TUAN SING HOLDINGS LIMITED

ANNUAL REPORT 2023

OUR VISION

Creating a clear distinction

OUR MISSION

Be a “Nucleus of Growth”, developing and strengthening core businesses to create value for all stakeholders

Cluny Villas in Opus Bay, Indonesia

INSIDE OUR REPORT

CORPORATE PROFILE


Facade of 18 Robinson, Singapore

TUAN SING HOLDINGS LIMITED

is a regional investment holding company with interests mainly in real estate investment, real estate development and hospitality.

Over the years, the Group has developed a portfolio of strategically located real estate assets in Singapore and across the region and has established a reputation for delivering high quality and iconic developments.

The Group acquired strategic stakes in mixed development opportunities in the region. These include a 7.8% stake in Sanya Summer Real Estate Co. Ltd in Sanya, China, and a 2.26% stake in Goodwill Property Investment Limited in Bali, Indonesia. The Group also holds a 44.5% interest in printed circuit board manufacturer, Gul Technologies Singapore Pte Ltd.

Since marking its Golden Jubilee in 2019, Tuan Sing has embarked on a business transformation to reposition itself from a niche developer to a major regional player in real estate investment, real estate development and hospitality in various key Asia-Pacific cities across Singapore, China, Indonesia and Australia. Leveraging on its strengths and track record in property development and investment across a diverse range of property segments, the Group intends to participate in large-scale integrated developments and townships as it enters the next phase of growth.

VALUES AND STRATEGY

OUR VALUE STATEMENT

Building value and targeting growth

OUR BUSINESS STRATEGY

Building on fundamentals and driving sustainable growth

- Scale up and strengthen the "Tuan Sing" brand name
- Create innovative products and develop architecturally inspiring projects
- Focus on integrated mixed-use developments
- Diversify property portfolio to achieve a balanced revenue profile and recurring income stream
- Expand property business in the region in a capital efficient approach
- Acquire or divest investments/properties in a disciplined manner
- Obtain suitable financing options for projects and investments

OUR COMPETITIVE EDGE

Distinguishing ourselves with unique strengths

- Proven track record and reputation associated with award-winning projects
- Cordial relationships with architects, designers and international business partners
- Demonstrated abilities to deliver unique and high-quality projects
- Hotel properties offer strategic location and unique strength
- Wide property portfolio range
- Experienced and committed board of directors and management team

BUSINESS PHILOSOPHY

Our Business Model Seeks to Create Value for Stakeholders in a Sustainable Way

OUR RESOURCES

- Brand name
- Strong customer relationships
- Financial capital
- Funding sources
- Human capital
- Alliances and associations
- Technology and infrastructure

HOW WE CREATE VALUE / OUR STAKEHOLDERS

Deliver long-term and sustainable returns to shareholders through

- Maintaining profitability with reduced volatility
- Appropriate use of capital leverage to enhance returns
- Good corporate governance and sound risk management

INVESTORS

Offer ample opportunities to develop employees' potential while taking care of their well-being and work-family balance through

- Career growth and rotation where appropriate
- Competitive compensation and rewarding opportunities
- Safe working environment

EMPLOYEES

Create customer value and pleasant experience through

- Quality products at competitive pricing
- Sustainable products including development of green buildings
- Reliable and enlightening customer service

CUSTOMERS

Treat partners as equal through

- Upholding the principles of ethical and fair trading
- Proactive engagement for mutual benefits
- Strong and long-term relationships

BUSINESS PARTNERS

Care for and contribute to the economic, environmental and social development of the communities through

- Striking a balance between economic objectives and environmental sustainability
- Continual improvement on environmental, health and safety practices
- Economic and social contributions, including jobs, local procurement, taxes and community engagement

COMMUNITY

5-YEAR FINANCIAL PERFORMANCE

	2023	2022	2021	2020	2019
FOR THE YEAR ($'000)					
Revenue[1]	**303,720**	225,297	248,714	196,817	310,689
Adjusted EBIT[2]	**56,674**	52,745	39,970	57,243	61,370
Profit before tax	**2,659**	734	84,115	59,887	42,038
Income tax credit/(expense)	**2,751**	2,116	(2,295)	(1,356)	(9,359)
Profit after tax	**5,410**	2,850	81,820	58,531	32,679
Profit attributable to:					
Shareholders of the Company	**4,836**	4,591	83,662	59,009	33,213
Non-controlling interests	**574**	(1,741)	(1,842)	(478)	(534)
	5,410	2,850	81,820	58,531	32,679
AT YEAR-END ($'000)					
Property, plant and equipment	**481,083**	473,774	496,056	407,590	412,712
Right-of-use assets	**231**	187	239	266	250
Investment properties	**1,450,424**	1,395,151	1,342,245	1,452,351	1,778,168
Development properties	**110,163**	209,739	241,611	303,815	344,611
Investments in equity accounted investees	**195,019**	166,196	143,840	152,547	137,863
Cash and cash equivalents	**222,796**	251,988	405,044	274,392	172,274
Other assets	**159,651**	159,961	135,293	552,710	151,464
Total assets	**2,619,367**	2,656,996	2,764,328	3,143,671	2,997,342
Shareholders' funds	**1,225,942**	1,223,286	1,250,200	1,160,067	1,104,963
Non-controlling interests	**2,115**	1,541	14,217	13,431	14,110
Total borrowings	**1,229,514**	1,278,161	1,352,728	1,464,953	1,711,332
Other liabilities	**161,796**	154,008	147,183	505,220	166,937
Total liabilities and equity	**2,619,367**	2,656,996	2,764,328	3,143,671	2,997,342
FINANCIAL RATIOS					
Return on assets[3]	**0.2%**	0.1%	2.8%	1.9%	1.1%
Return on shareholders' funds[4]	**0.4%**	0.4%	6.9%	5.2%	3.0%
Interest coverage ratio[5]	**1.0x**	1.0x	2.9x	2.3x	1.7x
Gross gearing[6]	**1.00x**	1.04x	1.07x	1.25x	1.53x
Net gearing[7]	**0.82x**	0.84x	0.75x	1.01x	1.38x
SHAREHOLDERS' RETURN					
Earnings per share (cents)	**0.39**	0.38	7.00	4.97	2.80
Net asset value per share (cents)	**99.0**	100.4	104.0	97.7	93.1
Dividend per share (cent)	**0.7**	0.7	0.7	0.6	0.6
Total dividend payout ($'000)	**8,665**	8,526	8,411	7,125	7,117

Definitions:
1. 2021 comparative figure was adjusted for the reclassification of certain recovery of expenses previously classified under cost of sales
2. Adjusted EBIT is based on a measure of adjusted earnings before interest and tax, excluding the effects of (i) gain or loss on disposal of subsidiaries, joint venture/associate, investment properties, and property, plant & equipment, (ii) fair value gain or loss on investment properties and derivative financial instruments, (iii) revaluation deficit on property, plant and equipment, (iv) impairment / writeback of impairment on investments in joint venture/associate and property, plant and equipment, (v) loss allowance on interest receivables and (vi) net foreign exchange gain or loss
3. Return on assets = profit after tax / average total assets
4. Return on shareholders' funds = profit attributable to shareholders / average shareholders' funds
5. Interest coverage ratio = profit before interest and tax / finance costs
6. Gross gearing = total borrowings / total equity
7. Net gearing = net borrowings / total equity

MESSAGE TO SHAREHOLDERS

Dear Shareholders,

On behalf of the Board of Directors, we are pleased to present Tuan Sing Holdings Limited's Annual Report and Financial Statements for the year ended 31 December 2023 ("FY2023").

FY2023 Financial Performance

We are delighted to report that the Group achieved adjusted earnings before interest and tax of S$56.7 million, representing a 7% increase from the financial year ended 31 December 2022 ("FY2022"). Furthermore, net profit attributable to shareholders reached S$4.8 million for FY2023, reflecting a 5% increase from the previous fiscal year. These figures underscore the continued strength and resilience of our business and operations.

The Group's financial position remains healthy. Our cash and cash equivalents totalled S$222.8 million, with a net gearing level of 0.82x time as of 31 December 2023. This solid financial footing positions us well for future growth and opportunities.

Progress Towards Transformation Amidst Market Challenges

We remain resolute in the pursuit of our transformation journey into a regional real estate player despite facing challenging global economic conditions, including rising financing and construction costs along with heightened geopolitical tensions.

In **Indonesia**, we celebrated the successful soft opening of *The Grand Outlet – East Jakarta* in December 2023, marking Indonesia's inaugural international luxury outlet mall. The mall marked the culmination of a fruitful joint venture partnership with a subsidiary of Mitsubishi Estate Asia Co., Ltd. Its modern design and unique shopping experience has generated significant excitement among shoppers and this has resulted in the mall securing approximately 80% leasing commitments from numerous brand-name tenants such as Hugo Boss, Coach and Kate Spade to date.

from left to right:

Richard Eu Yee Ming
Chairman

William Nursalim alias William Liem
Chief Executive Officer

MESSAGE TO SHAREHOLDERS


The Grand Outlet - East Jakarta, Karawang, Indonesia

In **Australia**, our ongoing asset enhancement work at the Hyatt Regency Perth Complex has attracted various tenants such as the IGA Supermarket and The Track Gym which have already commenced business. The Perth market is benefiting from strong commodity exports, including rare earth and critical minerals. Together with a steady population growth and consequent rising residential housing demand, this has buoyed the retail and commercial office market and we are confident of the success of the asset enhancement when completed.

In **China**, the flagship project of our 7.8%-owned Sanya Summer Real Estate Co., Ltd, *Sanya Summer Plaza*, renamed and now trading as *Summer Station*, achieved a significant milestone with the issuance of the Completion Acceptance Certificate on 8 December 2023, culminating in a grand opening on 30 December 2023. Summer Station comprises seven buildings covering the retail mall with F&B outlets, hotel & serviced apartments, strata retail units and others. Notably, the retail mall has secured leasing commitment in excess of 80% with more than 200 brands.

The Group also completed the acquisition of 19 commercial units in one of the buildings in July 2023. These units have an estimated lettable area of approximately 2,175 square metres and we have successfully secured key tenants including leading China Electric Vehicle manufacturers, Li Auto, Nio Auto and Great Wall Motor.

Prudent Financial Management

The Group's commitment to prudent financial management remained unwavering. During the year, we strategically extended the maturity dates of our borrowings, including the refinancing of all S$367 million loan facilities in Singapore and the issuance of S$150 million 7.5% Series 5 Medium Term Notes due 2027 to refinance our 6.9% Series 4 Medium Term Notes due in 2024. The Series 5 Notes is a longer-term 4-year note compared to previously issued Notes.

Rewarding Shareholders

In recognition of the Group's commendable performance in FY2023, the Board has decided to propose an unchanged first and final one-tier tax exempt dividend of 0.7 cent per share to reward shareholders. Subject to approval at the Annual General Meeting on 26 April 2024, the dividend payment will be made on 27 June 2024. Shareholders also have the option to receive their dividend in the form of shares under the Scrip Dividend Scheme.

Appreciation

We would like to extend our heartfelt appreciation to the Board of Directors for their exemplary leadership and guidance throughout the year, enabling us to navigate through the challenges of the post-pandemic landscape. Their support has provided the catalyst for our leadership team to execute strategies effectively and unite our employees and stakeholders towards achieving another year of good performance.

We would also like to extend our heartfelt gratitude to our partners and shareholders for their continuing support, which has been pivotal to our achievements. To our esteemed customers, we reaffirm our dedication to delivering excellence in products and services. We are fully committed to continue earning your trust and rewarding your support not only in this financial year but also in the years to come.

Stay safe and well.

Richard Eu Yee Ming
Chairman

William Nursalim alias William Liem
Chief Executive Officer

DIRECTORS' PROFILE

RICHARD EU YEE MING, PBM

Chairman,
Non-Executive &
Independent Director

Date of first appointment
as Director: 19 August 2019

Date of appointment
as Chairman: 24 February 2021

Date of last re-election
as Director: 26 April 2023

Served on the following Board committees:
- Nominating Committee (Chairman)
- Audit and Risk Committee (Member)
- Remuneration Committee (Member)

Academic and professional qualification
- Bachelor of Laws (LL.B) Hons, University of London

Present directorship in other listed companies
- SUTL Enterprise Limited (listed on SGX-ST)

Present principal commitments
(other than directorships in other listed companies)
- Eu Yan Sang International Limited (Chairman)
- Vanda Global Capital Pte. Ltd. (Director)
- Nippon Life India Asset Management (Singapore) Pte. Ltd. (Director)
- Dragonfly Education Group Pte. Ltd. (Director)
- Ang Moh Kio-Thye Hua Kwan Hospital Limited (Director)
- Thye Hua Kwan Nursing Home Limited (Chairman)
- Singapore University of Social Sciences (Pro-Chancellor)
- Temasek Polytechnic, Centre of Innovation for Complementary Health Products (Chairman, Advisory Panel)
- The Nature Conservancy Singapore Limited (Founding Chair, Singapore Advisory Council)

Background and working experience
- Various senior positions in the company now known as Haw Par Corporation Ltd
- Assistant to Managing Director, Hong Kong Television Broadcasts Ltd
- Dealer, J Ballas & Co. Pte Stockbrokers
- Managing Director of Dataprep (Singapore) Pte Ltd
- Corporate Planning Manager and Company Secretary of Metro Holdings Ltd
- Managing Director of Intervest Capital Management Pte Ltd
- Independent Director, Broadway Industrial Group Limited
- Key appointment holder for Eu Yan Sang Group from 1989, appointed Group CEO in 2002 and Chairman from 2017

Awards

2003: Entrepreneur of the Year Award, Singapore, Master Category, Ernst & Young
2007: Honorary Fellow, Marketing Institute of Singapore
2010: Best Chief Executive Officer Award (companies with market capitalisation less than S$300 million) at the Business Times Singapore Corporate Awards
2011: Ernst & Young Entrepreneur of the Year, Singapore, represented Singapore at the World Entrepreneur of the Year Awards
2019: Spirit of Enterprise – Nexia TS Entrepreneurship Award
2020: Public Service Medal (Pingat Bakti Masyarakat), Singapore National Day Awards 2020

WILLIAM NURSALIM ALIAS WILLIAM LIEM

Chief Executive Officer,
Executive Director

Date of first appointment
as Director: 15 January 2004

Date of appointment
as Chief Executive Officer: 1 January 2008

Date of last re-election
as Director: 28 April 2022

Served on the following Board committee:
- Nil

Academic and professional qualification
- Bachelor of Science in Business, University of California, Berkeley
- Master of Business Administration, Massachusetts Institute of Technology

Present directorship in other listed companies
- Nil

Present principal commitments
(other than directorships in other listed companies)
- Gul Technologies Singapore Pte. Ltd. (Director)
- Nuri Holdings (S) Pte Ltd (Director)

Background and working experience
- Corporate Analyst of Lehman Brothers
- Management roles in GT Asia Pacific Holdings Pte Ltd and Habitat Properties Pte Ltd

Award

2016: Best Chief Executive Officer Award (companies with market capitalisation $300 million to less than $1 billion) at the Singapore Corporate Awards 2016

DIRECTORS' PROFILE

CHENG HONG KOK

Non-Executive & Independent Director

Date of first appointment as Director: 15 August 2017

Date of last re-election as Director: 23 April 2021

Proposed for re-election at the AGM on 26 April 2024

Served on the following Board committees:
- Remuneration Committee (Chairman)
- Audit and Risk Committee (Member)
- Nominating Committee (Member)

Academic and professional qualification
- Bachelor of Science (Chemical Engineering) Degree with First Class Honours, University of London
- Advanced Executive Management Program, Kellogg Graduate School of Management, Northwestern University, United States of America
- Singapore State Scholar/Colonial Welfare and Development Scholar
- Eisenhower Fellow

Present directorship in other listed companies
- Nil

Present principal commitments (other than directorships in other listed companies)
- Nil

Background and working experience
- Various senior positions at Singapore Petroleum Company Limited ("SPC") as head of corporate planning, finance and accounting, supply and trading, and marketing and distribution. President and Chief Executive Officer of SPC from 1981 to 1996, Board and Executive Committee member of SPC from 1999 to 2009 and was actively involved in the Asean Council on Petroleum during his tenure with SPC.
- Independent Director of the Board and Chairman of the Audit and Risk Committee of Far East Orchard Ltd from 1996-2017.
- Non-Executive and Independent Chairman of the Board, Chairman of the Audit and Risk Committee and Nominating Committee, and a member of the Remuneration Committee, of SP Corporation Limited until the company was delisted from SGX on 23 December 2022.
- Board member of the Singapore Economic Development Board.
- Member of the Singapore Government Economic Planning Committee.

MICHELLE LIEM MEI FUNG, PBM

Non-Executive & Non-Independent Director

Date of first appointment as Director: 5 April 2001

Date of last re-election as Director: 26 April 2023

Served on the following Board committees:
- Audit and Risk Committee (Member)
- Nominating Committee (Member)
- Remuneration Committee (Member)

Academic and professional qualification
- Bachelor of Science (Economics), London School of Economics
- Master of Business Administration, University of Chicago

Present directorship in other listed companies
- Nil

Present principal commitments (other than directorships in other listed companies)
- Honorary Consul, Consulate of the Grand Duchy of Luxembourg in Singapore
- Nuri Holdings (S) Pte Ltd (Chair and CEO)
- Habitat Properties Pte Ltd (Managing Director)
- Ardent Investment Partners Pte Ltd (Managing Director)
- Giti Tire Pte. Ltd. (Director)

Background and working experience
- Director, management and corporate finance role in investment, property, manufacturing, retail and trading companies

Membership and others
- Patron of Bukit Timah Citizens' Consultative Committee, Holland-Bukit Timah GRC, Singapore
- SingHealth Fund Board Member
- Co-Chair of the Singapore LSE Trust
- Council Member of the University of Chicago Booth School of Business
- Advisory Council Member of Conservation International for Asia Pacific
- Stanford University Parent and Family Advisory Board

Awards

2016: Public Service Medal (Pingat Bakti Masyarakat), Singapore National Day Awards 2016

2022: Officer of the Order of Merit by the HRH Grand Duke Henri of Luxembourg

OOI JOON HIN

Non-Executive & Independent Director

Date of first appointment as Director: 7 May 2021

Date of last re-election as Director: 28 April 2022

Proposed for re-election at the AGM on 26 April 2024

Served on the following Board committees:
- Audit and Risk Committee (Chairman)

Academic and professional qualification
- Master of Science in Management, Massachusetts Institute of Technology
- Master of Science in Accounting, New York University
- Bachelor of Arts in Engineering Sciences (Magna cum Laude), Dartmouth College

Present directorship in other listed companies
- Nil

Present principal commitments (other than directorships in other listed companies)
- Millennia Investment Management Pte. Ltd. (Managing Director and Co-founder)
- Areca Partners Limited (Director)
- Millennia China Technology Pte. Ltd. (Director)
- Haciendas Pte. Ltd. (Director)
- Haciendas DC Fund GP Pte. Ltd. (Director)
- Haciendas DC Fund Pte. Ltd. (Director)
- Millennia-VFT Ventures Pte. Ltd. (Director)
- NACT Engineering Pte. Ltd. (Director)
- Millennia Capital Limited (Director)
- Millenia Asset Management (Wuhan) Co., Ltd. (Director)
- Millenia Internet Capital Pte. Ltd. (Director)

Background and working experience
- Various senior positions at Lehman Brothers as Senior Vice President and Co-head of Lehman Brothers Asia Energy Group from 2001 to 2002, with responsibility for the energy and power sectors in Asia Pacific and before that, was Vice President of corporate finance execution for the Southeast Asian investment banking team
- Senior accountant, Grant Thornton in New York

MANAGEMENT PROFILE

from left to right:
James Ong, William Nursalim alias William Liem (CEO), Peggy Wong, Tan Choong Kiak, Patrick Tan, Alexander Loh

JAMES ONG
Senior Vice President, Sales, Marketing & Procurement

Mr Ong is the Senior Vice President, Sales, Marketing & Procurement of Tuan Sing, and joined the Company in 2012.

Mr Ong is responsible for the Group's Sales, Marketing & Procurement matters. Prior to joining Tuan Sing, he held various senior positions at established real estate agencies including Jones Lang LaSalle, Chesterton International and Colliers International, accumulating almost three decades of experience in selling both local and overseas residential projects.

PEGGY WONG
General Counsel

Peggy is the General Counsel of Tuan Sing and joined the Company in 2017.

Peggy is responsible for the Group's legal and compliance matters. She has more than 30 years of experience across a full spectrum of legal work in private practice and in-house positions encompassing Real Estate Development, Manufacturing, Asset Management and Investment Holdings. She has a strong track record in cross-border transactions and has held leadership positions with management responsibilities in Corporate Governance and Change Management.

She holds a Bachelor of Laws Degree from the University of Canterbury, and is a Barrister and Solicitor of the High Court of New Zealand.

TAN CHOONG KIAK
Group Chief Financial Officer

Mr Tan is the Group Chief Financial Officer of Tuan Sing, and joined the Company in 2020.

Mr Tan is responsible for the Group's finance matters. He has more than 30 years of experience managing Asia Pacific finance teams and has extensive experience in acquisition, divestment, IPO, debt & equity financing, and strategic planning. Prior to joining Tuan Sing, he held various senior leadership positions at Resorts World Sentosa, Wildlife Reserves Singapore, NewsPage, HDH Capital Management, Lazard and Lehman Brothers in Singapore, Hong Kong and the U.S..

He holds a Master in Business Administration from Harvard Business School, U.S., and is a Chartered Global Management Accountant.

PATRICK TAN
Head, Asset and Fund Management

Mr Tan is the Head, Asset and Fund Management of Tuan Sing, and joined the Company in 2018.

Mr Tan is responsible for the Group's Asset and Fund Management matters, and has more than 30 years of experience in real estate development, asset and fund management. Prior to joining Tuan Sing, he held various senior appointments in reputable real estate companies and fund management establishments, where he was tasked with developing, managing and marketing properties in Asia.

He holds a Master of Science in Project Management from National University of Singapore, a Master of Applied Finance from Macquarie University, Australia, and a Bachelor of Science (Hons) in Building Economics and Quantity Surveying from Heriot-Watt University, Scotland. He is a member of the Singapore Institute of Surveyors and Valuers, and as a member of the Singapore Society of Project Managers.

ALEXANDER LOH
Director, Group Human Resources & Administration

Mr Loh is the Director, Group Human Resources & Administration of Tuan Sing, and joined the Company in 2019.

Mr Loh is responsible for the Group's Human Resource matters and has more than 20 years of experience across a full spectrum of human resource management. He leads the regional HR team in reinforcing strong company culture, creating, and leading employee engagement and development programs, and implementing reward and talent management strategies that support the achievement of business goals and objectives.

He holds a Bachelor of Business Administration Degree in Human Resource Management from La Trobe University, Australia.

CHARLES CHOW
Vice President, Projects

Mr Chow is the Vice President, Projects of Tuan Sing, and joined the Company in 2023.

Mr Chow is responsible for the Group's Project matters, and has more than 25 years of experience in project management, operations and general management, especially in Australia and Singapore. Prior to joining Tuan Sing, he was the Chief Operating Officer of Bukit Sembawang Estates Limited.

He holds a Master of Business Administration from Queen Margaret University, Edinburgh, Scotland, and a Bachelor of Applied Science in Construction Management from Royal Melbourne Institute of Technology, Australia.

ONG SOON ANN
Vice President, Property Management & Maintenance

Mr Ong is the Vice President, Property Management & Maintenance of Tuan Sing, and joined the Company in 2020.

Mr Ong is responsible for the Group's Property Management department, and has more than 20 years of property management experience in the office and retail environment.

He holds a Bachelor Degree in Mechanical and Production Engineering from Nanyang Technological University, Singapore, and a Diploma in Marine Engineering from Singapore Polytechnic. He is also a Singapore Certified Energy Manager and a Green Mark Professional.

MANAGEMENT PROFILE

from left to right:
Charles Chow, Ong Soon Ann, Kenny Tan, Lim Guan Kiang, Selin Tan, Sunny Sim, Alan Cen, Derek Toh

KENNY TAN
Vice President, Information Technology

Mr Tan is the Vice President, Information Technology of Tuan Sing, and joined the Company in 2021.

Mr Tan leads the Group's regional IT team in digital transformation initiatives and implementation of innovative solutions for the Group. He has more than 25 years' experience in IT strategy, consulting, engagement and implementation of innovative solutions for public and commercial sectors. Prior to joining Tuan Sing, he held senior positions in various companies including IBM, Fujitsu, Accenture-Avanade, NCS, Motorola and Health Promotion Board.

He holds a Bachelor of Science (Computer Science) Degree from National University of Singapore. He is also a certified Project Management Professional (PMP) with Project Management Institute.

LIM GUAN KIANG
Vice President, Hospitality

Mr Lim is the Vice President, Hospitality of Tuan Sing, and joined the Company in 2023.

Mr Lim is responsible for the Group's Hospitality portfolio, and has more than 20 years of experience in leisure and hospitality management at properties spanning four continents. His experience covers the full hospitality spectrum, including strategic planning, business franchising, asset management, business development, strategic alliance negotiations, revenue management, property pre-opening and operations management.

He holds a Master of Commerce (Hospitality Management) from University of Western Sydney, Australia, and a Bachelor of Science in Computing Information System from University of London, U.K..

SELIN TAN
Vice President, Retail Management

Ms Tan is the Vice President, Retail Management of Tuan Sing, and joined the Company in 2023.

Ms Tan is responsible for the Group's retail development and integration for Singapore & Indonesia retail portfolio. She is instrumental to leading and driving our strategic initiatives for growth and optimisation of our retail assets within the region. Ms Tan has more than 20 years of experience in retail management and was involved in the rejuvenation of many commercial developments locally & overseas, including integrated projects in Asia & Southeast Asia.

She holds a Bachelor of Business Marketing from RMIT University, Australia.

SUNNY SIM
Vice President, Cost and Contract Management

Mr Sim is the Vice President, Cost and Contract Management of Tuan Sing, and joined the Company in 2023.

Mr Sim is responsible for Group's Cost and Contract Management matters and has more than 28 years of experience and expertise in quantity surveying and contracts management in Singapore and China for various theme parks, attractions, hospitality and commercial projects. Prior to joining Tuan Sing, he had been a Senior Director in an international consultancy firm.

He holds a Bachelor of Quantity Surveying from Queensland Australia. He is also a Member of The Royal Institution of Chartered Surveyors, a Member of the Australian Institute of Quantity Surveyors, a Fellow of the Singapore Institute of Surveyors and Valuers, and an Associate of the Chartered Institute of Arbitrators.

ALAN CEN
Country General Manager, China

Mr Cen is the Country General Manager, China, and joined the Company in 2022.

Mr Cen is responsible for the Group's portfolio of development and investment assets in China. He has more than 25 years of experience in property development and project management. Having operated in China for more than 15 years and led business development for a few regional property developers, Mr Cen brings his extensive experience in China's real estate market, including real estate investment, property development and operation of commercial, retail and residential projects.

He holds a Master of Engineering from the National University of Singapore and a Bachelor of Engineering (Civil), from Tsinghua University, China. He is a professional engineer registered with the Professional Engineers Board Singapore and a chartered engineer registered with the Institution of Civil Engineers, United Kingdom.

DEREK TOH
Country General Manager, Australia

Mr Toh is the Country General Manager, Australia, and joined the Company in 2012.

Mr Toh is responsible in driving revenue growth for the company's portfolio of key assets in Australia. He has more than 25 years of experience spanning across a wide range of roles within Real Estate Developers and Real Estate Agencies/Consultancies. His experience revolves predominantly around dealing with Sales of Residential Project, Real Estate Development, Leasing Negotiation, Operation and Business Development.

He holds a Bachelor of Arts in Business Management from Northumbria University Newcastle, U.K., and a Diploma in Building Management from Ngee Ann Polytechnic, Singapore.

AWARDS & ACCOLADES

RECOGNITION FOR CORPORATE GOVERNANCE AND TRANSPARENCY

Securities Investors Association (Singapore) Investors' Choice Awards (Mid Capitalisation Category)

- 2022 Winner of **Most Transparent Company Award – Real Estate**
- 2021 Winner of **Most Transparent Company Award – Real Estate**
- 2021 Runner-up of **Singapore Corporate Governance Award**

Singapore Governance and Transparency Index Ranking

- 2023 (Top 5%) – 22nd place amongst 474 listed companies
- 2022 (Top 3%) – 17th place amongst 489 listed companies
- 2021 (Top 4%) – 23rd place amongst 519 listed companies

Singapore Corporate Awards (Mid Capitalisation Category)

- 2023 Winner of **Best Risk Management (Bronze)**
- 2022 Winner of **Best Annual Report (Gold)**

Singapore Corporate Awards 2023

RECOGNITION FOR BUILDING, DESIGN AND ARCHITECTURAL EXCELLENCE

18 Robinson, Singapore

- 2022 Council on Tall Buildings and Urban Habitat (CTBUH) – **Winner for Geotechnical Engineering Award**
- 2022 BCA **Green Mark Award Platinum** – Green Mark for Existing Non-Residential Buildings
- 2021 BCA **Construction Excellence Award (Merit)**
- 2021 Council on Tall Buildings and Urban Habitat (CTBUH) – **Award of Excellence Winner for Best Tall Building 100-199 meters and Urban Habitat – Single Site Scale**

Cluny Villas in Opus Bay, Indonesia

- 2023 Asia Pacific Property Awards 2023-2024 – **Award Winner for Architecture Multiple Residence Indonesia**

Balmoral Tower in Opus Bay, Indonesia

- 2023 Asia Pacific Property Awards 2023-2024 – **Award Winner for Residential High Rise Architecture Indonesia**

The Grand Outlet – East Jakarta, Indonesia

- 2023 Asia Pacific Property Awards 2023-2024 – **5-star, Best Leisure Architecture Indonesia**

BCI Asia Awards

- **2022 Top Ten Developers Awards**

Asia Pacific Property Awards 2023-2024

RECOGNITION FOR CUSTOMER SATISFACTION AND SERVICE EXCELLENCE

Grand Hyatt Melbourne, Australia

- 2024 DestinAsian Readers' Choice Awards – **Top 5 Best Hotels & Resorts in Australia**
- 2024 Forbes Travel Guide Star Award – **Recommended (Hotel)**
- 2023 Business Traveller Asia-Pacific Awards – **Best Business Hotel in Melbourne; Best Business Hotel Brand in the World**
- 2023 Victorian Accommodation Awards for Excellence – **Deluxe Accommodation Hotel of the Year**
- 2023 Tripadvisor Travellers' Choice Award – **Top 10% of listings on Tripadvisor worldwide**
- 2023 Forbes Travel Guide Star Award – **Four-Star (Hotel)**
- 2022 Business Traveller Asia-Pacific Awards – **Best Business Hotel in Melbourne; Best Business Hotel Brand in the World; Top 3 Best Business Hotel Brands in the World**
- 2022 AHA (Australian Hotels Association) National Awards for Excellence - **Best Marketed Accommodation Provider**
- 2022 Victorian Accommodation Awards for Excellence – **Best Marketed Accommodation Provider; Outstanding Achievement in Training and Development**
- 2022 DestinAsian Readers' Choice Awards – **Top 3 Best Hotels in Australia**
- 2021 Business Traveller Asia-Pacific Awards – **Best Business Hotel in the World; Top 3 Best Business Hotel Brands in Asia-Pacific; Top 3 Best Business Hotels in Melbourne**
- 2021 Travel & Leisure World's Best Awards – **Top 5 City Hotels in Australia and New Zealand**
- 2021 Tourism Accommodation Australia (Victoria) Accommodation Awards for Excellence – **Outstanding Achievement in Training & Development; Front Office Services Employee of the Year**

Hyatt Regency Perth, Australia

- 2023 AHA Perth Airport WA Accommodation Awards – **Hotel Housekeeping Award**
- 2022 AHA Perth Airport WA Accommodation Awards – **Chef Award; Executive Level Manager Award**
- 2021 AHA Perth Airport WA Accommodation Awards – **Food & Beverage Award; Hotel Housekeeping Award; Hotel Engineering and Maintenance Award**
- 2021 WA Australian Hotels Association – **Service to Australia Award**

CEO'S REVIEW OF OPERATIONS

Facade of 18 Robinson, Singapore

KEY DEVELOPMENTS IN 2023

Despite the numerous challenges that we faced in 2023, including rate hikes, escalating financing and construction costs, coupled with geopolitical tensions and the lingering effects of post COVID-19 recovery, we continue to maintain a cautiously optimistic view towards the real estate market in Singapore and the region where we operate. By staying vigilant and strategic in our approach, we pushed ahead during the year to complete several high-quality projects under development in Singapore and abroad, ensuring continuous momentum moving forward.

In ***SINGAPORE***, significant progress was made on two of our upmarket projects. Mont Botanik Residence, located in Hillview, obtained Temporary Occupation Permit ("TOP") in February 2023. Over at Thomson Road, our Peak Residence project reached full sales and is on track for completion in 2024.

On the commercial front, both 18 Robinson and Link@896 delivered strong performance, boasting average occupancies of 90% and 91% respectively throughout 2023.

To further augment these successes, an asset enhancement initiative is underway at Link@896, aimed at improving retail experiences through layout enhancements, tenant mix optimisation, and the addition of new amenities. A proposed new facade design with direct sheltered connection from Exit B of King Albert Park MRT Station is currently pending approval from the Land Transport Authority.

Looking ahead, we are evaluating the development potentials of Link@896 together with 870 Dunearn Road, which may include plans for possible hospitality use for the latter. These plans are subject to regulatory approval. This integration will strategically position the development along Dunearn and Bukit Timah Roads, enhancing their appeal, connectivity and property value.

In ***INDONESIA***, we continue to make good progress on our Opus Bay project which is being developed into an integrated township comprising residential living, with retail offerings, F&B, commercial, hotel, tourist attractions, international school and medical centre. In May 2023, the Opus Bay Marketing Gallery in Batam was officially opened by the Mayor of Batam. The Gallery offers valuable insights into the integrated township of Opus Bay when completed. We welcome shareholders to visit our Opus Bay website "**The Perfect Place to Live your Dreams**" at *https://opus-bay.com*.

