2,705	(12,300)	3,415,109
Changes from financing cash flows					
Proceeds from bank loans	1,210,614	–	–	–	1,210,614
Repayment of liabilities	(1,672,655)	(312)	–	–	(1,672,967)
Interest paid	(165,757)	(32)	–	–	(165,789)
Total changes from financing cash flows	(627,798)	(344)	–	–	(628,142)
Exchange differences	100,248	4	(24)	–	100,228
Fair value changes	–	–	–	21,645	21,645
Other changes					
Liability-related					
Lease liabilities recognised	–	246	–	–	246
Interest expense	167,592	32	–	–	167,624
Total liability-related other changes	167,592	278	–	–	167,870
Balance at 31 December 2023	3,064,026	658	2,681	9,345	3,076,710
Balance at 1 January 2024	3,064,026	658	2,681	9,345	3,076,710
Changes from financing cash flows					
Proceeds from notes issuance	160,000	–	–	–	160,000
Proceeds from bank loans	365,161	–	–	–	365,161
Repayment of liabilities	(723,713)	(281)	(2,005)	–	(725,999)
Disposal of interest in a subsidiary	(270,460)	–	–	–	(270,460)
Interest paid	(164,874)	(28)	–	–	(164,902)
Total changes from financing cash flows	(633,886)	(309)	(2,005)	–	(636,200)
Exchange differences	33,577	(44)	(248)	–	33,285
Fair value changes	–	–	–	(13,167)	(13,167)
Other changes					
Liability-related					
Lease liabilities recognised	–	292	–	–	292
Interest expense	159,742	28	–	–	159,770
Total liability-related other changes	159,742	320	–	–	160,062
Balance at 31 December 2024	2,623,459	625	428	(3,822)	2,620,690

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

19 OTHER LIABILITIES

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Rental deposits	36,208	20,026	-	-
Sales deposits	-	4,560	-	-
Amount due to non-controlling shareholder (non-trade)	428	2,681	-	-
Amount due to related company (non-trade)	5,024	5,024	5,024	5,024
	41,660	32,291	5,024	5,024

Amount due to a non-controlling shareholder (non-trade) represents the non-controlling shareholder's net investment in the Group. The amount is unsecured and interest-free, and not expected to be repayable within the next 12 months. Accordingly, this non-current financial liability is measured at amortised cost.

Amount due to a related company (non-trade) is unsecured and interest-free, and not expected to be repayable within the next 12 months.

20 DEFERRED INCOME

	Group	
	2024	2023
	\$'000	\$'000
Rental advances from tenants:		
– non-current	37,635	41,853
– current	1,849	2,001
	39,484	43,854

Included within rental advances from tenants is an amount of \$38,842,000 (2023: \$40,513,000) received by the Group arising from its sale of a 30-year leasehold interest in an investment property with 999-year tenure in 2018. The sale proceeds are amortised and recognised as rental income over the 30-year leasehold period.

21 TRADE AND OTHER PAYABLES, INCLUDING DERIVATIVES

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Sales deposits	2,760	12,333	-	-
Rental deposits	10,712	3,412	-	-
Advance rental	11,571	18,862	-	-
Accrued operating expenses and development expenditure	49,138	59,213	9,989	3,242
Amounts due to subsidiaries (non-trade)	-	-	323,344	345,242
Other payables	27,495	44,403	4,256	-
Derivative financial liabilities	5,028	17,528	159	17,528
Goods and services tax payable	8,992	8,310	146	299
	115,696	164,061	337,894	366,311

Amounts due to subsidiaries (non-trade) are unsecured, interest-free, and are repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

22 REVENUE

Revenue represents the sale of development properties, rental income and service charges, after eliminating inter-company transactions.

	Group	
	2024	2023
	\$'000	\$'000
Revenue from contracts with customers:		
– sales of development properties, transferred at a point in time	262,329	189,072
Rental income and service charges from:		
– investment properties	263,046	252,961
– development properties	2,665	2,837
	528,040	444,870

23 OTHER GAINS AND FAIR VALUE CHANGES

	Group	
	2024	2023
	\$'000	\$'000
Income from property management services	1,561	1,515
Income from building improvement works	3,083	–
Management fee income	764	3,454
Rent top-up received from vendor	2,572	3,892
Fair value changes in financial assets at FVTPL	(11,334)	(12,963)
Gain on disposal of interest in a subsidiary	34,816	–
Remeasurement gain on interest in a jointly-controlled entity	36,238	–
Gain on disposal of property, plant and equipment	1,036	–
Gain on disposal of investment properties	–	46,480
Surrender premium received from tenant	–	8,929
Others	1,359	1,404
	70,095	52,711

24 DIRECTORS' REMUNERATION

Number of directors in remuneration bands:

	2024	2023
	Number of	Number of
	Directors	Directors
\$500,000 and above	3	3
\$250,000 to \$499,999	–	–
Below \$250,000	6*	6*
Total	9	9

* Comprises 6 (2023: 6) non-executive directors.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

25 FINANCE INCOME AND FINANCE COSTS

	Group	
	2024	2023
	\$'000	\$'000
Interest income from debt investments carried at amortised cost/finance income	6,699	9,920
Interest expenses on financial liabilities measured at amortised cost/finance costs	(159,769)	(167,624)
Net finance costs recognised in profit or loss	(153,070)	(157,704)

26 INCOME TAX EXPENSE

	Note	Group	
		2024	2023
		\$'000	\$'000
Current tax expense			
Current year		47,405	43,209
(Over)/under provision in respect of prior years		(5,666)	4,376
		41,739	47,585
Deferred tax expense			
Movements in temporary differences		150	(11,492)
(Over)/under provision in respect of prior years		(667)	3,131
	12	(517)	(8,361)
Withholding tax		1,324	1,244
Total income tax expense		42,546	40,468
Reconciliation of effective tax rate			
Profit/(loss) for the year		109,668	(259,037)
Total income tax expense		42,546	40,468
Profit/(loss) before income tax		152,214	(218,569)
Tax calculated using Singapore tax rate of 17% (2023: 17%)		25,876	(37,157)
Expenses not deductible for tax purposes		29,409	104,862
Tax exempt revenue		(52)	(70)
Income not subject to tax		(14,708)	(41,834)
Effect of different tax rates in other countries		13,099	9,785
Effect of results of equity-accounted investees presented net of tax		(2,335)	(288)
Withholding tax		1,324	1,244
Tax incentives		(3,734)	(3,581)
(Over)/under provision in respect of prior years		(6,333)	7,507
		42,546	40,468

Significant judgement is required in determining the Group's taxability of certain income, capital allowances, and deductibility of certain expenses during the estimation of the provision for income taxes and deferred tax liabilities. The carrying amounts of provision for taxation, deferred tax assets and liabilities are as disclosed in the Group's statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

27 PROFIT/(LOSS) FOR THE YEAR

The following significant items have been included in arriving at profit/(loss) for the year:

	Note	Group 2024 \$'000	2023 \$'000
Included in staff costs & directors' remuneration:			
– Contributions to defined contribution plans		805	781
Included in other operating expenses:			
– Audit fees payable/paid to auditors of the Company		624	598
– Non-audit fees paid to auditors of the Company		106	349
– Depreciation of property, plant and equipment and right-of-use assets	4	1,030	1,240
– Impairment loss on trade receivables	34	–	2
– Write-down of properties held for sale to net realisable values	13	–	692

28 EARNINGS/(LOSS) PER SHARE

	Group 2024 \$'000	2023 \$'000
Basic earnings/(loss) per share is based on:		
Net profit/(loss) attributable to ordinary shareholders	109,555	(259,845)

The Company does not have any dilutive potential ordinary shares in existence for the current and previous financial years.

	Group 2024 Number of shares '000	2023 Number of shares '000
Ordinary shares in issue at beginning of the year	703,338	703,338
Effect of own shares held	(39,322)	(39,322)
Weighted average number of ordinary shares in issue during the year	664,016	664,016

29 DIVIDENDS

After the reporting date, the Directors proposed the following dividends, which have not been provided for.

	Group and Company 2024 \$'000	2023 \$'000
Proposed first and final tax-exempt dividend of 4 cents (2023: 3 cents) per share	26,561	19,920

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

30 SIGNIFICANT RELATED PARTY TRANSACTIONS

Key management personnel

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

Key management personnel compensation comprises:

	Group	
	2024	2023
	\$'000	\$'000
Directors' fees	558	555
Directors' remuneration:		
– short-term employee benefits	6,417	5,407
	6,975	5,962

Other related party transactions

During the financial year, other than as disclosed elsewhere in the financial statements, the transactions with related parties entered into on terms agreed between the parties are as follows:

	Note	Group	
		2024	2023
		\$'000	\$'000
Associates and jointly-controlled entities			
Management fee		695	3,420
Interest income		930	1,991
Other related parties			
Rental income		–	69
Other gains		90	–
Other operating expenses:			
– insurance on investment properties		407	144
– other insurances		203	100
– printing		23	13
– donations made	(i)	2,250	1,200
– others		45	50
Finance costs:			
– medium term notes coupon interest payable		674	–

- (i) The donation of \$2,250,000 (2023: \$1,200,000) was made to Ho Bee Foundation, of which Dr Chua Thian Poh, Mr Seow Choke Meng and Ms Josephine Choo are directors.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

31 LEASES

(a) Leases as lessee

The Group leases some office premises for its subsidiaries in Australia. The leases run for a period of 1 to 6 years. Note 4 sets out information about the right-of-use asset relating to the leased office premises.

(b) Leases as lessor

The Group leases out its investment properties and certain properties held for sale. The Group classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Note 5 sets out information about the operating leases of investment properties.

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	Group	
	2024	2023
	\$'000	\$'000
Operating leases under SFRS(I) 16		
Less than one year	241,103	258,596
One to two years	205,518	226,572
Two to three years	183,542	182,548
Three to four years	164,752	153,883
Four to five years	131,154	139,833
More than five years	150,894	213,670
Total	1,076,963	1,175,102[#]

[#] Included lease payments to be received for Elementum, before the asset was deconsolidated in 2024.

32 COMMITMENTS

As at the reporting date, commitments for expenditure which have not been provided for in the financial statements were as follows:

	Group	
	2024	2023
	\$'000	\$'000
Authorised and contracted for:		
Subscription for additional interest in European property funds and notes	11,699	14,420
Development expenditure for properties under development	26,965	21,659
Balance sum on purchase of land for development properties	–	6,731
	38,664	42,810

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

33 FINANCIAL RISK MANAGEMENT

Overview

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, and the Group's objectives, policies and processes for measuring and managing the risk.

Risk management framework

The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. Management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and financial assets. The Group has procedures in place to manage credit risk and exposure to such risk is monitored on an ongoing basis.

The Group establishes an allowance for impairment that represents its estimate of the expected credit loss and specific loss component in respect of trade and other receivables. The allowance account in respect of trade and other receivables is used to record impairment losses. When the Group is satisfied that no recovery of the amount owing is possible, the financial asset is considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial asset.

Cash and fixed deposits are placed with banks and financial institutions which are regulated. Investments and transactions involving derivative financial instruments are restricted with counterparties who meet the appropriate credit criteria and/or are of high credit standing. As such, management does not expect any counterparty to fail to meet its obligations.

Financial guarantee

The principal risk to which the Company is exposed to is credit risk in connection with guarantee contracts it has issued. The credit risk represents the loss that would be recognised upon a default by the parties to which the guarantees were provided on behalf of. To mitigate these risks, management continually monitors the risks and has established processes including performing credit evaluations of the parties it is providing the guarantee on behalf of. Guarantees are only given to its subsidiaries, associates and jointly-controlled entities.

The intra-group financial guarantees with subsidiaries are eliminated in preparing the consolidated financial statements. Estimates of the Company's obligations arising from financial guarantee contracts may be affected by future events, which cannot be predicted with any certainty. The assumptions may well vary from actual experience so that the actual liability may vary considerably from the best estimates.

The Company has assessed that the subsidiaries and jointly-controlled entities have strong financial capacity to meet their contractual cash flow obligations in the near future and hence, does not expect significant credit losses from these guarantees. The Company's assessment is based on qualitative and quantitative factors that are indicative of the risk of default.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

33 FINANCIAL RISK MANAGEMENT (CONT'D)

Liquidity risk

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding to ensure that all refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group maintains sufficient level of cash and fixed deposits to meet its working capital requirements.

In addition, the Group maintains revolving credit facilities of a reasonable level compared to its current debt obligation. When necessary, the Group will raise committed funding from either the capital markets and/or financial institutions and prudently balance its portfolio with some short term funding so as to achieve overall cost effectiveness.

As at the reporting date, the Group has undrawn committed revolving credit facilities of \$494,885,000 (2023: \$466,029,000) which can be drawn down to meet short-term financing needs.

Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Interest rate risk

The Group manages its interest rate exposure by actively reviewing its debt portfolio and switching to cheaper sources of funding to achieve a certain level of protection against interest rate hikes. Where appropriate, the Group uses interest rate derivatives to hedge its interest rate exposure for specific underlying debt obligations.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates and maturities and the notional or par amounts.

Interest rate derivatives are used to manage interest rate risk, to the extent that the perceived cost is considered to outweigh the benefit from the flexibility of variable rate borrowings, and the Group actively monitors the need and timing for such derivatives.

Where used, interest rate derivatives are classified as cash flow hedges and stated at fair value within the Group's statement of financial position.

Cash flow hedges

The Group has entered into interest rate swaps and cross currency interest rate swaps to fix the interest relating to the payment of periodic interest charges arising from bank borrowings and designated these as cash flow hedges. The risk being hedged was the variability of cash flows arising from movements in interest rates.

The cash flows will occur on a periodic basis until the underlying loans mature and these hedges which are designated as cash flow hedges, are considered to be highly effective. The carrying value of the hedging instruments were remeasured to their fair value at each reporting date, with the effective portion of changes in fair value since inception being taken to the hedging reserve.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

33 FINANCIAL RISK MANAGEMENT (CONT'D)

Cash flow hedges (cont'd)

The following table shows the derivatives designated as cash flow hedges by the Group.

	2024	2024	During the year – 2024		
	Nominal amount \$'000	Carrying amount – assets \$'000	Changes in fair value recognised in OCI \$'000	Reclassified from hedging reserve to profit or loss \$'000	Hedge ineffective- ness recognised in profit or loss \$'000
Fixed rate derivatives					
Interest rate swaps	1,180,198	3,441	11,133	(1,278)	–
Cross currency interest rate swaps	165,144	381	3,312	–	–
	2023	2023	During the year – 2023		
	Nominal amount \$'000	Carrying amount – liabilities \$'000	Changes in fair value recognised in OCI \$'000	Reclassified from hedging reserve to profit or loss \$'000	Hedge ineffective- ness recognised in profit or loss \$'000
Fixed rate derivatives					
Interest rate swaps	699,315	(6,414)	(18,285)	(429)	–
Cross currency interest rate swaps	175,412	(2,931)	(2,931)	–	–

Foreign currency risk

The Group is exposed to foreign currency risk on sales, purchases, receivables and borrowings that are denominated in a currency other than the respective functional currencies of the Group's entities. The Group is also exposed to currency translation risk on its net investments in foreign operations. The currencies giving rise to these risks are primarily the British pound ("GBP"), Australian dollar ("AUD") and Euro ("EUR").

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

33 FINANCIAL RISK MANAGEMENT (CONT'D)

Net investment hedge in foreign operation

The Group designated its GBP and AUD-denominated external borrowings as a hedge of the net investment in its subsidiaries that are denominated in GBP and AUD to minimise the Group's exposure to the currency risk arising on translation of net investment in foreign operations. The hedged risk in the net investment hedge is the risk of a weakening GBP and/or AUD against the Singapore dollar ("SGD") that will result in a reduction in the carrying amount of the Group's net investment in the GBP and/or AUD foreign operations. The loan is designated as a hedging instrument for the changes in the value of the net investment that is attributable to changes in the SGD/GBP and SGD/AUD spot rates.

To assess hedge effectiveness, the Group determines the economic relationship between the hedging instrument and the hedged item by comparing changes in the carrying amounts of the loans that are attributable to a change in the spot rate with changes in the investment in the foreign operations due to movements in the spot rate (the offset method). The Group's policy is to hedge the net investment only to the extent of the loan principals. No ineffectiveness was recognised from the net investment hedge.

At the reporting date, the Group no longer has any GBP and AUD-denominated loans (2023: \$423,324,000) that are designated as hedges of the net investment in its GBP and AUD subsidiaries, and all net investment hedge relationships have ended. See Note 34 – Financial instruments for disclosure on the net investment hedges.

34 FINANCIAL INSTRUMENTS

Credit risk

Exposure to credit risk

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. The Group's credit risk is primarily attributable to trade and other receivables and financial assets.

During the year, no impairment loss was recognised (2023: \$2,000) on trade receivables. Based on the Group's historical experience in the collection of accounts receivable, the Group believes that as of the reporting date, no material credit risk is inherent in the Group's trade receivables.

At the reporting date, the Group has receivables owing from jointly-controlled entities totalling to \$57,638,000 (2023: \$57,301,000) representing 48% (2023: 47%) of total gross trade and other receivables. Except for these receivables, there was no concentration of credit risk.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

34 FINANCIAL INSTRUMENTS (CONT'D)

Credit risk (cont'd)

Impairment losses

Expected credit loss ("ECL") assessment

The Group uses an allowance matrix to measure the ECLs of trade receivables from individual customers. ECL is calculated based on actual credit loss experience over the past three years and adjusted for differences between economic conditions during the period over which the historic data has been collected, current market conditions and the Group's view of economic conditions over the expected lives of the receivables. As of the reporting date, no scalar factor has been applied.

The following table provides information about the exposure to credit risk and ECLs for trade receivables:

	2024		2023	
	Gross carrying amount \$'000	Impairment loss allowance \$'000	Gross carrying amount \$'000	Impairment loss allowance \$'000
Group				
Not past due	31,941	–	14,569	–
Past due 1 – 30 days	2,343	–	24,170	–
Past due 31 – 120 days	24	–	349	–
More than 120 days past due	15	–	123	(52)
	34,323	–	39,211	(52)

Movements in allowance for impairment in respect of trade receivables

The movements in impairment loss in respect of trade receivables during the year are as follows:

	Group	
	2024 \$'000	2023 \$'000
At 1 January	52	50
Impairment loss recognised	–	2
Bad debt written off	(53)	(2)
Exchange differences	1	2
At 31 December	–	52

Impairment loss relates to tenants that are in financial difficulties and have defaulted on payments. Where the tenants have provided security deposits, the impairment loss were recognised based on rental in arrears net of security deposits.

Based on the Group's assessment, the Group believes that as of the reporting date, no impairment allowance is necessary in respect of trade and other receivables as these balances are considered fully recoverable.

Guarantees

The Group's policy is to provide financial guarantees only for its subsidiaries, associates and jointly-controlled entities' liabilities. At the reporting date, the Company has issued guarantees to certain banks in respect of credit facilities granted to eight subsidiaries and two jointly-controlled entities (see Note 18). There are no indications that suggest any expected credit loss in respect of the Company's guarantees issued.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

34 FINANCIAL INSTRUMENTS (CONT'D)

Amounts due from subsidiaries and jointly-controlled entities

Impairment on these balances has been measured on the 12-month expected loss basis which reflects the low credit risk of the exposures. There are no indications that suggest any of the balances will be impaired.

Cash and cash equivalents

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. There are no indications that suggest any of the balances will be impaired.

Liquidity risk

The following are the expected contractual undiscounted cash inflows/(outflows) of financial liabilities, including interest payments and excluding the impact of netting agreements:

	Cash flows				
	Carrying amount \$'000	Contractual cash flows \$'000	Within 1 year \$'000	Within 2 to 5 years \$'000	More than 5 years \$'000
Group					
31 December 2024					
Non-derivative financial liabilities					
Bank loans*	2,463,460	(3,327,661)	(368,400)	(2,959,261)	-
Medium term notes	160,000	(191,482)	(6,960)	(184,522)	-
Rental deposits	23,636	(23,636)	(10,712)	(12,924)	-
Trade and other payables**	116,940	(116,940)	(88,204)	(28,736)	-
Lease liability	625	(681)	(225)	(456)	-
Recognised liabilities	2,764,661	(3,660,400)	(474,501)	(3,185,899)	-
Financial guarantees (unrecognised)	-	(335,088)	(64,050)	(271,038)	-
	2,764,661	(3,995,488)	(538,551)	(3,456,937)	-
31 December 2023					
Non-derivative financial liabilities					
Bank loans*	3,064,026	(3,560,783)	(661,770)	(2,899,013)	-
Rental deposits	23,438	(23,438)	(3,412)	(20,026)	-
Trade and other payables**	130,183	(130,183)	(122,478)	(7,705)	-
Lease liability	658	(706)	(253)	(453)	-
Recognised liabilities	3,218,305	(3,715,110)	(787,913)	(2,927,197)	-
Financial guarantees (unrecognised)	-	(93,975)	-	(93,975)	-
	3,218,305	(3,809,085)	(787,913)	(3,021,172)	-

* The contractual cashflows are net of the impact of interest rate swaps/cross currency swaps.

For bank loans with no interest rate swap arrangements, the contractual cashflows include the estimated interest payments based on interest rates repriced in the 4th quarter of each financial year.

** Exclude derivative financial liabilities, sales deposits and goods and services tax payable.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

34 FINANCIAL INSTRUMENTS (CONT'D)

Liquidity risk (cont'd)

The following are the expected contractual undiscounted cash inflows/(outflows) of financial liabilities, including interest payments and excluding the impact of netting agreements:

		Cash flows			
	Carrying amount \$'000	Contractual cash flows \$'000	Within 1 year \$'000	Within 2 to 5 years \$'000	More than 5 years \$'000
Company					
31 December 2024					
Non-derivative financial liabilities					
Bank loans*	259,910	(464,763)	(124,306)	(340,457)	-
Medium term notes	160,000	(191,482)	(6,960)	(184,522)	-
Amounts due to subsidiaries	323,344	(323,344)	(323,344)	-	-
Trade and other payables**	19,268	(19,268)	(14,244)	(5,024)	-
Recognised liabilities	762,522	(998,857)	(468,854)	(530,003)	-
Intragroup financial guarantees (unrecognised)	-	(2,545,953)	(156,748)	(2,389,205)	-
	762,522	(3,544,810)	(625,602)	(2,919,208)	-
31 December 2023					
Non-derivative financial liabilities					
Bank loans*	273,728	(307,980)	(25,689)	(282,291)	-
Amounts due to subsidiaries	345,242	(345,242)	(345,242)	-	-
Trade and other payables**	3,242	(3,242)	(3,242)	-	-
Recognised liabilities	622,212	(656,464)	(374,173)	(282,291)	-
Intragroup financial guarantees (unrecognised)	-	(2,892,399)	(470,177)	(2,422,222)	-
	622,212	(3,548,863)	(844,350)	(2,704,513)	-

* The contractual cashflows are net of the impact of interest rate swaps/cross currency swaps.

** Exclude derivative financial liabilities, goods and services tax payable.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

34 FINANCIAL INSTRUMENTS (CONT'D)

Currency risk

Exposure to currency risk

The following table shows the Group's significant exposure to foreign currencies after taking into account cross currency interest rate swaps. Differences resulting from the translation of the financial statements of foreign operations into the Group's presentation currency, and exposure arising from inter-company balances which are considered to be in the nature of interests in the subsidiaries are excluded.

	SGD \$'000	2024 GBP \$'000	AUD \$'000	EUR \$'000	2023 GBP \$'000	AUD \$'000	EUR \$'000
Group							
Financial assets	-	-	50	44,044	-	-	61,688
Cash and cash equivalents	3,415	892	29,646	1,234	2,267	18,073	136
Amounts due to subsidiaries	-	(239,108)	-	-	(269,642)	-	-
Loans and borrowings	(137,530)	(173,782)	-	-	(511,579)	-	-
Net exposure in the statement of financial position	(134,115)	(411,998)	29,696	45,278	(778,954)	18,073	61,824
Cross currency interest rate swaps	-	161,827	-	-	174,546	-	-
Borrowings designated for net investment hedges	-	-	-	-	337,033	-	-
Net exposure	(134,115)	(250,171)	29,696	45,278	(267,375)	18,073	61,824
Company							
Financial assets	-	-	50	44,044	-	-	61,688
Cash and cash equivalents	-	403	29,646	1,231	2,267	18,073	132
Amounts due to subsidiaries	-	(239,108)	-	-	(269,642)	-	-
Loans and borrowings	-	(161,827)	-	-	(174,546)	-	-
Net exposure in the statement of financial position	-	(400,532)	29,696	45,275	(441,921)	18,073	61,820
Cross currency interest rate swaps	-	161,827	-	-	174,546	-	-
Net exposure	-	(238,705)	29,696	45,275	(267,375)	18,073	61,820

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

34 FINANCIAL INSTRUMENTS (CONT'D)

Currency risk (cont'd)

Sensitivity analysis

The foreign currencies which the Group is significantly exposed to are SGD, GBP, AUD and EUR. A 10% strengthening of the SGD against other foreign currencies at the reporting date would (decrease)/increase profit before tax and equity by amounts shown below. This analysis assumes that all other variables, in particular, interest rates, remain constant.

	10% strengthening of SGD	
	Profit	Equity
	before tax	
	\$'000	\$'000
Group		
31 December 2024		
SGD	(13,411)	-
GBP	25,017	(148,440)
AUD	(2,970)	(35,645)
EUR	(4,528)	-
31 December 2023		
GBP	26,737	(92,557)
AUD	(1,807)	(37,136)
EUR	(6,182)	-
Company		
31 December 2024		
GBP	23,871	-
AUD	(2,970)	-
EUR	(4,528)	-
31 December 2023		
GBP	26,737	-
AUD	(1,807)	-
EUR	(6,182)	-

A 10% weakening of the SGD against the other foreign currencies would have had the equal but opposite effect to the amounts shown above, on the basis that all other variables remain constant.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

34 FINANCIAL INSTRUMENTS (CONT'D)

Currency risk (cont'd)

Hedge accounting

Net investment hedges

The following table shows the Group's hedging instruments and hedged items designated for net investment hedges:

	Nominal amount \$'000	Carrying amount – liabilities \$'000	Change in value of hedging instrument recognised in OCI \$'000	Hedge ineffectiveness recognised in profit or loss \$'000	Amount reclassified from hedging reserve to profit or loss \$'000
2024					
Bank loans denominated in GBP	-	-	-	-	-
Bank loans denominated in AUD	-	-	-	-	-
	-	-	-	-	-
2023					
Bank loans denominated in GBP	320,046	320,046	(255)	-	-
Bank loans denominated in AUD	103,278	103,278	(5,523)	-	-
	423,324	423,324	(5,778)	-	-

At the reporting date, the Group no longer has any GBP and AUD-denominated loans (2023: \$423,324,000) that are designated as hedges of the net investment in its GBP and AUD subsidiaries, and all net investment hedge relationships have ended.

	Change in value used for calculating hedge ineffectiveness \$'000	Foreign currency translation reserve \$'000	Balances remaining in the foreign currency translation reserve from hedging relationships for which hedge accounting is no longer applied \$'000
2024			
Net investment denominated in GBP	-	(14,125)	(14,125)
Net investment denominated in AUD	-	(27,295)	(27,295)
	-	(41,420)	(41,420)
2023			
Net investment denominated in GBP	(255)	(14,125)	-
Net investment denominated in AUD	(5,523)	(27,295)	-
	(5,778)	(41,420)	-

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

34 FINANCIAL INSTRUMENTS (CONT'D)

Interest rate risk

At the reporting date, the interest rate profile of the interest-bearing financial instruments was:

	Group Carrying amount		Company Carrying amount	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Fixed rate instruments				
Financial assets	103,752	109,949	374,029	312,176
Medium term notes	(158,572)	–	(158,572)	–
Lease liabilities	(625)	(658)	–	–
Effect of interest rate swaps	(1,180,198)	(699,315)	–	(294,315)
Effect of cross currency interest rate swaps	(165,144)	(175,412)	(165,144)	(175,412)
	(1,400,787)	(765,436)	50,313	(157,551)
Variable rate instruments				
Financial assets	35,302	30,959	144,525	450,075
Bank loans	(2,464,888)	(3,064,026)	(261,338)	(273,728)
Effect of interest rate swaps	1,180,198	699,315	–	294,315
Effect of cross currency interest rate swaps	165,144	175,412	165,144	175,412
	(1,084,244)	(2,158,340)	48,331	646,074

Sensitivity analysis

Fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Variable rate instruments

For the interest rate swaps/cross currency swaps and the other variable rate financial assets and liabilities, an increase of 100 basis points ("bp") in interest rate at the reporting date would (decrease)/increase profit before tax by amounts shown below. This analysis assumes that all other variables, in particular, foreign currency rates, remain constant.

	100 bp increase in interest rate	
	2024	2023
	\$'000	\$'000
Group		
Variable rate instruments	(10,842)	(21,583)
Company		
Variable rate instruments	483	6,461

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

34 FINANCIAL INSTRUMENTS (CONT'D)

Estimation of fair values for financial assets and liabilities

Valuation processes applied by the Group

The Group has an established control framework with respect to the measurement of fair values. This framework includes a finance team that reports directly to the Head of Finance and has overall responsibility for all significant fair value measurements, including Level 3 fair values.

The following summarises the methods and significant assumptions used in estimating the fair values of financial instruments of the Group and the Company.

Financial assets designated at FVTPL and FVOCI

The fair value of the Group's and the Company's financial assets designated at FVTPL and FVOCI is determined by reference to their quoted bid price at the reporting date. If a quoted market price is not available, the fair value of the financial assets is estimated using valuation techniques disclosed in the respective fair value levels.

Amounts due from/to subsidiaries, jointly-controlled entities and non-controlling shareholder

The carrying values of amounts due from/to subsidiaries and jointly-controlled entities that reprice within six months of the reporting date approximate their fair values. Fair value is calculated based on discounted expected future principal and interest cash flows. The non-current loans due from subsidiaries form part of the Company's net investments in subsidiaries where settlements are neither planned nor likely to occur in the foreseeable future. For non-interest bearing amounts, the prevailing market interest rates of similar loans are used to discount the loans due to subsidiaries, due from/to jointly-controlled entities and non-controlling shareholder to arrive at their fair values.

Interest-bearing bank loans

The carrying values of interest-bearing bank loans that reprice within six months of the reporting date approximate their fair values. Fair value is calculated based on discounted expected future principal and interest cash flows.

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables, including derivatives) approximate their fair values because of the short period to maturity. All other financial assets and liabilities are discounted to determine their fair values.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

34 FINANCIAL INSTRUMENTS (CONT'D)

Estimation of fair values for financial assets and liabilities (cont'd)

Interest rates used in determining fair values

The interest rates used to discount estimated cash flows, where applicable, are as follows:

	2024 %	2023 %
Receivables	4.2 – 12.8	3.6 – 12.7
Payables	4.2 – 6.3	3.0 – 6.7

Fair values versus carrying amounts

The carrying amounts of the Group's and the Company's financial instruments carried at amortised cost are not materially different from their fair values as at each reporting date. Fair value disclosure of lease liabilities is not required.

Fair value hierarchy

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000

Financial assets/(liabilities) carried at fair value

Group

31 December 2024

Financial assets at FVTPL	16,006	–	44,044	60,050
Derivative assets	–	11,823	–	11,823
Derivative liabilities	–	(5,028)	–	(5,028)
	16,006	6,795	44,044	66,845

31 December 2023

Financial assets at FVTPL	5,368	–	61,688	67,056
Financial assets at FVOCI	–	–	77	77
Derivative assets	–	4,923	–	4,923
Derivative liabilities	–	(14,268)	–	(14,268)
	5,368	(9,345)	61,765	57,788

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

34 FINANCIAL INSTRUMENTS (CONT'D)

Estimation of fair values for financial assets and liabilities (cont'd)

Level 2 fair values

The Group uses interest rate swaps/cross currency swaps to hedge its interest rate exposure on its variable rate borrowings. The interest rate swaps/cross currency swaps are carried at fair value at each reporting date, based on broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments. There are no significant unobservable inputs in measuring the fair value.

	Contract/ notional amount \$'000	Group Fair value of assets/ (liabilities) \$'000
31 December 2024		
Cash flow hedges:		
– Interest rate swaps	1,180,198	3,441
– Cross currency interest rate swaps	165,144	381
	1,345,342	3,822
31 December 2023		
Cash flow hedges:		
– Interest rate swaps	699,315	(6,414)
– Cross currency interest rate swaps	175,412	(2,931)
	874,727	(9,345)

Level 3 fair values

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy:

	Financial assets at FVTPL \$'000	Financial assets at FVOCI \$'000	Total \$'000
Group			
2024			
At 1 January	61,688	77	61,765
Fair value changes	(16,888)	(39)	(16,927)
Realised gain recognised in profit or loss	–	28	28
Exchange differences recognised in profit or loss	(1,743)	(1)	(1,744)
Purchases	2,340	–	2,340
Disposal	–	(65)	(65)
Distribution	(1,101)	–	(1,101)
Redemption	(252)	–	(252)
At 31 December	44,044	–	44,044
Total loss for the year included in profit or loss for assets held as at 31 December	(18,631)	(12)	(18,643)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

34 FINANCIAL INSTRUMENTS (CONT'D)

Estimation of fair values for financial assets and liabilities (cont'd)

Level 3 fair values (cont'd)

	Financial assets at FVTPL \$'000	Financial assets at FVOCI \$'000	Total \$'000
Group			
2023			
At 1 January	77,692	78	77,770
Fair value changes	(12,650)	–	(12,650)
Realised gain recognised in profit or loss	2	–	2
Exchange differences recognised in profit or loss	1,594	(1)	1,593
Purchases	10,817	–	10,817
Distribution	(15,277)	–	(15,277)
Redemption	(490)	–	(490)
At 31 December	61,688	77	61,765
Total loss for the year included in profit or loss for assets held as at 31 December	(11,054)	(1)	(11,055)

The gain for the year included in profit or loss comprises:

	2024 \$'000	2023 \$'000
Included in other gains and fair value changes:		
– fair value changes	(16,927)	(12,650)
– realised gains from financial assets at FVTPL	–	2
– realised gains from financial assets at FVOCI	28	–
Included in exchange differences:		
– exchange differences recognised	(1,744)	1,593
	(18,643)	(11,055)

The fair values of the Group's unquoted investments in private equity funds and unquoted equity securities are determined based on quotations from the respective fund managers.

The fair values of European property fund and debt instruments (notes) are determined based on the latest available net asset value ("NAV") of the funds and notes obtained from the investment property/fund manager. The underlying assets of the European property fund and debt instruments consist of real estate properties which are measured at fair value by independent valuers. The estimated fair value of the investments would increase/(decrease) if the NAV was higher/(lower).

Due to the inherent uncertainty of valuations of financial assets, the estimated values may differ significantly from the values that would have been used had a ready market for the securities existed, and the differences could be material.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

34 FINANCIAL INSTRUMENTS (CONT'D)

Estimation of fair values for financial assets and liabilities (cont'd)

Level 3 fair values (cont'd)

Sensitivity analysis

For financial assets at FVTPL, a change of 10% in fair value of the investments would result in an increase or decrease of profit before income tax by \$6,005,000 (2023: \$6,706,000).

Financial instruments by category

	Financial assets at amortised cost \$'000	Financial assets at FVTPL \$'000	FVOCI – equity instruments \$'000	FVTPL – hedging instrument \$'000	FVOCI – hedging instruments \$'000	Financial liabilities at amortised cost \$'000	Total \$'000
Group							
31 December 2024							
Trade and other receivables, including derivatives*	99,068	-	-	2,973	8,850	-	110,891
Financial assets at FVTPL	-	60,050	-	-	-	-	60,050
Cash and cash equivalents	183,119	-	-	-	-	-	183,119
Loans and borrowings	-	-	-	-	-	(2,624,085)	(2,624,085)
Trade and other payables, including derivatives**	-	-	-	-	(5,028)	(143,336)	(148,364)
	282,187	60,050	-	2,973	3,822	(2,767,421)	(2,418,389)
31 December 2023							
Trade and other receivables, including derivatives*	107,050	-	-	-	4,923	-	111,973
Financial assets at FVOCI	-	-	77	-	-	-	77
Financial assets at FVTPL	-	67,056	-	-	-	-	67,056
Cash and cash equivalents	172,677	-	-	-	-	-	172,677
Loans and borrowings	-	-	-	-	-	(3,064,684)	(3,064,684)
Trade and other payables, including derivatives**	-	-	-	-	(14,268)	(173,775)	(188,043)
	279,727	67,056	77	-	(9,345)	(3,238,459)	(2,900,944)

* Excludes prepayments, tax recoverable and goods and services tax recoverable.

** Excludes goods and services tax payable and sale deposits.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

34 FINANCIAL INSTRUMENTS (CONT'D)

Financial instruments by category

	Financial assets at amortised cost \$'000	Financial assets at FVTPL \$'000	FVTPL – hedging instrument \$'000	FVOCI – hedging instruments \$'000	Financial liabilities at amortised cost \$'000	Total \$'000
Company						
31 December 2024						
Trade and other receivables, including derivatives*	2,013,632	–	2,973	540	–	2,017,145
Financial assets at FVTPL	–	44,095	–	–	–	44,095
Cash and cash equivalents	43,535	–	–	–	–	43,535
Loans and borrowings	–	–	–	–	(419,910)	(419,910)
Trade and other payables, including derivatives**	–	–	–	(159)	(342,613)	(342,772)
	2,057,167	44,095	2,973	381	(762,523)	1,342,093
31 December 2023						
Trade and other receivables*	1,953,585	–	–	–	–	1,953,585
Financial assets at FVTPL	–	61,688	–	–	–	61,688
Cash and cash equivalents	22,644	–	–	–	–	22,644
Loans and borrowings	–	–	–	–	(273,728)	(273,728)
Trade and other payables, including derivatives**	–	–	–	(2,931)	(368,106)	(371,037)
	1,976,229	61,688	–	(2,931)	(641,834)	1,393,152

* Excludes prepayments.