Sales of units in Balmoral Tower and Cluny Villas are progressing well, with construction milestones aligned with expectations. The construction of Balmoral Tower remains firmly on track for completion in the latter half of 2025, while Cluny Villas are poised to begin delivering finalised units starting from the second half of 2024.

Meanwhile, our joint venture project with a subsidiary of Mitsubishi Estate Asia Co., Ltd - *The Grand Outlet – East Jakarta*, Indonesia's first international luxury outlet mall in Karawang achieved a significant milestone with its soft opening in December 2023. The project was successfully completed in approximately two years from land possession date, despite encountering disruptions and challenges due to the COVID-19 pandemic. This achievement stands noteworthy, especially considering it marked our inaugural venture into Indonesia.

CEO'S REVIEW OF OPERATIONS

Strategically located along the Jakarta-Cikampek Toll Road, the mall is expected to benefit from the opening of the Karawang High Speed Rail station in the first half of 2024. The outlet mall has secured leasing commitments of about 80% covering numerous brand-name tenants such as Coach, Kate Spade, Hugo Boss, Michael Kors and Lacoste, with PT Mitra Adiperkasa Tbk as the anchor tenant.

In recognition of its world class design, The Grand Outlet – East Jakarta received the "5-star, Best Leisure Architecture Indonesia" award at the recent Asia Pacific Property Awards 2023-2024.

In ***AUSTRALIA***, our hotels continued to witness a resurgence in the hospitality sector following the aftermath of the Pandemic. Although the international market's overall business recovery showed improvement, it remained slower than anticipated. In Melbourne, Grand Hyatt Melbourne experienced robust uptick in domestic transient and corporate demand, setting solid groundwork for the hotel's growth trajectory in 2024, particularly with the anticipated rebound of China and other international markets.

In Perth, recognising the expanding demand for serviced apartments in Western Australia, we strategically pivoted towards converting some hotel rooms at the Hyatt Regency Perth into apartment-style units. While this transition impacted performance in 2023, the hotel proactively capitalised on opportunities arising from the return of international sporting events (such as UFC, AFC Women's Olympic Qualifying Tournament, FIFA Women's World Cup) and conferences throughout the year. Consequently, Hyatt Regency Perth strengthened its position as a preferred venue for prestigious gatherings, with RevPAR exceeding pre-pandemic 2019 levels.

As for our asset enhancement initiatives in Perth, substantial strides have been made, boasting a commendable 51% of leasing commitments secured for a dynamic mixed-use complex encompassing retail, hospitality, and commercial office spaces. Concurrently, construction activities are advancing seamlessly into phases 3, 4, and 5, maintaining alignment with our established timelines.

Opus Bay Apartments, Indonesia

In ***CHINA***, our 7.8%-owned investee company Sanya Summer Real Estate Co., Ltd rebranded its flagship project, *Sanya Summer Plaza*, which now operates under the moniker of *Summer Station*. Significant milestones were reached with the development receiving its Completion Acceptance Certificate on 8 December 2023, and celebrating its grand opening shortly thereafter on 30 December 2023. Summer Station boasts an expansive complex of seven buildings encompassing a diverse array of offerings including a retail mall with a mixture of F&B outlets, a hotel, serviced apartments, strata retail units, and more. Particularly noteworthy is the resounding success of the retail mall, which has secured leasing commitments exceeding 80%, boasting a lineup of more than 200 brands.

Furthermore, the Group completed its acquisition of 19 commercial units within one of the buildings in the development in July 2023. These units collectively boast an estimated lettable area of approximately 2,175 square meters. The Group has successfully secured key tenants, including prominent China Electric Vehicle manufacturers such as Li Auto, Nio Auto, and Great Wall Motor, solidifying its strategic positioning within the market.

The Asia Pacific region is anticipated to exhibit resilience and stronger growth prospects, particularly with ASEAN-5 and China outpacing the global growth rate. This is notwithstanding the fact that both regions will continue to face distinct challenges and opportunities.

In particular, the economic outlook for ASEAN-5 countries in 2024 is likely to be influenced by both domestic and external factors but overall, collaboration and economic integration within the Asia Pacific region could contribute to sustainable growth and prosperity in 2024 and beyond.

Despite lingering macroeconomic uncertainties, the real estate investment market in the region is expected to gain momentum in 2024, supported by anticipated re-pricing and interest rate cuts. This growth trajectory aligns with both global diversification trends and the region's robust growth fundamentals.

We remain resolute in our commitment to sustainability, integrating green elements into our projects as part of our social responsibility. Furthermore, as we continue our transformation journey into a regional real estate player, we will seek strategic partnerships to complement our expertise and expand our presence in key cities across Indonesia, Australia, and China.

Leveraging on our knowledge, expertise, networks of partners, and strong balance sheet, we are poised to deliver high-quality developments in the region and generate sustainable returns over time.

William Nursalim alias William Liem
Chief Executive Officer

OPERATION SUMMARY

Mont Botanik Residence, Singapore

Tuan Sing Holdings Limited is a regional investment holding company focused primarily on real estate investment, real estate development and hospitality. Over the years, the Group has developed a portfolio of strategically located real estate assets in Singapore and across the region and has established a reputation for delivering high quality and iconic developments.

The Group operates in four business segments, namely

(i) Real Estate Investment
(ii) Real Estate Development
(iii) Hospitality
(iv) Other Investments

REAL ESTATE INVESTMENT

The Real Estate Investment segment focuses on the investment in properties in Singapore, Australia, Indonesia and China. The Group's main investment properties are 18 Robinson, Link@896 and The Oxley in Singapore; commercial buildings in Melbourne and Perth, which are adjacent to the Group's two hotels: Grand Hyatt Melbourne and Hyatt Regency Perth, The Grand Outlet – East Jakarta in Indonesia and 19 commercial units at Summer Station in Sanya, China.

REAL ESTATE DEVELOPMENT

The Real Estate Development segment focuses on the development of properties for sale in Singapore and the region. With Peak Residence in Singapore on track for completion in 2024, the Group is actively engaged in regional development opportunities in Indonesia and China. The Group has launched Balmoral Tower and Cluny Villas in Batam and has a 7.8% equity interest in Summer Station in Sanya, China.

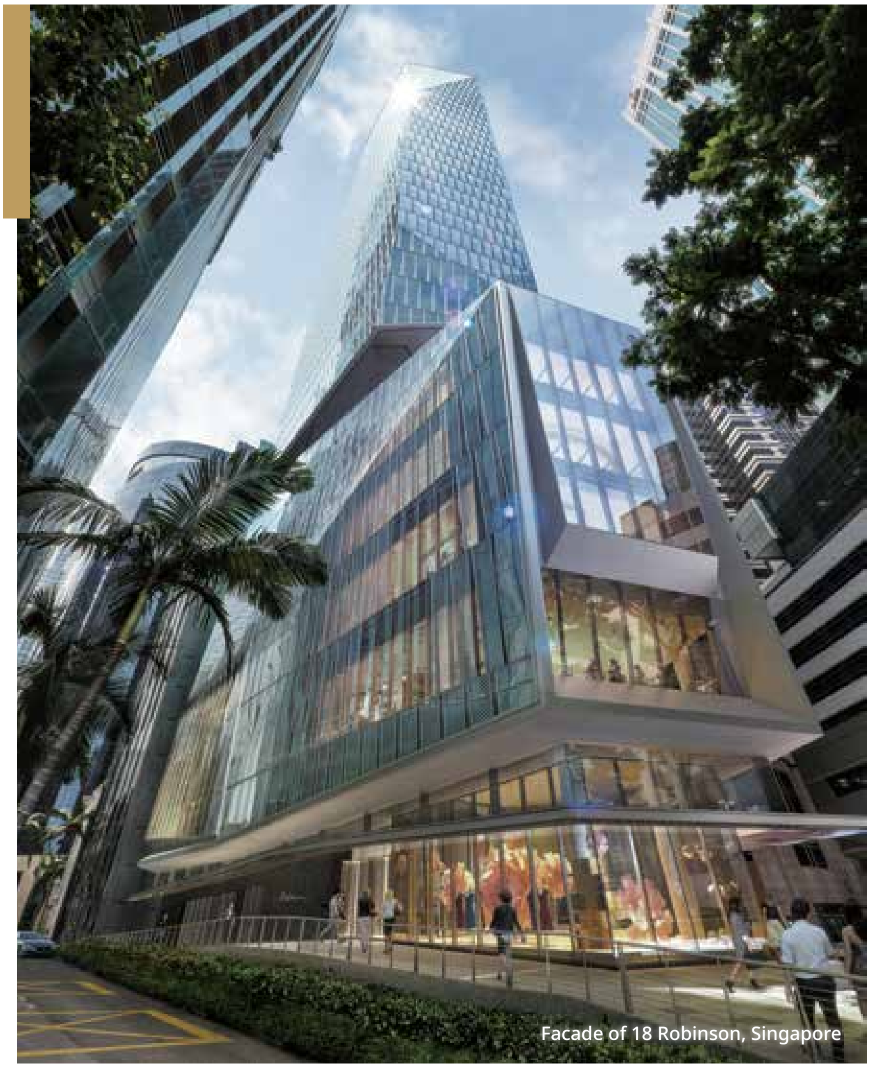
HOSPITALITY

The Hospitality segment comprises two hotels in Australia, namely the Grand Hyatt Melbourne and Hyatt Regency Perth, which are managed by Hyatt International. The two hotels are located in prime locations in Melbourne and Perth respectively and cater to the business and high-end tourism sectors of these cities.

OTHER INVESTMENTS

Other Investments segment comprises a 44.5% equity interest in Gul Technologies Singapore Pte. Ltd. ("GulTech"), Hypak Sdn Bhd ("Hypak"), a wholly-owned subsidiary, and a 49% equity interest in Pan-West (Private) Limited ("Pan-West"). GulTech is a printed circuit board manufacturer with three plants in China. Hypak is a Malaysia based company carrying out the business of manufacturing and marketing of polypropylene packaging bags. Pan-West is a retailer of golf-related lifestyle products.

OPERATION SUMMARY



Facade of 18 Robinson, Singapore

REAL ESTATE INVESTMENT

Revenue increased by 7% to $60.0 million in 2023. Higher revenue was due mainly to the stronger performance from the investment properties in Singapore, namely 18 Robinson and Link@896, which achieved improved occupancies and average gross rental rates. Whilst revenue was higher, Adjusted EBIT decreased by 1% to $28.1 million in 2023. The decrease arose mainly due to the Group's 50% share of the initial operating losses in its international luxury outlet mall known as The Grand Outlet – East Jakarta at Karawang, which commenced trading in December 2023.

SINGAPORE

The office rental market exceeded expectations due to limited supply, more employees returning to office, and gradual reduction in shadow space. In 2023, the Urban Redevelopment Authority ("URA") office rental index rose by 13.1%, surpassing the 11.7% increase seen in 2022. According to CBRE Research's data, Core Central Business District ("CBD") Grade A rents increased by 1.7% year-on-year, moderating from the 8.3% growth in 2022.

Moving forward, the market may face a slower first half with an above historical average completion pineline in 2024 and potential secondary spaces, which could lead to a temporary increase in the availability of spaces. Market sentiment could pick up in the second half of 2024 as interest rates and inflationary pressures ease, economy strengthens, and companies regain confidence to increase budgets and embark on relocations, expansionary or workplace strategies. Given the ongoing flight-to-quality and flight-to-green trends, CBRE Research expects a modest growth of 2% to 3% in Core CBD Grade A rents in 2024[1].

The retail sector continues to face similar challenges such as manpower shortages and higher operating costs. Nevertheless, tourism continues to shine with a robust schedule of concerts and events. These activities not only boost tourism but should also lend support to retail rents.

18 Robinson is situated at the prominent junction of Robinson Road and Market Street (diagonally opposite Lau Pau Sat). This premium Grade A commercial office building with complementary retail space has approximately 17,782 square metres of net lettable area. Designed by Kohn Pedersen Fox Associates in conjunction with Architects 61, the building comprises a tower from the 10th to 28th storey, a podium from the ground to 7th storey and a sky terrace level with six basement levels. The podium comprises a mix of retail, food and beverage and office spaces, while the tower comprises mainly office spaces located on the 10th to 28th storey (save for the 25th storey which is the mechanical and engineering plant room). The basement levels consist of one basement level of vehicular drop-off and car lift access and five basement levels of an automated guided vehicle car parking system.

[1] *https://www.cbre.com.sg/press-releases/cbre-commentary-on-ura-q4-2023-and-fy-2023-statistics*

OPERATION SUMMARY


Link@896, Singapore

18 Robinson obtained Temporary Occupation Permit ("TOP") in January 2019 and was rated "CONQUAS Star" by the BCA under its Construction Quality Assessment System in 2020. It obtained the Certificate of Statutory Completion ("CSC") in May 2021. Tenants include a mix of family offices, embassies, financial and professional service companies.

18 Robinson features urban windows revealing its interior functions and serves to connect with the street activities. For occupiers on all office floors, the low-iron glass facade provides a sweeping, all-around panorama of city vistas and marina views. Some of the building's energy-and-water saving features include the use of energy-efficient variable-speed drives in the air-conditioning system and the extensive use of LED lighting throughout the building, reflecting the Group's green and sustainability features.

The building also has passive energy-saving design features including a curtain wall facade system that uses low-emissivity, double-glazed insulating glass units to minimise heat gain into the building. Equipped with a fully automated carpark system that uses a battery-powered automated guided vehicle system, 18 Robinson employs a laser-guided positioning system instead of conventional automatic parking systems that require conveyor belts to transport the cars.

18 Robinson was awarded the BCA Green Mark Gold^{PLUS} rating for the numerous green features that have been incorporated into the design of the building. In March 2022, upon renewal of the Green Mark certification, the rating was upgraded from Gold^{PLUS} to Platinum. This was achieved through the fine-tuning of our existing plants to further improve efficiency.

Link@896 is a commercial building located at 896 Dunearn Road in Bukit Timah and is connected to King Albert Park MRT. It is situated on a part-freehold, part-999-year leasehold site of 13,089 square metres with an allowable gross plot ratio of 1.8 and a maximum permissible gross floor area of 23,560 square metres. Acquired in June 2017, this five-storey building comprises approximately 18,026 square metres of net lettable area, with a mixture of retail and office tenancies. The Group plans on cementing Link@896's position along Dunearn Road by embarking on an asset enhancement initiative aimed at improving retail experiences through layout enhancements, tenant mix optimisation and the addition of new amenities. A proposed new facade design with direct sheltered connection from Exit B of King Albert Park MRT Station is currently pending approval from the Land Transport Authority.

870 Dunearn Road In August 2022, the Group completed the purchase of a freehold site at 870 Dunearn Road which is adjacent to and shares the same boundary as Link@896. The Group is evaluating the development potentials of Link@896 together with 870 Dunearn Road, including plans for possible hospitality use for the latter, subject to regulatory approval. This integration aims to strategically position the development along Dunearn and Bukit Timah Roads, thereby enhancing their attractiveness, connectivity and property value.

The Oxley is a freehold 10-storey mixed commercial-cum-residential building located along Oxley Rise, which lies in the prime District 9 and is just a few minutes' walk away from the entertainment, shopping and hotel belt of Orchard Road. The building includes a podium block that houses commercial premises from the 1st to 3rd storey, a tower block with residential units from the 4th to 10th storey, and a three-storey basement car park. The Group was the developer of the building and currently owns the three-storey commercial space. The third floor currently houses Tuan Sing's corporate headquarters.

Far East Finance Building is a 13-storey commercial building with a basement, comprising mainly office space on all levels except for part of the ground floor which accommodates shop space. It is located adjacent to 18 Robinson along Robinson Road, near its junction with Cecil Street/ Finlayson Green. The Group owns the strata unit that occupies the whole of the 11th floor.

L&Y Building is a five-storey light industrial building with a basement car park, located at Jalan Pemimpin within proximity to the Marymount MRT station. The Group owns three of the 24 strata units in the building.

Mont Botanik Residence is a freehold condominium developed by the Group and is located at Jalan Remaja. The Group owns one apartment unit with a lettable area of 88 square metres.

OPERATION SUMMARY

Artist's impression for Hyatt Regency Perth complex, Australia

REAL ESTATE INVESTMENT

AUSTRALIA

The Group has commercial and retail buildings in Melbourne and Perth which are adjacent to its two hotels, Grand Hyatt Melbourne and Hyatt Regency Perth respectively. The Group also owns two land plots adjoining the Hyatt Regency Perth complex.

Melbourne

The year 2023 presented significant challenges across various markets in Melbourne. Notably, the Central Business District witnessed a rise in the overall office vacancy rate, primarily attributed to the introduction of approximately 63,000 square meters of new space with the inauguration of buildings such as 500 Bourke Street and 300 Flinders Street. Despite this, Melbourne maintains its edge over the national average in retail sales, with retail spending demonstrating resilience despite slight dips in consumer confidence and an uptick in the cost of living. Nevertheless, a sense of caution pervades the market, prompting most business owners to proceed with vigilance.

Commercial Centre and Carpark within Grand Hyatt Melbourne complex located at 123 Collins Street consists of three flagship luxury boutique retail tenancies fronting Collins Street, two retail tenancies fronting the Grand Hyatt Melbourne porte-cochere (with return driveway to Russell Street), a basement hospitality tenancy space and a basement carpark with 589 parking bays. The commercial centre has a total lettable area of 3,024 square metres. The tenant portfolio comprises well-known luxury and high-end operators such as Bvlgari, Paspaley Pearls and Giorgio Armani. In 2023, the Group achieved an average occupancy rate of 92%. The Group has self-managed the carpark operation since October 2020.

25 George Parade is a property adjoining the Grand Hyatt Melbourne complex and was acquired in 2020. This standalone retail area of 135 square metres sits on a prime landholding of 160 square metres.

The Group is evaluating plans to redevelop its Melbourne properties into an iconic mixed-use development comprising premium grade office space, luxury retail and dining experiences as well as upper-upscale hotel or serviced residences.

Perth

The ongoing expansion of the mining and resources sector remains a key driver behind the increasing demand for office space rentals. Investors are strategically seizing opportunities amid projections of sustained growth in the Perth commercial property market throughout 2023 and beyond. Concurrently, the retail property sector in Perth has exhibited signs of recovery, albeit tempered by a slight downturn in retail sales attributed to heightened cost-of-living pressures and rising interest rates.

Commercial Centre and Carpark within Hyatt Regency Perth complex located at 99 Adelaide Terrace comprises a three-level office, two basement levels of carpark with 883 parking bays and a retail component. The commercial centre faces Terrace Road and Plain Street and overlooks the picturesque Swan River. It has an estimated total lettable area of 29,183 square metres, including an area undergoing Asset Enhancement Initiative ("AEI") works currently. At present, Fortescue Metal Group is a major tenant at the commercial centre and currently occupies 68% of the completed space. The Group has self-managed the carpark operation since August 2022.

OPERATION SUMMARY

The Group is currently carrying out an AEI on the retail component of the commercial centre and part of the car park area. Upon completion of the AEI, it will be an iconic commercial and retail hub in the Eastern Perth CBD, which is in close proximity to the Crown Casino and the Perth Optus Stadium, offering a premium retail space comprising food and beverage, medical, health and wellness, and high-end fresh food market establishments. The AEI will be completed in phases and tenants under the first phase have commenced trading and are expected to contribute to the recurring income stream from 2024 onwards.

Two vacant land at 10 & 40 Terrace Road The Group owns two land parcels totalling 3,072 square metres which adjoin the Hyatt Regency Perth complex and are slated for future development.

INDONESIA

The Grand Outlet – East Jakarta The Group established a 50:50 joint venture with a subsidiary of Mitsubishi Estate Asia Co., Ltd. to develop an international luxury outlet mall in Karawang – a fast growing economic hub connecting Indonesia's capital city Jakarta and third-largest city Bandung. It is strategically located at East Jakarta along the country's busiest toll road, Jakarta-Cikampek Toll Road and is expected to benefit from the opening of the Karawang High Speed Rail station in the first half of 2024. Construction was completed at the end of 2023 and the outlet mall had its soft opening in December 2023. The Grand Outlet - East Jakarta has a lettable area of approximately 27,100 square metres, featuring approximately 180 shops with a wide variety of retail offerings and dining establishments. The outlet mall has already secured leasing commitments of about 80% which includes numerous brand-name tenants such as Coach, Kate Spade, Hugo Boss, Michael Kors and Lacoste, with PT Mitra Adiperkasa Tbk as the anchor tenant. The outlet mall is expected to contribute to the recurring income stream from 2024 onwards.

In recognition of its world class design, The Grand Outlet – East Jakarta received the "5-star, Best Leisure Architecture Indonesia" award at the Asia Pacific Property Awards 2023–2024.

The Grand Outlet - East Jakarta, Karawang, Indonesia

CHINA

No. 2950 Chunshen Road, Minhang District, Shanghai is a three-storey commercial building occupying a land area of approximately 1,741 square metres. The leasehold building with an estimated lettable area of 2,170 square metres is fully leased.

Lakeside Ville Phase III, Qingpu District, Shanghai The Group owns six shop units and basement commercial spaces which occupy a total estimated lettable area of 3,896 square metres in the Lakeside Ville development. The development is located at Lane 1517 Huqingping Highway and is in proximity to the Hongqiao International Airport and the transportation hub. The Group also owns three apartment units occupying an estimated gross floor area of 757 square metres. The Group was the developer of the development which was completed in 2010.

55 underground carpark lots at Luyinyuan, Minhang District, Shanghai The Group owns an underground carpark occupying the basement of a 17-storey building located at Lane 558 Baochun Road. The carpark occupies an estimated area of 2,403 square metres.

19 commercial units at Summer Station, Jiyang District, Sanya, Hainan Province In July 2023, the Group acquired 19 commercial units with an estimated lettable area of 2,175 square metres in one of the buildings at Summer Station which is located along Yuxiu Road. The Group has successfully secured key tenants including leading China Electric Vehicle manufacturers, Li Auto, Nio Auto and Great Wall Motor.

MALAYSIA

Factory at No. 53, Jalan Cemerlang, Johor Bahru is a one-and-a-half-storey semi-detached factory situated along Jalan Cemerlang, approximately 17km southwest by road from Johor Bahru city centre. The factory occupies a freehold land area of 1,667 square metres.

OPERATION SUMMARY

REAL ESTATE DEVELOPMENT

Revenue increased by 85% to $151.2 million in 2023 due mainly to higher progressive revenue recognition of units sold in Peak Residence. Peak Residence was fully sold in 2023. The increase in revenue was partially offset by lower progressive revenue recognition of units sold in Mont Botanik Residence, which obtained TOP in February 2023. Despite higher revenue, Adjusted EBIT was a higher loss of $9.1 million in 2023 as compared to a loss of $6.2 million in 2022. The Group's margins were negatively impacted by higher construction costs arising from construction delays in relation to its residential projects in Singapore. The Group also recognised its share of the initial operating losses in its 7.8%-owned Sanya project, which was completed in December 2023.

Peak Residence, Singapore

The Group prides itself on crafting top-tier premium residences, maintaining its steadfast commitment to offering diverse housing options for both homeowners and investors alike. From the meticulous planning of site layouts and unit designs to the careful curation of premium finishes for every project, the Group ensures that its offerings exude a remarkable, enduring allure.

SINGAPORE

According to the Real Estate Statistics provided by URA, private home prices in Singapore increased by 2.8% in 4Q 2023 and 6.8% in year 2023. Concurrently, the real estate sector expanded by 0.1% year-on-year in 4Q 2023 and 4.9% in 2023 as reported by the Ministry of Trade and Industry. While it is projected that Singapore's economy will continue to maintain a steady growth trajectory, the residential property market is expected to moderate amidst a slowdown in sales activity with property cooling measures, sustained high interest rate and uncertain economic conditions.

Mont Botanik Residence is a freehold 108-unit condomium distinguished by a series of communal sky gardens linking the two residential towers. The development is inspired by the surrounding lush greenery of Bukit Timah Nature Reserve, Bukit Batok Nature Park and Bukit Gombak's "Little Guilin". The project is fully sold and obtained the TOP in February 2023.

Peak Residence is an exclusive freehold project in Thomson district that sits on the peak with panoramic views of MacRitchie Reservoir. With easy access to Novena MRT station and the upcoming Mount Pleasant MRT station, this 90-unit project is fully sold and is on track for completion in 2024.

Diversification Strategy

In line with its diversification strategy, the Group has over the years expanded its global footprint with the acquisition of 125 hectares of land in Batam, Indonesia, a 2.26% equity stake in the holding company of a mixed-development site on Kura Kura Bali in Bali, Indonesia, and a 7.8% equity stake in the holding company of an integrated mixed-development project in Sanya, China. These development projects are anticipated to enhance the Group's property portfolio and profitability moving forward.

OPERATION SUMMARY

INDONESIA

Just a 45-minute ferry ride from Singapore, Batam has been likened to the next "Sentosa" and has emerged as a significant tourist attraction and holiday destination for Singaporeans and visitors from the region. Coupled with the development of the new Batam Hang Nadim International Airport, Batam is poised to evolve into a vital strategic location, serving as ASEAN's next gateway city capable of accommodating 25 million passengers annually. As a special economic zone, the Indonesian government is actively promoting Batam's economic potential and aims to position the island as a pivotal trading hub of the country.

Opus Bay is an integrated mixed-development township project in western Batam, Sekupang District. The 125-hectare site, which was acquired in phases by the Group in 2018 and 2019, is the first fully integrated township project comprising various forms of residential living, retail with food and beverage, outlet mall, hotels with MICE facilities, offices, tourist attractions, international schools and medical facilities.

Opus Bay is an international collaboration with world acclaimed architect firm, New York-based Kohn Pedersen Fox Associates (KPF) as the master planner, Singapore-based RT+Q Architects for the apartment buildings, ONG&ONG and ArMo Design Studio for the exclusive villas, Park + Associates for the ferry terminal and Lead8 for the outlet mall. When completed, it is set to redefine how people work, live and play.

Opus Bay Marketing Gallery in Batam was officially opened by the Mayor of Batam in May 2023. The first phase of Opus Bay features a 35-storey Balmoral Tower with 559 units offering studio apartments, 1-bedroom and 2-bedroom apartment units, ideal for investors and holiday home owners, as well as Cluny Villas offering a resort feel with private pool in exclusive setting.

Land in Kura Kura Bali was acquired through a 2.26% equity stake in Goodwill Property Investment Limited ("GPI") in 2019, with the aim of expanding the Group's portfolio of strategically located assets in Indonesia. GPI holds an 80% equity stake in PT Bali Turtle Island Development, a developer in Indonesia that owns approximately 4.9 million square metres of land in Kura Kura Bali ("KKB"), located at Turtle Island in the south-eastern region of Bali.

KKB is easily accessible from popular destinations as it is just a 15-minute drive away from Denpasar International Airport and connects seamlessly via a bridge to the main Bali island. Set against the spectacular backdrop of Bali's sacred Mount Agung, KKB is part of Bali's capital city of Densapar. When completed, the integrated development will feature hotels, residential resorts, mixed-use retail villages and art & cultural museums. Additionally, it will include a marine science conservatory, marina, surf & beach clubs, creative campus, knowledge & innovation technology park, eco & adventure parks and various island lifestyle activities. The Group is the lead development partner in this integrated development.

CHINA

The Group has an equity interest of 7.8% in Sanya Summer Real Estate Co., Ltd ("SSRE"), a Hainan-based property development company which owns two plots of land at Yuxiu Road and Hairun Road in Sanya, Hainan.

Summer Station is an integrated development located at Yuxiu Road. The site is approximately 44,485 square metres and is adjacent to the Sanya High-Speed Railway Station. Summer Station consists of seven buildings that encompass a retail mall with F&B outlets, hotel & serviced apartments, strata retail units and other amenities. The integrated development reached a significant milestone with the issuance of the Completion Acceptance Certificate on 8 December 2023, culminating in a grand opening on 30 December 2023. Summer Station has approximately 200,000 square metres of gross floor area for sale or lease.

Land at Hairun Road is approximately 28,569 square metres. Design and planning work for a proposed residential and commercial development is ongoing and the project is expected to be completed progressively in three to five years' time.

Land at Fuzhou is a parcel of vacant land in the mountainous ridge of the Shoushan Country, Jin'an District in Fuzhou. The site, which measures about 163,740 square metres, is a 30-minute drive away from the city centre.

Summer Station in Sanya, China

OPERATION SUMMARY

HOSPITALITY

Revenue increased by 6% to $90.2 million, reflecting the recovery of the hotel operations in Melbourne following the easing of COVID-19 related restrictions in 2022. However, Perth's hotel operations recorded a lower revenue as the revenue in 2022 was boosted by guaranteed payments during the state requisition period, and the current operations were adversely affected by the on-going asset enhancement works at the Hyatt Regency Perth complex and construction works within the hotel. Despite higher revenue, Adjusted EBIT decreased by 11% to $16.9 million due mainly to the weaker performance from the hotel operations in Perth.

AUSTRALIA

The Group owns two internationally recognised, award-winning five-star hotels, Grand Hyatt Melbourne and Hyatt Regency Perth. Both hotels are managed under the Hyatt brand pursuant to the hotel management agreement with Hyatt International. The hotel management agreement for Grand Hyatt Melbourne commenced on 8 August 1996 and the operating term has been further extended for an additional five years to 31 December 2027. Hyatt Regency Perth's hotel management agreement commenced on 1 July 1996 and will expire on 31 December 2026. Hyatt International has the option to extend the management agreement for Hyatt Regency Perth.

Grand Hyatt Melbourne, Australia

Grand Hyatt Melbourne is located within Melbourne's central business district, at the "Paris End" of Collins Street, with access to both Russell Street and Flinders Lane. The hotel, which opened in 1986 and has been extensively renovated in recent years, comprises a total of 550 guestrooms and suites over 33 levels. It also features four food and beverage outlets, 15 meeting rooms, a day spa, a fully equipped health and fitness club with a swimming pool, a tennis court and a golf driving net. Retail space and a car park are also integrated within the Grand Hyatt Melbourne complex. In 2023, the hotel achieved a 75% average room occupancy rate, marking an increase from the 64% recorded in 2022.

Hyatt Regency Perth is located at the eastern end of Perth's central business district, with three road frontages to Adelaide Terrace, Plain Street and Terrace Road. It commands expansive views of the Swan River. Completed in 1984, it features an integrated five-star hotel, office, retail, and parking complex, along with an adjacent commercial centre known as Fortescue Centre. The hotel comprises 367 hotel rooms and suites over the upper nine levels. Facilities and amenities include two food and beverage outlets, 15 conference and meeting rooms and numerous recreation facilities, including an outdoor heated swimming pool and a fitness centre. Following its utilisation as a quarantine hotel since March 2020, it resumed full operation post quarantine de-requisition in August 2022. The Group also commenced the conversion of 42 rooms to serviced apartments in 2023 and the conversion is scheduled to be completed by the second quarter of 2024. The serviced apartments will complement the existing business model by targeting the extended stay segments. In 2023, the hotel reached an average room occupancy rate of 62%, representing a significant improvement from the 33% recorded in 2022. Upon operation of the 42 serviced apartments, the Group expects occupancy to improve with additional contribution to the income stream.

The robust demand from domestic transient guests and corporate clientele has established a solid groundwork for the continued expansion of both hotels. Anticipating a surge in contributions from international travelers in 2024, particularly with the resurgence of key markets like China and others, the Group is poised for heightened growth and increased global engagement.

OPERATION SUMMARY

OTHER INVESTMENTS

Other Investments comprises the Group's 44.5% equity interest in GulTech and 49% equity interest in Pan-West, as well as the wholly-owned Hypak, which was previously reported under Industrial Services. In line with our strategic direction, the Group is not averse to disposing these investments should the opportunity arises.

Revenue of $7.6 million arose from the manufacturing of polypropylene woven bags in Malaysia, a decrease of 18% compared to 2022, due mainly to weaker demand. Adjusted EBIT increased by 8% to $33.1 million in 2023 due mainly to a stronger performance from GulTech. Despite weaker demand for printed circuit boards and lower selling prices in 2023, gross profit improved mainly due to lower raw material costs.

GulTech in Wuxi, China

GulTech is a respected manufacturer in the printed circuit boards market, serving customers in the automotive, computer peripheral, consumer electronics, telecommunications, healthcare and instrument and control sectors. It has three manufacturing plants in Suzhou and Wuxi, China. Leveraging on its innovative designs and prototype expertise, GulTech continues to work in partnership with multinational clients to provide leading-edge solutions in a highly dynamic and fast-paced technological environment. Its customers include leading suppliers and manufacturers for automotive systems such as Visteon Corporation, Continental AG and Wistron Corporation.

The Group has been informed that Gultech (Jiangsu) Electronics Co., Ltd ("Gultech Jiangsu"), an indirect wholly-owned subsidiary of GulTech (through Gultech China Pte Ltd), has decided that the potential listing plans of Gultech Jiangsu should be halted, in light of and taking into consideration the current geopolitical and economic conditions and they have completed the buy-back of approximately 17.5% of the total shares in the issued share capital of Gultech Jiangsu from the external investors and entities set up to administer an employee share option plan in February 2024.

Hypak, Malaysia

Hypak is a 100% owned subsidiary of the Group. It is an industrial packaging producer and supplier of polypropylene woven bags and laminated bags in Malaysia for products such as fertilisers, sugar, chemicals, flour and feed meal. Hypak owns a 99-year leasehold industrial building in Malacca, Malaysia with a land area of approximately 19,100 square metres.

Pan-West distributes golf-related lifestyle products through a variety of outlets and concessionaires in Singapore. It is the exclusive distributor of some of the world's top golfing brands including Honma Golf and Cleveland Golf. Pan-West is also the exclusive dealer for Vessel Bags and Skechers Golf in Singapore.