** Excludes goods and services tax payable.

35 OPERATING SEGMENTS

The Group has two reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services and are managed separately because they require different marketing strategies. The following summary describes the operations in each of the Group's reportable segments:

- Property development : The development and trading in properties.
- Property investment : The investment in properties.

Other segments include investing in equity securities, private equity and European property fund and notes. These segments do not meet any of the quantitative thresholds for determining reportable segments in 2024 or 2023.

Information regarding the results of each reportable segment is presented. Performance is measured based on segment operating results, as included in the internal management reports that are reviewed by management. Segment operating results are used to measure performance as management believe that such information is the most relevant in evaluating the results of specific segments relative to other entities that operate within these industries.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

35 OPERATING SEGMENTS (CONT'D)

(a) Operating segments

	Property Development \$'000	Property Investment \$'000	Others \$'000	Total \$'000
31 December 2024				
External revenue	262,329	265,711	–	528,040
Operating results	54,893	233,248	–	288,141
Other gains and fair value changes				70,095
Other operating expenses				(39,748)
Net finance costs				(153,070)
Share of results of associates	(2,081)	–	–	(2,081)
Share of results of jointly-controlled entities	5,914	–	–	5,914
Fair value changes in investment properties	–	(17,037)	–	(17,037)
Income tax expense				(42,546)
Profit for the year				109,668
Other material items:				
Capital expenditure	–	11,419	–	11,419
Reportable segment assets	460,949	5,292,123	60,050	5,813,122
Investments in associates and jointly-controlled entities*	621,804	–	–	621,804
Reportable segment liabilities	135,176	2,569,199	–	2,704,375
31 December 2023				
External revenue	189,072	255,798	–	444,870
Operating results	51,148	233,364	–	284,512
Other gains and fair value changes				52,711
Other operating expenses				(36,300)
Net finance costs				(157,704)
Share of results of associates	(10,230)	–	–	(10,230)
Share of results of jointly-controlled entities	12,363	–	–	12,363
Fair value changes in investment properties	–	(363,921)	–	(363,921)
Income tax expense				(40,468)
Loss for the year				(259,037)
Other material items:				
Capital expenditure	–	165,080	–	165,080
Reportable segment assets	531,145	5,725,662	67,133	6,323,940
Investments in associates and jointly-controlled entities*	490,595	–	–	490,595
Reportable segment liabilities	138,450	3,008,249	–	3,146,699

* Include amounts due from jointly-controlled entities which are in substance, a part of the Group's investments in the jointly-controlled entities.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

35 OPERATING SEGMENTS (CONT'D)

(a) Operating segments (cont'd)

Reconciliations of reportable segment assets and liabilities and other material items

	2024 \$'000	2023 \$'000
Assets		
Total assets for reportable segments	5,753,072	6,256,807
Assets for other segment	60,050	67,133
Investments in equity accounted investees*	621,804	452,956
Other unallocated amounts	144,709	199,086
Consolidated total assets	6,579,635	6,975,982
Liabilities		
Total liabilities for reportable segments	2,704,375	3,146,699
Other unallocated amounts	170,723	219,228
Consolidated total liabilities	2,875,098	3,365,927

* Include amounts due from jointly-controlled entities which are in substance, a part of the Group's investments in the jointly-controlled entities.

	Reportable segment total \$'000	Unallocated amounts \$'000	Consolidated total \$'000
Other material items			
31 December 2024			
Capital expenditure	11,419	–	11,419
Depreciation of property, plant and equipment and right-of-use assets	–	(1,030)	(1,030)
31 December 2023			
Capital expenditure	165,080	–	165,080
Depreciation of property, plant and equipment and right-of-use assets	–	(1,240)	(1,240)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

35 OPERATING SEGMENTS (CONT'D)

(b) Geographical segments

The Group operates principally in Singapore, United Kingdom, Australia and China.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of business. Segment assets are based on the geographical location of the assets.

	Singapore \$'000	United Kingdom \$'000	Australia \$'000	China \$'000	Consolidated total \$'000
31 December 2024					
Revenue	141,837	151,810	234,393	–	528,040
Non-current assets*	2,733,461	2,907,212	39,651	95,082	5,775,406
31 December 2023					
Revenue	103,213	152,671	188,986	–	444,870
Non-current assets*	3,079,747	2,868,382	42,069	106,787	6,096,985

* Excludes financial assets, other receivables and deferred tax asset.

The Group has a large and diversified customer base which consists of individuals and corporations. There was no single customer that contributed 10% or more to the Group's revenue.

36 DETERMINATION OF FAIR VALUES

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Financial assets and liabilities

The valuation techniques and the inputs used in the fair value measurements of the financial assets and financial liabilities for measurement and/or disclosure purposes are set out in Note 34.

Investment properties

Investment properties are stated at fair value. External, independent valuation companies, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued, value the Group's investment property portfolio at each year end.

The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing, wherein the parties had each acted knowledgeably. The valuers have considered valuation techniques including market comparison method and the income capitalisation method in arriving at the open market value as at the reporting date. In determining the fair value, the valuers have used valuation techniques which involve certain estimates. Assumptions used to determine the fair value of investment properties include market-corroborated capitalisation rate, discount rate, comparable market price and occupancy rate.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

36 DETERMINATION OF FAIR VALUES (CONT'D)

Investment properties (cont'd)

The market comparison method involves the analysis of comparable sales of similar properties and adjusting the sale prices to that reflective of the investment properties.

The income capitalisation method capitalises the estimated net income of the property for perpetuity or the balance term of the lease tenure at a capitalisation rate that is appropriate for the type of use, tenure and reflective of the quality of the investment property.

As the external valuations were based on the information available as at the date of the valuations, the external valuers have also recommended to keep the valuation of these properties under frequent review as the fair values may change significantly and unexpectedly over a short period of time.

Fair value hierarchy

Fair value and fair value hierarchy information on financial instruments are disclosed in Note 34.

The table below analyses recurring non-financial assets carried at fair value. The different levels are defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Non-financial assets carried at fair value				
Group				
31 December 2024				
Investment properties	-	-	5,162,566	5,162,566
31 December 2023				
Investment properties	-	-	5,607,769	5,607,769

Level 3 fair values

The following table shows a reconciliation from the beginning balances to the ending balances for Level 3 fair value measurements.

	Group	
	2024 \$'000	2023 \$'000
Investment properties		
At 1 January	5,607,769	5,756,115
Capital expenditure	11,419	165,080
Disposals	-	(67,900)
Disposal of interest in a subsidiary	(483,946)	-
Gains and losses for the year:		
– fair value changes	(17,037)	(363,921)
– exchange differences	44,361	118,395
At 31 December	5,162,566	5,607,769

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

36 DETERMINATION OF FAIR VALUES (CONT'D)

Valuation technique and significant unobservable inputs

The following table shows the key unobservable inputs used in the valuation models for deriving Level 3 fair values as at the reporting date:

Type	Valuation technique	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Commercial properties in Singapore	Market comparison method	Transacted price of comparable properties ⁽¹⁾ : \$2,110 – \$2,170 psf (2023: \$1,200 – \$3,150 psf)	The estimated fair value would increase with higher transacted prices of comparable properties
	Income capitalisation approach	Capitalisation rates: 3.50% – 5.00% (2023: 3.50% – 5.00%)	The estimated fair value would increase with a lower capitalisation rate
Commercial properties in the United Kingdom	Market comparison method ⁽²⁾	Transacted price of comparable properties ⁽³⁾ : £100 psf (2023: not applicable)	The estimated fair value would increase with higher transacted prices of comparable properties
	Income capitalisation approach	Capitalisation rates: 5.34% – 6.00% (2023: 5.00% – 9.81%)	The estimated fair value would increase with a lower capitalisation rate

⁽¹⁾ Adjusted for any differences in location, tenure, size and conditions of the specific property.

⁽²⁾ Only applicable to Apollo House and Lunar House.

⁽³⁾ Adjusted for any differences in age, income profile, conversion cost and conditions of the specific property.

37 SUBSEQUENT EVENT

Non-binding indicative offer

On 15 January 2025, the Company submitted a non-binding indicative offer ("NBIO") to acquire all the outstanding shares of AVJennings Limited ("AVJ"), an Australian residential property development company listed on the Australian Securities Exchange ("ASX") and the Singapore Exchange ("SGX").

As of the date these financial statements were authorised, no definitive agreement had been entered into, and no binding commitments arose from the NBIO.

APPENDIX IV

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF HO BEE LAND LIMITED AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

The information in this Appendix IV has been extracted and reproduced from the Annual Report of Ho Bee Land 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.

Financial Statements

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Directors' Statement

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended 31 December 2025.

In our opinion:

- (a) the financial statements set out on pages 73 to 141 are drawn up 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 the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International); and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

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

DIRECTORS

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

Chua Thian Poh
Nicholas Chua Wee-Chern
Lim Swee Say
Seow Choke Meng
Josephine Choo Poh Hua
Pauline Goh
Bobby Chin Yoke Choong
Esmond Choo Liong Gee (Appointed on 28 April 2025)

Directors' Statement

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the register kept by the Company for the purposes of Section 164 of the Companies Act 1967 ("the Act"), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and infant children) in shares, debentures, warrants and share options in the Company and in related corporations (other than wholly-owned subsidiaries) are as follows:

Name of director and corporation in which interests are held	Holdings in which the director has a direct interest		Holdings in which the director is deemed to have an interest	
	At beginning of the year	At end of the year	At beginning of the year	At end of the year
Chua Tian Poh				
The Company				
- ordinary shares	-	-	501,939,150	502,763,750
- medium term notes (series 1)	-	-	32,500,000	32,500,000
<u>Immediate and ultimate holding company</u>				
Ho Bee Holdings (Pte) Ltd				
- ordinary shares	18,150,000	18,150,000	3,850,000	3,850,000
Nicholas Chua Wee-Chern				
The Company				
- ordinary shares	3,192,000	3,350,000	-	-
Bobby Chin Yoke Choong				
The Company				
- ordinary shares	131,000	131,000	-	-

By virtue of Section 7 of the Act, Dr Chua Tian Poh is deemed to have an interest in all the subsidiaries of Ho Bee Land Limited and Ho Bee Holdings (Pte) Ltd at the beginning and at the end of the financial year.

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

There were no changes in any of the abovementioned interests in the Company or in related corporations between the end of the financial year and 21 January 2026.

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement to which the Company is a party, being arrangements whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' Statement

DIRECTORS' CONTRACTUAL BENEFITS

During the financial year, the Company and its related corporations have in the normal course of business entered into transactions with affiliated parties and parties in which Dr Chua Tian Poh is deemed to have an interest. Such transactions comprised payments for printing expenses and other transactions carried out on normal commercial terms and in the normal course of the business of the Company and its related corporations. However, the director has neither received, nor will he be entitled to receive any benefit arising out of these transactions other than those to which he may be entitled as a customer, supplier or member of these corporations.

Except for salaries, bonuses and fees and those benefits that are disclosed in this statement and in Note 30 to the financial statements, since the end of the last financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or its related corporations with the director, or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

SHARE OPTIONS

The Company does not have any share option scheme or share scheme in place.

AUDIT & RISK COMMITTEE

The members of the Audit & Risk Committee at the date of this statement are as follows:

Esmond Choo Liong Gee	(Chairman, Independent Director) (Appointed on 28 April 2025)
Lim Swee Say	(Lead Independent Director)
Josephine Choo Poh Hua	(Independent Director)
Pauline Goh	(Independent Director)
Bobby Chin Yoke Choong	(Non-Independent and Non-Executive Director)

The Audit & Risk Committee performs the functions specified in Section 201B(5) of the Companies Act 1967, the SGX-ST Listing Manual and the Singapore Code of Corporate Governance. These functions include a review of the financial statements of the Company and of the Group for the financial year and the auditors' report thereon.

The Audit & Risk Committee also assists the Board with risk governance and overseeing the Company's risk management framework and policies.

The Audit & Risk Committee has undertaken a review of the nature and extent of non-audit services provided by the firm acting as the auditors. In the opinion of the Audit & Risk Committee, these services would not affect the independence of the auditors.

The Audit & Risk Committee is satisfied with the independence and objectivity of the auditors and has recommended to the Board that the auditors, KPMG LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

In appointing the auditors of the Company and its subsidiaries, the Group has complied with Rule 712, Rule 715 and Rule 716 of the SGX-ST Listing Manual.

Directors' Statement

AUDITORS

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

Chua Thian Poh
Director

Singapore
16 March 2026

Nicholas Chua
Director

Independent Auditors' Report

Members of the Company
Ho Bee Land Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Ho Bee Land Limited ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2025, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information as set out on pages 73 to 141.

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

Independent Auditors' Report

Members of the Company
Ho Bee Land Limited

Valuation of investment properties (\$\$5,167 million) **(Refer to Notes 5 & 36 to the financial statements)**

<i>The key audit matter</i>	<i>How the matter was addressed in our audit</i>
The Group owns a portfolio of investment properties in Singapore and the United Kingdom. Investment properties represent the single largest asset category on the Group's consolidated statement of financial position. These properties are stated at fair values based on independent external valuations. The valuation of investment properties requires significant judgement to be made in the determination of the appropriate valuation methodologies and the underlying assumptions to be applied. Changes to these valuation methodologies and assumptions used may have a significant impact to the valuations of investment properties.	As part of our audit procedures, we have: • Updated our understanding of the business processes and controls implemented around the valuation procedures. • Evaluated the qualifications and objectivity of the independent external valuers. • Held discussions with the valuers to understand their valuation methodologies, key assumptions and basis used. • Assessed the appropriateness of the valuation methodologies and evaluated reasonableness of key assumptions used by the independent external valuers, and compared the assumptions and parameters used to externally derived data. Where appropriate, we also involved our in-house valuation specialists to assist us in the assessment. • Evaluated the completeness, accuracy and relevance of disclosures in the Group's financial statements, including disclosures on sources of estimation uncertainty. <i>Findings:</i> The valuers are members of recognised professional bodies for valuers and have confirmed their own independence in carrying out their work. We found the valuation methodologies used are in line with generally accepted market practices and the key assumptions used to be within acceptable range and are comparable to market trends and externally derived data. The changes in fair value of investment properties are appropriately recognised in the Group's financial statements.

Independent Auditors' Report

Members of the Company
Ho Bee Land Limited

Valuation of development properties (\$\$425 million) (Refer to Note 13 to the financial statements)

<i>The key audit matter</i>	<i>How the matter was addressed in our audit</i>
The Group holds a number of development projects in Australia, and completed properties in both Singapore and the United Kingdom. In addition, the Group has interests in development projects in Singapore and China held by associates and jointly-controlled entities of which the Group's share is included in the carrying value of investments in associates and jointly-controlled entities presented in the Group's consolidated statement of financial position. The carrying value of development properties are stated at the lower of cost and estimated net realisable value ("NRV"). The determination of the estimated NRV requires significant judgement and is critically dependent upon the Group's expectations of future selling prices and costs to be incurred in selling the property. Changes to these estimates can result in material changes in the carrying value of the properties.	As part of our audit procedures, we have: • Updated our understanding of the business processes and controls implemented around the valuation procedures. • Held discussions with management to obtain an understanding of the macroeconomic and real estate price trends that have been considered in their NRV assessment. • Assessed the reasonableness of management's NRV by comparing the expected selling prices against recent transacted sales prices of the same project and/or comparable properties sold in the vicinity of the Group's development properties, as well as market research reports. • Where independent external valuation was obtained, we held discussion with the valuer to understand their valuation methodologies, assumptions and basis used. We assessed the appropriateness of the valuation methodologies and compared the assumptions and parameters used to externally derived data. • Compared the NRV against the carrying value of the development property and assessed whether any adjustment is required. • For development projects held by the Group's associates and jointly-controlled entities in China, we reviewed the working papers of the component auditors and ascertained that the above procedures have been performed.

Findings:

- In making its estimates of the expected selling prices and costs to be incurred in selling the property, management considered the macroeconomic and future real estate price trends for the markets in which the properties are located. We found the estimates made by the management in the determination of NRVs to be within the range of observable price trends in the market and externally derived data.

Independent Auditors' Report

Members of the Company
Ho Bee Land Limited

Other information

Management is responsible for the other information contained in the annual report. The other information comprises all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained the Directors' Statement prior to the date of this auditors' report, and other sections in the annual report (collectively, "the Reports") are expected to be made available to us after that date.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, 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.

When we read the Reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Responsibilities of management and directors for the financial statements

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

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

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

Auditors' 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 auditors' 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 controls 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 controls.

Independent Auditors' Report

Members of the Company
Ho Bee Land Limited

Auditors' responsibilities for the audit of the financial statements (cont'd)

- 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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 group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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 auditors' report unless the law or regulations preclude 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 auditors' report is Voo Poh Jee.

KPMG LLP

*Public Accountants and
Chartered Accountants*

Singapore

16 March 2026

Statements of Financial Position

As at 31 December 2025

		Group		Company	
	Note	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Non-current assets					
Property, plant and equipment	4	49,874	48,523	1,542	1,470
Investment properties	5	5,166,879	5,162,566	–	–
Subsidiaries	6	–	–	150,927	474,817
Associates	7	34,045	52,013	4,136	4,136
Jointly-controlled entities	8	415,419	512,154	207,759	310,624
Other assets	9	150	150	–	–
Financial assets	10	69,640	60,050	45,609	44,095
Other receivables, including derivatives	11	42,147	60,556	1,942,143	1,879,903
Deferred tax assets	12	927	595	–	–
		5,779,081	5,896,607	2,352,116	2,715,045
Current assets					
Financial assets	10	24,602	–	10,891	–
Development properties	13	424,925	439,257	–	–
Trade and other receivables, including derivatives	14	91,674	60,652	231,850	137,338
Cash and cash equivalents	15	228,660	183,119	23,005	43,535
		769,861	683,028	265,746	180,873
Total assets		6,548,942	6,579,635	2,617,862	2,895,918
Equity attributable to equity holders of the Company					
Share capital	16	156,048	156,048	156,048	156,048
Reserves	17	3,611,611	3,536,378	1,977,203	1,965,292
		3,767,659	3,692,426	2,133,251	2,121,340
Non-controlling interests					
		9,638	12,111	–	–
Total equity		3,777,297	3,704,537	2,133,251	2,121,340
Non-current liabilities					
Loans and borrowings	18	1,982,887	2,419,065	399,550	307,520
Other liabilities, including derivatives	19	64,616	41,660	11,671	5,024
Deferred income	20	35,501	37,635	–	–
Deferred tax liabilities	12	12,215	11,087	–	–
		2,095,219	2,509,447	411,221	312,544
Current liabilities					
Trade and other payables, including derivatives	21	94,426	115,696	16,113	337,894
Loans and borrowings	18	543,243	205,020	44,016	112,390
Deferred income	20	1,671	1,849	–	–
Current tax payable		37,086	43,086	13,261	11,750
		676,426	365,651	73,390	462,034
Total liabilities		2,771,645	2,875,098	484,611	774,578
Total equity and liabilities		6,548,942	6,579,635	2,617,862	2,895,918

The accompanying notes form an integral part of these financial statements.