PROPERTY PORTFOLIO

REAL ESTATE INVESTMENT

Name of Property	Location	Estimated Lettable Area / Gross Floor Area / Land Area (square metre)	Tenure	Group's Effective Equity Interest
COMMERCIAL				
18 Robinson	Singapore	17,782	999 years from year 1884 & 1885 (82% of the total land area) and 99 years from year 2013 (18% of the total land area)	100%
Link@896	Singapore	18,026	Freehold and 999 years from 1879	100%
Site at 870 Dunearn Road	Singapore	1,592[(a)]	Freehold	100%
The Oxley (1st – 3rd floors)	Singapore	2,557	Freehold	100%
Far East Finance Building (11th floor)	Singapore	340	999 years from 1884	100%
Commercial Centre and Carpark within Grand Hyatt Melbourne complex	Australia	3,024[(b)]	Freehold	100%
Commercial Centre and Carpark within Hyatt Regency Perth complex and 2 vacant land of 3,072 sqm	Australia	29,183[(c)]	Freehold	100%
A single-storey commercial building at 25 George Parade, Melbourne	Australia	135[(d)]	Freehold	100%
The Grand Outlet – East Jakarta at Karawang	Indonesia	27,106	30 years from 1997 and 2016	50%
A 3-storey commercial building at No. 2950 Chunshen Road, Minhang District, Shanghai	China	2,170	57 years from 2008	100%
6 shop units and basement commercial units at Lakeside Ville Phase III, Qingpu District, Shanghai	China	3,896	56 years from 2010	100%
55 underground carpark lots at Luyinyuan, Minhang district, Shanghai	China	2,403	60 years from 2005	100%
19 commercial units at Summer Station, Sanya, Hainan Province	China	2,175	40 years from 2017	100%
INDUSTRIAL				
L&Y Building (3 strata units)	Singapore	2,100	999 years from 1885	100%
One-and-a half-storey factory at No. 53, Jalan Cemerlang	Malaysia	834	Freehold	100%
RESIDENTIAL				
1 apartment unit at Mont Botanik Residence	Singapore	88	Freehold	100%
3 apartment units at Lakeside Ville Phase III	China	757	56 years from 2010	100%

(a) Refers to land area.
(b) Refers to the estimated lettable area of the commercial centre.
(c) Refers to the estimated lettable area of the commercial centre including additional lettable area under construction.
(d) Refers to building area.

PROPERTY PORTFOLIO

REAL ESTATE DEVELOPMENT

Name of Property	Location	Estimated Gross Floor Area / Land Area (square metre)	Tenure	Group's Effective Equity Interest
COMPLETED PROPERTIES				
Summer Station, Sanya, Hainan Province	China	199,887	40 years from 2017	7.8%
PROPERTIES UNDER DEVELOPMENT				
Peak Residence	Singapore	8,209	Freehold	70%
Balmoral Tower, Opus Bay	Indonesia	51,185	30 years from 2004	100%
Cluny Villas, Opus Bay	Indonesia	56,211	30 years from 2004	100%
Batam Opus Bay Land (I)	Indonesia	657,299[a]	30 years from 2004	100%
Batam Opus Bay Land (II)	Indonesia	401,229[b]	30 years from 2019	100%
Land in Kura Kura Bali	Indonesia	4,872,185[b]	30 years from 1993[d], 1994, 1995, 2002, 2003, 2004, 2015 and 2019, and 20 years from 2023	2.26%
LAND HELD FOR FUTURE DEVELOPMENT				
Land in Jin'an District, Fuzhou, Fujian Province	China	163,740[c]	70 years from 1994	100%
Land at Yuxiu Road, Sanya, Hainan Province	China	28,569[b]	70 years from 2019	7.8%

(a) Refers to land area. This excludes Balmoral Tower and Cluny Villas.
(b) Refers to land area.
(c) Refers to land area and pending renewal of expired certificate for construction site planning.
(d) The extension of another 20 years is in progress

HOSPITALITY

Name of Property	Location	Land Area[a] (square metre)	Tenure	Total Hotel Rooms	Group's Effective Equity Interest
Grand Hyatt Melbourne	Australia	5,776	Freehold	550	100%
Hyatt Regency Perth	Australia	22,754	Freehold	367	100%

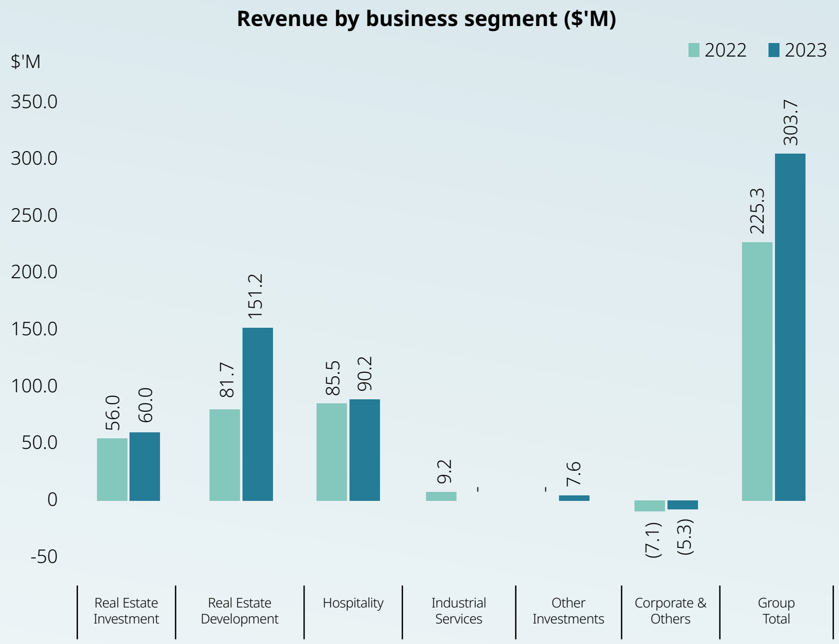
(a) Land area refers to the whole development including commercial and carpark.

REVIEW OF FINANCIAL PERFORMANCE

REVENUE

Revenue by business segment

The Group's revenue was $303.7 million, an increase of 35% as compared to $225.3 million last year. The increase was mainly driven by higher revenue from Real Estate Investment, Real Estate Development and Hospitality.[1]



[1] Revenue from Other Investments is derived from the manuafacturing of polypropylene woven bags in Malaysia (which was previously reported under Industrial Services in 2022).

Revenue by geographical location

The Group's revenue was generated mainly from Singapore and Australia, contributing a combined 96% and 95% of the total revenue in 2023 and 2022 respectively.

Revenue by geographical location	2023 $'M	%	2022 $'M	%
Singapore	180.8	60%	108.4	48%
Australia	109.2	36%	106.6	47%
China	0.8	*	0.8	1%
Indonesia	5.3	2%	0.3	*
Malaysia	7.6	2%	9.2	4%
Total	**303.7**	**100%**	**225.3**	**100%**

(*) Less than 1%

REVIEW OF FINANCIAL PERFORMANCE

Adjusted EBIT by business segment ($'M)

PROFIT PERFORMANCE

Adjusted EBIT by business segment

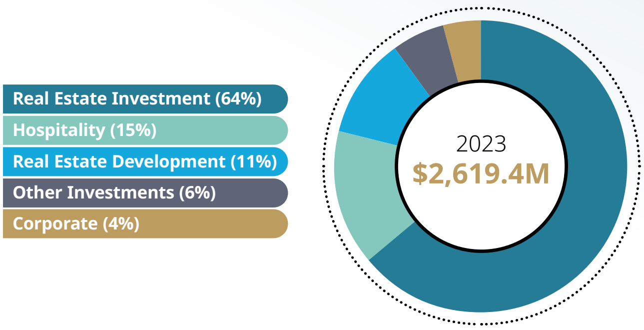
Adjusted EBIT increased by 7% to $56.7 million due mainly to higher contribution from Other Investments, partially offset by lower contribution from Real Estate Development and Hospitality.

The increase in Adjusted EBIT from Other Investments was due mainly to a stronger performance from GulTech. Despite weaker demand for printed circuit boards and lower selling prices, gross profit improved mainly due to lower raw material costs. The increase in Adjusted EBIT was partially offset by a weaker performance from Hospitality as the hotel operations in Perth were adversely affected by the on-going asset enhancement works at the Hyatt Regency Perth complex and construction works within the hotel. Contribution from Real Estate Development was also lower due mainly to higher construction costs arising from construction delays in relation to the residential projects in Singapore as well as the Group's share of the initial operating losses in its 7.8%-owned Sanya project, which was completed in December 2023.

Profit after tax attributable to shareholders

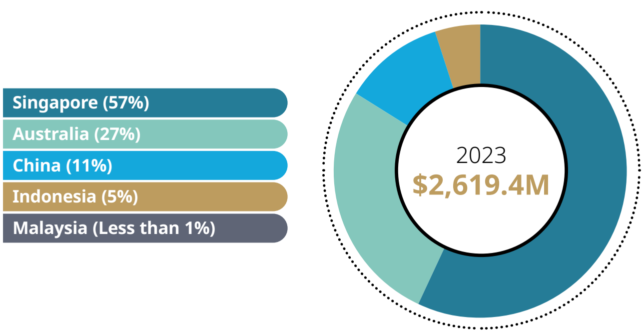
Profit after tax attributable to shareholders was $4.8 million, an increase of 5% as compared to $4.6 million in 2022.

Total assets by business segment



Real Estate Investment, Hospitality, and Real Estate Development contributed 64%, 15% and 11% of the Group's total assets in 2023 respectively.

Total assets by geographical location



57% of the Group's total assets are in Singapore whereas assets in Australia, China, Indonesia and Malaysia form the Group's overseas assets.

FINANCIAL POSITION

The Group's **total assets** as at 31 December 2023 decreased by 1% to $2,619.4 million. The decrease was due mainly to the net decrease in development properties and contract assets arising from the sale of residential units as well as lower cash and cash equivalents arising mainly from the repayment of borrowings and interest payments. The decrease in total assets was partially offset by the increase in investment properties mainly due to the asset enhancement works incurred at the Hyatt Regency Perth complex as well as fair value gains arising from the revaluation of the property portfolio.

The Group's **total liabilities** as at 31 December 2023 decreased by 3% to $1,391.3 million due mainly to the net repayment of bank loans and borrowings.

Shareholders' equity as at 31 December 2023 stood at $1,225.9 million, a slight increase of 0.2% as compared to 31 December 2022. The increase was due mainly to net fair value gains from the revaluation of properties, partly offset by foreign currency translation losses arising from the weakening of the Australia dollar, Chinese Renminbi and United States dollar against the Singapore dollar.

The Group was in a net current liability position of $62.5 million as at 31 December 2023. This was due mainly to the classification of a secured bank loan amounting to $296.9 million from non-current liabilities to current liabilities as the bank loan is due to mature in December 2024. This bank loan is secured by the Group's hotels and investment properties in Australia and has a loan to value ("LTV") ratio of 47%, which is below the maximum ratio of 55% required by the banks. The Group's refinancing strategy relies on its ability to continuously renew its bank loan facilities and roll over the loans with its respective banks. The Group had successfully refinanced this bank loan previously over the past ten years and is confident of refinancing this bank loan. In addition, as at 31 December 2023, the Group has unencumbered cash and cash equivalents of $213.1 million and unutilised committed credit facilities amounting to approximately $180 million. In consideration of the aforementioned, the Group is confident of meeting its current obligations as and when they fall due.

REVIEW OF FINANCIAL PERFORMANCE

SHARE CAPITAL AND EARNINGS PER SHARE ("EPS")

The number of issued ordinary shares as at 31 December 2023 was 1,237,842,354 (excluding treasury shares) as compared to 1,218,043,900 as at 31 December 2022. On 27 June 2023, 20,147,454 new ordinary shares were allotted and issued at $0.295 per share to shareholders who had elected to participate in the Company's Scrip Dividend Scheme in respect of the 0.7 cent dividend per ordinary share for the year ended 31 December 2022. Separately, 349,000 ordinary shares were purchased from the market under the "Share Purchase Mandate" and were held as treasury shares.

Earnings per share, including fair value adjustments, increased by 3% to 0.39 cents, as compared to 0.38 cents a year earlier.

	2023	2022
Earnings/(Loss) per share (cents) :		
- Including fair value adjustments	0.39	0.38
- Excluding fair value adjustments	(0.40)	0.07
Weighted average number of ordinary shares in issue (in millions)	1,228.5	1,210.1

DIVIDEND AND SHAREHOLDERS' RETURN

Dividend

Subject to the shareholders' approval at the forthcoming Annual General Meeting to be held on 26 April 2024, the Directors proposed a first and final one-tier tax exempt dividend of 0.7 cent per share amounting to approximately $8.7 million to be paid on 27 June 2024 in respect of the year ended 31 December 2023. For the previous year end, a dividend of 0.7 cent per share was declared; the dividend amounting to $8.5 million consisted of a cash payment of $2.6 million and the issuance of 20,147,454 ordinary shares to shareholders who opted for the Scrip Dividend Scheme.

Shareholders will continue to have the opportunity to participate in the Scrip Dividend Scheme and receive their dividend in the form of shares instead of cash. For the purpose of determining dividend entitlements, book closure dates have been fixed on 10 May 2024.

The Group has been declaring dividends every year since 2009. Total gross dividend payout since then amounts to $100.8 million, including the $8.7 million proposed for 2023.

Dividend payout and dividend yield

The proposed dividend of 0.7 cent per share for 2023 represents i) dividend payout ratio of 179% based on the profit attributable to shareholders after fair value adjustments; ii) negative dividend payout ratio of 176% based on the loss attributable to shareholders before fair value adjustments; iii) dividend yield of 2.3% based on dividend per share over the average share price of 30.7 cents traded during the year.

Year	Dividend per share (cent)	No of shares (million)	Gross payout ($'000)	Cumulative payout ($'000)
2009	0.3	1,138	3,412	3,412
2010	0.4	1,146	4,586	7,998
2011	0.3	1,154	3,463	11,461
2012	0.5	1,161	5,806	17,267
2013	0.5	1,173	5,864	23,131
2014	0.5	1,176	5,881	29,012
2015	0.6	1,179	7,073	36,085
2016	0.6	1,183	7,097	43,182
2017	0.6	1,187	7,122	50,304
2018	0.9	1,186	10,678	60,982
2019	0.6	1,186	7,117	68,099
2020	0.6	1,187	7,125	75,224
2021	0.7	1,202	8,411	83,635
2022	0.7	1,218	8,526	92,161
2023	0.7	1,238	8,665	100,826

REVIEW OF FINANCIAL PERFORMANCE

BANK BORROWINGS AND MEDIUM TERM NOTES ("MTN")

As of 31 December 2023, the Group had total bank borrowings and debt securities of $1,229.5 million, comprising:

(a) Secured Borrowings of $1,046.1 million (85%)

The Group's secured borrowings are mainly for the financing of development, investment and hotel properties in Singapore, Australia and China.

(b) Unsecured Borrowings of $183.4 million (15%)

These comprise mainly the Series IV and V MTN.

Tuan Sing established an unsecured S$900 million Multicurrency MTN Programme in February 2013 under which it can issue notes in series or tranches and the notes may be denominated in Singapore Dollars or other currency deemed appropriate at the time.

Tuan Sing issued S$200 million Series IV notes on 18 October 2021. The Series IV notes have a tenor of three years and bear a fixed interest rate of 6.90% per annum payable semi-annually in arrears. Tuan Sing purchased S$58.25 million of the notes on 18 November 2022 under a tender offer at 101% of the principal amounts and S$107.75 million of the notes on 1 November 2023 under a tender offer at 102% of the principal amounts.

The Company issued S$150 million Series V notes on 2 November 2023. The Series V notes have a tenor of four years and bear a fixed interest rate of 7.50% per annum payable semi-annually in arrears.

The Group's borrowings are distributed amongst several banks using a combination of floating and fixed interest rates of various durations depending on a number of factors. These factors include the timing the debt is entered into, the prevailing market sentiment, the Group's view of the financial market outlook and the nature of the assets pledged. To mitigate interest rate risk, the Group monitors the trend of interest rate movements. Financial instruments such as interest rate swaps are used, if they are deemed necessary, to hedge interest rate exposures.

As at 31 December 2023, the profiles of the bank borrowings and MTN are as follows:

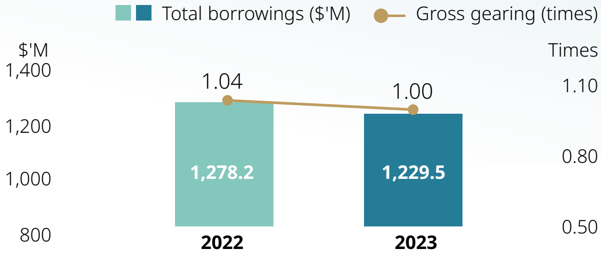
By interest rate profile (after interest rate swaps):
- Floating rate borrowings – 55%
- Fixed rate borrowings – 45%

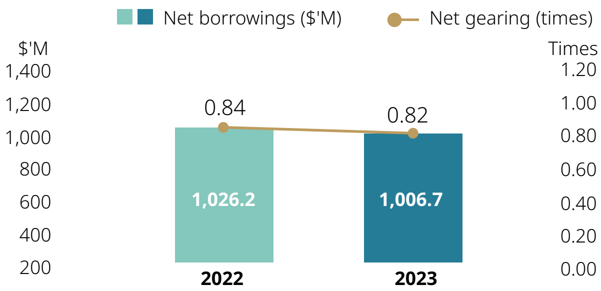
By currency profile:
- Singapore dollar borrowings – 75%
- Australian dollar borrowings – 24%
- China Renminbi borrowings – 1%

GEARING

The Group uses gross gearing ratio (total borrowings as a percentage of total equity) and net gearing ratio (net borrowings as a percentage of total equity) to measure the debt leverage. Net borrowings is defined as total borrowings minus cash and cash equivalents.

As at 31 December 2023, gross gearing ratio decreased to 1.00 times from 1.04 times last year. Net gearing ratio decreased to 0.82 times from 0.84 times last year.





TREASURY MANAGEMENT

Treasury management is carried out by the Group in accordance with established policies and guidelines, which are regularly updated to take into account changes in the operating environment. Working capital requirements and capital expenditures are funded by a mix of short-term and long-term loans. New investments are structured with an appropriate mix of equity and debt after careful assessment of relevant risks.

The Group monitors working capital requirements and performs cash flow forecast on a quarterly basis as well as ensures the monitoring and compliance of loan covenants. The Group closely monitors relevant emerging regulations which may potentially impact the way that the Group obtains finances or introduce any operating constraints. The Group keeps abreast of the latest developments in debt markets and arranges new financing as opportunities arise. The consistent approach in treasury management has helped the Group build a long-term relationship with financial institutions.

MANAGING RISK IN DELIVERING OUR STRATEGY

OVERVIEW OF OUR APPROACH

The Group's business environment is subject to constant and significant changes that require regular assessment of our corporate strategies. At Tuan Sing, risk management is an integrated process that supports informed decision-making throughout the Group. Our integrated approach recognises the need for clear, timely direction and decision from the Board of Directors, senior management and our business unit management (i.e. SBUs). Risk management is also embedded into day-to-day decision-making and operational activities (i.e. operational risk management).

The top-down approach (i.e. strategic risk management) involves a review of the external environment in which the Group operates and our risk appetite. The results will then guide the execution of our strategy. Key risk indicators have been identified for each of our principal risks and are used to monitor our risk exposure. These key risks are reviewed periodically by the Audit and Risk Committee to ensure that the activities of the business remain within our risk appetite.

The bottom-up approach (i.e. operational risk management) involves identifying, managing and monitoring risks at the "front line" level. This way, risk management is embedded in our everyday operations. Control of this process is through maintaining of risk registers by all SBUs. These risk registers are aggregated and reviewed by the CEO and CFO, with significant and emerging risks escalated for the Board and Audit and Risk Committee's consideration as appropriate. This process complements the top-down approach by helping us to identify our principal risks and ensuring that operational risks are fully considered in determining the risk appetite and the corresponding strategy of the business.

The Group's Enterprise Risk Management ("ERM") system is designed to provide reasonable, but not absolute, assurance that the Group's assets are safeguarded, the risks facing the business are being assessed and all information that may be required to be disclosed is reported to the Board through the Audit and Risk Committee. The Group has reviewed the current ERM framework and is of the view that it remains appropriate for the year 2023.

MANAGE RISK IN DELIVERING OUR STRATEGY

The Group remains focused on real estate and hospitality segments to drive growth. The Group will continue to expand its real estate investment, real estate development and hospitality businesses and acquire quality and strategically located assets that will contribute a recurring income flow to the Group. In pursuit of corporate strategies and business goals, the Group acknowledges that it is necessary to take certain risks that the Group believes are manageable and appropriate in relation to expected opportunities. However, these risks should be within the Group's risk appetite by taking into consideration the assessment of macro-environment that the Group is operating in. The Group uses key risk indicators to ensure that the activities of the business are within its risk appetite.

RISK PROFILE AND KEY RISKS

The Group's key risks and appropriate mitigating measures are summarised under "Business Dynamics & Risk Factors Statement" section of this Annual Report. The Group's risk appetite and risk profile remain broadly unchanged in 2023, albeit the rising interest rates and construction costs have impacted our risk landscape.

NO THREAT TO GOING CONCERN

After making due inquiry, the management is satisfied that there are no risks that could threaten the ability of the Group to continue as a going concern over the coming 12 months.

Our Risk Governance & Oversight Structure

THE BOARD

- Determine strategic objectives
- Set risk appetite and parameters
- Review external environment
- Manage and monitor risk
- Assess effectiveness of risk management system
- Instil culture and approach for risk governance

AUDIT & RISK COMMITTEE

- Direct delivery of strategic actions
- Report principal risks and uncertainties
- Oversee financial reporting, operational and compliance risks
- Oversee internal and external audit processes
- Consider aggregation of risk exposures across the business
- Monitor key risk indicators and the implementation of risk mitigation plans
- Oversee the adequacy and effectiveness of the Group's risk management and internal control systems

CEO & CFO

- Implement the Company's strategy
- Strengthen the Group's risk management culture
- Ensure the overall framework of risk management is comprehensive and responsive to changes in the business
- Review the completeness and accuracy of risk assessments, risk reporting and the adequacy of risk mitigation efforts on a regular basis

STRATEGIC BUSINESS UNITS

- Monitor and manage operational risks on an ongoing basis
- Identify emerging risks
- Maintain risk registers which provide a framework for all relevant staff to recognise their shared responsibility for an effective management of risks on a regular and timely basis

BUSINESS DYNAMICS & RISK FACTORS STATEMENT

BUSINESS & STRATEGIC RISKS

DESCRIPTION OF RISKS	WHAT WE DO TO MANAGE THE RISKS
STRATEGIC RISK	
• The Group is exposed to risks associated with its overseas expansion plans. • Expansion involves the spreading of resources in setting up new business units and dealing with unfamiliar rules and regulations in foreign countries or nuances in customer service expectations. • Such expansion plans may cause management to lose focus and there is no assurance that the expansion plans will be commercially successful.	• New investment proposal is evaluated carefully to ensure that it is in line with the corporate strategy and investment objectives and that it can meet the relevant hurdle rates of financial return. Other relevant risk factors are also considered. • Evaluation includes macro and project-specific risks analyses, due diligence and sensitivity analyses on key assumptions. Each investment proposal must be reviewed and approved by the Board. • Where appropriate, the Group will explore joint venture opportunities that allow risk and reward sharing between partners. • Interested Person Transactions ("IPT") Mandate is in place to provide the Group with added means to underpin its expansion strategy by leveraging on Interested Persons' network and its close working relationship with Interested Persons.
CATASTROPHIC LOSS RISK	
• Properties owned by the Group are subject to risks of physical damages caused by fire, natural disaster such as flood or man-made events like terrorists' attacks. • The insurance coverage purchased by the Group may not be adequate to fully compensate the financial loss from properties affected by a catastrophe.	• The Group conducts insurance reviews with insurance brokers on an annual basis to ensure adequate and comprehensive insurance coverage to rely on in times of a catastrophic event. • For the two hotels in Australia, the Hyatt Global Policy protects all Hyatt Hotels internationally (e.g. for public liability) and is designed to capture all risks not captured locally.
COMPETITION RISK	
• The relatively small size of our operations may be a disadvantage in the highly competitive property development industry. Hence, the Group may be more vulnerable to external shocks and negative occurrences specific to its operations. • Real estate markets in Singapore and in the region are changing rapidly, which means the Group has to respond swiftly and effectively – more so than other bigger players. • The hospitality industry in Australia, where our hotels are operating, is highly competitive. Any completion of new hotels or renovation of competing hotel properties would reduce the competitiveness of older or existing properties.	• The Group strives to maintain competitiveness by differentiating its products and leveraging on its brand name to set itself apart from the mass market. In recent years, the Group has also been diversifying its property portfolio across geographies to enhance the stability of its future revenue and profitability streams. • Tuan Sing is a recognised developer with proven track records and a sterling reputation associated with award-winning projects. • The Group actively works with potential business partners when submitting bids for new land parcels. • The Group's hotel properties offer choice locations and excellent services for their class. Long-term hotel management agreements with Hyatt International are in place and have enhanced the profile of our hotel properties. • Plans are in progress to create value from existing assets through asset enhancement initiatives and redevelopment works.

BUSINESS DYNAMICS & RISK FACTORS STATEMENT

BUSINESS & STRATEGIC RISKS (CONT'D)

DESCRIPTION OF RISKS	WHAT WE DO TO MANAGE THE RISKS
INDUSTRY RISK	
• The Group is exposed to inherent risks in property development and construction business. • Adverse weather, labour shortage, poor performance by main contractors, industrial accidents, delays in obtaining regulatory approvals or business disruptions caused by a pandemic could delay the completion of projects and cause cost overruns. • The Group is exposed to the hotel industry's supply and demand cycle, which is dependent on the conditions of the hospitality and leisure industry and the state of the property market in Australia.	• Policies and procedures covering project management and procurement process of the construction management business are in place. • A pre-approved project budget is agreed to in advance so as to monitor development progress and project costs. All variation orders require approval at appropriate level. • The Group's procurement function has been strengthened to establish a robust bulk procurement database in order to achieve competitive pricing and ensure supplied materials meet the quality standards and comply with local regulations. • The Group continues to review and explore options and strategy to optimise the value of its Hospitality segment.
LEGAL AND DISPUTES RISK	
• The Group is exposed to risk of legal disputes with various counterparties. • There will be varying impacts to the Group depending on the type and severity of the legal suits/disputes.	• The Group requires all contract documents with legal terms and conditions are properly reviewed before execution. • The relevant business units/colleagues involved in potential legal disputes or matters are to bring any potential legal issues to the attention of the Group's Legal department. The Group's Legal department will provide advice and formulate resolutions at the earliest opportunity. • The Group works closely with its counterparties to minimise potential disputes and achieve settlement amicably. • The Group monitors closely government policies which will affect the property business.
MACROECONOMIC & POLITICAL RISK	
• Changing macroeconomic and political conditions in countries where the Group operates could adversely affect the Group's performance, particularly when the Group ventures further into the region. • The property development business depends heavily on the continued health of the real estate market in Singapore and in the region. • Changes in government policies and regulations affect the market demand, land title acquisition, planning and design, construction hours and financing.	• The Group monitors key economic indicators and keeps itself updated regarding potential changes of policies by the authorities. • The Group remains optimistic about the medium and long-term outlook for the property markets in Singapore and in the region.
REGULATORY RISK	
• The Group is exposed to changes in prevailing laws and regulations in the countries where it operates, particularly in corporate law, competition law, consumer protection, environmental law and anti-money laundering and counter terrorism financing law.	• The Group works closely with advisors, consultants and local authorities so as to keep abreast of regulatory changes. • Local business units are required to apprise the head office of material regulatory developments in a timely manner. • Policies and procedures in relation to anti-money laundering and counter terrorism financing are implemented by the Group to mitigate the risk of the Group from being unwittingly used for money laundering and terrorism financing activities.

BUSINESS DYNAMICS & RISK FACTORS STATEMENT

BUSINESS & STRATEGIC RISKS (CONT'D)

DESCRIPTION OF RISKS	WHAT WE DO TO MANAGE THE RISKS
REPUTATION RISK	
• The Group's reputation is at risk of adverse publicity if there is mishandling of transactions or events.	• The Group values its reputation and has in place an open communication programme to ensure timely and effective communication with its key stakeholders. • The Group has clearly articulated its mission statement and the guiding principles that drive its operations. • The Group has an Investor Relations policy to further strengthen its communication with stakeholders.
BUSINESS CONTINUITY RISK	
• Property and hotels investment businesses are capital-intensive and rely heavily on external financing at commercially acceptable interest rate and terms. • Property development business relies on obtaining land plots, taking projects to fruition and successfully marketing the units within a certain timeframe, while achieving profitability that commensurates with the risks involved. • Natural disasters, pandemic and other unforeseen events could cause severe disruptions to our business.	• A S$900 million MTN Programme has been in place since 2013 to allow the Group to seize opportunities at short notice, diversify its sources of funding and raise its business profile. • A portfolio of mostly freehold investment properties provides a platform of growth and generates recurring income. Existing hotel properties offer a stable income stream given its choice locations. • Business Continuity Plans are in place to minimise business disruption.
TERRORISM RISK	
• The Group could be adversely affected by direct terrorist attacks because of its geographical footprint. • Such an event could result in damage to its properties or facilities, or cause injury or death to personnel as well as disruption in operations, thus causing financial losses to the Group.	• This is an inherent risk that the Group faces. • The Group has a disaster recovery plan in place. • Properties are protected through the implementation of various security measures. • Where appropriate, the Group obtains insurance coverage to mitigate these risks.

FINANCIAL RISKS

DESCRIPTION OF RISKS	WHAT WE DO TO MANAGE THE RISKS
LIQUIDITY RISK	
• Renewal or additional debt financing on favourable terms would be subject to prevailing global and local economic conditions, sentiments in credit and capital market. • The Group's property portfolio in Singapore, Australia, Indonesia and China are pledged under various mortgage loan agreements. A breach in any loan covenant could trigger various repayments at short notice.	• The Group monitors its cash and cash equivalents and maintains a level deemed adequate. • The Group manages debt financing and bond issuance proactively to ensure financing requirements are met in advance. • Cash flow projections, debt maturity profiling and bank facilities undrawn are reviewed quarterly to monitor the Group's liquidity position. • Great emphasis is placed on the timely execution of ongoing projects to ensure that a significant proportion of our property projects is sold and that cash is being realised as early as possible.

BUSINESS DYNAMICS & RISK FACTORS STATEMENT

FINANCIAL RISKS (CONT'D)

DESCRIPTION OF RISKS	WHAT WE DO TO MANAGE THE RISKS
CAPITAL STRUCTURE RISK	
• An inefficient capital structure or weakness in financial management could affect the Group's ability to provide adequate returns for shareholders.	• The Group conducts regular reviews to ensure an optimal capital structure. • The Group monitors its gross gearing, net gearing ratios and their trends on a monthly basis. • To achieve an optimal capital structure, the Group might from time to time issue new shares, obtain new borrowings, sell assets (thereby reducing borrowings), adjust the dividend payout, or return capital to shareholders.
DERIVATIVE FINANCIAL INSTRUMENT RISK	
• The Group is subject to inherent risks as market conditions could move against the assumptions the Group adopts at the time of hedging transactions.	• Derivative financial instruments are used only to manage the impact of interest rate fluctuations on floating rate debts or foreign currency exposure, or to comply with certain bank covenants. • Hedging is undertaken to meet actual operational requirements, not for speculative purposes. • The Group closely monitors the impact of the macro-economic conditions.
PRICE RISK	
• Revenue and profit recognition for development properties and fair value adjustments for investment properties are lumpy. • Residential property prices and demand in Singapore and in the region are subject to rounds of government's cooling measures	• This is an inherent systemic risk as the Group operates in the industry. • The Group has a diversified property portfolio to minimise concentration risk. • For development properties, the Group reduces the gestation period of a property launch. In addition, the Group monitors the market sentiments so as to leverage on any potential upside. • For investment properties, the Group aims to lock in major tenants with multi-year lease durations.
CREDIT RISK	
• Credit risk arises when counterparties default on their contractual obligations resulting in financial losses to the Group.	• Standard operating procedures are in place which include extending pre-approved credit terms to only credit-worthy customers and monitoring credit risk on a regular basis. • Collections are closely monitored. Major collectability issues are highlighted to all concerned.
FOREIGN EXCHANGE RISK	
• Exchange gains or losses might arise when the assets and liabilities in foreign currencies are translated into Singapore dollars for financial reporting or repatriation purposes.	• The Group currently manages its foreign exchange exposure through natural hedging. The Group borrows in the same foreign currency of its underlying investments in overseas properties to match the future revenue streams to be generated from its assets where possible. These measures are in line with the Group's adoption of a natural hedge policy.

BUSINESS DYNAMICS & RISK FACTORS STATEMENT

FINANCIAL RISKS (CONT'D)

DESCRIPTION OF RISKS	WHAT WE DO TO MANAGE THE RISKS
INTEREST RATE RISK	
• The Group is exposed to interest rate fluctuations through borrowings.	• The Group keeps abreast of trends in interest rate movements and seeks refinancing opportunities to lower the cost of borrowing where possible. • A variety of financial instruments, including interest rates of different durations, interest rate swaps, caps and forwards, could be used to hedge interest rate risks arising in the ordinary course of business.
TAX RISK	
• The Group is exposed to vagaries of tax interpretations or changes at short notice in foreign jurisdictions. • Inter-company loans within the Group are exposed to transfer pricing risk.	• The Group monitors changes in tax rules in different countries on a periodic basis and seeks advice especially for cross-borders transactions and inter-company transactions. • Tax provisions are made in strict compliance with the rules so as to reduce under-accrual in the book of accounts. • The Group developed its Transfer Pricing Documentation Master File to provide a guideline on transfer pricing for all subsidiaries across different countries.
FINANCIAL REPORTING RISK	
• Apart from the Group's policies and guidelines and the internal audit function, which has been outsourced, the Group relies on self-assessment, review and reporting process at strategic business units to ensure that transactions are carried out in conformity with accounting standards and the Group's accounting policies and that the internal controls are adequate and effective. • This system may not prevent or detect all fraud or misstatements in a timely manner. • Changes in conditions or operations might cause system effectiveness to vary from time to time.	• Internal controls over financial reporting are reviewed regularly and embedded within our corporate governance structure. • On a half-yearly basis, the operating and finance heads of strategic business units report the results of their self-review in their management representation letter. • The management representation letter also serves as a platform for all strategic business units to highlight any transactions and/or events that could have material or potential financial impact to the Group.
INVESTMENT RISK	
• Higher returns are usually accompanied with higher risk and uncertainty. Therefore, the Group has to strike a balance when making an investment.	• Major investments are reviewed by the Board or its committee to ensure that they are in line with the Group's strategic focus, meet the relevant risk-adjusted hurdle rate of return, and pass other risk assessments.