Consolidated Income Statement

Year ended 31 December 2025

	Note	2025 \$'000	2024 \$'000
Revenue	22	440,052	528,040
Other gains and fair value changes	23	6,243	70,095
Cost of sales – residential development projects		(145,591)	(207,436)
Direct rental expenses		(32,998)	(32,463)
Exchange differences		(2,297)	(5,373)
Staff costs and directors' remuneration		(20,946)	(18,775)
Other operating expenses		(15,498)	(15,600)
Net finance costs	25	(115,172)	(153,070)
		113,793	165,418
Share of results, net of tax, of:			
- associates	7	3,189	(2,081)
- jointly-controlled entities	8	12,552	5,914
		129,534	169,251
Fair value changes in investment properties	5	3,685	(17,037)
Profit before tax		133,219	152,214
Income tax expense	26	(30,827)	(42,546)
Profit for the year	27	102,392	109,668
Attributable to:			
Owners of the Company		100,204	109,555
Non-controlling interests		2,188	113
Profit for the year		102,392	109,668
Earnings per share			
Basic and diluted earnings per share (cents)	28	15.09	16.50

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Comprehensive Income

Year ended 31 December 2025

	2025 \$'000	2024 \$'000
Profit for the year	102,392	109,668
Items that are or may be reclassified subsequently to profit or loss:		
Changes in fair value of cash flow hedges	(28,273)	13,167
Foreign currency translation differences relating to foreign operations	7,918	2,328
Exchange differences on loans forming part of net investment in foreign operations	24,645	(6,726)
Share of foreign currency translation differences of equity-accounted investees	(1,492)	(2,035)
Share of other comprehensive income of equity-accounted investee	(1,228)	–
Other comprehensive income for the year, net of tax	1,570	6,734
Total comprehensive income for the year	103,962	116,402
Attributable to:		
Owners of the Company	101,794	116,379
Non-controlling interests	2,168	23
Total comprehensive income for the year	103,962	116,402

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

Year ended 31 December 2025

	Attributable to owners of the Company						Total	Non-controlling interests	Total equity
	Share capital	Reserve for own shares	Capital reserve	Hedging reserve	Foreign currency translation reserve	Retained earnings			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group									
At 1 January 2024	156,048	(67,796)	791	(9,345)	(117,664)	3,633,933	3,595,967	14,088	3,610,055
Profit for the year	–	–	–	–	–	109,555	109,555	113	109,668
Changes in fair value of cash flow hedges	–	–	–	13,167	–	–	13,167	–	13,167
Foreign currency translation differences relating to foreign operations	–	–	–	–	2,418	–	2,418	(90)	2,328
Exchange differences on loans forming part of net investment in foreign operations	–	–	–	–	(6,726)	–	(6,726)	–	(6,726)
Share of foreign currency translation differences of equity-accounted investees	–	–	–	–	(2,035)	–	(2,035)	–	(2,035)
Other comprehensive income	–	–	–	13,167	(6,343)	–	6,824	(90)	6,734
Total comprehensive income for the year	–	–	–	13,167	(6,343)	109,555	116,379	23	116,402
Transactions with owners of the Company, recognised directly in equity									
Dividend paid to non-controlling shareholder	–	–	–	–	–	–	–	(2,000)	(2,000)
Final tax-exempt dividend paid of 3 cents per share in respect of 2023	–	–	–	–	–	(19,920)	(19,920)	–	(19,920)
Total distributions to owners of the Company	–	–	–	–	–	(19,920)	(19,920)	(2,000)	(21,920)
At 31 December 2024	156,048	(67,796)	791	3,822	(124,007)	3,723,568	3,692,426	12,111	3,704,537

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

Year ended 31 December 2025

	Attributable to owners of the Company						Total \$'000	Non- controlling interests \$'000	Total equity \$'000
	Share capital \$'000	Reserve for own shares \$'000	Capital reserve \$'000	Hedging reserve \$'000	Foreign currency translation reserve \$'000	Retained earnings \$'000			
Group									
At 1 January 2025	156,048	(67,796)	791	3,822	(124,007)	3,723,568	3,692,426	12,111	3,704,537
Profit for the year	-	-	-	-	-	100,204	100,204	2,188	102,392
Changes in fair value of cash flow hedges	-	-	-	(28,273)	-	-	(28,273)	-	(28,273)
Foreign currency translation differences relating to foreign operations	-	-	-	-	7,938	-	7,938	(20)	7,918
Exchange differences on loans forming part of net investment in foreign operations	-	-	-	-	24,645	-	24,645	-	24,645
Share of foreign currency translation differences of equity-accounted investees	-	-	-	-	(1,492)	-	(1,492)	-	(1,492)
Share of other comprehensive income of equity-accounted investee	-	-	-	(1,228)	-	-	(1,228)	-	(1,228)
Other comprehensive income	-	-	-	(29,501)	31,091	-	1,590	(20)	1,570
Total comprehensive income for the year	-	-	-	(29,501)	31,091	100,204	101,794	2,168	103,962
Transactions with owners of the Company, recognised directly in equity									
Dividend paid to non-controlling shareholder	-	-	-	-	-	-	-	(4,641)	(4,641)
Final tax-exempt dividend paid of 4 cents per share in respect of 2024	-	-	-	-	-	(26,561)	(26,561)	-	(26,561)
Total distributions to owners of the Company	-	-	-	-	-	(26,561)	(26,561)	(4,641)	(31,202)
At 31 December 2025	156,048	(67,796)	791	(25,679)	(92,916)	3,797,211	3,767,659	9,638	3,777,297

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

Year ended 31 December 2025

	Note	2025 \$'000	2024 \$'000
Cash flows from operating activities			
Profit for the year		102,392	109,668
Adjustments for:			
Depreciation of property, plant and equipment and right-of-use assets	4	1,114	1,030
Fair value changes in investment properties	5	(3,685)	17,037
Fair value changes in financial assets at FVTPL	23	11,107	11,334
Fair value changes in financial assets at FVOCI		-	39
Gain on disposal of interest in a subsidiary	6	-	(34,816)
Remeasurement gain on interest in a jointly-controlled entity		-	(36,238)
Gain on disposal of property, plant and equipment		(20)	(1,036)
Loss on disposal of investment property	23	583	-
Gain on disposal of financial assets at FVOCI		-	(28)
Gain on disposal of financial assets at FVTPL		(147)	-
Write-down of properties held for sale to net realisable value		263	-
Dividend income from financial assets at FVTPL	23	(4,284)	-
Interest income	25	(7,972)	(6,699)
Interest expense	25	123,144	159,769
Share of results of associates	7	(3,189)	2,081
Share of results of jointly-controlled entities	8	(12,552)	(5,914)
Income tax expense		30,827	42,546
Exchange differences		1,295	12,236
		238,876	271,009
Changes in:			
Development properties		20,251	51,660
Trade and other receivables		(21,156)	(135,172)
Trade and other payables		(24,426)	138,734
Cash generated from operations		213,545	326,231
Income taxes paid		(36,432)	(47,374)
Net cash generated from operating activities carried forward		177,113	278,857

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

Year ended 31 December 2025

	Note	2025 \$'000	2024 \$'000
Net cash generated from operating activities brought forward		177,113	278,857
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		46	9,111
Proceeds from sale of investment property		48,784	–
Proceeds from disposal of interest in a subsidiary	6	–	133,314
Proceeds from sale of financial assets at FVOCI		–	65
Dividends from associate		9,043	–
Dividend from jointly-controlled entity		979	–
Capital reduction in jointly-controlled entities	8	11,944	7,929
Redemption of preference shares of a jointly-controlled entity	8	102,865	–
Repayment from jointly-controlled entities		26,271	14,508
Dividends from financial assets at FVTPL		4,284	–
Distributions from financial assets at FVTPL		–	1,101
Redemption of financial assets at FVTPL		–	252
Proceeds from sale of financial assets at FVTPL		27,354	–
Interest received		7,709	6,699
Advances to jointly-controlled entities		–	(20,570)
Investments in jointly-controlled entities		(15,349)	(2,674)
Purchase of property, plant and equipment	4	(1,157)	(1,882)
Capital expenditure on investment properties		(13,111)	(22,739)
Purchase of financial assets at amortised cost		(13,421)	–
Purchase of financial assets at FVTPL		(56,065)	(8,151)
Net cash generated from investing activities		140,176	116,963
Cash flows from financing activities			
Proceeds from notes issuance		–	160,000
Proceeds from bank loans, net of costs		123,171	365,161
Repayment of bank loans		(246,295)	(723,713)
Payment of lease liabilities		(233)	(281)
Interest paid		(119,597)	(164,902)
Dividend paid		(26,561)	(19,920)
Dividends paid to non-controlling shareholders		(4,641)	(2,000)
Net cash used in financing activities		(274,156)	(385,655)
Net increase in cash and cash equivalents		43,133	10,165
Cash and cash equivalents at 1 January		183,119	172,677
Effect of exchange rate changes on cash held		2,408	277
Cash and cash equivalents at 31 December	15	228,660	183,119

The accompanying notes form an integral part of these financial statements.

Notes To The Financial Statements

Year ended 31 December 2025

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 16 March 2026.

1. DOMICILE AND ACTIVITIES

Ho Bee Land Limited ("the Company") is incorporated in the Republic of Singapore. The address of the Company's registered office is 9 North Buona Vista Drive, #11-01 The Metropolis Tower 1, Singapore 138588.

The financial statements of the Company as at and for the year ended 31 December 2025 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interests in associates and jointly-controlled entities.

The Group is primarily involved in property development, property investment and investment holding. The immediate and ultimate holding company during the financial year is Ho Bee Holdings (Pte) Ltd, incorporated in the Republic of Singapore.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)s"). The changes to material accounting policies are described in Note 2.5.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described below.

2.3 Functional and presentation currency

These financial statements are presented in Singapore dollars, which is the Company's functional currency. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

2.4 Use of estimates and judgements

The preparation of financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions about the future, including climate-related risks and opportunities, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Group's risk management and climate-related commitments where appropriate. Revisions to accounting estimates are recognised prospectively.

Information about critical judgements in applying accounting policies and assumptions and estimation uncertainties that have the most significant effect on the amounts recognised in the financial statements or have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

- Notes 5 and 36 Valuation of investment properties
- Note 13 Measurement of realisable amounts of development properties

Notes To The Financial Statements

Year ended 31 December 2025

2. BASIS OF PREPARATION (CONT'D)

2.4 Use of estimates and judgements (cont'd)

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This framework includes a finance team that reports directly to the Chief Financial Officer and has overall responsibility for all significant fair value measurements, including Level 3 fair values.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. Significant valuation issues are reported to the Audit & Risk Committee.

When measuring the fair value of an asset or liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is 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 (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values are included in the following notes:

- Note 34 – valuation of financial instruments
- Note 36 – determination of fair values

2.5 Changes in material accounting policies

New accounting standards and amendments

The Group has applied the Amendments to SFRS(I) 1-21: *Lack of Exchangeability* for the first time for the annual period beginning on 1 January 2025. The amendments to the standards did not have a material effect on the Group's consolidated financial statements and the Company's statement of financial position.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in Note 2.5, which addresses changes in material accounting policies.

The accounting policies have been applied consistently by the Group entities.

Notes To The Financial Statements

Year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation

(i) Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group (see Note ii). In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

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

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is recognised at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

When share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards) and relate to past services, then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based value of the replacement awards compared with the market-based value of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

NCI are measured at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

(iii) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Notes To The Financial Statements

Year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (cont'd)

(iv) *Investments in associates and jointly-controlled entities (equity-accounted investees)*

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies of these entities. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity. A jointly-controlled entity is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investments in associates and jointly-controlled entities are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

(v) *Joint operations*

A joint operation is an arrangement in which the Group has joint control whereby the Group has rights to the assets, and obligations for the liabilities, relating to an arrangement. The Group accounts for each of its assets, liabilities and transactions, including its share of those held or incurred jointly, in relation to the joint operation, in accordance with the contractual arrangement governing the joint operation.

(vi) *Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates and jointly-controlled entities are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(vii) *Subsidiaries, associates and jointly-controlled entities in the separate financial statements*

Investments in subsidiaries, associates and jointly-controlled entities are stated in the Company's statement of financial position at cost less accumulated impairment losses.

3.2 Foreign currency

(i) *Foreign currency transactions*

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the exchange rate at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

Notes To The Financial Statements

Year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.2 Foreign currency (cont'd)

(i) Foreign currency transactions (cont'd)

Foreign currency differences arising on translation are recognised in profit or loss, except for the following differences which are recognised in other comprehensive income ("OCI") arising on the translation of:

- an investment in equity securities designated as at fair value through other comprehensive income ("FVOCI");
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent the hedges are effective.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

(iii) Net investment in a foreign operation

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation. These are recognised in OCI and are presented in the foreign currency translation reserve in equity.

(iv) Hedge of a net investment in foreign operation

Foreign currency differences arising on the translation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised in OCI to the extent that the hedge is effective and are presented within equity in the foreign currency translation reserve. To the extent that the hedge is ineffective, such differences are recognised in profit or loss. When the hedged net investment is disposed of, the relevant amount in the foreign currency translation reserve is transferred to profit or loss as part of the gain or loss on disposal.

3.3 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables and debt investments issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provision of the instrument.

A financial asset (unless it is a trade receivable without significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Notes To The Financial Statements

Year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (cont'd)

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt investments at FVOCI

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity investments at FVOCI

On initial recognition of an equity investment that is not held-for-trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI, at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;

Notes To The Financial Statements

Year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Financial assets: Business model assessment (cont'd)

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

The business models of the Group are as follows:

Held to collect

The Group holds financial assets which arise from its property development, property investment and investment holding business. The objective of the business model for these financial instruments is to collect the amounts due from the Group's receivables and to earn contractual interest income on the amounts collected.

Others

The Group holds investments in equity securities, property funds and subscription of notes. Financial assets that are held-for-trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Notes To The Financial Statements

Year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (cont'd)

(ii) *Classification and subsequent measurement (cont'd)*

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The gross carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investment at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transaction cost. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. These financial liabilities comprise loans and borrowings, bank overdrafts, and trade and other payables.

(iii) *Derecognition*

Financial assets

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire, or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
 - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
 - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Group enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets.

Notes To The Financial Statements

Year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (cont'd)

(iii) *Derecognition (cont'd)*

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or when they expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) *Offsetting*

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

(v) *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value and are used by the Group in the management of its short-term commitments. For the purpose of the statement of cash flows, pledged deposits are excluded whilst bank overdrafts that are repayable on demand and that form an integral part of the Group's cash management are included in cash and cash equivalents.

(vi) *Derivative financial instruments and hedge accounting*

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value and any directly attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The Group designates certain derivatives and non-derivative financial instruments as hedging instruments in qualifying hedging relationships. At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationships between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

Notes To The Financial Statements

Year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (cont'd)

(vi) *Derivative financial instruments and hedge accounting (cont'd)*

Cash flow hedges (cont'd)

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts ("forward points") is separately accounted for as a cost of hedging and recognised in a cost of hedging reserve within equity.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in the hedging reserve and the cost of hedging reserve is included directly in the initial cost of the non-financial item when it is recognised.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve and the cost of hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve and the cost of hedging reserve remains in equity until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to profit or loss.

Net investment hedges

The Group designates certain derivative and non-derivative financial liabilities as hedges of foreign exchange risk on a net investment in a foreign operation.

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of, for a derivative, changes in the fair value of the hedging instrument or, for a non-derivative, foreign exchange gains or losses is recognised in OCI and presented in the translation reserve within equity. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains or losses on the non-derivative is recognised immediately in profit or loss. The amount recognised in OCI is reclassified to profit or loss as a reclassification adjustment on disposal of the foreign operation.

(vii) *Share capital*

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with SFRS(I) 1-12.

Repurchase, disposal and reissue of share capital (treasury shares)

Where share capital recognised as equity is repurchased (treasury shares), the amount of the consideration paid, including directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the reserve for own share account. Where such shares are subsequently reissued, sold or cancelled, the consideration received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in non-distributable capital reserve.

Notes To The Financial Statements

Year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (cont'd)

(viii) *Intra-group financial guarantees in the separate financial statements*

Financial guarantees are financial instruments issued by the Company that require the issuer to make specified payments to reimburse the holder for the loss it incurs because a specified debtor fails to meet payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at the higher of the loss allowance determined in accordance with SFRS(I) 9 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15.

Expected credit losses ("ECLs") are a probability-weighted estimate of credit losses. ECLs are measured for financial guarantees issued as the expected payments to reimburse the holder less any amounts that the Company expects to recover.

Liabilities arising from financial guarantees are included within 'loans and borrowings'.

3.4 Property, plant and equipment

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and is recognised net within other income/other expenses in profit or loss.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Paintings and sculptures are not depreciated. Depreciation on other property, plant and equipment is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

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

The estimated useful lives for the current and comparative years are as follows:

Freehold property	50 years
Leasehold improvements	5 to 10 years
Furniture, fittings and office equipment	5 years
Motor vehicles	5 years
Right-of-use asset – office premise	3 to 5 years

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date. Property, plant and equipment which are fully depreciated, are retained in the financial statements until they are no longer in use.

Notes To The Financial Statements

Year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.5 Investment properties

Investment properties comprise of completed properties and properties under development held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss. At each year end, the Group's investment property portfolio is valued by an external, independent valuation company, having appropriate recognised professional qualifications. Rental income from investment properties is accounted for in the manner described in Note 3.11.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss. When an investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to retained earnings.

When the use of a property changes such that it is reclassified as property, plant and equipment, or development properties, its fair value at the date of reclassification becomes its cost for subsequent accounting.

Property that is being constructed for future use as investment property is accounted for at fair value.

Where a property is expected to be sold within the foreseeable future, it is reclassified to current assets in the statement of financial position. The property is measured at fair value with any change recognised in profit or loss.

3.6 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses, except for right-of-use assets that meet the definition of investment property and are carried at fair value in accordance with note 3.5.

Notes To The Financial Statements

Year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.6 Leases (cont'd)

As a lessee (cont'd)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for a major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, then the Group applies SFRS(I) 15 to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements in SFRS(I) 9 to the net investment in the lease (see Note 3.7(i)). The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognises lease payments received from investment property under operating leases as income on a straight-line basis over the lease term as part of 'revenue'.

Notes To The Financial Statements

Year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.7 Impairment

(i) *Non-derivative financial assets*

The Group recognises loss allowances for expected credit losses ("ECLs") on:

- financial assets measured at amortised cost; and
- intra-group financial guarantee contracts ("FGC").