BUSINESS DYNAMICS & RISK FACTORS STATEMENT

OPERATIONAL RISKS

DESCRIPTION OF RISKS	WHAT WE DO TO MANAGE THE RISKS
ALLIANCE RISK	
• The medium- or long-term interests of business associates or joint venture partners might not necessarily be aligned with the Group's. • Policy and personnel changes by business associates could lead to their inability or unwillingness to fulfil their obligations.	• The Group agrees with business associates in advance on well thought-out rights, duties and obligations of each party. • The Group maintains cordial working relationships with its business partners. • Policies and procedures are established to facilitate smooth management and operations of the joint venture company.
SOCIAL & ENVIRONMENT RISK	
• Heightened awareness among the public or environmental agencies could increase the Group's operating expenses with relation to environmental issues.	• The Group adopts environmentally friendly practices across countries, so as to bring them in line with best practices in the market and to remedy shortcomings identified. • The Group provides eco-themed amenities and nature-inspired landscaping at its development projects. The Group is also committed to meeting green building requirements for its projects. For hotel operations, various environmental conservation initiatives are implemented. • The Group has published its Sustainability Report on the corporate website to promote stakeholder engagement.
PEOPLE RISK	
• The Group depends on steadfast service provided by good personnel for business continuity. • Succession plan execution is a challenge given the size of the Group.	• The Group provides a safe working environment in which employees can develop their careers with work-life balance so as to ensure that human capital are nurtured and retained. • Attractive award and bonuses are given to staff who performed well.
PROCESS, SOURCING & EXECUTION RISK	
• Property development projects take 3-5 years to complete. Delays in project completion and cost overruns could arise from labour and material shortage, poor performance of contractors, delays in obtaining necessary regulatory approvals, or industrial accidents, etc. • The Group relies on third-party contractors and consultants for various services. • Long-term hotel management agreements have given Hyatt International almost full discretion in the operations of the Group's two hotels in Australia.	• Operating manuals, standard operating procedures and a delegation-of-authority matrix are in place. • Project costs and project timelines are closely monitored through regular project meetings with consultants, suppliers and contractors. • Project control sheets are prepared for on-going projects and are monitored on a monthly basis. Costs overruns are analysed and highlighted to the senior management and the Board. • Regular management team meetings are held to facilitate effective project coordination and communication. • Profit sharing terms in the hotel management agreements aim to ensure alignment with the Group's risk appetite.

BUSINESS DYNAMICS & RISK FACTORS STATEMENT

OPERATIONAL RISKS (CONT'D)

DESCRIPTION OF RISKS	WHAT WE DO TO MANAGE THE RISKS
WORK HEALTH AND SAFETY RISK	
• Employees are exposed to workplace health and safety risks arising from events such as incidents in the production process or pandemics. • Business uncertainties arising from the pandemic lingers due to the evolution of the coronavirus.	• The Group cultivates a safety-conscious culture at all levels where appropriate. Such steps include the setting up of employees' safety council. • Refresher drills on fire safety, emergency evacuation and first aid responses are conducted regularly. • A disease/pandemic preparedness plan is in place to safeguard the health and welfare of employees, and to ensure quick resumption of critical business functions. • Where appropriate, the Group obtains insurance coverage to mitigate these risks.
CYBER SECURITY RISK	
• The Group's operations are exposed to disruptions to the network. • These could happen through targeted attacks by hackers, insider attacks or accidental cyber incidents. • Cyber thefts of sensitive and confidential information could lead to litigation by customers and/or regulatory fines and penalties.	• The Group adopts a holistic approach by keeping abreast of the threat landscape and changes in business environment. • The Group has in place an Information Security Policy, which covers cyber security and data protection measures. Multi factor authentication (MFA) has also been implemented as an additional control to protect against unauthorised access to the Group's network. • Cybersecurity measures are constantly upgraded. • Where appropriate, the Group obtains insurance coverage to mitigate these risks.
INFORMATION TECHNOLOGY RISK	
• The Group relies on the Information Technology ("IT") infrastructure and system functionality for its daily operations. Any failure of the IT system applications will cause interruptions to the business processes which may have potential financial impacts.	• An online IT help desk platform is readily available to employees. • Several systems have been migrated and maintained in Cloud. The objective is to manage IT infrastructure remotely while minimising security risk and cost of maintaining on-premise hardware.

COMPLIANCE RISKS

DESCRIPTION OF RISKS	WHAT WE DO TO MANAGE THE RISKS
COMPLIANCE RISK	
• There have been rapid changes in laws, regulations and practices making compliance more complicated. • The Group's internal control systems and related framework might not be brought up-to-date in time.	• Internal controls, risk management and corporate governance frameworks, and control self-assessment processes are all in place and are reviewed on an annual basis. • A whistle-blowing policy and annual declarations by staff on ethics are in place. • External auditors are engaged for statutory audits and internal auditors are engaged to conduct operations reviews; both report directly to the Audit and Risk Committee.

CORPORATE STRUCTURE

As at 18 March 2024

TUAN SING HOLDINGS LIMITED

73 SUBSIDIARIES

14 ASSOCIATES/JOINT VENTURES

3 TRUSTS

Real Estate Investment

Gerbera Land Pte. Ltd.

Oxley Development Pte Ltd

Pemimpin Properties Pte. Ltd.

Superluck Properties Pte Ltd

Grand Hotel Company Pty Ltd[2,3]

Grand Hotel Management Pty Ltd (as trustee)[2,3]

Habitat Properties (Shanghai) Ltd.[2]

Hainan Jiayuan Business Management Co., Ltd[2]

PT Karawang Outlet Mall (50%)[1,2]

Real Estate Development

Calypso Construction Management Pte. Ltd.

TSRC Novena Pte. Ltd. (70%)[1,2]

PT Goodworth Investments[2]

PT Titian Damai Mandiri[2]

Sanya Summer Real Estate Co., Ltd (7.8%)[1,2]

Hospitality

Grand Hotel Company Pty Ltd[2,3]

GH Operations Pty Ltd[2]

HR Operations Pty Ltd[2]

Grand Hotel Management Pty Ltd (as trustee)[2,3]

Other Investments

Gul Technologies Singapore Pte. Ltd. (44.5%)[1,2]

Gultech (Jiangsu) Electronics Technologies Co., Ltd (44.5%)[1,2]

Corporate

TSH Capital Pte. Ltd.

TSH Management Services Pte. Ltd.

(1) Effective interest is shown if ownership is not 100%
(2) Indirect ownership
(3) Grand Hotel Company Pty Ltd and Grand Hotel Management Pty Ltd are engaged in both Real Estate Investment and Hospitality businesses

Arrival Venue at Opus Bay Marketing Gallery, Indonesia

CORPORATE DATA

BOARD OF DIRECTORS

Richard Eu Yee Ming, *Chairman*
William Nursalim alias William Liem, *Chief Executive Officer*
Michelle Liem Mei Fung
Cheng Hong Kok
Ooi Joon Hin

AUDIT AND RISK COMMITTEE

Ooi Joon Hin, *Chairman*
Richard Eu Yee Ming
Michelle Liem Mei Fung
Cheng Hong Kok[1]

NOMINATING COMMITTEE

Richard Eu Yee Ming, *Chairman*
Cheng Hong Kok
Michelle Liem Mei Fung

REMUNERATION COMMITTEE

Cheng Hong Kok, *Chairman*
Michelle Liem Mei Fung
Richard Eu Yee Ming

WHISTLE-BLOWING COMMITTEE

William Nursalim alias William Liem, *Chief Executive Officer*
Tan Choong Kiak, *Group Chief Financial Officer*
Peggy Wong, *General Counsel*
Alexander Loh Kim Leng, *Director, Group Human Resources & Administration*
Email: whistle-blowing@tuansing.com

COMPANY SECRETARY

Leow May Cin

[1] Appointed on 2 February 2024

REGISTERED OFFICE

9 Oxley Rise
#03-02 The Oxley
Singapore 238697
Tel: (65) 6223 7211
Fax: (65) 6224 1085

SHARE REGISTRAR

B.A.C.S. Private Limited
77 Robinson Road
#06-03 Robinson 77
Singapore 068896
Tel: (65) 6593 4848
Fax: (65) 6593 4847

GROUP EXTERNAL AUDITORS

Deloitte & Touche LLP
6 Shenton Way
OUE Downtown 2 #33-00
Singapore 068809
Tel: (65) 6224 8288
Fax: (65) 6538 6166
Partner-in-charge: Yang Chi Chih
(Appointed in 2021)

GROUP INTERNAL AUDITORS

PricewaterhouseCoopers Risk Services Pte. Ltd.
7 Straits View, Marina One
East Tower, Level 12
Singapore 018936
Tel: (65) 6236 3388
Partner-in-charge: Ng Siew Quan

PRINCIPAL FINANCIERS

United Overseas Bank Limited
DBS Bank Limited
Commonwealth Bank of Australia
The Hongkong and Shanghai Banking Corporation Limited

SHARE LISTING INFORMATION

Counter name: Tuan Sing
SGX code: T24
Bloomberg code: TSH:SP

Opus Bay Apartments, Indonesia

SUSTAINABILITY REPORT

1. INTRODUCTION

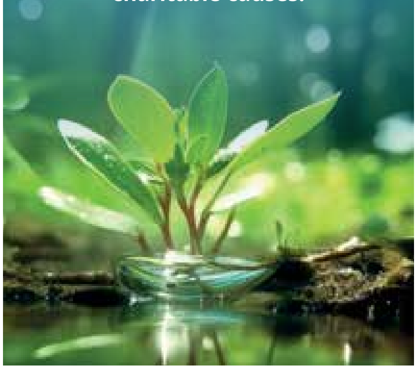
(A) Sustainability at Tuan Sing - Core Pillars

Sustainable practices have been progressively introduced into the day-to-day operations of Tuan Sing since the implementation of the Company's Sustainability Policy in 2016. These practices have guided the Group in the way we conduct our businesses, and they have formed an integral part of our business strategy.

The three core pillars of our Sustainability Policy are as follows:

NURTURE OUR PLANET

As an advocate of the spirit of "caring" for our society and the environment, we ensure that our new builds are built sustainably, and our investment properties are operated efficiently. We actively encourage our employees to volunteer for both environmentally friendly and charitable causes.



CARE FOR OUR PEOPLE

We are committed to the wellbeing of all stakeholders, especially the professional development of our employees through the provision of training and upskilling opportunities, as well as the creation of an inclusive and collaborative work environment.

GROW SUSTAINABLE PROFIT

We strive for sustainable growth and economic performance of investments as a corporate by adhering to a high standard of corporate governance and embracing a risk-centric culture.

(B) About This Sustainability Report

Tuan Sing upholds its commitment to sustainability with the publication of its annual sustainability report ("Sustainability Report"). This report covers the Group's sustainability performance for the financial year from 1 January 2023 to 31 December 2023.

This report sets out Tuan Sing's sustainability strategies in the economic, environmental, social and governance aspects moving forward, as well as incorporates targets for the Group to achieve in the short-term, medium-term and long-term and its performance on a year-to-year basis. It also sets the pace for the Group to engage with various stakeholders, such as employees, investors, customers, business partners, community and regulators, to share its sustainability commitments, and to identify and address stakeholders' material issues and concerns.

With the intention to contribute to environmental protection for our future generations, Tuan Sing has stepped up its efforts by implementing various sustainability-related initiatives throughout the year. In line with the new requirements of SGX Listing Rules, Tuan Sing has also developed its roadmap for implementation of recommendations by the Task Force on Climate-Related Financial Disclosures ("TCFD") in phases, and the relevant disclosures are included in this report.

SUSTAINABILITY REPORT

The scope of this report covers the Group's portfolio and staff in Singapore, Indonesia, Australia, China and Malaysia. This report includes only the following assets and entities in which the Group has majority ownership.

Singapore	Indonesia	Australia	China	Malaysia
• 18 Robinson • Link@896 • The Oxley	• PT Batam Opus Bay	• Hotel, Commercial Centre and Carpark within Grand Hyatt Melbourne complex • Hotel, Commercial Centre and Carpark within Hyatt Regency Perth complex	• Habitat Properties (Shanghai) Ltd	• Hypak Sdn. Bhd.

For clarity, the reasons for limiting the reporting to assets and entities in which the Group has majority ownership are the limited access to sustainability data and limitations in the implementation of sustainability strategies and initiatives in respect of the Group's other assets and entities.

This report has been prepared with reference to the internationally recognized Global Reporting Initiative ("GRI") Standards: GRI Standards 2021 and in compliance with Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Rules 711A and 711B, as well as the Common Set of Core Metrics. We have also referred to the Recommendations of the TCFD as well as the United Nations Sustainable Development Goals ("UN SDGs"). The GRI Standards 2021 were adopted as the reporting framework of this report as they provide thorough requirements for engagement of stakeholders as well as a wide range of materiality topics which are relevant to the nature of our businesses. This Sustainability Report focuses on the material topics identified and is issued with the approval of the Board and shall be read in conjunction with the other sections of the Annual Report, and other sustainability-related disclosures.

This Sustainability Report has undergone internal review but has not been audited by external auditors. The Group aims to carry out external audits gradually in future years.

This report and previous editions are available online at: https://www.tuansing.com/investor-centre/publications/

Contact and Feedback

Your feedback is valuable to us in improving our sustainability practices. If you have any comments or feedback regarding this report and its contents, please send your views to us at https://www.tuansing.com/get-in-touch/.

Tuan Sing Holdings Limited
9 Oxley Rise, #03-02 The Oxley
Singapore 238697
Tel: +65 6223 7211

(C) Board Statement and Commitment Towards Sustainability

At Tuan Sing, we are committed to safeguard our stakeholders' interests for sustainable short and long-term investment returns. We will always strive to be resilient to overcome challenges in the present and the future for sustainable operations and growth of the business.

The increased geopolitical risks induced by the continuous wars, as well as upcoming elections in various parts of the world in 2024, have a 'butterfly' effect on global economic conditions which is an important aspect to be considered when we plan for our new business strategies. In addition, extreme weather events caused by global warming such as floods, droughts, and forest fires, would have significant impacts to the supply chain globally and serve as a signal that climate change needs urgent attentions. Taking reference from the United Nations' annual conference on climate change, the 28th Conference of Parties ("COP28") recently, nations have agreed to "transitioning away from fossil fuels, in a just, orderly and equitable manner". This too will have a significant effect on how we conduct our business in the coming years.

Hence, we further endeavour to be socially responsible by incorporating sustainable elements into our new projects and existing developments. We do this by inculcating the right culture in our people and constantly sharing our principles with all stakeholders through frequent dialogues and engagements.

At the corporate level, the Board fully supports Management's abiding commitment to enhance the way we operate our businesses, and to bring transformations to our businesses and our daily lives towards a low-carbon and sustainable world for our stakeholders and future generations. The Board remains supportive to raise the commitment to sustainability by empowering the Management for cascading of the Boards' directions to all staff and monitoring of performance, with the aim to create long term values to our investors and all stakeholders.

Being a responsible corporate entity, Tuan Sing remains committed to the decarbonization effort by escalating our low-carbon transitioning efforts to build resilience for future challenges associated with the risks and impacts of climate change. All Board of Directors have completed the mandatory sustainability training to equip themselves with the relevant knowledge on sustainability matters in 2022. Climate risk is also part of the Group's overall risk management, and we endeavour to keep this on our radar for the long-term sustainability of our business. While we strive to reduce carbon emissions, we have also implemented carbon absorption programmes in tandem, such as introducing more green spaces and increasing the number of trees in our projects and landbanks. Taskforce and committees have been formed internally as think-tank for green initiatives and to drive the implementation process, tracked by target setting and performance monitoring.

SUSTAINABILITY REPORT

In line with the UN SDGs to be achieved by 2030 and the Singapore Green Plan 2030, the Group has refreshed its vision for sustainable future and launched the Green Masterplan 2030 since 2021. We remain steadfast to the Green Masterplan 2030 with the '**I-N-S-P-I-R-E**' principles as follows: -

Innovation	Creative design and innovative technology in built environment
Net zero	Decarbonisation to reduce carbon emission
Safety	Safe and healthy work environment for employees
Profit	Economic growth, and sustainable short and long-term investment returns
Integrity	Ethical, 'zero-bribery' and inclusive business practices
Responsibility	Quality service and products
Engagement	Frequent engagement with communities and stakeholders

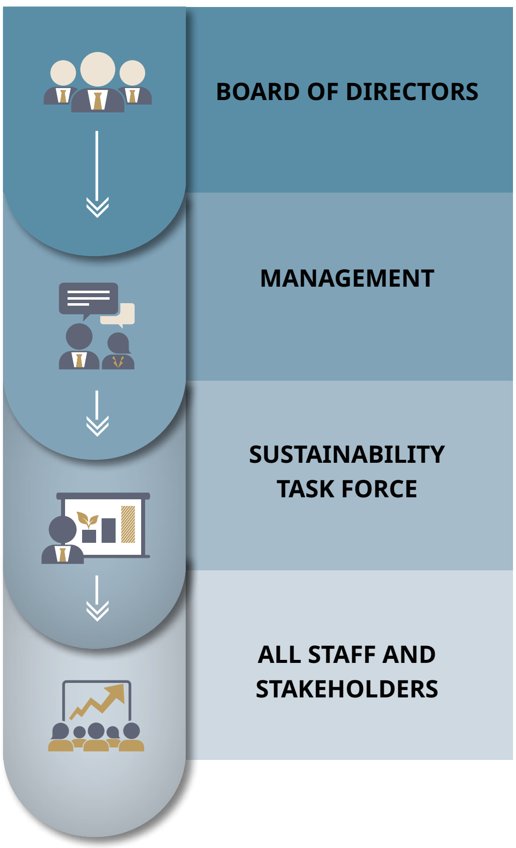
The Group continued to engage its stakeholder especially in-depth conversations on sustainability-related impacts and concerns with staff to raise awareness and inspire the stakeholders for a more sustainable business operation. This is to ensure that all stakeholders are well informed of our core values and priorities to build our resilience to overcome future challenges and changes in our journey towards achieving our Green Masterplan 2030.

2. VALUE CREATION AND APPROACHES

(A) Sustainability Committee Structure and Strategies Implementation Flow

In addition to the 'I-N-S-P-I-R-E' principles, the following approaches support the materialisation of the plan in the long term and ensure that performance is on track to achieve targets set:

Sustainability Committee Structure and Strategies Implementation Flow



i) **Changes and Influence**

To bring improvement to the business, changes to operations and mindset are inevitable. A Sustainability Task Force has been set up to champion our sustainability causes.

The Sustainability Task Force consists of representatives from respective properties and departments and will brainstorm initiatives and drive sustainability strategies.

All short- and long-term strategies and initiatives that involve monetary investment are to be presented and approved by the Management before execution by the Sustainability Task Force and the respective properties. A summary of these strategies and initiatives is included in the Company's Sustainability Report which is reviewed and approved by the Board on an annual basis.

New policies as well as amendments to the policies governing sustainability aspects of the business are published on Tuan Sing's website after they have been approved by the Management.

ii) **Communication and Awareness**

The Management's and Board's commitments towards sustainability and the relevant initiatives are communicated clearly to all stakeholders via different platforms to ensure awareness is created, and to obtain all stakeholders' involvement and support towards achieving the relevant goals and key performance indicators ("KPIs").

iii) **Implementation**

Strategic planning and implementation of ideas are conducted in tandem to ensure work efficiency and achievement of targets.

iv) **Target Setting**

Creditable and reliable indicators like market benchmarks are used as reference and compared to the Group's past records before setting targets, thus ensuring that the targets set are realistic and achievable.

v) **Measurement and Reporting**

Quarterly data is collected and reported to the Management on a regular basis. Should any property fall behind in achieving its targets, immediate actions will be taken to bring the property's performance back on track.

SUSTAINABILITY REPORT

3. STAKEHOLDER ENGAGEMENT

It is important for an organisation to understand the differences between its business priorities and its stakeholders' concerns so that these concerns can be addressed with solutions that do not compromise the business priorities.

It is only through timely engagements that we can better understand our stakeholders' expectations and concerns. This is fundamental to the formulation of our business strategies which play a crucial role in sustainable business development and growth.

We have identified our key stakeholders and summarised our engagement approach as follow

OUR STAKEHOLDERS	FREQUENCY	ENGAGEMENT PLATFORMS	KEY TOPICS AND CONCERNS RAISED	OUR RESPONSE
Investors	At least once a year	• Annual General Meeting • Site visits • Corporate website • Investor Relations emails • Investors' calls • Annual Report • SGXNET announcements	• Sustainable returns • Company growth • Corporate governance practices • Risk management practices	Refer to "Message to Shareholders", "CEO's Review of Operations", "Corporate Governance", "Managing Risk in Delivering Our Strategy" and "Business Dynamics & Risk Factors Statement" of the Annual Report.
Employees	Throughout the year	• Performance appraisal discussions • 360-degree feedback • E-communications • Climate risk workshop • Materiality assessment workshop • Sustainability related meetings • Company newsletters	• Remuneration and welfare • Workplace health and safety • Training and career development • Updates on company events and progress of development projects	Refer to "Social Responsibility and Human Assets" within the Sustainability Report.
Customers	Throughout the year	• Tenant meetings • Show unit and sales gallery • Customer satisfaction surveys • Email correspondence • Social media channels	• Quality of products and services • Building facilities and services • Workmanship and defects rectification • Environmental impacts and sustainability features	Refer to "Corporate Governance for Fair and Conducive Business Environment" within the Sustainability Report and "Corporate Governance" of the Annual Report.
Business Partners	At least once a year	• Meetings • On-site inspections • Price quotations • Email correspondence • Vendor evaluation and assessment	• Ethical and fair trading • Workplace health and safety • Economic performance • Updates on progress of development projects	Refer to "Corporate Governance for Fair and Conducive Business Environment" within the Sustainability Report and "Corporate Governance" of the Annual Report.
Community	At least once a year	• Community service engagements	• Environmental and social impact	Refer to "Social Responsibility and Human Assets" and "Nurture Our Planet" within the Sustainability Report.
Regulators	At least once a year	• Meetings • On-site inspections • Email correspondence • Seminars • Official circulations	• Ethical and fair trading • Environmental and social impact • Workplace health and safety • Laws and regulations	Refer to "Introduction" and "Corporate Governance for Fair and Conducive Business Environment" within the Sustainability Report and "Corporate Governance" of the Annual Report.

SUSTAINABILITY REPORT

(A) ESG Materiality Topics

Materiality Assessment

Comprehensive workshops and assessment pertaining to the key concerns on economic, environmental, social and governance matters have been conducted internally in 2022, and these areas of concerns were then mapped against material topics under the GRI Reporting Standards and the UN SDGs, as well as our Enterprise Risk Management (ERM) system. The prioritised areas of concerns were eventually shortlisted as Tuan Sing's sustainability material topics, after validation by Management and approval by the Board of Directors, and has been included in our Sustainability Report. With global focus continues to be placed on climate change issues and little change in the Group's business operations, material topics reported in our past FY2022 Sustainability Report shall remain unchanged.

As we continue to improve and escalate our efforts to align with the national sustainability targets and efforts, we aim to engage more stakeholders in the coming years for wider perspectives, greater alignment of priorities, as well as more informed directions of the Group's sustainability strategies.

STEP 1	**Identify areas of concerns**
STEP 2	**Prioritise areas of concerns**
STEP 3	**Shortlisting and validation of material topics by Management**
STEP 4	**Approval by Board of Directors**

Material Topics

Material ESG topics will be disclosed in this Sustainability Report in accordance with their level of significance to Tuan Sing's economic, environmental, and social impact, as well as their importance to our stakeholders. Other than mapping against UN SDGs, the material ESG topics are also mapped against each relevant risk factor under the ERM system for an overview of the Group's material topics management, as well as being part of the effort for integration of sustainability risks into the ERM. More details pertaining to processes and approaches dealing with relevant risk factors may be referred to Business Dynamics & Risk Factors Statement in the Annual Report.

In order to have clear goals for respective stakeholders within the organisation, targets were set for each material topic for measurement and monitoring of progress and improvements. These targets have been elaborated in more detail under the respective material topics since FY2022 Sustainability Report. Performance on achieving targets of respective material topics shall be elaborated further in the following sections. As elaborated in Section 2 Value Creation and Approaches, the Management act as the bridge between the Board and Sustainability Task Force and all stakeholders to ensure implementations and execution of the Board's directions via 'top-down' approach, while reporting to the Board on proposal of relevant initiatives, as well as feedback and performance of Sustainability Taskforce and all staff via 'bottoms-up' approach.

Materiality Topics	Sustainability Focus Areas and Relevant UN SDGs	Relevant Risk Factors under the Group's Enterprise Risk Management (ERM) System	Relevant Sections of the Annual Report	Impact Boundary
Economic Performance	8 DECENT WORK AND ECONOMIC GROWTH SDG 8 – Sustainable economic growth, productive employment	• Business & Strategic Risk • Financial Risk • Operational Risk	• "Statutory Reports and Accounts" of the Annual Report • "Social Responsibility and Human Assets" and "Corporate Governance within the Sustainability Report • "Corporate Governance" of the Annual Report	• All business segments
Energy	7 AFFORDABLE AND CLEAN ENERGY SDG 7 – Access to affordable, sustainable and modern energy 13 CLIMATE ACTION SDG 13 – Combat climate change	• Operational Risk	• "Nurture Our Planet" within the Sustainability Report	• All business segments
Occupational Health and Safety	3 GOOD HEALTH AND WELL-BEING SDG 3 – Healthy lives and wellbeing	• Operational Risk • Compliance Risk	• "Social Responsibility and Human Assets" within the Sustainability Report	• Employees • Customers • Business partners • Community

SUSTAINABILITY REPORT

Materiality Topics	Sustainability Focus Areas and Relevant UN SDGs	Relevant Risk Factors under the Group's Enterprise Risk Management (ERM) System	Relevant Sections of the Annual Report	Impact Boundary
Emission	SDG 7 – Access to affordable, sustainable and modern energy SDG 13 – Combat climate change	• Business & Strategic Risk • Operational Risk • Compliance Risk	• "Nurture Our Planet" within the Sustainability Report	• All business segments
Local Communities	SDG 1 – End poverty SDG 11 – Safe and resilient human settlements	• Business & Strategic Risk • Operational Risk	• "Social Responsibility and Human Assets" within the Sustainability Report	• Employees • Communities
Anti-corruption	SDG 16 – Inclusive societies, access to justice	• Business & Strategic Risk • Compliance Risk	• "Corporate Governance" within the Sustainability Report • "Corporate Governance" of the Annual Report	• All business segments
Customer Satisfaction	SDG 3 – Healthy lives and wellbeing SDG 12 – Responsible consumption and production	• Business & Strategic Risk • Operational Risk	• "Social Responsibility and Human Assets" within the Sustainability Report	• Employees • Customers • Business partners
Water	SDG 6 – Sustainable management of water and sanitation	• Operational Risk	• "Nurture Our Planet" within the Sustainability Report	• All business segments
Waste	SDG 11 – Safe and resilient human settlements SDG 13 – Combat climate change	• Operational Risk	• "Nurture Our Planet" within the Sustainability Report	• All business segments
Employment	SDG 8 – Sustainable economic growth, productive employment	• Operational Risk • Compliance Risk	• "Social Responsibility and Human Assets" within the Sustainability Report	• Employees
Diversity and Equal Opportunity	SDG 5 – Gender equality SDG 10 – Reduce inequalities	• Operational Risk	• "Social Responsibility and Human Assets" within the Sustainability Report	• Employees • Business partners
Training and Education	SDG 4 – Equitable quality education and lifelong learning opportunities	• Operational Risk	• "Social Responsibility and Human Assets" within the Sustainability Report	• Employees

SUSTAINABILITY REPORT

4. NURTURE OUR PLANET

While Singapore's share of greenhouse gas ("GHG") emissions at global level is small at 0.13%[1], studies show that total emissions from the construction industry accounted for 38% of total global energy-related carbon dioxide ("CO2") emissions[2]. Transitioning the real estate sector on a low-carbon pathway is the way to go for greener environment and to boost resilience of businesses in the industry.

At Tuan Sing, we are committed to adopting long-term green practices in our daily business operations to create a cleaner and greener planet for our future generations. In Singapore, 18 Robinson was awarded the Green Mark Gold Plus Rating by BCA in 2017 for the numerous green features that have been incorporated in the design of the building. In March 2022, upon renewal of the certification, the rating was upgraded from Gold Plus to Platinum under the category 'Existing Non-Residential Buildings". We have continued to maintain our Platinum rating by optimising consumption efficiency and keeping good maintenance routine for our plants and equipment. In Australia, we have upgraded our National Australian Built Environment Rating System ("NABERS") rating from 3.5 Stars to 4 Stars for our commercial centre in Perth. Green certifications for other buildings and upgrades of current ratings are also underway.

For better target achievement and performance monitoring, the Management and Sustainability Taskforce have set short-, medium- and long-term targets for the respective material topics. We remain steadfast in our commitment to achieve the following overall long-term targets for respective business segments by 2030:

i) Green certifications for all 100%-owned and managed properties;
ii) 30% reduction of energy usage intensity (EUI) and carbon emission intensity;
iii) 20% reduction of water consumption;
iv) 20% reduction of waste generation;
v) 10% increase of recycling volume; and
vi) 30% reduction of paper consumption.

The following are the targets set for the Real Estate Investment, Hospitality and Other Investments segments:-

Environmental Matters	Short Term Target (FY2023)	Medium Term Target (FY2025)	Long Term Target (FY2030)
Green Certifications	N.A.	Green certification for more than half of 100% owned and managed buildings	Green certification for all 100% owned and managed buildings
Emission	Reduction of 3%-4%	Reduction of 11%	Reduction of 30%
Energy Consumption	Reduction of 3%-4%	Reduction of 11%	Reduction of 30%
Water Consumption	Reduction of 2%-4%	Reduction of 7.5%	Reduction of 20%
Waste Generation	Reduction of 2%-3%	Reduction of 7.5%	Reduction of 20%
Recycling Rate	Increase of 1-2%	Increase of 3.5%	Increase of 10%
Paper Consumption	Reduction of 3%-4%	Reduction of 11%	Reduction of 30%

Whilst we set our ultimate target against Year 2030, short-term and medium-term targets were also set to act as indicative milestones for respective property managers and subsidies/office representatives to monitor their building consumption performance. As plants and equipment upgrading works and other initiatives are planned for implementation in the coming years, yearly linear reduction on consumptions may not be observed in short term, and more substantial positive outcome may be obtained upon implementation of initiatives in the coming years.

(A) Key Improvement Initiatives

We have identified the following key improvement initiatives to meet targets set in the Green Masterplan 2030 and achieve the reduction of greenhouse gas ("GHG") emission by 30% by 2030:

- Energy Conservation
- Water Conservation
- Water Management
- Indoor Environment Quality (IEQ)
- Good Maintenance Practice
- Sustainable Construction and Green Building

[1] GHG Emissions of All World Countries, 2023 Report on Emissions Database for Global Atmospheric research (EDGAR) by European Commission. (Source: https://edgar.jrc.ec.europa.eu/report_2023#emissions_table)
[2] Construction industry accounts for 38% of CO2 emissions" (Source: https://environmentjournal.online/articles/emissions-from-the-construction-industry-reach-highest-levels/)

SUSTAINABILITY REPORT

These Key Improvement Initiatives have been set out to align with the 'Innovation' and 'Net Zero' of "I-N-S-P-I-R-E" principles under our Green Masterplan 2030. Besides steering us towards achieving an overall carbon emission reduction of 30% by 2030, we believe it will also lay the foundation for us to achieve Net Zero emission in the future.

We aim to focus on the following to achieve the targets set for environmental efforts:

i) Obtain green certifications for all properties owned and managed by Tuan Sing Group by 2030;
ii) Use of technology and innovations to improve energy efficiency and encourage savings on energy, water and paper consumptions;
iii) Reduce waste generation and pollution including construction waste, construct on bio-diversity land and increase landscape area; and
iv) Encourage recycling and upcycling to divert waste to be disposed in landfills.

(B) Performance

The Group has diversified investments in various segments and countries. As the nature of business of each segment is distinctive, the target setting as well as relevant performance updates shall be segregated for respective different segments.

(i) <u>Real Estate Investment</u>

For simplicity, all office and retail properties as well as the show units and sales galleries of our Real Estate Development business are grouped under Real Estate Investment for performance reporting and monitoring.

The data collected for this group of properties is tabulated as follows:

Environmental Performance Indicators	Parameter / Unit	Year 2021	Year 2022	Year 2023	Remarks
Energy Consumption	Energy Use Intensity (EUI) - $kWh/m^2/year$	180.02	213.69	220.10	Current moderated benchmark based on GFA: $166.59kWh/m^2/year$
Water Consumption	Intensity ($m^3/m^2/year$)	1.03	1.09	1.71	Moderated benchmark based on GFA: $1.04m^3/m^2/year$
Waste Disposal	Volume (Tonne)	227.11	291.41	316.03	Only general waste. Volume reported is net volume after recycling.
Paper Consumption	Volume (No. of reams)	A3: 240 A4: 756	A3: 118 A4: 483	A3: 8 A4: 365	Based on paper of 500 pieces per ream with paper mass of $70g/m^2$.
Recycling	Volume (Tonne)	13.02	18.85	15.14	Including paper, plastic, glass and metal

<u>Note:</u>
Moderated benchmarks for energy and water consumptions are derived based on benchmarks published by Building and Construction Authority ("BCA") and Public Utilities Board ("PUB") of Singapore as follow:

a) Energy use intensity ("EUI"): $135kWh/m^2/year$ for office buildings (small) and $240kWh/m^2/year$ for retail mall;
b) Water consumption intensity: $1.0m^3/m^2/year$ for office buildings (with water-cooled cooling tower) and $1.3\ m^3/m^2/year$ for retail malls.

Further to the ongoing asset enhancement initiatives ("AEI") at the Commercial Centre within Hyatt Regency Perth complex, consumptions have increased. The increase was as expected, and we expect it will stabilise gradually after the completion of AEI works. The increase in energy consumption due to AEI works was also offset partially by the decline of consumption at Link@896 in Singapore further to the air-conditioning system upgrading works completed in the first quarter this year, resulting in approximate 10% energy savings throughout the remaining months of the year.

On the other hand, it was noted that paper consumption has reduced with the roll-out of initiatives on recycled paper printing and "printing only when necessary", as well as the cultivation of digitisation practices in daily operations, to reduce volume of trash going to landfills and saving physical storage space in offices.

We have started reporting on Scope 1 and Scope 2 carbon emission in FY2022 Sustainability Report by adopting FY2021 as the base year for performance monitoring. With the urgent needs to reduce emission and rising concerns on the topic globally, we have also started measurement and reporting for two (2) categories of Scope 3 emissions under Greenhouse Gas Protocol ("GHG Protocol"), i.e. emissions from staff commute and business travels.

For clarity, Scope 1 emission includes consumption of natural gas in our properties in Australia and China, while Scope 2 emissions are calculated using electricity consumption which are supplied by a third-party supplier/retailer. As our assets and entities operate in different countries, the emissions are calculated based on the electricity emission factor of Singapore, Indonesia, Australia, China and Malaysia, as well as amount of carbon produced by burning diesel and natural gas. While Scope 1 and Scope 2 emissions shall be part of the targets for emission reduction, Scope 3 emissions will be monitored separately as more categories of Scope 3 emissions will be included in our report gradually in the future years.

SUSTAINABILITY REPORT

The following table stipulate Scope 1, Scope 2 and Scope 3 emissions: -

Carbon Emission	Parameter / Unit	Year 2021	Year 2022	Year 2023
Scope 1 Emission	Volume (Tonne)	124.05	305.13	159.86
Scope 2 Emission	Volume (Tonne)	7,495.61	7,476.07	7,020.66
Total Emission **Intensity**	**Tonne** **kg/m2**	**7,619.66** **88.52**	**7,781.20** **106.24**	**7,180.52** **98.03**
Scope 3 Emission	Volume (Tonne)	N.A.	N.A.	180.74

While Scope 1 and Scope 2 absolute emissions volume has reduced 5.76% compared to base year FY2021 volume, it is observed that the emission intensity has increased 10.74%. The inconsistent fluctuations were due to the following reasons:-

a) Energy savings initiatives at properties has reduced energy consumptions;
b) Reduction in total GFA of real estate investment due to divestment of property in FY2021 causing increase in the emission intensity (in unit kg/m2); and
c) Improved efficiency in energy production by the power grid of respective countries at different rate reducing carbon emissions.

With the following initiatives underway, we hope to see more significant improvement in the reduction of consumption as well as carbon emissions in the subsequent years:-

a) Upgrade of plants and equipment for Commercial Centre in Perth, Australia, as part of green certification initiatives;
b) Reviews of maintenance and operation practices for all properties; and
c) Raising awareness throughout the organization for cultivation of sustainable practices at work and living.

(ii) Hospitality

While other parts of the world began their post-pandemic recovery earlier than Asia Pacific, year-to-date through August 2023 data has shown that the hotel occupancy rates in APAC surged past 90% of the Year 2019 comparable levels and had caught up with the rest of the world[3]. The average occupancy rate of our hotel operations in Perth and Melbourne for FY2019 was 85% and 33% for FY2021 during the pandemic, and has recovered gradually to average 70% for FY2023. The following table shows the comparison of performance of our hospitality components for energy consumption, water consumption, waste generation, paper consumption and recycling rate:

Environmental Performance Indicators	Parameter / Unit	Year 2019	Year 2022	Year 2023	Remarks
Energy Consumption	Energy Use Intensity (EUI) - kWh/guest-night/year	89.00	118.98	88.93	
Water Consumption	Intensity (m^3/guest night/year)	0.5882	0.6025	0.4988	Benchmark based on guest nights: 0.57m^3/ guest night/year
Waste Disposal	Volume (Tonne)	General waste: 687.38 Food waste: 106.93	General waste: 384.20 Food waste: 126.98	General waste: 465.43 Food waste: 89.96	Volume reported is net volume after recycling.
Paper Consumption	Volume (No. of Reams)	A3: 6 A4: 1,929	A3: 19 A4: 1,054	A3: 30 A4: 1,162	Based on paper of 500 sheets per ream with paper mass of 70g/m^2
Recycling	Volume (Tonne)	Compost: 34.57 Others: 100.45	Compost: 6.23 Others: 47.48	Compost: 0 Others: 29.97	Recycling of Others including paper, plastics and glass.

Note:
1. We have changed the method of measurement for energy intensity from total energy use per unit area per year to total energy use per guest-night per year, to reflect energy consumption more realistically as energy usage may fluctuate largely due to occupancy rates.
2. Benchmarks for energy and water consumptions are based on benchmarks published by PUB as follows:
   a) Water consumption intensity: 0.57m^3/guest night/year for 5-star hotels (with water-cooled cooling tower).

[3] APAC Hotel Recovery Now On Par With The Rest of The World. (Source: https://str.com/data-insights-blog/APAC-hotel-recovery-now-on-par-with-rest-of-world#:~:text=Year%20to%20date%20through%20August,ranging%20from%2091%20to%20100).

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As for carbon footprint, the following table sets out Scope 1, Scope 2 and Scope 3 emissions:-

Carbon Emission	Parameter / Unit	Year 2019	Year 2022	Year 2023
Scope 1 Emission	Volume (Tonne)	2,783.36	2,079.49	2,080.36
Scope 2 Emission	Volume (Tonne)	10,494.75	9,306.40	7,917.13
Total Emission **Intensity**	**Tonne** **kgCO2e/guest-night**	**13,278.11** **46.85**	**11,385.89** **66.05**	**9,997.49** **42.98**
Scope 3 Emission	Volume (Tonne)	N.A.	N.A.	395.77

Despite recovery of occupancy rate of the hotels in FY2023, it is worth noting that electricity, water and paper consumptions have reduced compared to base year FY2019. As such, Scope 1 and Scope 2 carbon emission intensity saw a reduction of 8.3% from 46.85kgCO2e per guest-night of base year emission to 42.98kgCO2e per guest night for FY2023. However, we would expect slight increases in consumption in the following year as the occupancy rate continues to increase to pre-pandemic levels.

We recognise that our hotel operations have been one of the biggest generators of waste and the highest consumption of electricity within the Group due to the inherent nature of the business. Nevertheless, measures such as improvement on food preparation and planning, elevator and air-conditioning system upgrades, upgrade of appliances to high-efficiency type, LED light fitting upgrade, etc, have been proposed for implementation in the coming three (3) years to keep both waste generation and electricity consumption in control.

(iii) Other Investments

The Other Investments segment in this Sustainability Reporting covers the industrial packaging manufacturing plant, Hypak Sdn. Bhd. in Malaysia.

As the production of food packaging, fertiliser and chemical was considered essential during the pandemic period, operations in the manufacturing plant were only slightly disrupted and thus, we have used FY2021 as the base year for performance comparison.

The following table shows the performance of our Other Investments segment in energy consumption, water consumption, waste generation and recycling rate:

Environmental Performance Indicators	Parameter / Unit	Year 2019	Year 2022	Year 2023	Remarks
Energy Consumption	Energy Use Intensity (EUI) - kWh/m^2/year	370.56	392.29	369.10	Intensity increased with increased production in the manufacturing plant.
Water Consumption	Intensity (m^3/m^2/ year)	0.37	0.38	0.23	
Waste Disposal	Volume (Tonne)	0*	0*	0*	Only plastic waste was generated during production process
Paper Consumption	Volume	A3: 4 reams A4: 98 reams Other: 0.51 tonne	A3: 3 reams A4: 104 reams Other: 0.26 tonne	A3: 0 A4: 97 reams Other: 0.41 tonne	Based on paper of 500 pieces per ream with paper mass of 70g/m^2 for A3 and A4 papers.
Recycling	Volume (Tonne)	311.66	334.63	278.28	Only plastics.

Note:

* All our plastic waste generated from the manufacturing process is 100% recycled. Hence there was no plastic waste.

SUSTAINABILITY REPORT

As for carbon footprint, the following table sets out Scope 1, Scope 2 and Scope 3 emissions:-

Carbon Emission	Parameter / Unit	Year 2019	Year 2022	Year 2023
Scope 1 Emission	Volume (Tonne)	0.00	0.00	0.00
Scope 2 Emission	Volume (Tonne)	2,200.00	2,329.04	2,191.34
Total Emission **Intensity**	**Tonne** **kg/m2**	**2,200.00** **188.61**	**2,329.04** **199.68**	**2,191.34** **187.87**
Scope 3 Emission	Volume (Tonne)	N.A.	N.A.	49.23

(iv) **<u>Overall Emissions</u>**

Scope 1 and Scope 2 Carbon Emissions

For the assets and entities included in the scope of this Sustainability Report, our total Scope 1 and Scope 2 carbon dioxide emission for FY2023 is 19,369.36 tonnes with a reduction of 16.14% compared to 23,097.77 tonnes of emissions for Base Year. Despite the reduction in GFA of real estate investment segment, which would have escalated the intensity of overall emission, we observed a decline for FY2023 compared to base year (i.e. FY2021 for Real Estate Investment and Other Investments segments, and FY2019 for Hospitality segment) due to the following:-.

a) Energy savings initiatives at properties; and
b) Improved efficiency in energy production by the power grid of respective countries at different rates.

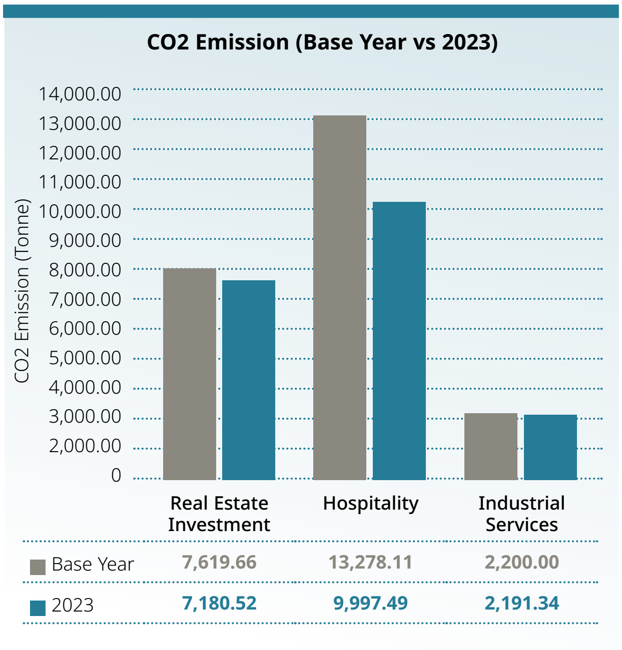
Carbon Emission	Parameter / Unit	Base Year[a]	Year 2022	Year 2023
Scope 1 Emission	Volume (Tonne)	2,907.41	2,384.62	2,240.22
Scope 2 Emission	Volume (Tonne)	20,190.36	19,111.51	17,129.14
Total Emission **Intensity[b]**	**Tonne** **kg/m2**	**23,097.77** **113.59**	**21,496.13** **112.84**	**19,369.36** **101.67**

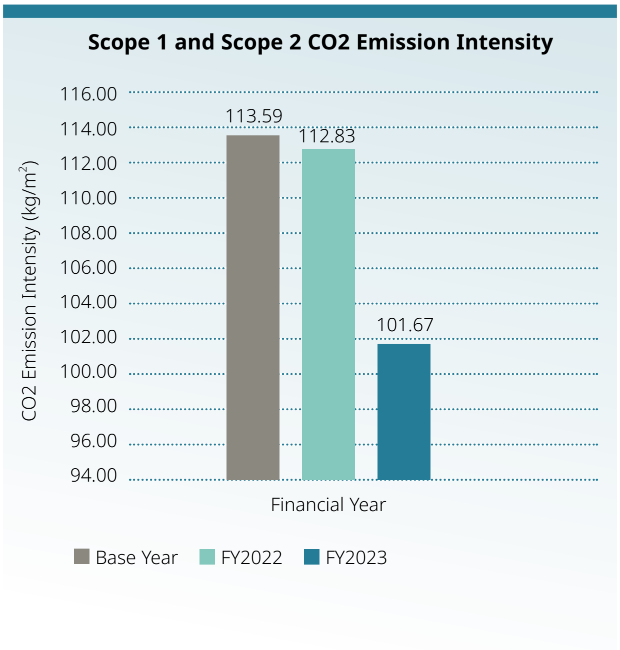
<u>Note:</u>

[a] Base year refers to FY2021 for the Real Estate Investment and Other Investments segments, and FY2019 for the Hospitality segment.

[b] For overall emission intensity calculation, GFA in m2 instead of guest-nights of Hospitality segment has been used for consistent computation together with other segments.

The following charts are the breakdown and comparison of carbon dioxide emissions for our three (3) major business segments and the overall emission intensity:-





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Scope 3 Carbon Emissions
While targets are not set against Scope 3 carbon emissions, Tuan Sing Group recognises that it is important that we start measuring and monitoring this scope of indirect emissions across the upstream and downstream business activities, to create awareness and cultivate sustainable business operations. This year, Tuan Sing is reporting two (2) categories out of fifteen (15) categories of Scope 3 carbon emission, i.e. staff commute and business travel within the reporting entities and offices, and we will continue to account for more categories under Scope 3 emissions in the coming years.

The following table stipulates the total Scope 3 emissions for both categories across all business segments, i.e. Real Estate Investment, Hospitality and Other Investments segments:-

Carbon Emission	Parameter / Unit	Year 2023
Staff Commute	Volume (Tonne)	534.32
Business Travel	Volume (Tonne)	91.42
Total Scope 3 Emission	**Tonne**	**625.74**

(C) Decarbonization Effort Towards Net-Zero

Decarbonization Strategy Framework
Over the coming years to Year 2030, the target achievement year under Tuan Sing's Green Plan 2030, the Group will implement decarbonization strategies based on the following framework set for low-carbon business practices including considerations in decision making process:-

Early Design Consideration
- Early consideration for long term implications of carbon emission, in terms of design considerations and specifications benchmarking, especially at inception stage of development projects, such as building facing and use of shades to reduce mechanical cooling, use of natural lighting to reduce needs for artificial lighting to save energy, material selection that prioritize low-embodied carbon emission, etc.

Carbon Reduction
- Upgrading of aged plants and equipment for high efficiency and eventually energy-saving operations.
- Regular energy audit, and measurement and monitoring of building performance for improvement.
- Diligent maintenance practice to optimize equipment and building performance.
- Smart maintenance and monitoring system for better control and troubleshooting, and performance analysis.

Alternatives
- Be receptive and creative to explore alternatives and renewable energy and green initiatives.
- Green and local procurement.
- Implementation of innovative and sustainable technology for improvement on productivity, recycling and upcycling.

Carbon Offset
- While carbon offset may be the last solution to offset residual carbon emission after exhausting solutions for carbon reduction and prevention, considerations such as reforestation and tree planting to be implemented to offset carbon emission as much as possible.

TCFD Risk Management and Implementation Roadmap
Further to a consultation paper in 2021, SGX has mandated climate-related disclosures in accordance with TCFD Recommendations for the material and building sector for Sustainability Report for FY2024 which will be published in 2025.

The Group aims to integrate climate-related risk management and disclosure in a phased approach from qualitative disclosures to quantitative disclosures over a course of three (3) years commencing from the FY2022 report through to the FY2024 report.

FY2022
- Impacts in qualitative terms
- Describe the governance structures, including the Board oversight and management's role.
- Identify the climate-related risks and opportunities.
- Acknowledgement of the need to assess and respond to climate risks.
- Disclose Scope 1 and Scope 2 GHG emissions.

FY2023
- Impacts in more quantitative terms, business strategy and financial planning related to climate risks.
- Describe the processes for identifying and managing climate-related risks.
- Include metrics for assessment. Targets in quantitative terms & performance.
- Disclose Scope 1 and 2 GHG emissions, if appropriate, Scope 3 GHG emissions and its related risks, with measurement methodology.
- Conduct qualitative scenario analysis.

FY2024
- Full and clear considerations on physical, transition and liability risks over short, medium and long term horizon.
- Integration of climate-related risks into company's overall risk management.
- Targets and monitoring of performance in quantitative terms.
- Conduct scenario analysis with more quantitative outcomes.
- External assurance.

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Scenario Analysis 1.0

Further to our first reporting on climate-related disclosures in FY2022 Sustainability Report, we have conducted our first scenario analysis workshop in 2023 to assess the formulation of business strategy and financial planning related to climate risks in a qualitative approach. In the following years, we will be looking at quantitative scenario analysis and full integration of climate-related risk into the overall organization risk management.

The Group has considered the following parameters for the scenario analysis:-

Geographical Scope	Scenario	Time Horizon	Type of Climate Risks
• Businesses in Singapore, Australia, and Indonesia • Involvement of all business units	• Adopted Intergovernmental Panel on Climate Change (IPCC) model • Best case scenario: 1.5 degree Celsius • Business as usual scenario: 3.0 degree Celsius.	• Short to medium term: Year 2030 to 2050 • Medium to long term: Year 2050 to 2100	• Physical risks: Rising sea level, heatwave, floor/ thunderstorm. • Transition risks: Policy/ legal risk, market risk

As elaborated above, conducting scenario analysis is part of the phased approach for our TCFD risk management and implementation roadmap. Singapore, Australia and Indonesia were included in the geographical scope of the scenario analysis as the current business activities were focused on development and investments in those countries. All business units were involved and discussed in the analysis workshop. We have also selected two scenarios, i.e. best-case scenario 1.5-degree Celsius in accordance with Paris Agreement and 'business as usual' 3.0-degree Celsius scenario for the analysis, made reference to the Intergovernmental Panel on Climate Change (IPCC) model. The reasons for selecting two temperature scenarios at their extreme ends are that the best-case scenario would help to set targets and understand how potential climate risks and opportunities could evolve and impact our business, while 'business as usual' scenario would help us study and reveal our exposures.

For the analysis to be meaningful and realistic, two (2) time horizons were considered, i.e. short to medium term from 2030 to 2050, and medium to long-term from 2050 to 2100. The risks that may be more relevant to our business operations such as physical risks (rising sea level, heatwave, and flood/thunderstorm) and transition risks (policy/legal risk and market risk) were considered during the scenario analysis workshop.

Other than potential impacts of climate-related risks, opportunities across the portfolio and respective business units were also identified under different scenarios. Climate change not only brings about challenges to the Group's business operations but could also give rise to opportunities and potential positive impacts as the Group incorporates climate risks into our business risk management.

The summary of the scenario analysis is tabulated in Section 8 Annexes for reference.

Energy Savings and Emission Reduction

As air-conditioning system is the main contributor to energy consumption of a building, we have reviewed the aging chiller plant at our commercial property in Singapore, Link@ 896, and have carried out upgrading works to improve its overall operating efficiency at the end of 2022. The upgraded chiller plants have been in operation since January 2023 and have brought us approximate 10% energy savings for FY2023, which resulted in approximate S$200,000 savings of operation costs.

In addition to chiller plants upgrade, we have also carried out conversion of two (2) units of air handling unit (AHU) to 32 units of fan coil unit (FCU) at Link@896, as part of the works under ongoing AEI for further energy savings. The conversion work has been completed in December 2023 and in operation currently. With lower energy consumption requirement, the conversion work is estimated to save approximate 130,000kWh of electricity and approximate $40,000 savings of operation cost per annum.

Our team in Melbourne office has also explored energy savings initiatives such as replacement of fluorescent lights in office and carpark area to more efficient LED lights. In Australia, various government energy savings programme gives businesses discounts on a wide range of energy-efficient products, to help reducing expenses on energy and greenhouse gas emissions. To improve the lighting efficiency for energy savings, the low efficiency fluorescent lights in our Melbourne GHG office and common area, and old model LED lights in carpark area, were upgraded to higher energy efficiency LED light fittings. All material and installation costs were rebated, and approximate 80% energy savings for lighting is expected further to the upgrading work.

As of 1 December 2023, the LED light fittings in office, corridor, lift lobbies and carpark area have been installed. See the following pictures showing the completed light upgrading works:


Corridor to GHG office.


Carpark area.

Carpark lift lobby.

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Water Conservations

With population density of 8,058 persons per square km[4], Singapore is one of the most densely populated countries in the world. It faces the twin challenges of ensuring sustainable water supply during droughts as well as effective drainage during intense rain seasons amid climate change[5]. As such, the NEWater process which recycles Singapore's treated used water into ultra-clean and high-grade reclaimed water was launched in 2003 by the Public Utilities Board (PUB) of Singapore to cushion water supply against dry weather and moving Singapore towards water sustainability.

As of 31 December 2023, 18 Robinson has conserved over 54,000m³ of potable water since the commencement of its operation in 2019 and saved more than S$22,000 in operation costs by using NEWater.

As part of our efforts in water conservation, the infrastructure in our 18 Robinson which was awarded the Green Mark Platinum certification, was designed to use NEWater for its landscape irrigation and cooling towers for the air-conditioning system of the building.

Waste Management

The built environment produces a third of the world's waste[6]. While most construction waste generated is recyclable, finding solutions upstream to create added value and reducing waste generation at inception stage could lighten the need for recycling at the end of development life cycle.

At Tuan Sing, due consideration has been given to reduce waste throughout our property lifecycle, as illustrated in the following:-

Design	• Requirements on Building Information Modelling (BIM) for coordination of design and construction especially for design and build projects in Singapore. • Design for maintanability and considerations for savings on consumption such as water savings sanitary wares, energy-efficient lighting and equipment. • Considerations for circular economy i.e. prioritize the extenion of a building's life cycle through adaptive re-use and repurposing with cost effective approaches.
Tender	• Reduce paper consumption by issuance of tender document in digital copies instead of printed copies. • Requirements for vendors/constractors compliance on sustainable practices are highlighted during tender stage.
Construction	• Adhere to BCA's (for Singapore) and other relevant authority's demolition protocol for identification of material for reuse and recycle. • Early planning and coordination using technology and innovations to avoid unnecesary changes such as hacking and demolition.
Property Management	• Reuse and recycle furniture and items left behind by departing tenants. • Use of energy efficient devices, plants and equipment in properties. • Provision of recycle bin to boost supports from tenants for recycling. • Implementation of strict requirements and protocol on proper disposal and recycling practices for fitting-out works and other operations.

As for hospitality, waste generation control and initiatives are in place to reduce and recycle waste generated throughout the operations:-

Grand Hyatt Melbourne ("GHM") – With hotel size of total 546 rooms, GHM has always been concerned with waste generation control and waste management. GHM team has established partnership with Soap Aid since June 2014 for recycling of used soap. Soap Aid is a not-for-profit organisation recycling and sending critical soap to communities facing major hygiene challenges in Australia, New Zealand and North America. The hotel housekeeping team collects leftover soap bars from the bathrooms which are then donated to Soap Aid for recycling into new soap bars. According to Soap Aid's data, we have been part of the contribution in diverting 2.30 tonnes of soap from landfill and recycling it into 23,000 new soap bars in Australia. The new soap bars have then been distributed to over 3,300 vulnerable people, changing 1,500 lives by reducing absentees of children in schools as children are less vulnerable to illness with improved hygiene level.

Image shows rooftop leisure precinct before floor re-surfacing works.

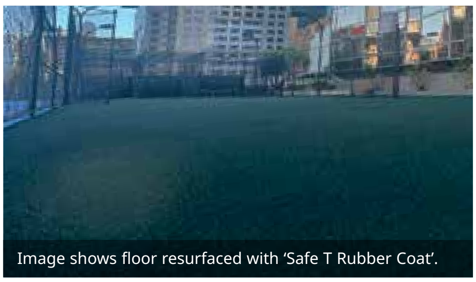


Image shows floor resurfaced with 'Safe T Rubber Coat'.

GHM has recently re-surfaced the floor of rooftop leisure precinct using a recycled product 'Safe T Rubber Coat', which resulted in 100 of used car tyres from going to landfill or being stockpiled. The existing plastic grass mat and timber decking that were worn out were removed from the rooftop area and were replaced with Safe T Rubber Coat which was developed and manufactured locally in Melbourne.

4 Population and Population Structure of Department of Statistics Singapore at https://www.singstat.gov.sg/find-data/search-by-theme/population/population-and-population-structure/latest-data

5 How Singapore's Water Management Has Become A Global Model for How to Tackle Climate Crisis https://chinawaterrisk.org/opinions/how-singapores-water-management-has-become-a-global-model-for-how-to-tackle-climate-crisis/

6 Circular Economy in the Built Environment Waste Hierarchy: Why Recycling is the Last Resort at World Green Building Council web page at https://worldgbc.org/article/waste-hierarchy-cbre/

SUSTAINABILITY REPORT

Paper Consumption and Digitization

Summarising the data stipulated in the previous sections, we could see considerable reductions in paper consumption of our business operations. Compared to their respective base year, there was 43% reduction in total A4 paper consumption and 81% reduction in A3 paper consumptions in FY2023 for all segments.

To further reduce paper consumption coupled with other benefits such as improving productivity and office space saving, as well as business continuity, digitization has been commenced in the last quarter of 2023. The following initiatives were suggested for the digitization process and proposed to be implemented in phases from 2023 through to end of 2026:-

i. Digitization of existing paper records – Space optimization and waste reduction
ii. E-Signatures and approval – Space optimization, improving space usage and productivity
iii. Digital name cards - Promoting sustainability and cost savings

Necessary briefings to create awareness and update implementation progress, as well as training workshops will also be conducted accordingly throughout the digitization project period to ensure that staff of various departments and business units are gradually adapted to the digital work environment and operations. With that, we aim to reduce 15-25% savings in physical space which were used for document storage in the past, and convert the saved space into better revenue generation or operation cost savings.

Emission Offsetting: Landscape Nursery and Green Stockpile

Forests sequester carbon by capturing carbon dioxide from the atmosphere and transforming it into biomass in trees. In a year, a mature tree can absorb more than 48 pounds (equivalent to 21.7kg) of carbon dioxide and releases oxygen through photosynthesis[7]. In addition to carbon offsetting, we aim to provide our own plants stockpile for use in projects landscaping works by setting up our own nursery.

The landscape nursery has been set up on a plot of land near to our Opus Bay project in Batam Island, Indonesia. Together with the trees we have planted in our real estate investment buildings and residential in Singapore and Indonesia, we have planted a total of 2,500 trees around our properties and developments as of December 2023.

With the inclusion of shrubs and ground covers in the carbon absorption calculation, the plants growing on our properties and lands are estimated to be offsetting at least 65 tonnes of carbon dioxide throughout 2023. We aim to grow more trees each year and target to offset carbon dioxide emissions by a minimum of 10% by 2030, in addition to our sustainability efforts to reduce generation of greenhouse gases.

5. SOCIAL RESPONSIBILITY AND HUMAN ASSETS

At Tuan Sing, we recognise that our employees are the cornerstone of our success. Our commitment extends beyond the traditional employer-employee relationship; it is a dedication to actively engage and motivate our workforce. Together, we aspire to shape a brighter future for all, fostering a workplace culture infused with positivity that nurtures the happiness and satisfaction of our team. In pursuit of this vision, we are unwavering in our efforts to provide a safe and conducive working environment. Furthermore, we empower our employees by equipping them with the necessary skills through a range of learning and career advancement opportunities, enabling them to perform at their best and contribute meaningfully to the success of the entire organisation.

(A) Occupational Health, Safety and Well-being

At Tuan Sing, safety is always our top priority. Steps to promote and foster mental health and well-being include taking measures to prevent discrimination as well as incidents of any kind in the workplace. As a standard modus operandi, all new employees are briefed on Tuan Sing's policies and practices during the orientation programme.

Since 2022, a new Environmental, Health and Safety ("EHS") Policy was approved and put in place. An EHS Committee consisting of safety officer from respective entities and business segments in different countries was formed and the committee is to meet on a regular basis to report on incidents in their workplace as well as brainstorm on health and safety management matters.

The safety and health committees at our two hotels also review safety and health issues regularly while sourcing for ways to make the hotel environment safer for our employees and hotel guests.

[7] How Planting Trees Offsets Carbon. (Source: https://carbonfund.org/how-planting-trees-offsets-carbon/)

SUSTAINABILITY REPORT

(i) Workplace Safety and Health Risk Management and Mitigation

To reduce incidents of injury at workplaces, we exercise the following as part of the workplace safety and health risk management and mitigation:-

- **EHS Committee** – The committee comprising representatives from each office who look out for potential risks and hazards at our premises which may affect employees, contractors and the public, and report to the committee at regular meetings. The committee also organises brainstorming sessions to share ideas for improvements and risk mitigation, and tracks data for performance reporting.

- **Safety Inspections** – Regular site safety inspections are carried out at construction sites and workplaces to identify any potential hazards.

- **Feedback and Improvement** – Security and safety at our premises are part of the customer satisfaction survey carried out on an annual basis. Building management officers also gather and look out for feedback on health and safety issues from the tenants and actions are taken promptly to address the potential risks.

- **Training and Toolbox Meeting** – Employees and workers are briefed on safety and health matters and requirements at new staff induction trainings and daily site safety toolbox meetings. Workplace safety and health trainings are arranged for our employees, especially supervisors at our manufacturing plant and construction sites, for better enforcement of safety precautions. Fire drills are also conducted at our offices on an annual basis, so that tenants and employees are educated on the evacuation route and what to expect in the event of a fire emergency.

(ii) Occupational Health and Safety Targets and Performance

In our ongoing commitment to prioritise workplace health and safety, we diligently monitor incidents of work-related injuries across all our operations in the five countries where we operate. This monitoring encompasses all individuals engaged in our daily operations, including full-time and part-time staff, non-employees, and contractors.

Throughout 2023, we recorded a total of 49 workplace injury incidents. It's important to note that these incidents primarily consisted of minor injuries such as cuts, slips, trips, minor falls, minor fractures, and minor burns. Additionally, the recovery time for these reported incidents was less than six months, indicating they did not result in significant long-term consequences. While these figures provide insight into our Occupational Health and Safety (OHS) performance, it is essential to interpret them within context. Our injury rate, currently at 29.80 per million working hours, reflects our ongoing efforts to mitigate risks and ensure the well-being of all individuals involved in our operations.

The following table sets out the incidents reported at the entities and properties included in this Sustainability Report by country:-

Employees	FY2023					
	Singapore	Indonesia	Australia	China	Malaysia	Group Overall
Fatal Incidents	0	0	0	0	0	0
Fatality Rate (No. of fatality per million working hours)	0	0	0	0	0	0
High Consequence Injury	0	0	0	0	0	0
High Consequence Injury Rate (No. of high consequence injuries per million working hours)	0	0	0	0	0	0
Total Injuries	2	0	44	0	3	49
Total Hours Worked	295,441	82,394	842,110	58,350	365,735	1,644,030
Injury Rate (No. of injuries per million working hours)	6.76	0	52.25	0	8.2	29.80

SUSTAINABILITY REPORT

Targets and Performance

We have also set short-, medium- and long-term targets for occupational health and safety of our employees, vendors and contractors working on site. Our targets benchmark the statistics in the Ministry of Manpower's Workplace Safety and Health reports.

During FY2023, we had zero major injuries and zero fatality incidents in the Group's operations. We maintain strict safety requirements and continue to improve on reducing injury rates at the workplace.

Material Topic	Short Term Target (FY2023)	Medium Term Target (FY2025)	Long Term Target (FY2030)	Current Performance
Occupational Health and Safety	Perform better than the rate of 32.0 major injuries per 100,000 workers (i.e. 0.16 major injuries per 1,000,000 hours worked based on 2,000 hours per year per worker.) Zero fatality	Perform better than the rate of major injuries per 100,000 workers of the national statistic of Year 2024 Zero fatality	Perform better than the rate of major injuries per 100,000 workers of the national statistic of Year 2029 Zero fatality	Zero major injuries Zero fatality

At our manufacturing plant in Malaysia, the Audio Metric Test is required to be conducted for production workers in every fifteen (15) months, as part of the Occupational Health and Safety protocol to test workers' hearing function. The recent test was conducted in November 2023 at the premise. The following image shows tests conducted by audiologist with worker at a soundproof room.

(iii) Employee's Well-Being

In our commitment to sustainability, Tuan Sing recognises the critical role of employee wellbeing as an integral part of our corporate responsibility. A healthy and engaged workforce not only contributes to the success of the company but also fosters a positive corporate culture. We have outlined the various employee engagement activities conducted under the four pillars of physical, mental, social and community, and financial well-being.

1. Physical Well-Being:

Health & Wellness Initiatives: In our pursuit of promoting comprehensive well-being, Tuan Sing has initiated significant Health & Wellness Initiatives to cater to the diverse needs of our employees. Colleagues in China and Indonesia now benefit from the introduction of group healthcare insurance, ensuring they have access to comprehensive healthcare coverage as part of our enhanced benefits for employees. Furthermore, in Singapore, we championed and will continue with our annual health screening program, promoting proactive health management among our team members.

Nutrition & Healthy Living: Recognising the importance of nutrition in daily life, we have implemented a unique approach to encourage healthy eating habits. The Company prepares monthly healthy herbal drinks for our employees, emphasising the significance of nutrition in maintaining a healthy lifestyle.

Fitness & Physical Activities: In collaboration with a local gym and yoga centre, we have established a program offering regular weekly Yoga & Fitness classes in 2023. This partnership promotes a holistic approach to physical wellness, encouraging our employees to engage in activities that enhance both their physical health and mental well-being.

2. Mental Well-Being:

Stress Management: To equip our employees with effective tools to manage stress, we have organised stress management workshops. These workshops aim to provide valuable insights and techniques for stress reduction, fostering a positive and resilient work environment.