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Notes To The Financial Statements

Year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.7 Impairment (cont'd)

(i) *Non-derivative financial assets (cont'd)*

General approach (cont'd)

The Company considers a FGC to be in default when the debtor of the loan is unlikely to pay its credit obligations to the creditor and the Company in full, without recourse by the Company to actions such as realising security (if any is held). The Company only applies a discount rate if, and to the extent that, the risks are not taken into account by adjusting the expected cash shortfalls.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Loss allowances for FGC are recognised as a financial liability to the extent that they exceed the initial carrying amount of the FGC less the cumulated income recognised.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Notes To The Financial Statements

Year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.7 Impairment (cont'd)

(ii) *Non-financial assets*

The carrying amounts of the Group's non-financial assets, other than investment properties, development properties and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amounts are estimated. For goodwill, that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. For the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

An impairment loss in respect of an associate or jointly-controlled entities is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with the requirements for non-financial assets. An impairment loss is recognised in profit or loss. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount and only to the extent that the recoverable amount increases.

Goodwill that forms part of the carrying amount of an investment in an associate or jointly-controlled entity is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate or jointly-controlled entity is tested for impairment as a single asset when there is objective evidence that the investment in an associate or jointly-controlled entity may be impaired.

Notes To The Financial Statements

Year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.8 Development properties

Development properties are those properties which are held with the intention of development and sale in the ordinary course of business. They are measured at the lower of cost and net realisable value. Cost includes acquisition costs, development expenditure, capitalised borrowing costs (applicable to construction of a development for which revenue is to be recognised at a point in time) and other costs directly attributable to the development activities.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. The write-down to net realisable value is presented as allowance for foreseeable losses.

3.9 Employee benefits

Defined contribution plans

Obligations for contributions are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

Short-term employee benefits

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

3.10 Interest-free related party loans – non-quasi equity

Loans to subsidiaries and associate

Interest-free loans to subsidiaries and associate are stated at fair value at inception. The difference between the fair value and the loan amount at inception is recognised as additional investments in subsidiaries and associate in the financial statements. Subsequently, these loans are measured at amortised cost using the effective interest method. The unwinding of the difference is recognised as interest income in profit or loss over the expected repayment period.

Intra-group balances between the Company and its subsidiaries are eliminated in full in the Group's consolidated financial statements.

3.11 Revenue recognition

Sale of development properties in Singapore and overseas

Revenue is recognised when control over the property has been transferred to the customer.

In respect of a development property where the Group has an enforceable right to payment for performance completed to date, revenue is recognised based on the percentage of completion. The percentage of completion is measured by reference to the work performed, based on the stage of completion certified by quantity surveyors. Profits are recognised only in respect of finalised sales contracts to the extent that such profits relate to the progress of the construction work.

In respect of a development property where the Group has no enforceable right to payment until the property is delivered to the customer (i.e. overseas property development projects where no progress payments are received from purchasers during construction), revenue is recognised upon handover of units to the customers.

Revenue is measured at the transaction price agreed under the contract. Progress billings to the customer are based on a payment schedule in the contract and are typically triggered upon achievement of specified construction milestones.

Notes To The Financial Statements

Year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.11 Revenue recognition (cont'd)

Sale of development properties in Singapore and overseas (cont'd)

Where the period between the satisfaction of a performance obligation and payment by the customer exceeds a year, the Group adjusts the transaction price with its customer and recognises a financing component. In adjusting for the financing component, the Group uses a discount rate that would reflect that of a separate financing transaction between the Group and its customer at contract inception.

Rental income

Rental income receivable under operating leases is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income to be received. Contingent rentals are recognised as income in the accounting period in which they are earned.

Dividend income

Dividend income is recognised on the date that the shareholder's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Interest income

Interest income from bank deposits is recognised as it accrues, using the effective interest method.

Management fee income

The Group recognises income over time as the services are rendered.

3.12 Finance income and finance costs

The Group's finance income and finance costs include:

- interest income;
- interest expense on borrowings; and
- hedge ineffectiveness recognised in profit or loss.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Notes To The Financial Statements

Year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.13 Tax

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

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*.

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

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

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences relating to investments in subsidiaries, associates and jointly-controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on initial recognition of goodwill.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the carrying amount of the investment property is presumed to be recovered through sale, and the Group has not rebutted this presumption.

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

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

3.14 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted-average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

Notes To The Financial Statements

Year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

3.15 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by management to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to management include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses, and tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the year to acquire investment properties.

3.16 New standards and amendments not adopted

A number of new accounting standards and amendments to standards are effective for annual periods beginning after 1 January 2025 and earlier application is permitted; however, the Group has not early adopted the new or amended accounting standards in preparing these financial statements.

SFRS(I) 18 *Presentation and Disclosure in Financial Statements*

SFRS(I) 18 will replace SFRS(I) 1-1 *Presentation of Financial Statements* and applies for annual reporting periods beginning on or after 1 January 2027. The new accounting standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

The Group is still in the process of assessing the impact of the new accounting standard, particularly with respect to the structure of the Group's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the financial statements.

Other accounting standards

The following amendments to SFRS(I)s are not expected to have a significant impact on the Group's consolidated financial statements.

- Amendments to SFRS(I) 9 and SFRS(I) 7: *Classification and Measurement of Financial Instruments and Contracts Referencing Nature-dependent Electricity*
- Annual Improvements to SFRS(I)s: *Volume 11*
- Amendments to SFRS(I) 19: *Subsidiaries without Public Accountability – Disclosures*
- Amendments to SFRS(I) 1-28: *Investments in Associates and Joint Ventures*
- Amendments to SFRS(I) 10: *Consolidated Financial Statements – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

Notes To The Financial Statements

Year ended 31 December 2025

4. PROPERTY, PLANT AND EQUIPMENT

	Freehold property \$'000	Right-of-use asset \$'000	Leasehold improvements \$'000	Paintings and sculptures \$'000	Furniture, fittings and office equipment \$'000	Motor vehicles \$'000	Total \$'000
Group							
Cost							
At 1 January 2024	1,582	1,205	886	49,442	7,292	3,183	63,590
Additions	–	292	–	880	773	220	2,165
Disposals	–	(144)	–	(7,678)	(464)	(170)	(8,456)
Disposal of interest in a subsidiary	–	–	–	–	(78)	–	(78)
Exchange differences	(96)	(81)	13	–	(135)	(9)	(308)
At 31 December 2024	1,486	1,272	899	42,644	7,388	3,224	56,913
Additions	–	1,257	577	–	141	439	2,414
Disposals	–	(384)	–	–	(49)	(234)	(667)
Exchange differences	23	21	10	12	32	18	116
At 31 December 2025	1,509	2,166	1,486	42,656	7,512	3,447	58,776
Accumulated depreciation							
At 1 January 2024	378	573	533	–	5,160	1,174	7,818
Depreciation charge for the year	32	263	94	–	253	388	1,030
Disposals	–	(113)	–	–	(91)	(146)	(350)
Disposal of interest in a subsidiary	–	–	–	–	(10)	–	(10)
Exchange differences	(24)	(44)	8	–	(29)	(9)	(98)
At 31 December 2024	386	679	635	–	5,283	1,407	8,390
Depreciation charge for the year	30	326	124	–	158	476	1,114
Disposals	–	(384)	–	–	(49)	(208)	(641)
Exchange differences	6	7	9	–	8	9	39
At 31 December 2025	422	628	768	–	5,400	1,684	8,902
Carrying amounts							
At 1 January 2024	1,204	632	353	49,442	2,132	2,009	55,772
At 31 December 2024	1,100	593	264	42,644	2,105	1,817	48,523
At 31 December 2025	1,087	1,538	718	42,656	2,112	1,763	49,874

Notes To The Financial Statements

Year ended 31 December 2025

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

	Furniture, fittings and office equipment \$'000	Motor vehicles \$'000	Paintings \$'000	Total \$'000
Company				
Cost				
At 1 January 2024	3,722	1,789	3	5,514
Additions	209	16	–	225
At 31 December 2024	3,931	1,805	3	5,739
Additions	67	384	–	451
Disposals	–	(16)	–	(16)
At 31 December 2025	3,998	2,173	3	6,174
Accumulated depreciation				
At 1 January 2024	3,597	348	–	3,945
Depreciation charge for the year	51	273	–	324
At 31 December 2024	3,648	621	–	4,269
Depreciation charge for the year	80	286	–	366
Disposals	–	(3)	–	(3)
At 31 December 2025	3,728	904	–	4,632
Carrying amounts				
At 1 January 2024	125	1,441	3	1,569
At 31 December 2024	283	1,184	3	1,470
At 31 December 2025	270	1,269	3	1,542

Notes To The Financial Statements

Year ended 31 December 2025

5. INVESTMENT PROPERTIES

	Note	Group 2025 \$'000	2024 \$'000
Freehold properties			
At 1 January		2,841,523	2,804,402
Capital expenditure		3,294	10,773
Disposals		(49,367)	–
Fair value changes		(1,087)	(17,037)
Exchange differences		35,954	43,385
At 31 December		2,830,317	2,841,523
Leasehold properties			
At 1 January		2,321,043	2,803,367
Capital expenditure		9,817	646
Disposal of interest in a subsidiary	6	–	(483,946)
Fair value changes		4,772	–
Exchange differences		930	976
At 31 December		2,336,562	2,321,043
Total investment properties		5,166,879	5,162,566

Investment properties consist of several commercial assets leased to third party tenants. Each of the leases contains an initial non-cancellable period of 1 to 15 years. Subsequent renewals are negotiated with the lessees. During the year, contingent rent of \$120,000 (2024: \$141,000) was charged and recognised as rental income in profit or loss.

Certain investment properties with carrying value amounting to \$5,122,879,000 (2024: \$5,062,037,000) have been pledged to secure banking facilities granted to the Group (see Note 18).

Investment properties are stated at fair value based on valuations carried out by independent external valuers, namely Savills Valuation & Professional Services (S) Pte Ltd, and Cushman & Wakefield Debenham Tie Leung Limited. The valuers have recognised professional qualifications and relevant experience in the location and category of property being valued. In determining the fair value, the valuers have used valuation techniques which involve certain key assumptions.

In 2025, the Group recognised a net fair value gain of \$3,685,000 (2024: loss of \$17,037,000) on its investment properties. See Note 36 – Determination of fair values for disclosure on the valuation techniques used by the independent valuers.

Notes To The Financial Statements

Year ended 31 December 2025

6. SUBSIDIARIES

	Company	
	2025	2024
	\$'000	\$'000
Equity investments, at cost	212,981	643,006
Discount implicit in interest-free loans to subsidiaries	1,252	1,252
Impairment loss	(63,306)	(169,441)
	150,927	474,817

Impairment loss

Impairment loss of \$9,822,000 (2024: \$46,332,000) was recognised on the Company's investment in subsidiaries, taking into consideration the fair values of the underlying assets and liabilities held by the subsidiaries. The fair value measurement was categorised as a Level 3 in the fair value hierarchy as it is derived from unobservable inputs.

Details of the material subsidiaries are as follows:

Name of company	Country of incorporation	Effective equity held by the Group	
		2025	2024
		%	%
Ho Bee (One North) Pte Ltd	Singapore	100	100
HB Croydon Pte Ltd	Singapore	100	100
HB Land Pty Ltd	Australia	100	100
HB Doncaster Pty Ltd	Australia	100	100
Grandeur Property Investments Ltd [#]	British Virgin Islands	100	100
HB Lime Street Limited [#]	Island of Jersey	100	100

[#] Not required to be audited under the laws in the country of incorporation.

KPMG LLP are the auditors of all material Singapore-incorporated subsidiaries.

KPMG Melbourne are the auditors of all material Australia-incorporated subsidiaries.

The Group does not have non-controlling interest of which its results are material to the Group.

Dissolution of a subsidiary

During the financial year, the Company dissolved a wholly-owned subsidiary, 34 Leadenhall Street Limited, by way of members' voluntarily winding up.

Notes To The Financial Statements

Year ended 31 December 2025

6. SUBSIDIARIES (CONT'D)

Disposal of interest in a subsidiary

On 21 August 2024, the Group disposed its 49% interest in HB Universal Pte Ltd, a subsidiary which holds Elementum in Singapore, for a cash consideration of \$133,572,000.

Consequent to the partial disposal, HB Universal Pte Ltd was deconsolidated as a subsidiary of the Group, with remaining interest accounted for under jointly-controlled entities.

The cash flows and net assets relating to the interest disposed are summarised as follows:

	Note	Group 2024 \$'000
Property, plant and equipment		68
Investment property	5	483,946
Cash and cash equivalents		258
Other assets		23,964
Loans and borrowings		(270,460)
Other liabilities		(36,233)
Net assets of the subsidiary deconsolidated		<u>201,543</u>
Disposal of 49% interest in the subsidiary		98,756
Gain on disposal	23	<u>34,816</u>
Sale consideration		133,572
Less: Cash balances of the subsidiary deconsolidated		<u>(258)</u>
Net cash inflow on disposal		<u>133,314</u>

7. ASSOCIATES

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Interests in associates	<u>34,045</u>	52,013	<u>4,136</u>	4,136

There was no associate that was individually material to the Group (2024: nil).

Reconciliation of carrying amounts of interest in associates

	Group	
	2025 \$'000	2024 \$'000
At 1 January	52,013	53,902
Group's share of results from continuing operations	3,189	(2,081)
Dividend declared during the year	(19,504)	–
Foreign currency translation differences	(1,653)	192
At 31 December	<u>34,045</u>	<u>52,013</u>

Notes To The Financial Statements

Year ended 31 December 2025

8. JOINTLY-CONTROLLED ENTITIES

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Interests in jointly-controlled entities	415,419	512,154	280,728	383,593
Impairment loss	–	–	(72,969)	(72,969)
	415,419	512,154	207,759	310,624

There was no jointly-controlled entity that was individually material to the Group (2024: nil).

These jointly-controlled entities are structured as separate vehicles, and the Group has a residual interest in their net assets.

Reconciliation of carrying amounts of interest in jointly-controlled entities

	Group	
	2025	2024
	\$'000	\$'000
At 1 January	512,154	379,392
Addition	–	139,024
Group's share of results from continuing operations	12,552	5,914
Group's share of other comprehensive income	(1,228)	–
Intra-group eliminations ¹	(5,840)	(8,612)
Group's capital contribution	15,367	6,592
Group's capital reduction	(11,944)	(7,929)
Group's redemption of preference shares	(102,865)	–
Dividends declared during the year	(2,938)	–
Foreign currency translation differences	161	(2,227)
At 31 December	415,419	512,154

¹ Includes elimination of intercompany loan interest and management fee for the year.

Company

The cumulative impairment loss as at the reporting date is \$72,969,000 (2024: \$72,969,000).

During the year, no impairment loss (2024: a writeback of impairment loss of \$14,968,000) was made against the Company's investment in its jointly-controlled entity, Pinnacle (Sentosa) Pte Ltd.

Movements in impairment loss on the Company's jointly-controlled entities are as follows:

	Company	
	2025	2024
	\$'000	\$'000
At 1 January	72,969	87,937
Writeback of impairment loss for the year	–	(14,968)
At 31 December	72,969	72,969

Addition of a jointly-controlled entity

On 21 August 2024, the Group disposed its 49% interest in HB Universal Pte Ltd, a subsidiary which holds Elementum in Singapore. Consequent to the partial disposal, HB Universal Pte Ltd was deconsolidated as a subsidiary of the Group, with remaining interest accounted for under jointly-controlled entities. The cash flows and net assets relating to the interest disposed are disclosed in Note 6.

Notes To The Financial Statements

Year ended 31 December 2025

9. OTHER ASSETS

	Group	
	2025	2024
	\$'000	\$'000
At cost		
Club membership	150	150

10. FINANCIAL ASSETS

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Non-current				
Investments designated at FVTPL:				
- Quoted equity securities	–	16,006	–	51
- Property funds	46,170	18,974	22,139	18,974
Investments mandatorily at FVTPL:				
- Debt instruments – subscription of notes (Note (i))	23,470	25,070	23,470	25,070
	69,640	60,050	45,609	44,095
Current				
Investments designated at FVTPL:				
- Quoted equity securities	10,891	–	10,891	–
Investments at amortised cost	13,711	–	–	–
	24,602	–	10,891	–
	94,242	60,050	56,500	44,095

- (i) Included in debt instruments is the Company's subscription of notes via a private placement in Europe. Proceeds from the private placement were used for investing in commercial properties. Distribution and redemption of the notes, including interest at 8% per annum, is dependent on the underlying properties' performance. As the contractual cash flows from the notes are not solely payments of principal and interest, the debt instruments are mandatorily measured at FVTPL.

Refer to Note 34 – estimation of fair values for financial assets and valuation processes applied by the Group for these investments.

Notes To The Financial Statements

Year ended 31 December 2025

11. OTHER RECEIVABLES, INCLUDING DERIVATIVES

	Note	Group		Company	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Non-current assets					
Other deposits		743	139	–	–
Prepayments		2,360	3,194	–	–
Derivative financial assets		1,618	–	1,474	–
		4,721	3,333	1,474	–
Amounts due from subsidiaries (non-trade)					
- interest bearing	(i)	–	–	486,935	464,570
- non-interest bearing	(ii)	–	–	1,416,773	1,381,313
		–	–	1,903,708	1,845,883
Amounts due from jointly-controlled entities (non-trade)					
- interest bearing	(i)	14,949	35,302	14,949	12,567
- non-interest bearing	(ii)	22,477	21,921	22,012	21,453
		37,426	57,223	36,961	34,020
		42,147	60,556	1,942,143	1,879,903

- (i) Interest-bearing amounts due from subsidiaries and jointly-controlled entities are charged at an interest rate of 2.00% to 6.39% (2024: 2.00% to 6.66%) and 2.40% to 4.15% (2024: 4.16% to 12.76%) per annum, respectively.
- (ii) Amounts owing from subsidiaries and jointly-controlled entities are unsecured, interest-free, and have no fixed terms of repayment. The settlement of these balances is neither planned nor likely to occur in the foreseeable future, and hence are classified as non-current receivables. There are no indications that suggest any of the balances will be impaired.

12. DEFERRED TAX

Movements in deferred tax liabilities of the Group (prior to offsetting of balances) during the year are as follows:

	Recognised			Recognised			At
	At 1 January 2024 \$'000	in income statement (Note 26) \$'000	Exchange differences \$'000	At 31 December 2024 \$'000	in income statement (Note 26) \$'000	Exchange differences \$'000	At 31 December 2025 \$'000
Group							
Deferred tax liabilities							
Investment properties	147	(146)	(1)	–	–	–	–
Development properties	9,899	209	(625)	9,483	1,211	190	10,884
Others	2,217	(480)	(133)	1,604	(160)	(113)	1,331
	12,263	(417)	(759)	11,087	1,051	77	12,215
Deferred tax assets							
Tax losses	532	100	(37)	595	319	13	927

Notes To The Financial Statements

Year ended 31 December 2025

13. DEVELOPMENT PROPERTIES

	Group	
	2025	2024
	\$'000	\$'000
Properties for which revenue is to be recognised at a point in time		
Properties held for sale	51,126	56,754
Properties under development	375,197	383,726
	426,323	440,480
Allowance for foreseeable losses	(1,398)	(1,223)
Total development properties	424,925	439,257

During the year, development properties of \$134,263,000 (2024: \$190,939,000) were recognised as cost of sales and included in 'cost of sales – residential development projects'.