Work-Life Balance: Understanding the importance of a healthy work-life balance, Tuan Sing will continue with our flexi-work arrangements of one day work from home for eligible employees, and extended work-from-home opportunities up to four days a year. This initiative acknowledges and supports our employees' need for balance, contributing to their overall well-being.

Mental Wellness Awareness: In our commitment to mental wellness, we have introduced a corporate membership programme in Singapore in 2023, offering access to Gardens by the Bay. This initiative promotes mental well-being through nature, providing a serene environment for relaxation. Additionally, creative workshops such as Chinese Knots Bracelet Making and Mask Making have been organized, offering a platform for self-expression and stress relief.

SUSTAINABILITY REPORT

3. Social and Community Well-Being:
Employee Engagement Activities: At Tuan Sing, we celebrate the rich tapestry of cultural diversity within our workforce. Events such as the Chinese New Year Lunch, Buka Puasa Dinner, Melbourne Cup and Christmas/Year End Lunch foster camaraderie and inclusivity. Recreational activities, including a Badminton Tournament, Movie Screenings, and Durian Parties, provide opportunities for employees to unwind and connect.

Corporate Social Responsibility: Contributing to the community is integral to our values. We have undertaken initiatives to improve living conditions for an orphanage, Grace Joy Home in Batam, demonstrating our commitment to Corporate Social Responsibility. Furthering this commitment, we have also organised a Year-End Christmas Party for these beneficiaries, with the aim to create moments of joy and shared goodwill.

4. Financial Well-Being:
Retirement Plans: To support our employees in securing their financial future, Tuan Sing has organised a Will Writing Workshop. This initiative not only educates employees on financial planning but also provides them with a platform to take proactive steps in securing their and their families' futures.

In conclusion, Tuan Sing remains steadfast in its commitment to employee wellbeing through sustained efforts in the five pillars mentioned above. These initiatives not only contribute to the overall sustainability of the company but also create a workplace where employees thrive both personally and professionally. As we move forward, we remain dedicated to continually evolving and expanding these programs to meet the changing needs of our valued workforce.

(B) Customer Satisfaction

Our customers are our key stakeholders and include tenants of retail and commercial properties, home buyers and hotel guests. It is our vision to create a clear distinction among competitors in terms of the quality of our products and services, as well as the wellbeing and safety of our customers.

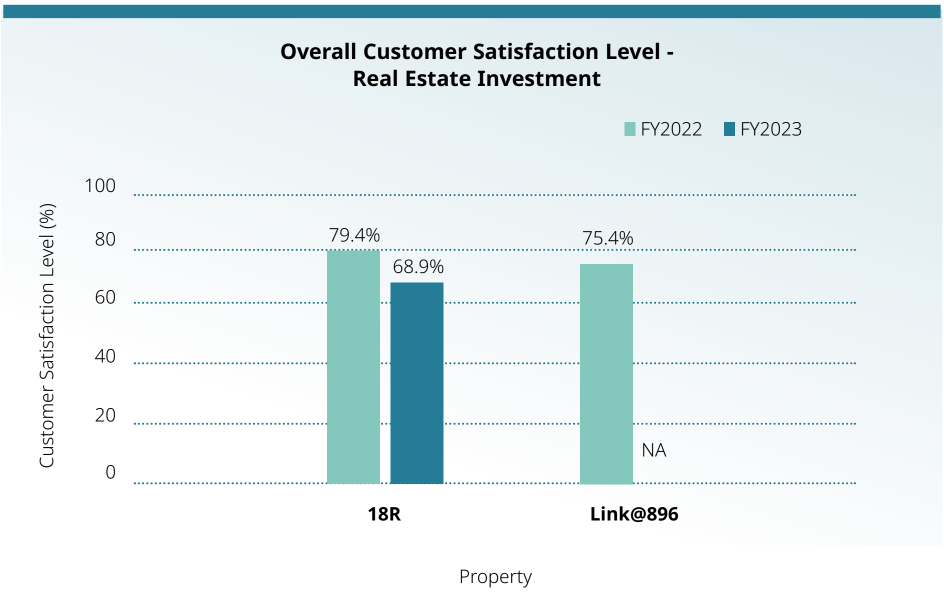
To obtain feedback on our service and product quality, customer satisfaction surveys through online questionnaires are carried out at our commercial and hospitality properties on an annual basis. The outcome of surveys is shared among relevant employees for further improvement in the following years.

Throughout the reporting period, there were no incidents of non-compliance related to customer's health and safety in any of our properties which could have resulted in fines, warnings or infringement of voluntary codes.

Commercial Tenants
Online questionnaires which cover satisfaction level of the following aspects were disseminated to tenants for their feedback:-

The two commercial properties in Singapore, i.e. 18 Robinson and Link@896, scored overall customer satisfaction level of 68.9%, dropped from the average score of 77.4% during FY2022. The customer satisfaction survey for FY2023 was only carried out for 18 Robinson, as Asset Enhancement Initiative ("AEI") project has been commenced at Link@896, and tenants were moving out of the premises in the 4th quarter of FY2023.

- Performance of Leasing Team
- Indoor air quality
- Performance of Building Management Team
- Acoustics comfort
- Security of property
- Lighting comfort
- Cleanliness
- Scenting
- Performance of vertical transportation
- Overall maintenance and upkeep of property
- Concierge service
- Parking facilities
- Fire safety control



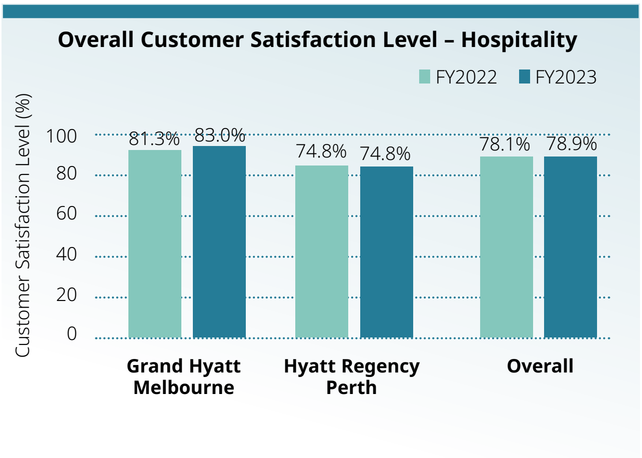
SUSTAINABILITY REPORT

Hotel Guests

The guest satisfaction survey of Hospitality sector focuses on the following aspects which are key factors to the quality of hospitality services:-

- Cleanliness
- Working order
- Customer service

The two hotels in Australia, i.e. Hyatt Regency Perth and Grand Hyatt Melbourne scored overall guests satisfaction level of 74.8% and 83% respectively in FY2023. Overall, the guest satisfaction level is maintained above 70% at 78.9%, with slight improvement compared to 78.1% of FY2022.



Targets and Performance

Targets are also set for customer satisfaction for the short-, medium- and long-term. It is in our Tuan Sing DNA to achieve excellence with nothing but the top of our abilities, and to maintain our services as best as we can.

Material Topic	Short Term Target (FY2023)	Medium Term Target (FY2025)	Long Term Target (FY2030)	Current Performance
Customer Satisfaction	70% in average	75% in average	80% in average	Real Estate Investment: 68.9% Hospitality: 78.9%

In 2023, our hotels received the following awards in recognition of the high levels of guest satisfaction and service excellence achieved at our properties:-

Grand Hyatt Melbourne
- 2023 Business Traveller Asia-Pacific Awards: Best Business Hotel in Melbourne
- 2023 Victorian Accommodation Awards for Excellence: Deluxe Accommodation Hotel of the Year
- 2023 Tripadvisor: Traveller's Choice Award
- 2023 Forbes Travel Guide: Recommended for Excellence in Hospitality

Hyatt Regency Perth
- WA Perth Airport WA Accommodation Awards – Housekeeping Award

(C) Diversity and Inclusion

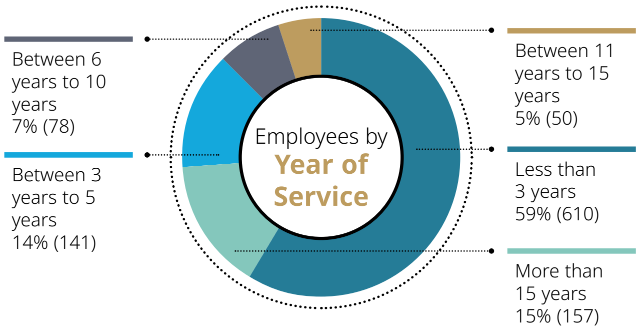
The significance of diversity within Tuan Sing cannot be overstated, serving as a catalyst for our continual growth and innovation. A diverse workforce not only broadens our horizons but also enriches our perspectives, providing access to a dynamic pool of talents. As of December 31, 2023, Tuan Sing and its subsidiaries boast a robust workforce, comprising a total headcount of 1,036 individuals, with 64% contributing to the hotel operations.

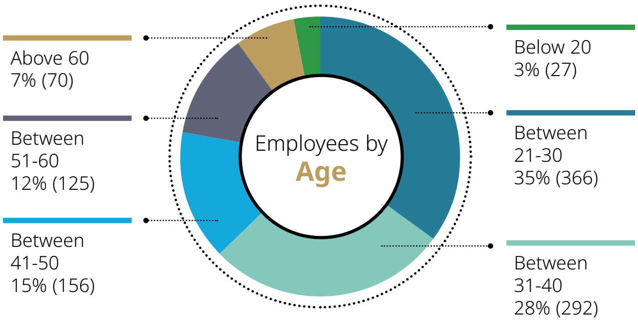
Gender Diversity: Tuan Sing proudly maintains a balanced gender mix within its workforce, reflecting a commitment to equality and inclusion. Our gender distribution is thoughtfully managed, with 54.4% males compared to 45.6% females. This is influenced by the labour-intensive nature of our construction business and manufacturing plant, which traditionally attract a male-dominated workforce.

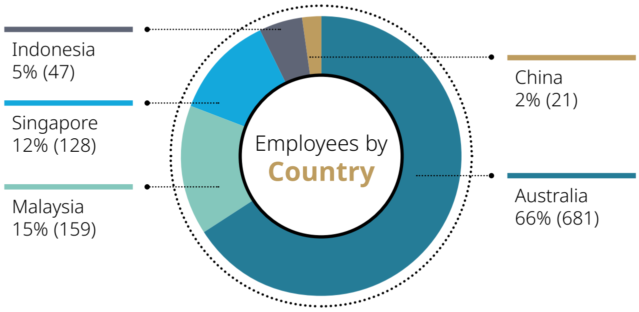
Inclusive Age Dynamics: At Tuan Sing, we champion inclusivity through our age-diverse workforce, ensuring fair representation across all age brackets. The nature of the hospitality industry inherently encourages a diverse age demographic. Moreover, the expansion of our business activities in recent years has resulted in a substantial increase in our headcount, with a notable proportion of employees with less than three years of service with the Group. This influx of new talent underscores our commitment to adaptability and continuous rejuvenation within the organisation.

Strategic Outlook: Recognising the value of diversity and inclusion, Tuan Sing views these aspects not just as a reflection of our corporate ethos but as strategic imperatives. A diverse workforce enhances our ability to navigate a rapidly changing business landscape, fostering creativity, resilience, and adaptability. Moving forward, Tuan Sing remains dedicated to sustaining and expanding these initiatives, recognising that diversity is not just an ethical obligation but a cornerstone for innovation and sustained success.

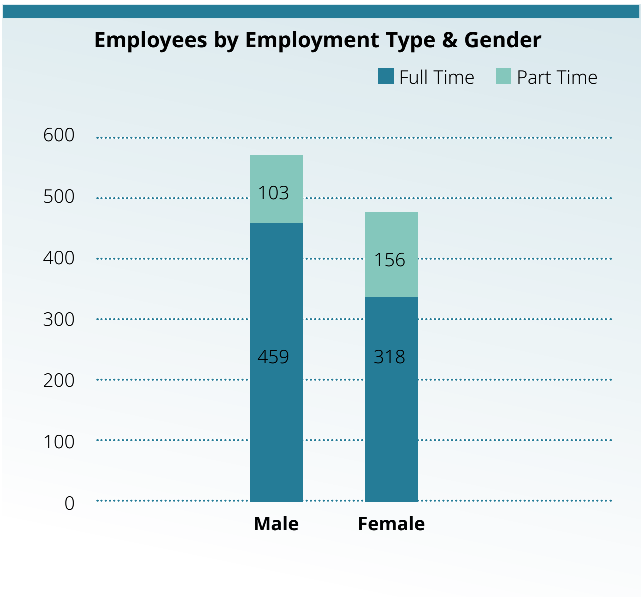
SUSTAINABILITY REPORT

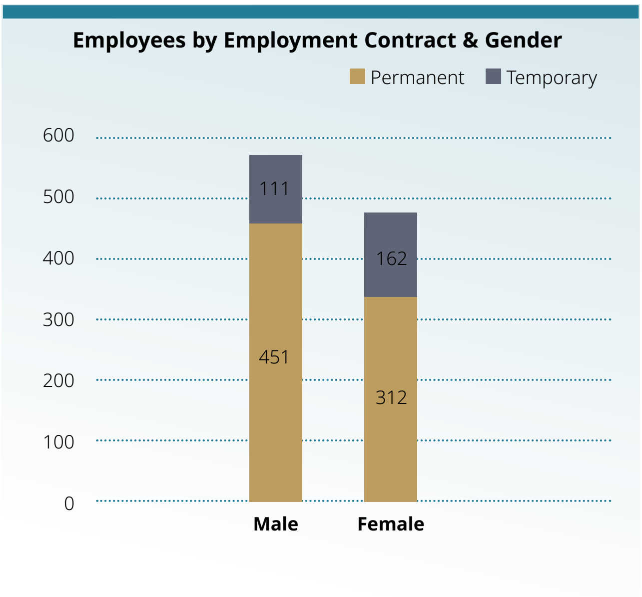






Throughout our organization, the predominant employment arrangement for our workforce is full-time permanent contracts. Approximately 74% of our employees hold such positions, reflecting our commitment to providing stable and enduring opportunities within our company. The remaining 26% of our workforce are engaged through temporary or part-time contracts, primarily driven by the dynamic requirements of the hospitality sector we operate in. This flexible staffing approach enables us to effectively meet fluctuating demand while ensuring operational excellence and employee satisfaction.





Our ongoing commitment to achieving a 30% female representation on the Board of Directors by 2030 underscores Tuan Sing's dedication to excellence, innovation, and corporate governance that mirrors the dynamic world we operate in. As we propel towards this ambitious goal, we recognise that a diverse board is not only a reflection of our values but a strategic asset that will drive sustained success in an ever-evolving business landscape.

SUSTAINABILITY REPORT

(D) Fair Remuneration and Merit-based Employment

Building upon the foundation laid in the previous year, Tuan Sing remains steadfast in providing ample opportunities for all employees to excel in their careers, irrespective of their backgrounds. Our commitment to merit-based employment continues to be a driving force in our organisational ethos, ensuring that every employee, regardless of gender or any other factor, is rewarded based on their merit, capability, and work experience.

Acknowledging the valuable contributions of senior workers, we continue to embrace a culture that values the extensive experience of seasoned professionals. Re-employing individuals beyond retirement age remains a practice that underscores our recognition of the ongoing contributions of our senior workforce.

Our commitment to an open performance appraisal approach persists, reflecting our dedication to transparency and fairness. The Group consistently reviews appraisal criteria, ensuring they remain aligned with the evolving expectations of different employee categories. This adaptability reflects our commitment to acknowledging and adapting to the dynamic nature of our workforce and industry.

In terms of remuneration, we maintain a balanced and comprehensive approach. Our remuneration package comprises both fixed and variable components. The variable component, tied to performance, remains a cornerstone of our compensation structure. As employees ascend the corporate ladder, the variable portion of their remuneration scales proportionately. This performance-based approach serves as a motivational tool, linking individual success to overall corporate performance and incentivising professional growth.

Our commitment to fair remuneration and merit-based employment is not merely a static principle but an evolving strategic imperative. As we move forward, Tuan Sing is committed to refining and expanding our initiatives, aligning our practices with global best standards and emerging trends in the realm of fair compensation and merit-based advancement. This unwavering commitment underscores our pledge to maintaining a dynamic, inclusive, and forward-thinking workplace for all our employees.

(E) Training and Development

At Tuan Sing, we recognise that our employees are our most valuable asset, and their growth and development are paramount to our success. This is why we are deeply committed to providing comprehensive training and development programs to empower our workforce and enhance their skills. Through targeted initiatives and investments in learning resources, we strive to ensure that our employees are equipped with the necessary knowledge and competencies to excel in their roles. From specialised technical training to leadership development programs, we offer a diverse range of opportunities tailored to meet the evolving needs of our team members.

Our focus on developing and upskilling employees extends beyond mere compliance; it is rooted in our belief that a well-trained workforce is fundamental to driving innovation, productivity, and overall organizational excellence. By investing in continuous learning and professional growth, we not only foster individual career advancement but also strengthen the collective capabilities of our organisation.

Annual 360 Review Process

As part of our commitment to employee development, Tuan Sing conducts a yearly 360-degree review process to evaluate performance, identify strengths, and provide constructive feedback for improvement. This comprehensive assessment involves input from supervisors, peers, and subordinates, offering a holistic perspective on each employee's contributions and areas for development.

The 360-degree review process serves as a valuable tool for both employees and the organisation. It enables individuals to gain valuable insights into their performance, receive recognition for their strengths, and understand areas where they can enhance their skills or behaviour. Additionally, it fosters a culture of open communication and accountability, as employees actively engage in self-reflection and goal setting based on feedback received.

By leveraging the insights gathered from the 360-degree review, we can effectively tailor development plans and interventions to address specific needs and support continuous improvement. Ultimately, this collaborative approach to performance evaluation empowers our employees to reach their full potential while driving organisational growth and success.

Targets and Performance

In 2023, our commitment to employee development resulted in a total of 4,526 training hours logged by our staff, marking a notable increase of 13.5% compared to the figures recorded in 2022. This significant uptick underscores our dedication to fostering a culture of continuous learning and improvement within the organisation.

As we steadfastly pursue our mission to grow and empower our workforce across the Group, we have established ambitious targets for both the medium and long term, further emphasising our unwavering commitment to ongoing enhancement:

Material Topic	Short Term Target (FY2023)	Medium Term Target (FY2027)	Long Term Target (FY2030)
Training and Education	10 training hours per staff per year	12 training hours per staff per year	15 training hours each staff per year

These targets serve as tangible benchmarks of our commitment to continuous improvement and employee empowerment. By investing in training and education, we not only enhance individual capabilities but also strengthen the foundation of our organisation, ensuring that we remain agile, innovative, and well-positioned for long-term success.

SUSTAINABILITY REPORT

(F) Talent Management and Planning

At the heart of our organisational strategy lies a steadfast commitment to talent management and planning. Recognising that our people are our most valuable asset, we endeavour to cultivate a diverse and resilient talent pool equipped to navigate the dynamic landscape of our industry.

Central to our approach is a focus on nurturing internal talent and providing ample opportunities for growth and advancement within the organisation. Whenever there is a job opening within the Group, priority is given to existing employees, reflecting our belief in the power of internal mobility and career progression. This not only fosters a sense of loyalty and commitment among our workforce but also ensures continuity and stability within our teams.

Furthermore, by fostering a culture of continuous learning and development, we empower our employees to stay agile and adaptable in the face of evolving challenges and opportunities. Through targeted training initiatives, mentorship programs, and performance feedback mechanisms, we provide the support and resources needed for our employees to thrive and succeed in their roles.

In essence, our commitment to talent management and planning is not just about filling positions; it is about investing in the long-term success and sustainability of our organisation. By nurturing a pipeline of skilled and motivated talent, we ensure that Tuan Sing remains poised for growth, innovation, and excellence well into the future.

(G) Charity, Donation and Sponsorships

As part of our unwavering commitment to corporate social responsibility, Tuan Sing continues to prioritise initiatives that uplift and support marginalised communities. One significant highlight of our efforts in this regard is our efforts to enhance the living conditions of Grace Joy Home, an orphanage dedicated to providing a nurturing environment for orphaned and abandoned children in Batam, Indonesia.

We embarked on a comprehensive renovation project for the Home aimed at improving the infrastructure and safety standards of the orphanage. Our contributions included the replacement of various essential facilities such as toilet doors, tiles, seats, and water tank covers. Additionally, we addressed critical safety concerns by repairing broken doors and windows, repairing and securing the gate and fence to ensure the security of the beneficiaries, and covering exposed power meter boxes to mitigate potential hazards posed by the elements. Furthermore, our commitment to the well-being of the children extended beyond infrastructure upgrades. We organised regular outings and special events, including a heartwarming Christmas lunch where presents were distributed to each child, fostering a sense of joy and belonging within the home.

Tuan Sing also remains dedicated to our corporate volunteerism goals and will continue to work towards our medium- and long-term volunteer hours outlined below. We are committed to actively engaging with our communities and leveraging our resources to drive positive change, reinforcing our role as a responsible corporate citizen and champion of social progress.

Material Topic	Short Term Target (FY2023)	Medium Term Target (FY2027)	Long Term Target (FY2030)
Local Communities	Total 1,000 volunteer hours for the year	Total 2,500 volunteer hours for the year	Total 5,000 volunteer hours for the year

SUSTAINABILITY REPORT

6. CORPORATE GOVERNANCE FOR FAIR AND CONDUCIVE BUSINESS ENVIRONMENT

(A) Corporate Governance

The Group continues to be committed to high standards of corporate conduct. The Board and Management firmly believe that good corporate governance is key to the long-term sustainability of the Group's businesses and performance.

To discharge its governance function, the Board has established policies and rules to govern the Group's activities, and the Board is guided by their respective written Terms of Reference which were updated during the year.

For more details, please refer to the Group's Corporate Governance Report under the "Corporate Governance" section of the Annual Report, which is also available on our corporate website (https://www.tuansing.com/corporate-governance/).

(B) Business Ethics and Compliance

The Group remains steadfast in its commitment to business ethics and compliance and conducting its business activities with the highest levels of integrity and maximum transparency.

Tuan Sing has received a number of accolades in recognition of its pursuit to achieve high standards of corporate governance. In 2023, Tuan Sing Group was the winner of Best Risk Management (Bronze) by Singapore Corporate Awards under Mid Capitalisation Category. It ranks 22nd in the Singapore Governance and Transparency Index (SGTI) 2023 out of a total of 474 listed companies. As part of its commitment towards excellence in corporate governance, Tuan Sing has put in place corporate policies which provide guiding principles on business conduct to all employees and stakeholders across its value chain.

(C) Anti-Corruption and Anti-Bribery

Integrity and incorruptibility are fundamental to Tuan Sing, and it has always upheld this value with the highest importance when conducting its business activities. To ensure employees are aware of the importance of integrity and that it guides every decision we make, an employee handbook providing guidelines on the Code of Conduct and guidelines on conflict of interest, is made readily available to all employees through the employee's intranet portal.

The Code of Conduct provides guidelines on the following issues:

- Employees' responsibilities to carry out their duties diligently and faithfully
- Conflict of interest and the reporting and declaration procedure
- Whistleblowing
- Clarifications on misconduct

The above serve as a reminder to employees that they should act in the best interests of the Group and avoid situations that could create a conflict of interest. At the end of each year, employees are required to declare their compliance with the Code of Conduct, and whether they have been involved in any situation that might lead to a conflict of interest. A formal "Anti-Bribery and Anti-Corruption Policy" is also made available to all employees through the employee's intranet portal.

There were no bribery or corruption cases reported in 2023 and we aim to maintain zero occurrence of corruption incident.

(D) Procurement and Supply Chain Management

For all projects, Tuan Sing keeps its sustainability targets in sight by exercising caution when selecting business partners who play an integral role in the various phases of the Group's property development projects. Consultants, contractors and suppliers engaged by the Group are required to demonstrate high levels of work ethics for project delivery and commitment towards the environment, health and safety.

The Group's procurement policy ensures that it receives the highest quality of desired goods and services at the best price possible. The procurement policy and system provide and align practices on all procurement activities within the organisation, as well as maintain the highest integrity throughout the procurement process. By involving and training all vendors and contractors in the use of the procurement system, the policy ensures maximum transparency and fair competition in all procurement exercises. This year, we have enhanced our procurement system with enhanced features and compatibility for integration with Finance department's operations.

SUSTAINABILITY REPORT

7. TCFD DISCLOSURE

TCFD Pillar	Recommended Disclosure	Tuan Sing Approach	Reference in Sustainability Report and Annual Report 2023
Governance Disclose the organisation's governance around climate-related risks and opportunities.	(a) Describe the board's oversight of climate-related risks and opportunities.	Consistent with our overall risk management, climate-related risks are managed with a top-down approach, in which the Board, through the Audit and Risk Committee, determines strategic objectives, reviews external environment, sets risk appetite and parameters, as well as assesses the effectiveness of the risk management system. Clear, timely and informed decisions from the Board are passed through to the senior management and respective strategic business units ("SBUs") for execution and monitoring of performance.	"Managing Risk in Delivering Our Strategy" of the Annual Report, and "Nurture Our Planet" of this Sustainability Report.
	(b) Describe management's role in assessing and managing climate-related risks and opportunities.	Management reports to the Board of Directors on all sustainability matters including climate-related issues that affect our local and overseas markets. In accordance with the Board of Directors' directions and decisions, Management provides oversight and guidance to the Sustainability Task Force which has been formed to identify, assess and manage the climate-related risks and opportunities that are relevant to the Group's operations through discussions with representatives from all departments of Tuan Sing.	"Managing Risk in Delivering Our Strategy" of the Annual Report, and "Nurture Our Planet" of this Sustainability Report.
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	(a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term. (b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	To tackle the potential impacts of the identified climate-related risks to the Group, a high-level assessment of the corresponding short (i.e. within 2 years), medium (i.e. 2 to 5 years), and long term (i.e. beyond 5 years) mitigating strategies are being explored and described in the Sustainability Report. Short- to long-term climate-related opportunities for the Group are also discussed.	"Decarbonisation Efforts Towards Net-Zero" under "Nurture Our Planet" of the Sustainability Report.
	(c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	As part of the Group's phase approach for integration of climate risk into the overall risk management, qualitative scenario analysis was carried out this year and more in-depth quantitative scenario analysis will be conducted in the following year.	"Decarbonisation Efforts Towards Net-Zero" under "Nurture Our Planet" of the Sustainability Report.

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TCFD Pillar	Recommended Disclosure	Tuan Sing Approach	Reference in Sustainability Report and Annual Report 2023
Risk Management Disclose how the organization identifies, assesses, and manages climate-related risks.	(a) Describe the organization's processes for identifying and assessing climate-related risks.	The Group conducts an annual risk assessment based on the principles and guidelines set out in the Group's Enterprise Risk Management ("ERM") framework. Although the environmental, social and governance (ESG) risks factors are broadly covered within the Group's four main risk categories (namely Business and Strategic Risks, Financial Risks, Operational Risks and Compliance Risks), we are working towards in-depth analysis of climate-related risks and integrating climate-related risk as the fifth risk category of the Group's ERM framework in the upcoming year. As the Group embarked on the journey to align with the recommendations of the TCFD in FY2022, the bottom-up approach, which is applied to our existing ERM system, was adopted to identify and assess the climate-related risks that are relevant to the Group. Through a series of workshops and scenario analysis conducted by the Sustainability Task Force, we have identified the physical and transition climate-related risks which affect the Group operationally and financially. In the subsequent years, we will conduct more detailed analysis of the identified climate-related risks and corresponding mitigating strategies as well as the climate-related opportunities to the Group.	"Managing Risk in Delivering Our Strategy" of the Annual Report, and "Decarbonisation Efforts Towards Net-Zero" under "Nurture Our Planet" of the Sustainability Report.
	(b) Describe the organisation's processes for managing climate-related risks.	The Group adopts the same risk management strategy towards climate-related risks as the rest of the four aforementioned risk categories, where we strive to balance our risks profile while pursuing our business goals through implementing mitigating solutions to each identified climate-related risk.	"Managing Risk in Delivering Our Strategy" of the Annual Report, and "Decarbonisation Efforts Towards Net-Zero" under "Nurture Our Planet" of the Sustainability Report.
	(c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	As part of Tuan Sing's phased approach for integration of climate risk into its overall risk management, reports on climate risk management will be carried out in the following year.	Not applicable.

SUSTAINABILITY REPORT

TCFD Pillar	Recommended Disclosure	Tuan Sing Approach	Reference in Sustainability Report and Annual Report 2023
Metrics and Targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	(a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	For assessment and approaches to manage climate-related risks, Tuan Sing makes reference to the four core elements recommended by TCFD recommendations, i.e. governance, strategy, risk management and metrics and targets. We have also referred to the Common Set of 27 Core ESG Metrics recommended by SGX-ST, particularly the environmental metrics for climate-related disclosures for target setting and performance monitoring.	"Introduction" and "Nurture Our Planet" of this Sustainability Report.
	(b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	For the second year of integration of climate risk disclosure into our overall risk management as well as forming part of considerations for business strategies and planning, we are disclosing Scope 1 and Scope 2 GHG emissions in this Sustainability Report and have set targets for emission reductions. We have also disclosed two out of total fifteen categories of Scope 3 emissions this year and will gradually include more categories in our future year emission reporting. The total Scope 1 and Scope 2 GHG emissions for FY2023 was 19,369.39 tonnes, of which 2,240.22 tonnes were Scope 1 emissions and 17,129.14 tonnes were Scope 2 emissions. Scope 3 emissions was 625.74 tonnes in FY2023. The emission intensity based on gross floor area ("GFA") was at 101.67kg/m2, which was lower than base year.	"Decarbonisation Efforts Towards Net-Zero" under "Nurture Our Planet" of this Sustainability Report.
	(c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Various short-, medium- and long-term targets have been set for the respective material topics, including energy, emissions, water and waste, which are related to climate risks. We have also made comparisons of the current performance against base year for the respective Real Estate Investment, Hospitality and Other Investments segments in order to monitor the progress of achieving these targets.	"Nurture Our Planet" of this Sustainability Report.

SUSTAINABILITY REPORT

8. ANNEXES

GRI Standards 2021 - Content Index

GRI Standard		Page Reference and Remarks
GENERAL DISCLOSURES		
2	**Generals Disclosures 2021**	
2-1	Organisational details	"Corporate Data" of Annual Report.
2-2	Entities included in the organization's sustainability reporting	"Introduction - About This Sustainability Report" of Sustainability Report.
2-3	Reporting period, frequency and contact point	"Introduction - About This Sustainability Report" of Sustainability Report.
2-4	Restatements of information	No restatement is required.
2-5	External assurance	No external assurance has been carried out for this Sustainability Report.
2-6	Activities, value chain and other business relationships	"Our Corporate Profile" of Annual Report.
2-7	Employees	"Social Responsibility and Human Assets" of Sustainability Report.
2-9	Governance structure and composition	"Corporate Governance" of Sustainability Report and Annual Report.
2-10	Nomination and selection of the highest governance body	"Corporate Governance" of Annual Report.
2-12	Role of the highest governance body in overseeing the management of impacts	"Corporate Governance" of Annual Report.
2-14	Role of the highest governance body in sustainability reporting	"Value Creation and Approaches" of Sustainability Report
2-15	Conflicts of interest	"Corporate Governance" of Sustainability Report and Annual Report.
2-19	Remuneration policies	"Social Responsibility and Human Assets" of Sustainability Report and "Corporate Governance" of the Annual Report.
2-20	Process to determine remuneration	"Social Responsibility and Human Assets" of Sustainability Report and "Corporate Governance" of the Annual Report.
2-22	Statement on sustainable development strategy	"Board Statement and Commitment Towards Sustainability" of Sustainability Report
2-23	Policy commitments	"Value Creation and Approaches" and "Corporate Governance" of Sustainability Report.
2-24	Embedding policy commitments	"Value Creation and Approaches" and "Corporate Governance" of Sustainability Report.
2-25	Processes to remediate negative impacts	"Nurture Our Planet" of Sustainability Report.
2-27	Compliance with laws and regulations	There is no instance of non-compliance to the law and regulations.
2-29	Approach to stakeholder engagement	"Stakeholder Engagement" of Sustainability Report.
3	**Material Topics 2021**	
3-1	Process to determine material topics	"ESG Materiality Topics" of Sustainability Report.
3-2	List of material topics	
TOPIC MANAGEMENT DISCLOSURES		
Material Issue: Economic Performance		
3	**Material Topics 2021**	"5-Year Financial Highlights", "Statutory Reports and Accounts" and "Management Discussion and Analysis" of the Annual Report
3-3	How organization manages economic performance	
201	**Economic Performance 2016**	
201-1	Direct economic value generated and distributed	
201-2	Financial implications and other risks and opportunities due to climate change	
201-3	Financial implications and other risks and opportunities due to climate change	
201-4	Financial assistance received from government	

SUSTAINABILITY REPORT

GRI Standard		Page Reference and Remarks
TOPIC MANAGEMENT DISCLOSURES (continued)		
Material Issue: Anti-corruption		
3	**Material Topics 2021**	"Corporate Governance for Fair and Conducive Business Environment" of Sustainability Report and "Corporate Governance" of Annual Report.
3-3	How organization manages anti-corruption	
205	**Anti-corruption 2016**	
205-1	Operations assessed for risks related to corruption	
205-2	Communication and training about anti-corruption policies and procedures	
205-3	Confirmed incidents of corruption and actions taken	
Material Issue: Energy		
3	**Material Topics 2021**	"Nurture Our Planet" of Sustainability Report.
3-3	How organization manages energy	
302	**Energy 2016**	
302-1	Energy consumption within the organization	
302-2	Energy consumption outside of the organization	
302-3	Energy intensity	
302-4	Reduction of energy consumption	
302-5	Reductions in energy requirements of products and services	
Material Issue: Water		
3	**Material Topics 2021**	"Nurture Our Planet" of Sustainability Report.
3-3	How organization manages water	
303	**Water and Effluents 2018**	
303-1	Interactions with water as a shared resource	
303-2	Management of water discharge-related impacts	
303-3	Water withdrawal	
303-4	Water discharge	
303-5	Water consumption	
Material Issue: Emissions		
3	**Material Topics 2021**	"Nurture Our Planet" of Sustainability Report.
3-3	How organization manages emissions	
305	**Emissions 2016**	
305-1	Direct (Scope 1) GHG emissions	
305-2	Energy indirect (Scope 2) GHG emissions	
305-3	Other indirect (Scope 3) GHG emissions	
305-4	GHG emissions intensity	
305-5	Reduction of GHG emissions	
305-6	Emissions of ozone-depleting substances (ODS)	
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	
Material Issue: Waste		
3	**Material Topics 2021**	"Nurture Our Planet" of Sustainability Report.
3-3	How organization manages waste	
306	**Waste 2020**	
306-1	Waste generation and significant waste-related impacts	
306-2	Management of significant waste-related impacts	
306-3	Waste generated	
306-4	Waste diverted from disposal	
306-5	Waste directed to disposal	

SUSTAINABILITY REPORT

GRI Standard		Page Reference and Remarks
TOPIC MANAGEMENT DISCLOSURES (continued)		
Material Issue: Employment		
3	**Material Topics 2021**	"Social Responsibility and Human Assets" of Sustainability Report.
3-3	How organization manages employment	
Material Issue: Occupational Health and Safety		
3	**Material Topics 2021**	"Board Statement and Commitment Towards Sustainability", "Value Creation and Approaches" and "Social Responsibility and Human Assets" of Sustainability Report.
3-3	How organization manages occupational health and safety	
403	**Occupational Health and Safety 2018**	
403-1	Occupational health and safety management system	
403-2	Hazard identification, risk assessment, and incident investigation	
403-3	Occupational health services	
403-4	Worker participation, consultation, and communication on occupational health and safety	
403-5	Worker training on occupational health and safety	"Board Statement and Commitment Towards Sustainability", "Value Creation and Approaches" and "Social Responsibility and Human Assets" of Sustainability Report.
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Board Statement and Commitment Towards Sustainability", "Value Creation and Approaches" and "Social Responsibility and Human Assets" of Sustainability Report.
403-8	Workers covered by an occupational health and safety management system	
403-9	Work-related injuries	
Material Issue: Training and Education		
3	**Material Topics 2021**	"Social Responsibility and Human Assets" of Sustainability Report.
3-3	organization manages training and education	
404	**Training and Education 2016**	
404-2	Programs for upgrading employee skills and transition assistance programs	
Material Issue: Diversity and Equal Opportunity		
3	**Material Topics 2021**	"Social Responsibility and Human Assets" of Sustainability Report.
3-3	How organization manages diversity and equal opportunity	
405	**Diversity and Equal Opportunity 2016**	
405-1	Diversity of governance bodies and employees	
Material Issue: Local Communities		
3	**Material Topics 2021**	"Social Responsibility and Human Assets" of Sustainability Report.
3-3	How organization manages local community	
413	**Local Communities 2016**	
413-1	Operations with local community engagement, impact assessments, and development programs	
413-2	Operations with significant actual and potential negative impacts on local communities	
Material Issue: Customer Satisfaction		
3	**Material Topics 2021**	"Social Responsibility and Human Assets" of Sustainability Report.
3-3	How organization manages local community	
416	**Customer Health and Safety 2016**	
416-1	Assessment of the health and safety impacts of product and service categories	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	

SUSTAINABILITY REPORT

SUMMARY OF SCENARIO ANALYSIS 1.0

(A) 3.0°C SCENARIO – MATERIAL PHYSICAL RISK

Type of Physical Climate Risks	Potential Impacts	Strategies
Acute weather events Floods and heavy downpours	**Short to Medium Term** • Increase in costs to rectify damages caused by water seepage at our older buildings which lack structural measures to protect from floodwaters. • Reduced revenue due to business disruptions during rectification works or flooding at our buildings with basement / ground level carparks. • Increase in insurance premiums for our buildings that are located at climate-vulnerable regions (e.g. areas exposed to flood risks).	**Short to Medium Term** • Implement assets enhancement initiatives to our older buildings and explore flood barriers to minimise the risks of water seepage during heavy downpours or flood, which will also help to improve our property's valuation. • Enhance our insurance coverage (e.g. Industrial All Risks insurance) to cover rectification costs and potential losses from business disruptions caused by acute weather events. • Explore flood mitigating actions that could help to reduce the insurance premium while maintaining adequate flood coverage.
	Medium to Long Term • Reduced demand for commercial spaces that are located in areas prone to extreme weathers. • Safety issue and disruptions to transportation, leading to higher rates of absenteeism amongst employees and increased operational challenges for the Group.	**Medium to Long Term** • Consider to re-develop or enhance our buildings that do not meet market trends. • Implementation of AI alternatives in replacement of manpower, as well as implementing work from home arrangements.
Chronic events Rising sea level and rising temperatures	**Short to Medium Term** • Higher operating costs and capital costs to provide cooler air, shelters and seamless connections to our buildings. • Higher medical costs from negative impacts to employees' health (e.g. heat stroke and dehydration) and increase in employee benefits insurance premium for additional coverage during extreme hot weather especially for our employees who are required to work outdoor.	**Short to Medium Term** • Install energy efficient air-conditioning system which will reduce the operating costs in the long-run. In addition, lower cost initiatives such as umbrella lending services are considered as an alternative solution to maintain the footfall to our buildings during hot weather. • Provide more frequent break time during working hours for site staff and employees whose job scope entails outdoor activities to ensure our employees have time to hydrate themselves. This will help to reduce the occurrence of employees falling ill during extreme hot weather.

(B) 1.5°C SCENARIO – MATERIAL TRANSITION RISK

Type of Transition Risks	Potential Impacts	Strategies
Policy/legal • Government policies towards net zero carbon emissions by 2050 (for Singapore and Australia), by 2060 (for Indonesia), and other countries implementing carbon tax.	**Short to Medium Term** • Increase in carbon tax which is an initiative by Singapore government and other countries to achieve net zero carbon emission goal might increase future project costs especially for any procurement and supply chain process involving high fuel consumption and carbon emissions. • Increase in construction costs as a result of procuring lower carbon emission supplies and products for ongoing/new property development projects.	**Short to Medium Term** • Explore to source from local supply chains where possible and to purchase more sustainable products and materials that do not incur high carbon emissions in their production and supply chain process for its property development projects. • Explore the possibility of bulk purchase of lower carbon emission materials and supplies for property development projects that are occurring at the same time in order to lock in better prices.
Policy/legal • Mandatory climate-related disclosures (e.g. by SGX in Singapore and Building Energy Efficiency Disclosure (BEED) Act 2010 in Australia) and more stringent requirements for green buildings (e.g. Green Mark 2021 in Singapore).	**Short to Medium Term** • Increase in capital expenditures to incorporate the green features into our development to achieve green certifications. **Medium to Long Term** • Increase in compliance cost to meet the various climate-related disclosures and the local authorities' requirements (e.g. Building and Construction Authority (BCA), Singapore Green Building Council (SGBC), etc	**Short to Medium Term** • Implement roadmap to improve the property's green features so as to keep the development and retrofitting cost within budget. **Medium to Long Term** • Reduce operation costs by energy and water savings strategies. In addition, the Group also strives to balance the compliance cost while adhering to all regulatory requirements.
Shift in Market Demand • Increased demand by customers for residential / commercial space with green initiatives / green certification requirements. • Increased demand by employees to work for companies with strong environmental values and initiatives.	**Medium Term to Long Term** • Existing properties that lack or do not have green initiatives will lose their competitiveness, which will negatively affect the Group's sale and occupancy rates, as well as rental income. • Difficulty in retaining / attracting talents particularly the younger generations.	**Medium Term to Long Term** • Adopt green leases and implement green features (e.g. auto-lightings, energy-saving lights, water-saving taps, high-efficiency air conditioners, etc) to improve the marketability of our existing investment properties and to meet the shift in consumers' demand and preferences. • Implement top-down management approach on governing our company to induce sustainability values throughout the organization and embark on sustainability journey.

SUSTAINABILITY REPORT

(C) CLIMATE-RELATED OPPORTUNITIES AND POTENTIAL IMPACTS	
Type of Climate-Related Opportunities	**Potential Impacts**
Resource Efficiency • Use of more energy efficient equipment in our existing properties (e.g. energy saving lights, energy efficient air-conditioning system, etc).	**Short to Medium Term** • Reduce operating costs and increase the value of our properties (e.g. highly rated energy-efficient buildings) which could have positive impact to the Group's P&L and yield a higher loan refinancing quantum. • Ability to attract more tenants who are looking for energy efficient building to house their office/ retail, which will in turn increase our revenue. • Climate-resilient properties with eco-friendly features can command higher lease rates, translating to higher rental income.
Resource Efficiency • Implement fixed dates for all employees to work from home.	**Medium to Long Term** • Reduced electricity consumptions in offices which in turn results in cost savings to the Group, and at the same time, with a dynamic working environment, it helps to attract and retain younger talents who are looking for jobs that supports work from home arrangement. • With lower physical attendance in offices, large office space is not required and it will be savings in operating costs and potentially increase in revenue should the saved space is leased out. • Reduce transportation costs while reducing carbon emission.
Products and Services • Use of virtual and AI functions to improve visitors' experience (e.g. use of interactive and AI-enabled websites to view the Group's show flats virtually). • Use of low emission materials for the Group's property development projects.	**Short to Medium Term** • Ability to reach out to more potential buyers without the need to visit the physical show flats, which could result in higher sales volume while contributing to lower carbon emission from travelling to show flats. • Increased revenue through demand for lower emissions and sustainable properties.
Resilience (Medium to Long Term) • Resource substitution, including diversification initiatives. • Compliance with authority's requirements on sustainability reporting enables measurement process in order to collect information for reporting, and setting targets for various metrics enables efforts on carbon emission reductions.	**Medium to Long Term** • Increase reliability of the supply chain to our property development projects and the ability to operate under various extreme weather conditions. • Efforts to achieve carbon emission targets would result in reduction in operation costs as a result of energy and water savings, and reduced waste generation while increasing recycling/upcycling rate.

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE REPORT

The directors of the Company (referred to as "**Directors**" or "**Board**") along with the Company's management (referred to as "**Management**") firmly believe that robust corporate governance is pivotal to upholding the integrity of the Group and is fundamental to ensuring the long-term sustainability of the Group's operations and performance. Accordingly, the Board has implemented comprehensive policies and procedures aimed at augmenting corporate performance and fostering accountability across the Group.

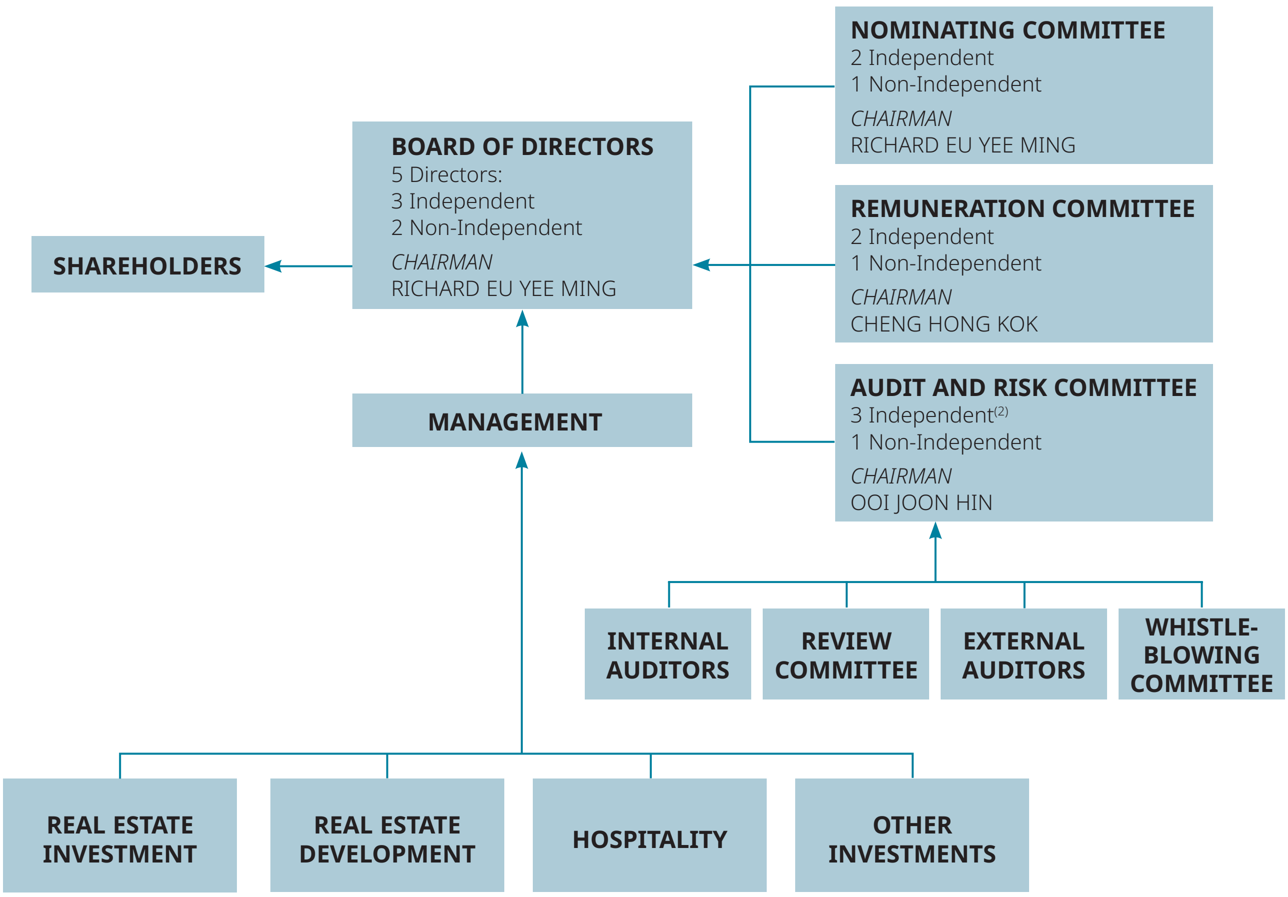
In 2023, the Company continued to demonstrate commendable governance practices and secured the 22nd position (compared to 17th in 2022) in The Singapore Governance and Transparency Index (SGTI) 2023 (General Category) among 474 Singapore-listed companies. Furthermore, the Company has maintained its designation as a SGX Fast Track Issuer since 2018 and received confirmation from SGX RegCo in January 2024 that it retains this status until the subsequent review cycle. Notably, the SGX Fast Track Programme acknowledges the dedication and accomplishments of listed issuers who have upheld exemplary standards of corporate governance and maintained a strong compliance track record.

Welcome to the Corporate Governance section of our Annual Report

This report sets out the Company's corporate governance frameworks, practices, and activities during the fiscal year ended on 31 December 2023 ("**FY2023**"), with specific reference to the Code of Corporate Governance 2018 ("**Code**").

With few exceptions, the Board is pleased to affirm that the Company has adhered, in all material aspects, to the principles and provisions outlined in the Code.

Corporate Governance Framework as at 26 March 2024[(1)]



Annotation

(1) Date of the Audited Financial Statements and Directors' Statement for FY2023.

(2) Mr Cheng Hong Kok, a Non-Executive and Independent Director was appointed as an Audit and Risk Committee member effective 2 February 2024.

CORPORATE GOVERNANCE REPORT

I. BOARD MATTERS

BOARD'S CONDUCT OF ITS AFFAIRS

Principle 1: Dynamic Board leadership collaborating with management for sustainable company growth and value creation for shareholders

The Board collaborates closely with Management to steer the Company towards long-term success and to foster value creation for our shareholders.

Provisions 1.1 and 1.2
Defining Board roles and Directors' responsibilities

The Board assumes a pivotal role in shaping the strategic direction, performance, and business affairs of the Group. It provides overall guidance to Management, encompassing the following duties and authorities:

i. providing entrepreneurial leadership, defining corporate strategies, and ensuring the allocation of requisite financial and human resources for the Group to achieve its objectives.

ii. evaluating and endorsing the Group's annual business blueprint, inclusive of budgetary allocations, operational frameworks, and capital investments. This process entails constructive dialogue with Management, scrutinizing strategic avenues, and refining planning methodologies.

iii. assessing the adequacy and efficacy of the Group's risk management protocols and internal control frameworks. This encompasses delineating risk appetites, establishing control mechanisms spanning financial, operational, compliance, and information technology domains to safeguard shareholders' investments as well as the Company's assets.

iv. prudently overseeing and managing risks while attaining an optimal balance between risk exposure and organisational performance.

v. overseeing comprehensive long-term succession plans for Management and ensuring their adherence to the prescribed code of conduct.

vi. instituting robust policies to ensure compliance with statutory and regulatory mandates.

vii. monitoring the Group's performance, market positioning, and growth prospects. This entails evaluating Management's performance vis-à-vis predefined goals and objectives and ensuring adept management of the Group's business ventures.

viii. authorizing the release of the Group's interim and annual financial reports and endorsing various strategic initiatives proposed by Management.

ix. upholding transparency and accountability to key stakeholder groups.

In executing its mandate, the Board maintains a steadfast focus on value creation, innovation, and sustainable practices.

The Board exercises due diligence and independent judgment in dealing with the Group's affairs. It relies on the expertise, dedication, and diligence of both its Management and external advisors to facilitate impartial decision-making in the best interest of the Group, thereby optimizing shareholder value. Moreover, the Board serves as the vanguard of organisational ethos and values, setting a precedent for ethical conduct throughout the organisation.

Board Committees

The Board is supported by three committees: the Audit and Risk Committee ("**ARC**"), the Nominating Committee ("**NC**"), and the Remuneration Committee ("**RC**") (individually, a "**Board Committee**" and collectively, the "**Board Committees**"). Each Board Committee is entrusted with distinct responsibilities delegated by the Board, thereby facilitating the Board's effective discharge of its functions.

Management of Conflicts of Interest

Internal protocols mandate that any Board member with a potential conflict of interest regarding a specific agenda item abstains from participating in the relevant Board discussion. This stringent policy extends to all Board Committees, ensuring ethical conduct and impartial decision-making at every level.

Directors' Competencies

Directors are provided with opportunities for continuous professional development to enhance the performance of both the Board and its Committees. The Company generously supports Directors' participation in industry conferences, seminars, and training programs relevant to their roles. Additionally, Directors are regularly updated on statutory and regulatory changes pertinent to their obligations, fostering informed decision-making.

The Company encourages Directors' engagement with external educational resources such as seminars conducted by reputable organizations like the Singapore Institute of Directors ("**SID**") and SGX. Directors are encouraged to stay abreast of changes and developments in the business environment. Periodic offsite strategy meetings, occurring every one to three years, serve as pivotal forums for strategic discussions between the Board and Management, with the most recent session held in December 2021.

Furthermore, site visits to the Group's overseas projects are organised, providing Directors with firsthand insights into these ventures. In FY2023, there was a site visit to the Group's Opus Bay project in Batam, Indonesia and more trips are planned for 2024.

Information Dissemination and Onboarding

News articles, industry insights, and analyst reports relevant to the Group's operations are circulated on a regular basis to keep Directors well-informed. Updates on legislative changes, corporate governance codes, and financial reporting standards are also shared during Board meetings or disseminated via email.

Upon appointment to the Board, a new Director will receive a comprehensive onboarding package, including a formal appointment letter and essential documents such as Directors' duties, meeting schedules, the latest annual report, Constitution, Committee terms of reference, remuneration frameworks, and approved Group policies. Additionally, a structured onboarding program is organised, featuring presentations by senior management on the Group's business activities and site visits to key investment properties and projects.

Training for new directors

In adherence to SGX-ST Listing Rules 210(5) and 720(7), the Company ensures that new directors who lack prior SGX-ST listed companies board experience or training in sustainability matters receive appropriate training. This includes prescribed programs conducted by the SID and/or Singapore Exchange Regulation ("**SGX RegCo**"). The Company did not appoint new directors in 2023.

CORPORATE GOVERNANCE REPORT

Provision 1.3
Internal guidelines on matters requiring Board's approval

The Company has established comprehensive guidelines governing matters that require Board approval. These guidelines are, integrated into the Company's Policies and Procedures Manual and are reviewed and updated regularly. In particular, the Delegation of Authority Matrix identifies matters requiring specific board approval, such as:

i. business plans and budget forecasts;

ii. material acquisitions/disposals of land/assets/investments;

iii. corporate/financial restructuring/corporate exercises;

iv. financial results announcements and press releases;

v. declarations of dividends;

vi. delegation of authority matrix, significant policies and procedures;

vii. material financing/funding arrangements and provision of corporate guarantees; and

viii. interested person transactions ("**IPTs**") above certain threshold and not covered by IPT mandate.

Key Activities of the Board – FY2023

We held regular meetings in FY2023 and the following items were deliberated by the Board and Committees:

- Reports of the ARC, NC and RC.
- Group Chief Executive Officer ("**CEO**")'s monthly management report and periodic updates (quarterly or half-yearly as appropriate) on:
    - businesses including risk profiles.
    - development/operations in Australia, China and Indonesia.
    - Group's borrowing profile.
    - Group' cash flow projection.
    - litigation cases, if any.
- Review and approval of all announcements including those for half-year and full-year financial statements.
- IPT Register.
- Whistle-blowing Register.
- Disclosure of Directors' interests pursuant to Section 156 of the Companies Act 1967 ("**Companies Act**").

Other key items deliberated during FY2023:

- Proposed acquisitions and divestments.
- Updating of Medium Term Note ("**MTN**") Programme and issuance of series 5 notes.
- Refinancing of projects.
- Business strategies.
- Developments/updates relating to accounting, legal, regulatory and/or corporate governance.
- Formation of joint ventures.

Matters reserved for specific Board approval

i. Documents for distribution to shareholders, annual report and financial statements.

ii. Annual budgets and business plans.

iii. Dividend pay-out.

iv. CEO's Key Performance Indicators ("**KPIs**") and performance review.

The Board acting on the recommendation of the relevant Board Committees is also responsible for the succession planning, appointment and replacement of Directors, appointment of key management personnel ("**KMP**") and the determination of their remuneration. The Company's KMP has been identified as the CEO, the Group Chief Financial Officer ("**CFO**") and the General Counsel.

Board Organisation and Support

Provision 1.4
Delegation to Board Committees

To enhance operational efficiency and facilitate the discharge of its functions, the Board has delegated specific responsibilities to its Committees, namely the ARC, NC, and RC. Each Committee operates within the framework of its written terms of reference, outlining its duties, responsibilities, and decision-making procedures. Any modifications to these terms necessitate the approval of the Board. Further details regarding the Board Committees can be found in the respective sections dedicated to them within this Annual Report.

Provision 1.5
Board and Board Committee meetings and attendance records

Meetings of the Board, its Committees, and shareholders are scheduled in advance of each financial year, in consultation with Directors to ensure maximum participation. Ad hoc meetings may be convened when required or justified by specific circumstances. In instances where physical attendance is not feasible, Directors participate via teleconference or video conference facilities, in accordance with the Company's Constitution. Notably, during FY2023, all Directors attended every Board and Committee meetings either in person or via video conferencing facilities.

In line with our commitment to sustainability, the Company has equipped each Director with an electronic tablet device since 2014. This initiative enables Directors to access and review meeting documents electronically, eliminating the need for hard-copy printouts. Furthermore, this transition enhances information security, as documents are securely passcode-protected for download onto Directors' tablet devices.

CORPORATE GOVERNANCE REPORT

The attendance record (includes both physical and virtual meetings) of the Directors in FY2023 is set out below:

	Board	ARC	NC	RC	Annual General Meeting
Total Number of Meetings held	4[1]	4[2]	1	1	1
William Nursalim alias William Liem	4	N.A.	N.A.	N.A.	1
Michelle Liem Mei Fung	4	4	1	1	1
Cheng Hong Kok	4	4[3]	1	1	1
Richard Eu Yee Ming	4	4	1	1	1
Ooi Joon Hin	4	4	N.A.	N.A.	1

Annotations:
(1) Including one Ad-hoc Board Meeting
(2) Including one Ad-hoc ARC Meeting
(3) As observer

Provision 1.6
Access to Information

In order to facilitate well-informed decision-making and fulfil its responsibilities effectively, Management adheres to a policy of furnishing the Board with comprehensive, accurate, and timely information.

The Board, along with its Committees and individual Directors, maintains separate and independent channels of access to Management. They are encouraged to request additional information as necessary to ensure informed decision-making. Meeting agendas for both the Board and its Committees, along with relevant materials, are circulated to Directors at least one week prior to scheduled meetings.

In addition to the submission of annual budgets and business plans for Board approval, monthly management reports analysing operational performance are provided. These reports include comparisons of achieved results with those of the previous year and budgeted figures, supplemented with explanatory notes. Furthermore, the Board receives reports on cash flow forecasts, performance forecasts, risk assessments, scenario analysis, share price movements, utilisation of bank facilities, and benchmarking against market indexes and peer entities. Additional materials such as Board memorandums and pertinent reports are circulated as needed.

The Internal Auditors' reports are directly conveyed to members of the ARC for review. Proposals containing detailed qualitative and financial analyses, cash flow forecasts, and financing requirements for each bid or project are formalised and presented to the Board for approval prior to any land or property acquisitions or engagement in new projects.

Provision 1.7
Independent Professional Advice/Company Secretary

The Company, in consultation with the Chairman of the Board, affords Directors the opportunity to access Management, Company Secretary(ies), and seek external professional advice independently, either individually or collectively, at the Company's expense, to discharge their duties effectively.

The role of the Company Secretary(ies) is clearly defined, encompassing various responsibilities including advising the Board on matters related to its proper functioning, compliance with the Company's Constitution, and adherence to relevant regulations such as the Companies Act, Securities and Futures Act 2001, and SGX-ST Listing Manual.

Reporting to the General Counsel, the Company Secretary(ies) seek her counsel and guidance when executing their duties. In collaboration with the General Counsel, they assist the Board in implementing and reinforcing corporate governance policies and procedures. Furthermore, the external company secretarial service provider(s) engaged by the Company supplements the in-house team by disseminating regulatory updates on corporate governance topics during FY2023, such as the requirements on real-time remote voting and communications for general meetings.

Under the direction of the Chairman and oversight of the General Counsel, the Company Secretary(ies) ensure seamless information flow within the Board, Board Committees, and between Management and Non-Executive Directors. Meeting materials and minutes are distributed promptly to all Board and Committee members. The appointment and removal of the Company Secretary(ies) are subject to the approval of the Board.

BOARD COMPOSITION AND GUIDANCE

Principle 2: Appropriate level of independence and diversity of the Board, enabling it to make decisions in the best interests of the Company

Board Composition at a glance

The Board has the appropriate level of independence and diversity of thought and background. Collectively, their established track record in real estate, business, finance, accounting, legal, strategic planning and management, have enabled the Board to make decisions in the best interests of the Company. The Directors' Profile can be found on pages 8 to 9 of this Annual Report.

Board composition as at 26 March 2024[1]

Non-Executive and Independent Directors

1. Cheng Hong Kok
2. Ooi Joon Hin
3. Richard Eu Yee Ming

Non-Executive and Non-Independent Director

Michelle Liem Mei Fung

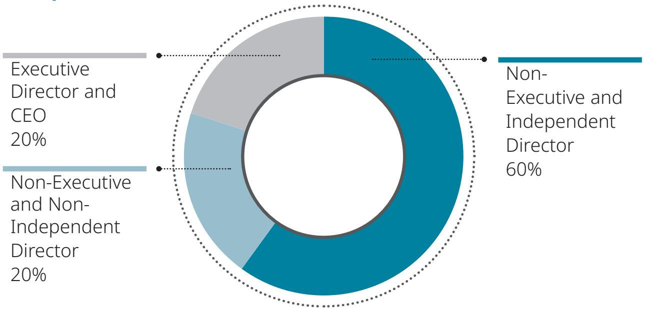
Executive Director and CEO

William Nursalim alias William Liem

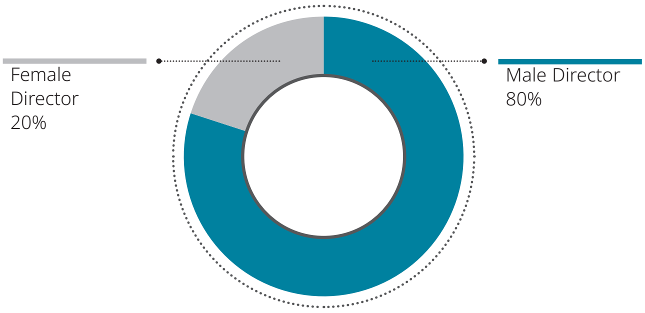
Annotation
(1) Date of the Audited Financial Statements and Directors' Statement for FY2023.

CORPORATE GOVERNANCE REPORT

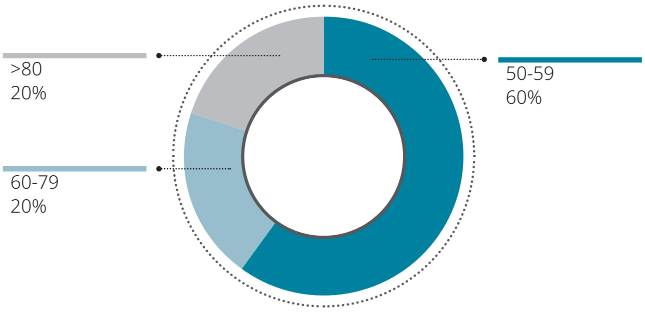
Independence



Gender Diversity



Age Group of Our Directors



Provision 2.1
Independence of Directors

As at the date of this Annual Report, the Board comprised five Board members, of whom four are Non-Executive Directors (including three Independent Directors). Other than the CEO, all Directors are non-executive.

An Independent Director is one who is independent in conduct, character and judgement and has no relationship with the Company, its related corporations, its substantial shareholders or its officers who can interfere, or be reasonably perceived to interfere with the exercise of the Director's independent business judgement to the best interests of the Company.

The NC and the Board take into account the existence of relationships or circumstances, including those identified by the SGX-ST Listing Manual and the Code's Practice Guidance 2018 ("**Practice Guidance**") that are relevant in determining as to whether a Director is independent.

Each Director is required to declare his independence and complete an annual declaration in the form of a self-assessment questionnaire which sets out the circumstances where a Director is deemed not to be independent and submit it to the NC for review. The results are collated by the Company Secretary and reported to the Board.

In FY2023, the NC conducted its annual review of the Directors' independence and was satisfied that the Company has complied with Provision 2.1 of the Code, the Practice Guidance and SGX-ST Listing Rule 210(5)(d)(i) and (ii).

On 11 January 2023, SGX RegCo announced a hard tenure limit of nine (9) years for an independent Director, beyond which such Director will no longer be considered as independent. None of the Independent Directors on the Board have served for nine (9) years.

For FY2023, both the NC and the Board evaluated the independence of Messrs Ooi Joon Hin, Cheng Hong Kok, and Richard Eu Yee Ming and were satisfied that there existed no associations or circumstances—such as financial ties, past affiliations, business transactions, or familial relationships–that could compromise their independent judgment. Notably, each Independent Director conscientiously abstained from participating in the assessment of their own independence, ensuring a thorough and unbiased evaluation process.

Provision 2.2
Independent Director Composition on the Board

In accordance with Provision 2.2 of the Code, the Board ensures that Independent Directors form a majority when the Board Chairman is not independent. Mr Richard Eu Yee Ming, serving as both the Chairman and an Independent Director, upholds this requirement.

The composition of the Board adheres to Provision 2.2 of the Code, with Independent Directors constituting a majority (3 out of 5 Directors). Moreover, this composition aligns with the SGX-ST Listing Rule 210(5)(c), which mandates that Independent Directors constitute at least one-third of the Board. This rule, effective from January 1, 2022, further underscores the Board's commitment to robust corporate governance practices.

During FY2023, the NC conducted a comprehensive review of the Board's composition and its Committees. It was determined that the current size of five Directors adequately supports effective decision-making tailored to the Group's evolving needs and operational demands. This assessment was duly endorsed by the Board.

Each Director actively engages in the collective decision-making process, ensuring that no individual or subset unduly influences or dominates proceedings.

Provision 2.3
Proportion of Non-Executive Directors

Throughout FY2023, Non-Executive Directors formed a majority of the Board, ensuring compliance with Provision 2.3 of the Code.

Non-Executive Directors evaluate Management's proposals, challenging underlying assumptions where necessary.

Provision 2.4
Board Composition and Size

In FY2023, the NC conducted its annual review of the Board's composition and size, affirming their appropriateness in light of the Group's operations. Notably, the Board exhibits ample diversity, comprising members of both genders with diverse backgrounds, bringing with them working experience garnered from various jurisdictions and each contributing core competencies, qualifications, skills, and experiences tailored to the Group's needs. As part of this annual review, the NC also assessed the competency matrix of Directors, ensuring a balanced spectrum of expertise across areas such as accounting, finance, legal, and strategic planning. The Executive Director brings invaluable industry knowledge, while Non-Executive Directors, with their diverse professional backgrounds, offer broader perspectives and independent judgment during Board deliberations. The Board unanimously endorsed the NC's assessment, affirming satisfaction with the current composition's competency and size in fulfilling its obligations.

CORPORATE GOVERNANCE REPORT

Board Diversity Policy

The Company places significant emphasis on fostering diversity across its Board, recognising the myriad benefits it brings in terms of experience, perspective, and sustainable development. To this end, a comprehensive Board Diversity Policy (the "**Diversity Policy**") was adopted in FY2021, emphasizing both quantitative and qualitative objectives. This policy, available for reference on the Company's website (https://tuansing.com/board-diversity-policy/), underscores the importance of diversity in all facets of Board and KMP appointments.

The Board has also set its gender diversity objectives of (i) having at least one female Director on the Board and at least one female KMP; (ii) having at least one female candidate in any search process for Directors and KMP; and (iii) to endeavour to align with the target set by the national diversity body (e.g. Council for Board Diversity ("**CBD**")) for female board representation as much as possible. Nevertheless, gender is but one aspect of diversity and new Directors will continue to be selected based on their merits and the potential contributions which they can bring to the Board.