Movements in allowance for foreseeable losses are as follows:

	Group	
	2025	2024
	\$'000	\$'000
At 1 January	(1,223)	(1,206)
Allowance made	(263)	–
Exchange differences	88	(17)
At 31 December	(1,398)	(1,223)

The Group's development properties are carried at lower of cost and net realisable value. The determination of net realisable value requires judgement and estimate by management. The Group estimates the level of allowance for foreseeable losses based on the prevailing selling prices of the development properties or similar development properties within the vicinity at the reporting date, and costs to be incurred in selling the property. In the absence of current prices in an active market, valuations were obtained from an independent property valuer. Where necessary, allowance for foreseeable losses would be recorded as a result of deterioration in the estimated market values for development properties.

During the year, an allowance for foreseeable losses of \$263,000 (2024: \$nil) was made, taking into consideration the net realisable values of the development properties.

Certain development properties with carrying value amounting to \$28,090,000 (2024: \$27,736,000) were pledged to secure banking facilities granted to the Group (see Note 18).

Notes To The Financial Statements

Year ended 31 December 2025

14. TRADE AND OTHER RECEIVABLES, INCLUDING DERIVATIVES

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Trade receivables	42,788	32,226	–	–
Accrued rent receivables	1,615	2,097	–	–
Net trade receivables	44,403	34,323	–	–
Other deposits	8,024	5,749	25	376
Amounts due from:				
- subsidiaries (non-trade)				
- interest bearing	–	–	178,309	66,003
- non-interest bearing	–	–	42,362	65,412
- jointly-controlled entities (non-trade)				
- interest bearing	–	194	–	–
- non-interest bearing	264	220	262	220
Other receivables	33,924	1,220	10,787	1,717
Derivative financial assets	–	11,823	–	3,513
	86,615	53,529	231,745	137,241
GST recoverable	2,120	3,950	–	–
Prepayments	2,603	2,974	105	97
Tax recoverable	336	199	–	–
	91,674	60,652	231,850	137,338

Amounts due from subsidiaries and jointly-controlled entities are unsecured and repayable within the next 12 months. These balances are amounts lent to subsidiaries and jointly-controlled entities to meet their short-term funding requirements. Interest-bearing amounts due from subsidiaries are charged at an interest rate of 2.00% to 2.50% (2024: 2.00% to 2.50%) per annum. In 2024, interest-bearing amounts due from jointly-controlled entities are charged at an interest rate of 10.00% per annum. The amounts due from jointly-controlled entities have been fully repaid in 2025.

Included in other receivables of the Group as at 31 December 2025 are dividend receivable from an associate of \$10,770,000 (2024: \$nil) and non-trade receivables due from third parties of \$23,154,000 (2024: \$1,220,000).

The measurement of expected credit loss on trade and other receivables involves management's estimate of the credit risk of the financial instruments and reflects the Group's assessment of economic conditions and possible default events over the expected lives of these receivables. Refer to Note 34 for the Group's assessment on credit risk exposure and determination of expected credit loss ("ECL").

15. CASH AND CASH EQUIVALENTS

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Cash at banks and in hand	84,101	79,561	2,162	2,118
Fixed deposits	123,716	103,558	–	41,417
Money market funds	20,843	–	20,843	–
	228,660	183,119	23,005	43,535

The weighted average effective interest rates relating to fixed deposits at the reporting date for the Group is 3.60% (2024: 4.11%) per annum.

Money market funds represent investments in short-term, highly liquid instruments that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value.

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Year ended 31 December 2025

16. SHARE CAPITAL

	Group and Company	
	2025	2024
	Number	Number
	of shares	of shares
	'000	'000
Fully paid ordinary shares, with no par value:		
At 1 January and 31 December	703,338	703,338

As at the reporting date, included in the total number of ordinary shares was 39,321,600 (2024: 39,321,600) shares purchased by the Company (the "Treasury Shares") by way of market acquisition at an average price of \$1.72 per share. The Treasury Shares were deducted from total equity (see Note 17).

The holders of ordinary shares (excluding Treasury Shares) are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares (excluding Treasury Shares) rank equally with regard to the Company's residual assets.

Capital management

The Company's policy is to maintain an adequate capital base so as to maintain investor, creditor and market confidence and to sustain future development of the Group's business.

The Board of Directors monitors the return on equity, which the Group defines as net profit divided by total shareholders' equity, excluding non-controlling interests. The Board of Directors also monitors the Group's financial performance, capital requirements and plans for expansion before declaring dividends to shareholders. The Group funds its operations and growth through a mix of equity and debt. This includes the maintenance of adequate credit lines and assessing the need to raise additional equity where required.

From time to time, the Company may undertake share purchases under its approved Share Purchase Mandate if and when circumstances permit, as part of the Group's management mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements, in an expedient and cost-efficient manner. The purchases of its shares seek to increase shareholders' values and provide greater flexibility over the Company's share capital structure.

There were no changes in the Group's approach to capital management during the year.

The net gearing ratio is calculated as net debt divided by total shareholders' equity, excluding non-controlling interests. Net debt is calculated as borrowings less cash and cash equivalents.

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Borrowings	2,526,130	2,624,085	443,566	419,910
Less: Cash and cash equivalents	(228,660)	(183,119)	(23,005)	(43,535)
Net debt	2,297,470	2,440,966	420,561	376,375
Total shareholders' equity, excluding non-controlling interests	3,767,659	3,692,426	2,133,251	2,121,340
Net gearing ratio	0.61	0.66	0.20	0.18

Certain Group entities are required to comply with their bank loans covenants, and these have been complied with during the year.

Notes To The Financial Statements

Year ended 31 December 2025

17. RESERVES

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Reserve for own shares	(67,796)	(67,796)	(67,796)	(67,796)
Capital reserve	791	791	–	–
Hedging reserve	(25,679)	3,822	(3,525)	381
Foreign currency translation reserve	(92,916)	(124,007)	–	–
Retained earnings	3,797,211	3,723,568	2,048,524	2,032,707
	3,611,611	3,536,378	1,977,203	1,965,292

Reserve for own shares

The reserve for own shares comprises the cost of Treasury Shares held by the Company (see Note 16).

Capital reserve

The capital reserve which arose prior to 1 January 2001, comprises negative goodwill arising on acquisition of interests in subsidiaries and effect of discounting of a loan extended to a subsidiary.

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges.

Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the functional currency of the Company, the gain or loss on instruments used to hedge the Group's net investment in foreign operations that are determined to be effective hedges, and exchange differences on monetary items which form part of the Group's net investment in foreign operations, provided certain conditions are met.

18. LOANS AND BORROWINGS

	Note	Group		Company	
		2025	2024	2025	2024
		\$'000	\$'000	\$'000	\$'000
Non-current liabilities					
Secured bank loans		1,721,811	2,258,640	139,550	147,520
Unsecured bank loan		100,000	–	100,000	–
Medium term notes	(i)	160,000	160,000	160,000	160,000
Lease liabilities		1,076	425	–	–
		1,982,887	2,419,065	399,550	307,520
Current liabilities					
Secured bank loans		542,656	104,820	44,016	12,390
Unsecured bank loan		–	100,000	–	100,000
Lease liabilities		587	200	–	–
		543,243	205,020	44,016	112,390
		2,526,130	2,624,085	443,566	419,910

- (i) On 11 July 2024, the Company issued \$160,000,000 of 5-year 4.35% fixed-rate unsecured green notes under its \$800,000,000 multi-currency medium term note programme.

Notes To The Financial Statements

Year ended 31 December 2025

18. LOANS AND BORROWINGS (CONT'D)

Certain bank loans are subject to covenants that need to be complied with within 12 months after the reporting date. At the reporting date, \$2,364,467,000 (2024: \$2,267,276,000) of bank loans are required to be tested quarterly, semi-annually or annually on covenants including interest coverage ratios and loan-to-value ratios.

The Group expects to comply with or cure these covenants within 12 months after the reporting date. At the reporting date, there are no non-current loans that need to be reclassified as current due to anticipated covenant breaches that would make the loans repayable on demand.

The bank loans are secured on the following assets, and legal assignment of the assets' sales and rental proceeds:

	Note	Group	
		2025 \$'000	2024 \$'000
Investment properties	5	5,122,879	5,062,037
Development properties	13	28,090	27,736
		<u>5,150,969</u>	<u>5,089,773</u>

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

	Effective interest rate %	Expected year of maturity	Face value \$'000	Carrying amount \$'000
Group				
31 December 2025				
Secured bank loans	2.23 – 5.45	2026 – 2029	2,272,355	2,264,467
Unsecured bank loan	5.18	2029	100,000	100,000
Medium term notes	4.35	2029	160,000	160,000
Lease liabilities			<u>1,663</u>	<u>1,663</u>
31 December 2024				
Secured bank loan	4.16 – 6.24	2025 – 2028	2,363,460	2,363,460
Unsecured bank loans	5.92	2025	100,000	100,000
Medium term notes	4.35	2029	160,000	160,000
Lease liabilities			<u>625</u>	<u>625</u>
Company				
31 December 2025				
Secured bank loans	2.23 – 5.36	2026 – 2027	185,307	183,566
Unsecured bank loans	5.18	2029	100,000	100,000
Medium term notes	4.35	2029	<u>160,000</u>	<u>160,000</u>
31 December 2024				
Secured bank loans	6.24	2027	159,910	159,910
Unsecured bank loans	5.92	2025	100,000	100,000
Medium term notes	4.35	2029	<u>160,000</u>	<u>160,000</u>

The Group's bank loans are all pegged to floating rates.

Notes To The Financial Statements

Year ended 31 December 2025

18. LOANS AND BORROWINGS (CONT'D)

Intra-group financial guarantees

Intra-group financial guarantees comprise guarantees provided by the Company to banks in respect of banking facilities amounting to \$2,559,286,000 (2024: \$2,545,953,000) extended to its subsidiaries and jointly-controlled entities. The Group's financial guarantees relate to those extended by the Company to jointly-controlled entities. The periods in which the financial guarantees expire are as follows:

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Less than 1 year	–	64,050	500,048	156,748
Between 1 and 5 years	472,238	271,038	2,059,238	2,389,205
	472,238	335,088	2,559,286	2,545,953

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Liabilities		Derivative liabilities/ (assets) held to hedge long-term borrowings		
	Bank loans	Lease liabilities	Amount due to non-controlling shareholder	Interest rate swap – net liabilities/ (assets)	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Group					
Balance at 1 January 2024	3,064,026	658	2,681	9,345	3,076,710
Changes from financing cash flows					
Proceeds from notes issuance	160,000	–	–	–	160,000
Proceeds from bank loans	365,161	–	–	–	365,161
Repayment of liabilities	(723,713)	(281)	(2,005)	–	(725,999)
Disposal of interest in a subsidiary	(270,460)	–	–	–	(270,460)
Interest paid	(164,874)	(28)	–	–	(164,902)
Total changes from financing cash flows	(633,886)	(309)	(2,005)	–	(636,200)
Exchange differences	33,577	(44)	(248)	–	33,285
Fair value changes	–	–	–	(13,167)	(13,167)
Other changes					
Liability-related					
Lease liabilities recognised	–	292	–	–	292
Interest expense	159,742	28	–	–	159,770
Total liability-related other changes	159,742	320	–	–	160,062
Balance at 31 December 2024	2,623,459	625	428	(3,822)	2,620,690

Notes To The Financial Statements

Year ended 31 December 2025

18. LOANS AND BORROWINGS (CONT'D)

Reconciliation of movements of liabilities to cash flows arising from financing activities (cont'd)

	Liabilities			Derivative liabilities/ (assets) held to hedge long-term borrowings	
	Bank loans	Lease liabilities	Amount due to non-controlling shareholder	Interest rate swap – net liabilities/ (assets)	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Group					
Balance at 1 January 2025	2,623,459	625	428	(3,822)	2,620,690
Changes from financing cash flows					
Proceeds from bank loans	123,171	–	–	–	123,171
Repayment of liabilities	(246,295)	(233)	–	–	(246,528)
Interest paid	(119,562)	(35)	–	–	(119,597)
Total changes from financing cash flows	(242,686)	(268)	–	–	(242,954)
Exchange differences	20,585	14	–	–	20,599
Fair value changes	–	–	–	23,166	23,166
Other changes					
Liability-related					
Lease liabilities recognised	–	1,257	–	–	1,257
Interest expense	123,109	35	–	–	123,144
Total liability-related other changes	123,109	1,292	–	–	124,401
Balance at 31 December 2025	2,524,467	1,663	428	19,344	2,545,902

19. OTHER LIABILITIES, INCLUDING DERIVATIVES

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Rental deposits	38,174	36,208	–	–
Amount due to a non-controlling shareholder (non-trade)	428	428	–	–
Amount due to related companies (non-trade)	6,332	5,024	5,024	5,024
Derivative financial liabilities	19,682	–	–	–
Other payables	–	–	6,647	–
	64,616	41,660	11,671	5,024

Amount due to a non-controlling shareholder (non-trade) represents the non-controlling shareholder's net investment in the Group. The amount is unsecured and interest-free, and not expected to be repayable within the next 12 months. Accordingly, this non-current financial liability is measured at amortised cost.

Amount due to a related companies (non-trade) is unsecured and interest-free, and not expected to be repayable within the next 12 months.

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Year ended 31 December 2025

20. DEFERRED INCOME

	Group	
	2025	2024
	\$'000	\$'000
Rental advances from tenants:		
- non-current	35,501	37,635
- current	1,671	1,849
	37,172	39,484

Included within rental advances from tenants is an amount of \$37,172,000 (2024: \$38,842,000) received by the Group arising from its sale of a 30-year leasehold interest in an investment property with 999-year tenure in 2018. The sale proceeds are amortised and recognised as rental income over the 30-year leasehold period.

21. TRADE AND OTHER PAYABLES, INCLUDING DERIVATIVES

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Sales deposits	1,200	2,760	–	–
Rental deposits	6,555	10,712	–	–
Advance rental	11,907	11,571	–	–
Accrued operating expenses and development expenditure	39,555	49,138	10,796	9,989
Amounts due to subsidiaries (non-trade)	–	–	2,243	323,344
Other payables	25,680	27,495	1	4,256
Derivative financial liabilities	2,406	5,028	1,126	159
Goods and services tax payable	7,123	8,992	1,947	146
	94,426	115,696	16,113	337,894

Amounts due to subsidiaries (non-trade) are unsecured, interest-free, and are repayable on demand.

22. REVENUE

Revenue represents the sale of development properties, rental income and service charges, after eliminating inter-company transactions.

	Group	
	2025	2024
	\$'000	\$'000
Revenue from contracts with customers:		
- sales of development properties, transferred at a point in time	200,111	262,329
Rental income and service charges from:		
- investment properties	237,587	263,046
- development properties	2,354	2,665
	440,052	528,040

Notes To The Financial Statements

Year ended 31 December 2025

23. OTHER GAINS AND FAIR VALUE CHANGES

	Group	
	2025	2024
	\$'000	\$'000
Income from property management services	1,397	1,561
Income from building improvement works	2,025	3,083
Management fee income	1,192	764
Rent top-up received from vendor	461	2,572
Dividend income from financial assets at FVTPL	4,284	–
Fair value changes in financial assets at FVTPL	(11,107)	(11,334)
Gain on disposal of interest in a subsidiary	–	34,816
Remeasurement gain on interest in a jointly-controlled entity	–	36,238
Gain on disposal of property, plant and equipment	20	1,036
Gain on disposal of financial assets at FVTPL	147	–
Loss on disposal of investment properties	(583)	–
Dilapidation income	4,495	–
Value-added tax recovery	1,459	–
Licence fees	639	–
Others	1,814	1,359
	6,243	70,095

24. DIRECTORS' REMUNERATION

Number of directors in remuneration bands:

	2025	2024
	Number of Directors	Number of Directors
\$500,000 and above	3	3
\$250,000 to \$499,999	–	–
Below \$250,000	7*	6*
Total	10[#]	9

* Comprises 7 (2024: 6) non-executive directors.

Includes 2 retired directors during the financial year.

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25. FINANCE INCOME AND FINANCE COSTS

	Group	
	2025	2024
	\$'000	\$'000
Interest income from debt investments carried at amortised cost/finance income	7,972	6,699
Interest expenses on financial liabilities measured at amortised cost/finance costs	(123,144)	(159,769)
Net finance costs recognised in profit or loss	(115,172)	(153,070)

26. INCOME TAX EXPENSE

	Note	Group	
		2025	2024
		\$'000	\$'000
Current tax expense			
Current year		42,499	47,405
Over provision in respect of prior years		(13,097)	(5,666)
		29,402	41,739
Deferred tax expense			
Movements in temporary differences		207	150
Under/(over) provision in respect of prior years		525	(667)
	12	732	(517)
Withholding tax		693	1,324
Total income tax expense		30,827	42,546
Reconciliation of effective tax rate			
Profit for the year		102,392	109,668
Total income tax expense		30,827	42,546
Profit before income tax		133,219	152,214
Tax calculated using Singapore tax rate of 17% (2024: 17%)		22,647	25,876
Expenses not deductible for tax purposes		76,720	29,409
Tax exempt revenue		(52)	(52)
Income not subject to tax		(63,793)	(14,708)
Effect of different tax rates in other countries		11,994	13,099
Effect of results of equity-accounted investees presented net of tax		(1,822)	(2,335)
Withholding tax		693	1,324
Tax incentives		(3,195)	(3,734)
Change in temporary differences		207	–
Over provision in respect of prior years		(12,572)	(6,333)
		30,827	42,546

Notes To The Financial Statements

Year ended 31 December 2025

27. PROFIT FOR THE YEAR

The following significant items have been included in arriving at profit for the year:

	Note	Group 2025 \$'000	2024 \$'000
Included in staff costs & directors' remuneration:			
- Contributions to defined contribution plans		947	805
Included in other operating expenses:			
- Audit fees payable/paid to auditors of the Company		682	624
- Non-audit fees paid to auditors of the Company		23	106
- Depreciation of property, plant and equipment and right-of-use assets	4	1,114	1,030

28. EARNINGS PER SHARE

	Group 2025 \$'000	2024 \$'000
Basic earnings per share is based on:		
Net profit attributable to ordinary shareholders	100,204	109,555

The Company does not have any dilutive potential ordinary shares in existence for the current and previous financial years.

	Group 2025 Number of shares '000	2024 Number of shares '000
Ordinary shares in issue at beginning of the year	703,338	703,338
Effect of own shares held	(39,322)	(39,322)
Weighted average number of ordinary shares in issue during the year	664,016	664,016

29. DIVIDENDS

After the reporting date, the Directors proposed the following dividends, which have not been provided for.

	Group and Company 2025 \$'000	2024 \$'000
Proposed first and final tax-exempt dividend of 5 cents (2024: 4 cents) per share	33,201	26,561

Notes To The Financial Statements

Year ended 31 December 2025

30. SIGNIFICANT RELATED PARTY TRANSACTIONS

Key management personnel

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

Key management personnel compensation comprises:

	Group	
	2025	2024
	\$'000	\$'000
Directors' fees	555	558
Directors' remuneration:		
- short-term employee benefits	6,022	6,417
	6,577	6,975

Other related party transactions

During the financial year, other than as disclosed elsewhere in the financial statements, the transactions with related parties entered into on terms agreed between the parties are as follows:

	Note	Group	
		2025	2024
		\$'000	\$'000
Associates and jointly-controlled entities			
Management fee		1,225	695
Interest income		484	930
Other related parties			
Other gains		90	90
Other operating expenses:			
- insurance on investment properties		323	407
- other insurances		144	203
- printing		32	23
- donations made	(i)	1,750	2,250
- others		69	45
Finance costs:			
- medium term notes coupon interest payable to a controlling shareholder		1,414	674

- (i) The donation of \$1,750,000 (2024: \$2,250,000) was made to Ho Bee Foundation, of which Dr Chua Thian Poh, Mr Seow Choke Meng and Ms Josephine Choo are directors.

Notes To The Financial Statements

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31. LEASES

(a) Leases as lessee

The Group leases some office premises for its subsidiaries in Australia. The leases run for a period of 1 to 6 years. Note 4 sets out information about the right-of-use asset relating to the leased office premises.

(b) Leases as lessor

The Group leases out its investment properties and certain properties held for sale. The Group classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Note 5 sets out information about the operating leases of investment properties.

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	Group	
	2025	2024
	\$'000	\$'000
Operating leases under SFRS(I) 16		
Less than one year	230,527	241,103
One to two years	216,887	205,518
Two to three years	195,776	183,542
Three to four years	143,192	164,752
Four to five years	56,061	131,154
More than five years	121,290	150,894
Total	963,733	1,076,963

32. COMMITMENTS

As at the reporting date, commitments for expenditure which have not been provided for in the financial statements were as follows:

	Group	
	2025	2024
	\$'000	\$'000
Authorised and contracted for:		
Subscription for additional interest in property funds and notes	22,455	11,699
Development expenditure for investment property and properties under development	38,244	26,965
	60,699	38,664

33. FINANCIAL RISK MANAGEMENT

Overview

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, and the Group's objectives, policies and processes for measuring and managing the risk.

Notes To The Financial Statements

Year ended 31 December 2025

33. FINANCIAL RISK MANAGEMENT (CONT'D)

Risk management framework

The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. Management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and financial assets. The Group has procedures in place to manage credit risk and exposure to such risk is monitored on an ongoing basis.

The Group establishes an allowance for impairment that represents its estimate of the expected credit loss and specific loss component in respect of trade and other receivables. The allowance account in respect of trade and other receivables is used to record impairment losses. When the Group is satisfied that no recovery of the amount owing is possible, the financial asset is considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial asset.

Cash and fixed deposits are placed with banks and financial institutions which are regulated. Investments and transactions involving derivative financial instruments are restricted with counterparties who meet the appropriate credit criteria and/or are of high credit standing. As such, management does not expect any counterparty to fail to meet its obligations.

Financial guarantee

The principal risk to which the Company is exposed to is credit risk in connection with guarantee contracts it has issued. The credit risk represents the loss that would be recognised upon a default by the parties to which the guarantees were provided on behalf of. To mitigate these risks, management continually monitors the risks and has established processes including performing credit evaluations of the parties it is providing the guarantee on behalf of. Guarantees are only given to its subsidiaries, associates and jointly-controlled entities.

The intra-group financial guarantees with subsidiaries are eliminated in preparing the consolidated financial statements. Estimates of the Company's obligations arising from financial guarantee contracts may be affected by future events, which cannot be predicted with any certainty. The assumptions may well vary from actual experience so that the actual liability may vary considerably from the best estimates.

The Company has assessed that the subsidiaries and jointly-controlled entities have strong financial capacity to meet their contractual cash flow obligations in the near future and hence, does not expect significant credit losses from these guarantees. The Company's assessment is based on qualitative and quantitative factors that are indicative of the risk of default.

Liquidity risk

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding to ensure that all refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group maintains sufficient level of cash and fixed deposits to meet its working capital requirements.

In addition, the Group maintains revolving credit facilities of a reasonable level compared to its current debt obligation. When necessary, the Group will raise committed funding from either the capital markets and/or financial institutions and prudently balance its portfolio with some short term funding so as to achieve overall cost effectiveness.

As at the reporting date, the Group has undrawn committed revolving credit facilities of \$438,500,000 (2024: \$494,885,000) which can be drawn down to meet short-term financing needs.

Notes To The Financial Statements

Year ended 31 December 2025

33. FINANCIAL RISK MANAGEMENT (CONT'D)

Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Interest rate risk

The Group manages its interest rate exposure by actively reviewing its debt portfolio and switching to cheaper sources of funding to achieve a certain level of protection against interest rate hikes. Where appropriate, the Group uses interest rate derivatives to hedge its interest rate exposure for specific underlying debt obligations.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates and maturities and the notional or par amounts.

Interest rate derivatives are used to manage interest rate risk, to the extent that the perceived cost is considered to outweigh the benefit from the flexibility of variable rate borrowings, and the Group actively monitors the need and timing for such derivatives.

Where used, interest rate derivatives are classified as cash flow hedges and stated at fair value within the Group's statement of financial position.

Cash flow hedges

The Group has entered into interest rate swaps and cross currency interest rate swaps to fix the interest relating to the payment of periodic interest charges arising from bank borrowings and designated these as cash flow hedges. The risk being hedged was the variability of cash flows arising from movements in interest rates.

The cash flows will occur on a periodic basis until the underlying loans mature and these hedges which are designated as cash flow hedges, are considered to be highly effective. The carrying value of the hedging instruments were remeasured to their fair value at each reporting date, with the effective portion of changes in fair value since inception being taken to the hedging reserve.

The following table shows the derivatives designated as cash flow hedges by the Group.

	2025	2025	During the year - 2025		
	Nominal amount \$'000	Carrying amount - assets/ (liabilities) \$'000	Changes in fair value recognised in OCI \$'000	Reclassified from hedging reserve to profit or loss \$'000	Hedge ineffective- ness recognised in profit or loss \$'000
Fixed rate derivatives					
Interest rate swaps	1,454,136	(20,818)	(24,554)	187	109
Cross currency interest rate swaps	154,107	1,474	1,093	(4,999)	-

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33. FINANCIAL RISK MANAGEMENT (CONT'D)

Cash flow hedges (cont'd)

	2024	2024	During the year - 2024		
	Nominal amount \$'000	Carrying amount - assets \$'000	Changes in fair value recognised in OCI \$'000	Reclassified from hedging reserve to profit or loss \$'000	Hedge ineffective- ness recognised in profit or loss \$'000
Fixed rate derivatives					
Interest rate swaps	1,180,198	3,441	11,133	(1,278)	-
Cross currency interest rate swaps	165,144	381	3,312	-	-

Foreign currency risk

The Group is exposed to foreign currency risk on sales, purchases, receivables and borrowings that are denominated in a currency other than the respective functional currencies of the Group's entities. The Group is also exposed to currency translation risk on its net investments in foreign operations. The currencies giving rise to these risks are primarily the British pound ("GBP"), Australian dollar ("AUD") and Euro ("EUR").

Net investment hedge in foreign operation

The Group designated its GBP and AUD-denominated external borrowings as a hedge of the net investment in its subsidiaries that are denominated in GBP and AUD to minimise the Group's exposure to the currency risk arising on translation of net investment in foreign operations. The hedged risk in the net investment hedge is the risk of a weakening GBP and/or AUD against the Singapore dollar ("SGD") that will result in a reduction in the carrying amount of the Group's net investment in the GBP and/or AUD foreign operations. The loan is designated as a hedging instrument for the changes in the value of the net investment that is attributable to changes in the SGD/GBP and SGD/AUD spot rates.

To assess hedge effectiveness, the Group determines the economic relationship between the hedging instrument and the hedged item by comparing changes in the carrying amounts of the loans that are attributable to a change in the spot rate with changes in the investment in the foreign operations due to movements in the spot rate (the offset method). The Group's policy is to hedge the net investment only to the extent of the loan principals. No ineffectiveness was recognised from the net investment hedge.

At the reporting date, the Group no longer has any GBP and AUD-denominated loans (2024: \$nil) that are designated as hedges of the net investment in its GBP and AUD subsidiaries, and all net investment hedge relationships have ended. See Note 34 - Financial instruments for disclosure on the net investment hedges.

34. FINANCIAL INSTRUMENTS

Credit risk

Exposure to credit risk

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. The Group's credit risk is primarily attributable to trade and other receivables and financial assets.

Based on the Group's historical experience in the collection of accounts receivable, the Group believes that as of the reporting date, no material credit risk is inherent in the Group's trade receivables.

At the reporting date, the Group has receivables owing from jointly-controlled entities totalling to \$37,690,000 (2024: \$57,638,000) representing 28% (2024: 48%) of total gross trade and other receivables. Except for these receivables, there was no concentration of credit risk.

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34. FINANCIAL INSTRUMENTS (CONT'D)

Credit risk (cont'd)

Impairment losses

Expected credit loss ("ECL") assessment

The Group uses an allowance matrix to measure the ECLs of trade receivables from individual customers. ECL is calculated based on actual credit loss experience over the past three years and adjusted for differences between economic conditions during the period over which the historic data has been collected, current market conditions and the Group's view of economic conditions over the expected lives of the receivables. As of the reporting date, no scalar factor has been applied.

The following table provides information about the exposure to credit risk and ECLs for trade receivables:

	2025		2024	
	Gross carrying amount	Impairment loss allowance	Gross carrying amount	Impairment loss allowance
	\$'000	\$'000	\$'000	\$'000
Group				
Not past due	28,834	–	31,941	–
Past due 1 – 30 days	15,506	–	2,343	–
Past due 31 – 120 days	21	–	24	–
More than 120 days past due	42	–	15	–
	44,403	–	34,323	–

Movements in allowance for impairment in respect of trade receivables

The movements in impairment loss in respect of trade receivables during the year are as follows:

	Group	
	2025	2024
	\$'000	\$'000
At 1 January	–	52
Bad debt written off	–	(53)
Exchange differences	–	1
At 31 December	–	–

Impairment loss relates to tenants that are in financial difficulties and have defaulted on payments. Where the tenants have provided security deposits, the impairment loss were recognised based on rental in arrears net of security deposits.

Based on the Group's assessment, the Group believes that as of the reporting date, no impairment allowance is necessary in respect of trade and other receivables as these balances are considered fully recoverable.

Guarantees

The Group's policy is to provide financial guarantees only for its subsidiaries, associates and jointly-controlled entities' liabilities. At the reporting date, the Company has issued guarantees to certain banks in respect of credit facilities granted to eight subsidiaries and three jointly-controlled entities (see Note 18). There are no indications that suggest any expected credit loss in respect of the Company's guarantees issued.

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Year ended 31 December 2025

34. FINANCIAL INSTRUMENTS (CONT'D)

Credit risk (cont'd)

Amounts due from subsidiaries and jointly-controlled entities

Impairment on these balances has been measured on the 12-month expected loss basis which reflects the low credit risk of the exposures. There are no indications that suggest any of the balances will be impaired.

Cash and cash equivalents

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. There are no indications that suggest any of the balances will be impaired.

Liquidity risk

The following are the expected contractual undiscounted cash inflows/(outflows) of financial liabilities, including interest payments and excluding the impact of netting agreements:

	Carrying amount \$'000	Cash flows			
		Contractual cash flows \$'000	Within 1 year \$'000	Within 2 to 5 years \$'000	More than 5 years \$'000
Group					
31 December 2025					
Non-derivative financial liabilities					
Bank loans*	2,364,467	(2,574,379)	(741,315)	(1,833,064)	–
Medium term notes	160,000	(184,522)	(6,960)	(177,562)	–
Rental deposits	44,729	(44,729)	(6,555)	(38,174)	–
Trade and other payables**	83,902	(83,902)	(77,142)	(6,760)	–
Lease liability	1,663	(1,790)	(720)	(1,070)	–
Recognised liabilities	2,654,761	(2,889,322)	(832,692)	(2,056,630)	–
Financial guarantees (unrecognised)	–	(472,238)	–	(472,238)	–
	2,654,761	(3,361,560)	(832,692)	(2,528,868)	–
31 December 2024					
Non-derivative financial liabilities					
Bank loans*	2,463,460	(3,327,661)	(368,400)	(2,959,261)	–
Medium term notes	160,000	(191,482)	(6,960)	(184,522)	–
Rental deposits	23,636	(23,636)	(10,712)	(12,924)	–
Trade and other payables**	116,940	(116,940)	(88,204)	(28,736)	–
Lease liability	625	(681)	(225)	(456)	–
Recognised liabilities	2,764,661	(3,660,400)	(474,501)	(3,185,899)	–
Financial guarantees (unrecognised)	–	(335,088)	(64,050)	(271,038)	–
	2,764,661	(3,995,488)	(538,551)	(3,456,937)	–

* The contractual cashflows are net of the impact of interest rate swaps/cross currency swaps.

For bank loans with no interest rate swap arrangements, the contractual cashflows include the estimated interest payments based on interest rates repriced in the 4th quarter of each financial year.

** Exclude derivative financial liabilities, sales deposits and goods and services tax payable.

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Year ended 31 December 2025

34. FINANCIAL INSTRUMENTS (CONT'D)

Liquidity risk (cont'd)

	Carrying amount \$'000	Cash flows			
		Contractual cash flows \$'000	Within 1 year \$'000	Within 2 to 5 years \$'000	More than 5 years \$'000
Company					
31 December 2025					
Non-derivative financial liabilities					
Bank loans*	283,566	(292,049)	(53,330)	(238,719)	–
Medium term notes	160,000	(184,522)	(6,960)	(177,562)	–
Trade and other payables**	24,711	(24,711)	(13,040)	(11,671)	–
Recognised liabilities	468,277	(501,282)	(73,330)	(427,952)	–
Intragroup financial guarantees (unrecognised)	–	(2,559,286)	(500,048)	(2,059,238)	–
	468,277	(3,060,568)	(573,378)	(2,487,190)	–
31 December 2024					
Non-derivative financial liabilities					
Bank loans*	259,910	(464,763)	(124,306)	(340,457)	–
Medium term notes	160,000	(191,482)	(6,960)	(184,522)	–
Amounts due to subsidiaries	323,344	(323,344)	(323,344)	–	–
Trade and other payables**	19,268	(19,268)	(14,244)	(5,024)	–
Recognised liabilities	762,522	(998,857)	(468,854)	(530,003)	–
Intragroup financial guarantees (unrecognised)	–	(2,545,953)	(156,748)	(2,389,205)	–
	762,522	(3,544,810)	(625,602)	(2,919,208)	–

* The contractual cashflows are net of the impact of interest rate swaps/cross currency swaps.

** Exclude derivative financial liabilities, goods and services tax payable.

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Year ended 31 December 2025

34. FINANCIAL INSTRUMENTS (CONT'D)

Currency risk

Exposure to currency risk

The following table shows the Group's significant exposure to foreign currencies after taking into account cross currency interest rate swaps. Differences resulting from the translation of the financial statements of foreign operations into the Group's presentation currency, and exposure arising from inter-company balances which are considered to be in the nature of interests in the subsidiaries are excluded.

	2025				2024			
	SGD \$'000	GBP \$'000	AUD \$'000	EUR \$'000	SGD \$'000	GBP \$'000	AUD \$'000	EUR \$'000
Group								
Financial assets	–	–	–	45,608	–	–	50	44,044
Cash and cash equivalents	3,520	1,502	19,490	1,472	3,415	892	29,646	1,234
Amounts due to subsidiaries	–	196,189	–	–	–	(239,108)	–	–
Loans and borrowings	(137,530)	(154,107)	–	–	(137,530)	(173,782)	–	–
Net exposure in the statement of financial position	(134,010)	43,584	19,490	47,080	(134,115)	(411,998)	29,696	45,278
Cross currency interest rate swaps	–	154,107	–	–	–	161,827	–	–
Net exposure	(134,010)	197,691	19,490	47,080	(134,115)	(250,171)	29,696	45,278
Company								
Financial assets	–	–	–	45,608	–	–	50	44,044
Cash and cash equivalents	–	1,502	19,490	1,469	–	403	29,646	1,231
Amounts due to subsidiaries	–	196,189	–	–	–	(239,108)	–	–
Loans and borrowings	–	(154,107)	–	–	–	(161,827)	–	–
Net exposure in the statement of financial position	–	43,584	19,490	47,077	–	(400,532)	29,696	45,275
Cross currency interest rate swaps	–	154,107	–	–	–	161,827	–	–
Net exposure	–	197,691	19,490	47,077	–	(238,705)	29,696	45,275

Notes To The Financial Statements

Year ended 31 December 2025

34. FINANCIAL INSTRUMENTS (CONT'D)

Currency risk (cont'd)

Sensitivity analysis

The foreign currencies which the Group is significantly exposed to are SGD, GBP, AUD and EUR. A 10% strengthening of the SGD against other foreign currencies at the reporting date would (decrease)/increase profit before tax and equity by amounts shown below. This analysis assumes that all other variables, in particular, interest rates, remain constant.

	10% strengthening of SGD	
	Profit before tax \$'000	Equity \$'000
Group		
31 December 2025		
SGD	(13,401)	–
GBP	(19,769)	(155,136)
AUD	(1,949)	(34,762)
EUR	(4,708)	–
31 December 2024		
SGD	(13,411)	–
GBP	25,017	(148,440)
AUD	(2,970)	(35,645)
EUR	(4,528)	–
Company		
31 December 2025		
GBP	(19,769)	–
AUD	(1,949)	–
EUR	(4,708)	–
31 December 2024		
GBP	23,871	–
AUD	(2,970)	–
EUR	(4,528)	–

A 10% weakening of the SGD against the other foreign currencies would have had the equal but opposite effect to the amounts shown above, on the basis that all other variables remain constant.

Notes To The Financial Statements

Year ended 31 December 2025

34. FINANCIAL INSTRUMENTS (CONT'D)

Currency risk (cont'd)

Hedge accounting

Net investment hedges

At the reporting date, the Group no longer has any GBP and AUD-denominated loans that are designated as hedges of the net investment in its GBP and AUD subsidiaries, and all net investment hedge relationships have ended.

	Change in value used for calculating hedge ineffectiveness \$'000	Foreign currency translation reserve \$'000	Balances remaining in the foreign currency translation reserve from hedging relationships for which hedge accounting is no longer applied \$'000
2025			
Net investment denominated in GBP	–	(14,125)	(14,125)
Net investment denominated in AUD	–	(27,295)	(27,295)
	–	(41,420)	(41,420)
2024			
Net investment denominated in GBP	–	(14,125)	(14,125)
Net investment denominated in AUD	–	(27,295)	(27,295)
	–	(41,420)	(41,420)

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34. FINANCIAL INSTRUMENTS (CONT'D)

Interest rate risk

At the reporting date, the interest rate profile of the interest-bearing financial instruments was:

	Group Carrying amount		Company Carrying amount	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Fixed rate instruments				
Financial assets	144,559	103,752	559,304	374,029
Medium term notes	(160,000)	(158,572)	(160,000)	(158,572)
Lease liabilities	(1,663)	(625)	–	–
Effect of interest rate swaps	(1,454,136)	(1,180,198)	–	–
Effect of cross currency interest rate swaps	(154,107)	(165,144)	(154,107)	(165,144)
	(1,625,347)	(1,400,787)	245,197	50,313
Variable rate instruments				
Financial assets	14,949	35,302	141,731	144,525
Bank loans	(2,364,468)	(2,464,888)	(283,566)	(261,338)
Effect of interest rate swaps	1,454,136	1,180,198	–	–
Effect of cross currency interest rate swaps	154,107	165,144	154,107	165,144
	(741,276)	(1,084,244)	12,272	48,331

Sensitivity analysis

Fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Variable rate instruments

For the interest rate swaps/cross currency swaps and the other variable rate financial assets and liabilities, an increase of 100 basis points ("bp") in interest rate at the reporting date would (decrease)/increase profit before tax by amounts shown below. This analysis assumes that all other variables, in particular, foreign currency rates, remain constant.

	100 bp increase in interest rate	
	2025	2024
	\$'000	\$'000
Group		
Variable rate instruments	(7,413)	(10,842)
Company		
Variable rate instruments	123	483

Notes To The Financial Statements

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34. FINANCIAL INSTRUMENTS (CONT'D)

Estimation of fair values for financial assets and liabilities

Valuation processes applied by the Group

The Group has an established control framework with respect to the measurement of fair values. This framework includes a finance team that reports directly to the Chief Financial Officer and has overall responsibility for all significant fair value measurements, including Level 3 fair values.

The following summarises the methods and significant assumptions used in estimating the fair values of financial instruments of the Group and the Company.

Financial assets designated at FVTPL and FVOCI

The fair value of the Group's and the Company's financial assets designated at FVTPL and FVOCI is determined by reference to their quoted bid price at the reporting date. If a quoted market price is not available, the fair value of the financial assets is estimated using valuation techniques disclosed in the respective fair value levels.

Amounts due from/to subsidiaries, jointly-controlled entities and non-controlling shareholder

The carrying values of amounts due from/to subsidiaries, jointly-controlled entities and non-controlling shareholder that reprice within six months of the reporting date approximate their fair values. Fair value is calculated based on discounted expected future principal and interest cash flows. The non-current loans due from subsidiaries form part of the Company's net investments in subsidiaries where settlements are neither planned nor likely to occur in the foreseeable future. For non-interest bearing amounts, the prevailing market interest rates of similar loans are used to discount the loans due to subsidiaries, due from/to jointly-controlled entities and non-controlling shareholder to arrive at their fair values.

Interest-bearing bank loans

The carrying values of interest-bearing bank loans that reprice within six months of the reporting date approximate their fair values. Fair value is calculated based on discounted expected future principal and interest cash flows.

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables, including derivatives) approximate their fair values because of the short period to maturity. All other financial assets and liabilities are discounted to determine their fair values.

Interest rates used in determining fair values

The interest rates used to discount estimated cash flows, where applicable, are as follows:

	2025 %	2024 %
Receivables	2.4 – 4.2	4.2 – 12.8
Payables	2.2 – 5.5	4.2 – 6.3

Notes To The Financial Statements

Year ended 31 December 2025

34. FINANCIAL INSTRUMENTS (CONT'D)

Estimation of fair values for financial assets and liabilities (cont'd)

Fair values versus carrying amounts

The carrying amounts of the Group's and the Company's financial instruments carried at amortised cost are not materially different from their fair values as at each reporting date. Fair value disclosure of lease liabilities is not required.

Fair value hierarchy

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets/(liabilities) carried at fair value				
Group				
31 December 2025				
Financial assets at FVTPL	10,891	–	69,640	80,531
Derivative assets	–	1,618	–	1,618
Derivative liabilities	–	(22,088)	–	(22,088)
	10,891	(20,470)	69,640	60,061
31 December 2024				
Financial assets at FVTPL	16,006	–	44,044	60,050
Derivative assets	–	11,823	–	11,823
Derivative liabilities	–	(5,028)	–	(5,028)
	16,006	6,795	44,044	66,845

Notes To The Financial Statements

Year ended 31 December 2025

34. FINANCIAL INSTRUMENTS (CONT'D)

Estimation of fair values for financial assets and liabilities (cont'd)

Level 2 fair values

The Group uses interest rate swaps/cross currency swaps to hedge its interest rate exposure on its variable rate borrowings. The interest rate swaps/cross currency swaps are carried at fair value at each reporting date, based on broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments. There are no significant unobservable inputs in measuring the fair value.

	Contract/ notional amount \$'000	Group Fair value of assets/ (liabilities) \$'000
31 December 2025		
Cash flow hedges:		
- Interest rate swaps	1,454,136	(20,818)
- Cross currency interest rate swaps	154,107	1,474
	1,608,243	(19,344)
31 December 2024		
Cash flow hedges:		
- Interest rate swaps	1,180,198	3,441
- Cross currency interest rate swaps	165,144	381
	1,345,342	3,822

Level 3 fair values

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy:

	Financial assets at FVTPL \$'000
Group	
2025	
At 1 January	44,044
Fair value changes	(7,258)
Exchange differences recognised in profit or loss	3,003
Purchases	29,851
At 31 December	69,640
Total loss for the year included in profit or loss for assets held as at 31 December	(4,255)

Notes To The Financial Statements

Year ended 31 December 2025

34. FINANCIAL INSTRUMENTS (CONT'D)

Estimation of fair values for financial assets and liabilities (cont'd)

Level 3 fair values (cont'd)

	Financial assets at FVTPL \$'000	Financial assets at FVOCI \$'000	Total \$'000
Group			
2024			
At 1 January	61,688	77	61,765
Fair value changes	(16,888)	(39)	(16,927)
Realised gain recognised in profit or loss	–	28	28
Exchange differences recognised in profit or loss	(1,743)	(1)	(1,744)
Purchases	2,340	–	2,340
Disposal	–	(65)	(65)
Distribution	(1,101)	–	(1,101)
Redemption	(252)	–	(252)
At 31 December	44,044	–	44,044
Total loss for the year included in profit or loss for assets held as at 31 December	(18,631)	(12)	(18,643)

The gain for the year included in profit or loss comprises:

	2025 \$'000	2024 \$'000
Included in other gains and fair value changes:		
– fair value changes	(7,258)	(16,927)
– realised gain from financial assets at FVOCI	–	28
Included in exchange differences:		
– exchange differences recognised	3,003	(1,744)
	(4,255)	(18,643)

The fair values of the Group's unquoted investments in private equity funds and unquoted equity securities are determined based on quotations from the respective fund managers.

The fair values of property funds and debt instruments (notes) are determined based on the latest available net asset value ("NAV") of the funds and notes obtained from the investment property/fund manager. The underlying assets of the property funds and debt instruments consist of real estate properties which are measured at fair value by independent valuers. The estimated fair value of the investments would increase/(decrease) if the NAV was higher/(lower).

Due to the inherent uncertainty of valuations of financial assets, the estimated values may differ significantly from the values that would have been used had a ready market for the securities existed, and the differences could be material.

Sensitivity analysis

For financial assets at FVTPL, a change of 10% in fair value of the investments would result in an increase or decrease of profit before income tax by \$8,053,000 (2024: \$6,005,000).

Notes To The Financial Statements

Year ended 31 December 2025

34. FINANCIAL INSTRUMENTS (CONT'D)

Financial instruments by category

	Financial assets at amortised cost \$'000	Financial assets at FVTPL \$'000	FVTPL – hedging instrument \$'000	FVOCI – hedging instruments \$'000	Financial liabilities at amortised cost \$'000	Total \$'000
Group						
31 December 2025						
Trade and other receivables, including derivatives*	124,784	–	144	1,474	–	126,402
Financial assets at amortised cost	13,711	–	–	–	–	13,711
Financial assets at FVTPL	–	80,531	–	–	–	80,531
Cash and cash equivalents	228,660	–	–	–	–	228,660
Loans and borrowings	–	–	–	–	(2,526,130)	(2,526,130)
Trade and other payables, including derivatives**	–	–	(1,161)	(20,927)	(128,631)	(150,719)
	367,155	80,531	(1,017)	(19,453)	(2,654,761)	(2,227,545)
31 December 2024						
Trade and other receivables, including derivatives*	99,068	–	2,973	8,850	–	110,891
Financial assets at FVTPL	–	60,050	–	–	–	60,050
Cash and cash equivalents	183,119	–	–	–	–	183,119
Loans and borrowings	–	–	–	–	(2,624,085)	(2,624,085)
Trade and other payables, including derivatives**	–	–	–	(5,028)	(143,336)	(148,364)
	282,187	60,050	2,973	3,822	(2,767,421)	(2,418,389)

* Excludes prepayments, tax recoverable and goods and services tax recoverable.

** Excludes goods and services tax payable and sale deposits.

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34. FINANCIAL INSTRUMENTS (CONT'D)

Financial instruments by category (cont'd)

	Financial assets at amortised cost \$'000	Financial assets at FVTPL \$'000	FVTPL – hedging instrument \$'000	FVOCI – hedging instruments \$'000	Financial liabilities at amortised cost \$'000	Total \$'000
Company						
31 December 2025						
Trade and other receivables, including derivatives*	2,172,414	–	–	1,474	–	2,173,888
Financial assets at FVTPL	–	56,500	–	–	–	56,500
Cash and cash equivalents	23,005	–	–	–	–	23,005
Loans and borrowings	–	–	–	–	(443,566)	(443,566)
Trade and other payables, including derivatives**	–	–	(1,126)	–	(24,711)	(25,837)
	2,195,419	56,500	(1,126)	1,474	(468,277)	1,783,990
31 December 2024						
Trade and other receivables, including derivatives*	2,013,632	–	2,973	540	–	2,017,145
Financial assets at FVTPL	–	44,095	–	–	–	44,095
Cash and cash equivalents	43,535	–	–	–	–	43,535
Loans and borrowings	–	–	–	–	(419,910)	(419,910)
Trade and other payables, including derivatives**	–	–	–	(159)	(342,613)	(342,772)
	2,057,167	44,095	2,973	381	(762,523)	1,342,093

* Excludes prepayments.

** Excludes goods and services tax payable.

35. OPERATING SEGMENTS

The Group has two reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services and are managed separately because they require different marketing strategies. The following summary describes the operations in each of the Group's reportable segments:

- Property development : The development and trading in properties.
- Property investment : The investment in properties.

Other segments include investing in equity securities, private equity and property funds and notes. These segments do not meet any of the quantitative thresholds for determining reportable segments in 2025 or 2024.

Information regarding the results of each reportable segment is presented. Performance is measured based on segment operating results, as included in the internal management reports that are reviewed by management. Segment operating results are used to measure performance as management believe that such information is the most relevant in evaluating the results of specific segments relative to other entities that operate within these industries.

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35. OPERATING SEGMENTS (CONT'D)

(a) Operating segments

	Property Development \$'000	Property Investment \$'000	Others \$'000	Total \$'000
31 December 2025				
External revenue	200,111	239,941	–	440,052
Operating results	54,520	206,943	–	261,463
Other gains and fair value changes				6,243
Other operating expenses				(38,741)
Net finance costs				(115,172)
Share of results of associates	3,189	–	–	3,189
Share of results of jointly-controlled entities	8,438	4,114	–	12,552
Fair value changes in investment properties	–	3,685	–	3,685
Income tax expense				(30,827)
Profit for the year				102,392
Other material items:				
Capital expenditure	–	13,111	–	13,111
Reportable segment assets	469,564	5,367,706	94,242	5,931,512
Investments in associates and jointly-controlled entities*	332,098	155,056	–	487,154
Reportable segment liabilities	135,054	2,462,155	–	2,597,209
31 December 2024				
External revenue	262,329	265,711	–	528,040
Operating results	54,893	233,248	–	288,141
Other gains and fair value changes				70,095
Other operating expenses				(39,748)
Net finance costs				(153,070)
Share of results of associates	(2,081)	–	–	(2,081)
Share of results of jointly-controlled entities	5,914	–	–	5,914
Fair value changes in investment properties	–	(17,037)	–	(17,037)
Income tax expense				(42,546)
Profit for the year				109,668
Other material items:				
Capital expenditure	–	11,419	–	11,419
Reportable segment assets	460,949	5,292,123	60,050	5,813,122
Investments in associates and jointly-controlled entities*	621,804	–	–	621,804
Reportable segment liabilities	135,176	2,569,199	–	2,704,375

* Include amounts due from jointly-controlled entities which are in substance, a part of the Group's investments in the jointly-controlled entities.

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Year ended 31 December 2025

35. OPERATING SEGMENTS (CONT'D)

(a) Operating segments (cont'd)

Reconciliations of reportable segment assets and liabilities and other material items

	2025 \$'000	2024 \$'000
Assets		
Total assets for reportable segments	5,837,270	5,753,072
Assets for other segments	94,242	60,050
Investments in equity accounted investees*	487,154	621,804
Other unallocated amounts	130,276	144,709
Consolidated total assets	6,548,942	6,579,635
Liabilities		
Total liabilities for reportable segments	2,597,209	2,704,375
Other unallocated amounts	174,436	170,723
Consolidated total liabilities	2,771,645	2,875,098

* Include amounts due from jointly-controlled entities which are in substance, a part of the Group's investments in the jointly-controlled entities.

	Reportable segment total \$'000	Unallocated amounts \$'000	Consolidated total \$'000
Other material items			
31 December 2025			
Capital expenditure	13,111	–	13,111
31 December 2024			
Capital expenditure	11,419	–	11,419

(b) Geographical segments

The Group operates principally in Singapore, United Kingdom, Australia and China.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of business. Segment assets are based on the geographical location of the assets.

	Singapore \$'000	United Kingdom \$'000	Australia \$'000	China \$'000	Consolidated total \$'000
31 December 2025					
Revenue	110,804	138,338	190,910	–	440,052
Non-current assets*	2,639,137	2,912,538	43,035	71,657	5,666,367

Notes To The Financial Statements

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35. OPERATING SEGMENTS (CONT'D)

(b) Geographical segments (cont'd)

	Singapore \$'000	United Kingdom \$'000	Australia \$'000	China \$'000	Consolidated total \$'000
31 December 2024					
Revenue	141,837	151,810	234,393	–	528,040
Non-current assets*	2,733,461	2,907,212	39,651	95,082	5,775,406

* Excludes financial assets, other receivables and deferred tax asset.

The Group has a large and diversified customer base which consists of individuals and corporations. There was no single customer that contributed 10% or more to the Group's revenue.

36. DETERMINATION OF FAIR VALUES

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Financial assets and liabilities

The valuation techniques and the inputs used in the fair value measurements of the financial assets and financial liabilities for measurement and/or disclosure purposes are set out in Note 34.

Investment properties

Investment properties are stated at fair value. External, independent valuation companies, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued, value the Group's investment property portfolio at each year end.

The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing, wherein the parties had each acted knowledgeably. The valuers have considered valuation techniques including market comparison method and the income capitalisation method in arriving at the open market value as at the reporting date. In determining the fair value, the valuers have used valuation techniques which involve certain estimates. Assumptions used to determine the fair value of investment properties include market-corroborated capitalisation rate, discount rate, comparable market price and occupancy rate.

The market comparison method involves the analysis of comparable sales of similar properties and adjusting the sale prices to that reflective of the investment properties.

The income capitalisation method capitalises the estimated net income of the property for perpetuity or the balance term of the lease tenure at a capitalisation rate that is appropriate for the type of use, tenure and reflective of the quality of the investment property.

As the external valuations were based on the information available as at the date of the valuations, the external valuers have also recommended to keep the valuation of these properties under frequent review as the fair values may change significantly and unexpectedly over a short period of time.

Notes To The Financial Statements

Year ended 31 December 2025

36. DETERMINATION OF FAIR VALUES (CONT'D)

Fair value hierarchy

Fair value and fair value hierarchy information on financial instruments are disclosed in Note 34.

The table below analyses recurring non-financial assets carried at fair value. The different levels are defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Non-financial assets carried at fair value				
Group				
31 December 2025				
Investment properties	-	-	5,166,879	5,166,879
31 December 2024				
Investment properties	-	-	5,162,566	5,162,566

Level 3 fair values

See Note 5 for the reconciliation from the beginning balances to the ending balances for Level 3 fair value measurements.

Notes To The Financial Statements

Year ended 31 December 2025

36. DETERMINATION OF FAIR VALUES (CONT'D)

Valuation technique and significant unobservable inputs

The following table shows the key unobservable inputs used in the valuation models for deriving Level 3 fair values as at the reporting date:

Type	Valuation technique	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Commercial properties in Singapore	Market comparison method	Transacted price of comparable properties ⁽¹⁾ : \$2,181 - \$2,253 psf (2024: \$2,110 - \$2,170 psf)	The estimated fair value would increase with higher transacted prices of comparable properties
	Income capitalisation approach	Capitalisation rates: 3.50% - 5.00% (2024: 3.50% - 5.00%)	The estimated fair value would increase with a lower capitalisation rate
Commercial properties in the United Kingdom	Market comparison method ⁽²⁾	ransacted price of comparable properties ⁽³⁾ : Not applicable (2024: £100 psf)	The estimated fair value would increase with higher transacted prices of comparable properties
	Income capitalisation approach	Capitalisation rates: 5.35% - 5.96% (2024: 5.34% - 6.00%)	The estimated fair value would increase with a lower capitalisation rate

⁽¹⁾ Adjusted for any differences in location, tenure, size and conditions of the specific property.

⁽²⁾ Only applicable to Apollo House and Lunar House, which were divested as of 31 December 2025.

⁽³⁾ Adjusted for any differences in age, income profile, conversion cost and conditions of the specific property.

37. SUBSEQUENT EVENT

On 26 January 2026, the Company through its indirect wholly-owned subsidiary, Elimbah Land Pty Ltd had entered into a contract of sale (the "Contract of Sale") to acquire a development site in Queensland, Australia (the "Acquisition"). The total consideration for the Acquisition is A\$318.5 million and a deposit of A\$10 million was paid upon execution of the Contract of Sale, with the remaining balance to be payable in stages based on agreed settlement milestones. The Acquisition is not expected to have any material impact to the Group for the financial year ending 31 December 2026.