The Board has also set skills diversity objectives which include (i) experience in public appointments; (ii) experience as director of listed companies; (iii) sector experiences – knowledge of countries where the Company primarily operates; (iv) sector knowledge of Group's principal business activities; and (v) functional experience of the Directors. The Board, through the NC, will assess the Board competency matrix annually.

Presently, the Board includes one female Director, Ms Michelle Liem Mei Fung, constituting 20% of the Board. Ms Liem's longstanding tenure since 2001 has enriched Board discussions and decision-making processes, underscoring the Company's commitment to leveraging diverse perspectives for strategic advancement.

Determination of Board Skillset Needs

To identify and address any gaps in the collective skills of the Board, a structured approach is employed, leveraging the established "Board of Directors' Competency Matrix." This matrix serves as a valuable tool for assessing the diverse skill set requirements essential for effective governance.

Provision 2.5
Regular Meetings of Non-Executive Directors

In FY2023, Non-Executive Directors actively engaged in both scheduled Board and Committee meetings, fostering open dialogue and collaboration. Additionally, they maintained informal interactions, both online and offline, with KMP and other senior management members of the Group. These engagements facilitated in-depth discussions on pertinent matters, allowing for valuable feedback to be provided to Management for resolution. Such accessibility to Non-Executive Directors has greatly benefited the Company, enhancing guidance and fostering insightful exchanges of views, both within and outside formal meeting settings in 2023.

Furthermore, Non-Executive Directors convene separately, at least annually, to discuss Management's performance in the absence of Management, ensuring candid assessments and constructive feedback.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: Division of Responsibilities between Board and Management and avoidance of a single individual influence on decision-making

Provisions 3.1 and 3.2
Separation of the Role of Chairman and CEO

Mr Richard Eu Yee Ming, a Non-Executive Independent Director, first assumed the role of Board Chairman in FY2021 and was re-elected in FY2023. The delineation of responsibilities between the Chairman and the CEO is clearly outlined in the Board's written terms of reference, ensuring a robust governance framework.

As Chairman, Mr Eu Yee Ming exemplifies the highest standards of integrity and governance, steering Board proceedings and fostering effective communication among Directors. He presides over meetings, ensuring comprehensive discussions on all agenda items.

Meanwhile, Mr William Nursalim alias William Liem, serves as the CEO, accountable to the Board for executing its decisions. He provides decisive leadership, aligning the Company's operations with the strategic vision set forth by the Board.

Importantly, there exists no familial relationship between Mr Liem and Mr Eu, underscoring the independence and integrity of Board operations.

The Chairman leads the Board, fostering collaborative interaction between Directors and Management, and nurturing constructive relationships among Board members to uphold principles of good corporate governance.

Preceding each Board meeting, the Chairman, in consultation with the Management and the Company Secretary(ies), reviews and approves the agenda for the meeting. This process ensures that Board members receive comprehensive and timely information, typically distributed at least one week in advance of meetings, to facilitate thorough preparation. Throughout meetings, the Chairman presides, ensuring robust discussion of each agenda item and facilitating engagement with Management on matters ranging from operational intricacies to overarching strategic imperatives. Management representatives are invited on a need to basis to provide insights and perspectives, enriching deliberations.

Moreover, during general meetings, the Chairman assumes a pivotal role in nurturing an environment conducive to constructive dialogue between Shareholders and the Board, fostering transparency and accountability in corporate affairs.

Provision 3.3
Lead Independent Director

The Code allows for the appointment of a Lead Independent Director under specific circumstances. However, following careful consideration of the Company's business operations and the composition of the Board, it was deemed unnecessary to appoint one for FY2023.

Despite the absence of a designated Lead Independent Director, Independent Directors convene separately to provide feedback directly to the Board Chairman. Additionally, they maintain regular communication with the CEO, KMP, and fellow Non-Executive Directors, ensuring robust oversight and governance.

CORPORATE GOVERNANCE REPORT

Furthermore, the Company remains committed to fostering transparent communication with Shareholders and stakeholders, with Directors and Management readily accessible to address queries and concerns. The efficacy of communication channels between the Board and stakeholders remains unaffected by the absence of a Lead Independent Director. Nonetheless, the Board will periodically review the necessity of such an appointment to uphold best governance practices.

BOARD MEMBERSHIP

Principle 4: Formal and transparent process for appointment/re-appointment and progressive renewal of the Board

Provisions 4.1 and 4.2
NC membership and key terms of reference

As at the date of this report, the NC consists of the following three members with the majority, including the Chairman, being independent:

- Mr Richard Eu Yee Ming, Chairman (Non-Executive and Independent)
- Mr Cheng Hong Kok (Non-Executive and Independent)
- Ms Michelle Liem Mei Fung (Non-Executive and Non-Independent)

The NC is guided by its written terms of reference which stipulate its principal roles as follows:

i. review the nomination, appointment and re-appointment of Directors to the Board;

ii. review annually the independence of Directors;

iii. determine a suitable size of the Board;

iv. develop and maintain internal guidelines to assess a Director's ability and his/her performance in carrying out his/her duties as Director of the Company;

v. review the Directors' mix of skills, attributes/qualities, experiences and diversity that the Board requires;

vi. recommend to the Board on internal guidelines to address the competing time commitments faced by Directors serving on multiple boards;

vii. develop and maintain, as appropriate, a formal assessment process and criteria to evaluate the effectiveness and performance of the Board as a whole, the Board Committees and the contribution by each Director to the effectiveness of the Board; and

viii. review the succession plans for Directors, appointment and/ or replacement of the Chairman, the CEO, and other KMP for recommendation to the Board.

Upon request of the Board and/or the CEO, the NC shall also review any other senior management appointments within the Group, and those that are jointly controlled of which the Company's influence is balanced by other joint venture party(ies).

Other than as stated above, the NC is also involved in the review of training and professional development programmes for the Board. For FY2023, the task of this review was assisted by the in-house Company Secretary(ies). When necessary or once the NC has identified training needs on certain topics, the in-house Company Secretary(ies) will assist to collate and circulate training options available, such as the yearly training calendar available from SID's website to the Directors, and assist the Directors to sign up for relevant training at the Company's expense.

When making decisions on the appointment of new Directors to the Board, the NC and the Board consider several criteria which include the relevant expertise and experience that are required on the Board and the Board Committees. Other determining factors include diversity, independence, conflicts of interest and time commitments.

In discharging its key responsibilities, the NC reviewed the followings in FY2023:

i. the independence of Directors;

ii. the size of the Board and its composition;

iii. the commitment of Directors serving on multiple boards;

iv. the performance of the Board as a whole and the Board Committees;

v. contribution by each individual Director to the effectiveness of the Board;

vi. the Directors' continued training and professional development;

vii. the disclosure of Board matters in the annual report; and

viii. Board succession and renewal plans.

An NC report is submitted to the Board at the end of each financial year and the minutes of NC meetings are tabled to the Board to keep Board members apprised.

Provision 4.3
Selection, appointment and re-appointment of Directors

The NC is responsible for recommending identified candidates to the Board to fill vacancies arising from resignation or retirement, or if there is a need to appoint additional Directors to fill a competency gap in the Board, or for any other reasons as identified by the NC. The potential candidate may be proposed by existing Directors, the Management or through third-party referrals.

The Company has in place a process for selecting and appointing new Directors. This process includes, inter alia, an evaluation of the candidate's capabilities by taking into consideration diversity of skills, experience, background, gender, age, ethnicity and other relevant factors and how the candidate fits into the overall desired competency matrix of the Board.

The NC may have recourse to both internal sources as well as external sources to draw up a list of potential candidates. Shortlisted candidates will be required to furnish their curriculum vitae, stating in detail their qualifications, working experience and employment history, and to complete certain prescribed forms to enable the NC to assess the candidate's independence status and compliance with the Company's established internal guidelines.

CORPORATE GOVERNANCE REPORT

The NC plays a pivotal role in ensuring adherence to the Company's Constitution, which mandates that, at each Annual General Meeting ("**AGM**"), one-third of the Board, inclusive of the Chairman and CEO, retire from office by rotation and are eligible for re-election. Additionally, all Directors, including the Chairman and CEO, must present themselves for re-nomination and re-appointment at least once every three years, in compliance with SGX-ST Listing Rule 720(5) and the Company's Constitution.

In line with SGX-ST Listing Rule 720(5) and the Company's Constitution, the CEO, an Executive Director, is subject to the same provisions regarding retirement by rotation, resignation, and removal as other Board members, facilitating the Board's renewal process.

Furthermore, the Company's Constitution specifies that Directors appointed by the Board during the financial year without Shareholders' approval must seek re-election at the subsequent AGM.

The NC conducts an annual review of Directors' eligibility for re-election/re-appointment based on their individual performance. Recognising the importance of Board renewal and succession planning, the NC periodically assesses the appointment or reappointment of Directors to adapt to evolving needs. Notably, the Board welcomed three Independent Directors in August 2017, August 2019, and May 2021, respectively. Additionally, in terms of Management team succession planning, the Company has implemented a strategy of recruiting experienced candidates and facilitating a shadowing process wherein selected candidates work alongside incumbents before assuming formal roles.

Provision 4.4
Continuous Review of Directors' independence

For FY2023, the NC conducted an annual review of Directors' independence based on their declarations, aligning with guidelines from the Code, its Practice Guidance, and relevant SGX-ST Listing Rules. Considering the circumstances outlined in Provision 2.1 of the Code, the NC determined the independence of each Director. Details of this review process are provided in Provision 2.1 of this Corporate Governance Report. The NC remains committed to reassessing the independence of Independent Directors as and when warranted.

Provision 4.5
Multiple Directorships

Information regarding each Director's directorships and principal commitments is available in the "Directors' Profile" section of this Annual Report and on the Company's website.

There are Internal guidelines to assist the NC in evaluating whether Directors with multiple board positions allocate sufficient time to the Company's affairs. The current policy suggests that if a Director held an executive position or is a key management figure in another listed company or major corporation, he/she should ideally limit non-executive directorships to three unrelated listed companies and/or major corporations ("**Internal Guideline Limit**").

In FY2023, no Directors exceeded the Internal Guideline Limit. The NC and the Board affirmed that all Directors fulfilled their duties adequately.

BOARD PERFORMANCE

Principle 5: Formal annual assessment of the effectiveness of the Board, its Board committees and individual directors

Provisions 5.1 and 5.2
Board evaluation process, Board performance criteria and individual Director evaluation

The Company has implemented a formal process to evaluate (i) the performance and effectiveness of the Board as a whole and of its Board Committees; and (ii) the contribution by the Chairman and each individual Director to the Board.

The performance criteria were recommended by the NC and approved by the Board.

For FY2023 and as in previous years, the Board conducted an annual evaluation of the performance of the Board and individual Directors by having each Director complete a questionnaire for "Board Performance Assessment" with comments where necessary.

The "Board Performance Assessment" encompasses the performance evaluation for the Board Committees. The NC and the Board were of the view that this streamlined process was adequate and effective.

In evaluating the Board's performance, the following areas were assessed:

(a) Board structure including independent element on the Board, working partnership between the Board and Management, Board size, and contribution by the Chairman and each Director to the Board;

(b) conduct of meetings including their regularity, adequacy of notice, leadership of the chair, quality of discussion and consensus of decision;

(c) corporate strategy and planning including provision of entrepreneurial leadership to the Management, resources allocation and approval of annual business plan;

(d) risk management and internal controls including its framework and a review of their implementation effectiveness;

(e) measuring and monitoring Management's performance, including conducting reviews in comparison with the previous year's performance and budget;

(f) recruitment, evaluation and compensation, including approval for KMP appointments, remuneration framework, annual compensation and bonus for the KMP;

(g) succession planning for the Board and Management;

(h) financial reporting including the integrity of financial statements, principles applied and approval for announcements; and

(i) communication with Shareholders.

CORPORATE GOVERNANCE REPORT

Performance Assessment and Evaluation Process

Drawing from market insights obtained from **Bloomberg**, particularly benchmarking against companies within the "Real Estate Development & Holding Company" sector with market capitalizations ranging from $300 million to $3 billion, the NC utilises a comparative framework to assess the Company's performance in the preceding year. Instances of significant deviations prompt thorough investigations into the underlying reasons, documented for reference, and addressed through appropriate actions.

When evaluating individual Directors, the Board employs a competency matrix to gauge their specialised areas of expertise, aligning with the Code's guidelines and other pertinent factors. Subsequent actions are taken based on the assessment outcomes. Continuous evaluation of each Director's performance is integral to our governance framework. Criteria encompass factors such as attendance at Board and Committee meetings, active participation in discussions, regional knowledge and networks, functional expertise, and time commitment to Company affairs.

Moreover, the Executive Director/CEO undergoes annual appraisal by the Non-Executive and Independent Chairman, assessing performance against predetermined KPIs encompassing financial and non-financial metrics, as well as short to medium-term goals. The RC conducts a thorough review of this evaluation annually.

To maintain confidentiality, completed evaluation forms from all Directors are collated by the Company Secretary(ies) and submitted to the NC. The NC reviews and discusses the collective evaluation results and the same is tabled to the full Board for their deliberation.

These evaluation findings serve as a basis for the Chairman to review and, where necessary, adjust the Board's composition and Committee structures in collaboration with the NC, thereby enhancing the Board's efficacy in overseeing Company operations. The Board was satisfied with the results of the annual performance evaluation of the Board, its Committees, and individual Directors for FY2023.

While no independent external consultant was engaged for the FY2023 performance review of the Board, its Committees, and individual Directors, the NC and Board remain receptive to such involvement should it prove beneficial in enhancing the evaluation process in the future.

II. REMUNERATION MATTERS

Responsibility for matters pertaining to the remuneration of Directors, KMP, and other senior executives lies within the RC. The RC's primary mandate is to establish transparent and formal policies concerning remuneration within the Company.

Disclosure requirements for the annual remuneration report have been adequately addressed within this report and the accompanying financial statements of both the Company and the Group.

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 6: Formal and Transparent Procedure for Developing Director and Executive Remuneration

Provisions 6.1 and 6.2
Remuneration Committee composition and terms of reference

The RC is constituted by three non-executive Directors, with the majority, including the Chairman, being independent:

- Mr Cheng Hong Kok, Chairman
  (Non-Executive and Independent)
- Mr Richard Eu Yee Ming
  (Non-Executive and Independent)
- Ms Michelle Liem Mei Fung
  (Non-Executive and Non-Independent)

Guided by its written terms of reference, the RC is tasked with the following principal responsibilities:

i. Providing an independent perspective to assist the Board in establishing a formal and transparent procedure for developing a remuneration policy for Directors and KMP, or executives of equivalent rank, of the Company;

ii. Establishing an appropriate remuneration framework aimed at motivating and retaining Directors and KMP, or executives of equivalent rank, while ensuring the Company's ability to attract talent from the market to maximize shareholder value;

iii. Developing a remuneration policy for the Executive Director and KMP, or executives of equivalent rank, designed to align rewards with corporate and individual performance;

iv. Determining specific remuneration packages for the Executive Director and KMP, or executives of equivalent rank, as well as any relatives of Directors and/or substantial shareholders employed in managerial positions by the Company;

v. Reviewing and approving the compensation of KMP, or executives of equivalent rank; and

vi. Assessing the appropriateness and transparency of remuneration matters for disclosure to Shareholders.

The RC has explicit authority to investigate any matters within its terms of reference including seeking expert advice within and/or outside the Company.

An RC report is submitted to the Board at the end of each financial year and RC meetings minutes are tabled to the Board to keep Board members apprised.

Provision 6.3
Developing Remuneration Framework

The RC, with the endorsement of the Board, has established an appropriate remuneration framework aimed at attracting, retaining, and motivating Directors and KMP, or executives of equivalent rank as well as specific remuneration packages for each Director, the KMP (or executives of equivalent rank) and any relative of a Director and/or substantial shareholder who is employed in a managerial position by the Company. The framework is reviewed periodically to ensure that it remains relevant and effective.

CORPORATE GOVERNANCE REPORT

The RC operates within a framework aimed at providing recommendations to the Board, individual Directors do not participate in discussions concerning their own compensation.

During FY2023, the RC reviewed and recommended to the Board the remuneration packages for the Executive Director/ CEO and KMP, or executives of equivalent rank. Additionally, the RC assessed the performance of other heads of department ("**HODs**"), considering recommendations and assessments from the CEO regarding bonuses and remuneration. The RC also endorsed the Management's proposals for bonuses in 2023 and salary increments for 2024.

The Company's obligations in the event of termination of service of the Executive Director/CEO and the KMP are enumerated in their respective employment letters. The RC is satisfied that the termination clauses therein were fair and reasonable to the respective employment class and were not overly generous.

Provision 6.4
RC's Access to Remuneration Advice

The RC benefits from direct access to the Company's Director of Human Resources & Administration for inquiries related to human resource matters. It also possesses the authority to investigate any matter within its remit and can seek external expert advice at the Company's expense when necessary. To maintain independence and objectivity, the RC is able to engage a diverse pool of independent consultants, ensuring that any existing relationships between the Group and its remuneration consultants do not compromise impartiality.

LEVEL AND MIX OF REMUNERATION

Principle 7: Level and Structure of Remuneration are Aligned with Company Objectives

Provisions 7.1, 7.2, and 7.3
Remuneration of Directors and KMP

The Company's remuneration framework for the Executive Director/CEO and KMP (or executives of equivalent rank), benchmarked against comparable entities in similar industries, features a balanced mix of fixed and variable components. This structure aims to attract, retain, and motivate talent sustainably. Fixed compensation includes base salary and allowances, while the variable component comprises performance-related, cash-based short-term incentives linked to both Company and individual performance. Such alignment with shareholder interests fosters long-term success for the Group.

Throughout FY2023, the Board had a sole Executive Director, namely the CEO. As per the Company's remuneration policy, Executive Directors, KMP and employees do not receive Director's fees from the Company or its subsidiaries/associated entities if nominated or appointed to these boards.

Performance Assessment and Remuneration Policy

To evaluate the performance of the Executive Director/CEO and KMP, comprehensive KPIs encompassing both financial and non-financial targets are established at the onset of each financial year. Financial metrics, such as net profit, return on assets, return on equity, and total shareholder return, are juxtaposed with non-financial objectives related to reputation, customer satisfaction, employee engagement, environmental sustainability, community impact, and long-term viability. These KPIs integrate quantitative and qualitative factors alongside short and medium-term targets, providing a robust framework for assessing the Company's strategic alignment and progress toward sustainable growth. The RC acknowledges the evolving business landscape and incorporates Environmental, Social, and Governance (ESG) considerations into remuneration deliberations, underscoring the Company's commitment to responsible corporate citizenship.

Annually, the RC reviews and endorses the remuneration packages for the Executive Director/CEO and KMP, encompassing elements such as basic salary, allowances, benefits, and bonuses. The assessment is anchored in the performance outcomes against pre-determined KPIs for the fiscal year under review.

For FY2023, the RC deemed the salary adjustments and performance-related bonuses allocated to the Executive Director/CEO and KMP as reflective of their respective contributions, aligning with the achievement of KPI targets.

At present, the Company does not administer any long-term incentive schemes involving shares, options, or any other forms of deferred remuneration.

Remuneration Framework for Non-Executive Directors

Non-Executive Directors operate without service contracts beyond their appointment letters, with their tenures defined by the Company's Constitution. Their remuneration comprises Directors' fees and attendance fees, structured based on a comprehensive fee scale. This scale incorporates basic retainer fees for Directorship, additional compensation for Board Committee service, and attendance allowances for participation in Board and Committee meetings.

In determining Directors' fees, the RC factors in considerations such as meeting frequency, time commitments, responsibilities, and alignment with industry benchmarks to ensure competitiveness.

Moreover, the RC considers the distinct roles and responsibilities of the Chairman and ARC members, acknowledging their heightened duties with commensurate increases in additional fees.

The framework for Non-Executive Directors' fees (on a per-annum basis unless otherwise indicated), which was last revised in FY2018, is as follows:

Roles	Members (per annum)	Chairman (per annum)
Board of Directors	$50,000	Additional $50,000
Audit and Risk Committee	$20,000	Additional $20,000
Other Committees	$7,500	Additional $7,500
Attendance Fee	$1,000 per meeting	
Overseas Engagement Fee	$2,000 per trip	
Special or *Ad hoc* Project(s)	Appropriate sum depending on complexity and time involved, as recommended by the Board after the completion of the projects and approved by Shareholders in a general meeting	

CORPORATE GOVERNANCE REPORT

The remuneration framework for Non-Executive Directors was last reviewed in FY2018, using data obtained from a survey of such fees disclosed by comparable peers in property companies listed in Singapore in their annual reports and the Company did not engage external remuneration consultant for FY2023. The RC and the Board were of the opinion that the current framework remains relevant. The Board concurs with the RC's proposal for Non-Executive Directors' fees for FY2023 which are computed in accordance with the current framework. The Company will seek shareholders' approval for Non-Executive Directors' fees at the 2024 AGM. The Chairman and Non-Executive Directors will abstain from voting in respect of the resolution. The RC and the Board are collectively of the view that the remuneration for FY2023 is appropriate to attract, retain and motivate Directors to provide good stewardship of the Company, and for KMP to successfully manage the Company for the long term.

DISCLOSURE ON REMUNERATION

Principle 8: Transparency on remuneration policies, procedure, level and mix, and relationship between remuneration, performance and value creation

Provision 8.1
Remuneration report

Details on the remuneration of Directors and the KMP for FY2023 are reported below. During FY2023, there were no termination, retirement or post-employment benefits granted to any of them.

The remuneration of the Executive Director/CEO and Non-Executive Directors for FY2023 is set out in Table A below:

TABLE A

Name of Directors	Directors' Fees[(1)] $	Salary[(2)] $	Benefits[(3)] $	Variable Bonus $	Total $
Executive Director					
William Nursalim alias William Liem[(4)]	–	1,242,120	48,026	828,100	2,118,246
Non-Executive Directors					
Richard Eu Yee Ming	154,500	–	–	–	154,500
Michelle Liem Mei Fung	95,000	–	–	–	95,000
Cheng Hong Kok	84,500	–	–	–	84,500
Ooi Joon Hin	100,000	–	–	–	100,000
Total Directors' Remuneration	**434,000 (17%)**	**1,242,120 (49%)**	**48,026 (2%)**	**828,100 (32%)**	**2,552,246 (100%)**

Annotations:
(1) If approved, the aggregate amount of Directors' fees of $434,000 will be paid to the Non-Executive Directors upon approval by Shareholders at the forthcoming AGM.
(2) Salary refers to basic salary (CPF contribution is not applicable).
(3) Benefits refer to car and handphone benefits.
(4) As an Executive Director, Mr William Nursalim alias William Liem does not receive Director's fees.

For FY2023, there was no change in the fee structure for Directors.

The total proposed Directors' Fees for FY2023 is $434,000 which is 2.1% higher than FY2022 (FY2022: $425,000) due to the full commitment of Non-Executive Directors at all meetings including ad hoc meetings convened to approve certain transactions and an overseas engagement in FY2023.

CORPORATE GOVERNANCE REPORT

The range of gross remuneration of the top five management personnel including the KMP, excluding the Executive Director/CEO of the Group is set out in Table B below:

TABLE B

Name of Top 5 Management Personnel including KMP	Designation	Breakdown of Remuneration by Percentage (%)				Total Remuneration in Compensation Bands of $250,000
		Salary[1]	Benefits[2]	Incentives[3]	Total	
Alexander Loh	Director, Group Human Resources & Administration	67%	1%	32%	100%	$250,000 - $499,999
James Ong	SVP, Sales, Marketing & Procurement	60%	1%	39%	100%	$250,000 - $499,999
Patrick Tan	Head, Asset & Fund Management	75%	1%	24%	100%	$500,000 - $749,999
Peggy Wong	General Counsel	67%	1%	32%	100%	$500,000 - $749,999
Tan Choong Kiak	Group Chief Financial Officer	63%	1%	36%	100%	$500,000 - $749,999
Total Remuneration of Top 5 Management Personnel including the KMP		**$1,893,980 66%**	**$15,600 1%**	**$942,828 33%**	**$2,852,408 100%**	

Annotations:
(1) Salary refers to basic salary, allowance and employer's provident fund or equivalent contribution thereof.
(2) Benefits refer to handphone benefits.
(3) Incentives refers to variable bonus, sales commissions and employer's provident fund or equivalent contribution thereof.
(4) The KMP of the Company are the CEO, the CFO and the General Counsel. The CEO's compensation is disclosed in Table A above.

The aggregate remuneration paid to the above top five management personnel including the KMP (excluding the Executive Director/CEO of the Group) for FY2023 was $2,852,408.

The Company notes the SGX-ST Listing Rule 1207(10D) as announced by SGX RegCo on 11 January 2023 on enhancing the remuneration disclosures which will take effect for annual report prepared for the financial years ending on or after 31 December 2024, which requires companies to disclose remuneration paid to individual directors and the CEO by the Company and its subsidiaries. Information to be disclosed must include base or fixed salary, variable or performance-related income or bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives. The Company had taken the step ahead of the said requirement to disclose the exact amount and breakdown of the remuneration paid to individual Directors and the CEO.

Provision 8.2
Employee who is a Substantial Shareholder or is an immediate family member of a Director, CEO or Substantial Shareholder

Except for the Executive Director/CEO, Mr William Nursalim alias William Liem, whose remuneration is disclosed in Table A above, there is no other employee who is a substantial shareholder or is an immediate family member of a Director, the CEO or a substantial shareholder of the Company whose remuneration exceeds $100,000 for FY2023.

Provision 8.3
Details of all forms of remuneration and other payments and benefits paid to Directors and KMP

Please refer to Table A and Table B above on the breakdown of remuneration and other payments and benefits paid to the Directors and KMP.

The information on the link between remuneration paid to the Executive Director/CEO and KMP and their performance is set out under Principle 7 above.

The Company has no employee share/stock options scheme or long-term incentive scheme.

III. ACCOUNTABILITY AND AUDIT

The Board and the ARC bear the responsibility for the governance of risks, and for ensuring that the Company maintains robust systems for risk management and internal controls encompassing financial reporting, operational functions, and compliance, including information technology controls and risk management systems. These measures are paramount to safeguarding the interests of the Company and its shareholders. Any weaknesses highlighted in internal audit reports are promptly addressed and rectified.

During FY2023, the Group consistently announced its half-year and full-year results within the stipulated timelines following the conclusion of each reporting period.

CORPORATE GOVERNANCE REPORT

RISK MANAGEMENT & INTERNAL CONTROLS

Principle 9: Governance of Risk Management System and Internal Controls by the Board

In October 2014, the Audit Committee was renamed as the Audit and Risk Committee. The ARC is responsible for overseeing the Company's risk management framework and policies, with support from Internal Auditors. After evaluating the Company's business, operations, and existing internal control and risk management systems, the Board has determined that a separate Risk Committee is presently unnecessary.

Provision 9.1
Significant Risks, Objectives, and Value Creation

The ARC conducts an annual review of the Group's risk management framework and key risk categories to ensure alignment with the Group's risk appetite and business activities.

During FY2023, as in preceding years, the ARC collaborated with the Board in identifying risks, overseeing the Group's risk profile and policies, and assessing the adequacy and effectiveness of the Group's risk management systems and internal controls. The ARC provided the Board with reports on Group risks, recommended risk tolerance levels to achieve strategic objectives and value creation and reviewed updated risk policies.

Each year, Management prepares a comprehensive Group Risks Management Report, reviewed by the ARC and recommended for Board approval. For FY2023, the Board endorsed the Report, which identified 28 risks and proposed mitigation strategies. A summary of the Report is available in the "Business Dynamics & Risk Factors Statement" section of this Annual Report.

The Group's risk management process aligns with its Enterprise Risks Management framework, designed in accordance with ISO 31000 – "Risk Management Principles and Guidelines" and the "Risk Governance Guidance for Listed Boards" issued by the Corporate Governance Council in 2012. This framework takes into account changes in business and operational environments and corporate governance standards, outlining principles, processes, tools, risk categories, key responsibilities, reporting requirements, and communication timelines to provide reasonable assurance that the Group's objectives can be achieved, meeting obligations to stakeholders—customers, shareholders, employees, and the community.

Risks impacting business objectives and financial performance over the short-to-medium term are consolidated in the Group Risks Register by each business unit, grouped based on risk exposure, appetite, and likelihood. A "Risk Matrix Table" aids the Board in deliberations. Risks are categorized into Business & Strategy Risks, Financial Risks, Operational Risks, and Compliance Risks, including information technology controls and risk management systems. While the established internal control and risk management systems offer reasonable assurance against foreseeable events, the Board acknowledges their limitations in preventing material errors, flawed decision-making, human error, losses, fraud, or other irregularities.

The risk management system has evolved into an integral component of the Group's business planning and monitoring framework. Annually, Management presents the "Group Risks Management Report" to both the ARC and the Board. This report outlines the Group's risk landscape, assesses their potential ramifications, and proposes actionable measures to either mitigate or transfer identified risks to an acceptable level.

Additionally, the ARC reviews reports submitted by the Internal Auditors, focusing on specific areas of the Group's operations. These areas are selected on a cyclical basis to ensure that all key operations and units undergo internal audits over a predefined timeframe.

To address the risk of fraud, corruption, and misconduct by employees, the Group has implemented a series of robust corporate governance policies and practices. These include the Employees' Code of Conduct and Practices, Dealing in Securities Policy, Interested Person Transactions Policy and Procedure, and Whistle-blowing Policy, detailed in the "Other Corporate Governance Matters" section of this Annual Report. Furthermore, the following policies have been developed and enacted:

i. <u>Information Security Policy</u>

This policy offers clear guidelines to employees regarding the proper use of the Company's information systems, emphasising the protection of proprietary information's confidentiality. It strikes a balance between ensuring the security, integrity, and availability of information technology systems and enabling staff access necessary for their roles, within policy-defined limits.

The Company has also established a Cyber Security Incident Response programme, which encompasses preventive, detective, responsive, and resolution measures to minimize the impact of adverse business interruptions or unforeseen events on Company operations. Additionally, a Business Continuity Plan ("**BCP**") has been implemented, with Senior Management identifying critical business functions, processes, and resources. Periodic tabletop exercises and scenario planning tests are conducted under the BCP to validate the effectiveness of processes, procedures, and escalation protocols. This proactive approach ensures organisational and staff readiness to address business disruptions, including cyber security attacks, data breaches, and pandemic situations, minimising financial losses and preserving the Company's reputation, operations, and compliance with relevant laws and regulations.

ii. <u>Personal Data Protection Policy</u>

This policy aims to ensure that employees are aware of the Company's legal obligations under the Personal Data Protection Act 2012, Singapore, or similar legislation in other countries of operation, and safeguard the security and confidentiality of third-party data collected during Company operations.

iii. <u>Anti-bribery and Anti-corruption Policy</u>

This policy sets out guidelines to ensure that the Company, its Directors, officers, employees, and agents conduct their activities with honesty and ethical integrity, adhering to applicable anti-bribery or anti-corruption laws and regulatory requirements across jurisdictions.

iv. <u>Sustainability Policy</u>

This policy sets out the Company's commitment to environmental responsibility, and seeks to integrate sustainability and ecological awareness into the Group's business practices, processes, and operations, so as to reduce the environmental impact of its business operations.

CORPORATE GOVERNANCE REPORT

In compliance with SGX-ST Listing Rules 711A and 711B, the Board has reviewed the Company's Sustainability Report and has granted approval for its inclusion in the Annual Report. For comprehensive details, please refer to pages 40 to 70 of this Annual Report.

As part of the Group's ongoing commitment to ensuring the adequacy and effectiveness of its risk management systems and internal controls, the Company not only focuses on enhancing existing policies through regular reviews to maintain relevance but also implements new policies as needed to address challenges arising from a dynamic business environment.

Provision 9.2
Assurance from CEO, CFO, and other responsible KMP

Both the CEO and the CFO have furnished assurances to the Board affirming the proper maintenance of financial records and confirming that the financial statements provide a true and fair view of the Company and the Group's operations and finances for the year ended 31 December 2023.

The Company has adopted an internal annual Compliance Checklist on the Group's internal controls and risk management systems, completed and confirmed by the relevant HODs within the Group each year. This Compliance Checklist aids in monitoring compliance with the Group's internal controls, including regulatory compliance, financial, operational, and information technology controls, and risk management systems.

Based on confirmed and signed-off Compliance Checklists from the relevant HODs within the Group, both the CEO and the relevant HODs have assured the adequacy and effectiveness of the Company's risk management and internal control systems as of 31 December 2023.

Board's Commentary, with the Concurrence of the ARC, on Internal Controls and Risk Management Systems' Adequacy and Effectiveness

Considering the internal controls established and maintained by the Group, assessments conducted by the Company's Internal Auditors and External Auditors, management reviews, and written representations by the CEO, CFO, and various Board Committees, the Board, with the concurrence of the ARC, is of the opinion that the Group's risk management and internal control framework and systems were adequate and effective as of 31 December 2023 to address financial, operational, and compliance risks, including information technology controls and risk management systems, which the Group deems relevant and material to its operations.

AUDIT AND RISK COMMITTEE

Principle 10: Establishment of Audit & Risk Committee with Objective Discharge of Duties

Provisions 10.1, 10.2, and 10.3
Composition, Roles, and Expertise of the ARC

As of 31 December 2023, the ARC comprises the following non-executive Directors, the majority of whom, including its Chairman, are independent:

- Mr Ooi Joon Hin, Chairman
  (Non-Executive and Independent)
- Mr Richard Eu Yee Ming
  (Non-Executive and Independent)
- Ms Michelle Liem Mei Fung
  (Non-Executive and Non-Independent)

Mr Cheng Hong Kok, a Non-Executive and Independent Director, was appointed as an ARC member effective from 2 February 2024.

The ARC members collectively bring expertise in accounting, financial management, and legal matters. Following advice from the NC, the Board believes that ARC members possess the qualifications necessary to fulfil the ARC's responsibilities, as outlined in its terms of reference, which have been approved by the Board.

At least two ARC members (including the ARC Chairman) possess recent and relevant accounting or related financial management expertise or experience.

ARC Chairman, Mr Ooi Joon Hin, is an accountant by training with over 25 years of financial management experience, and currently serving as Managing Director and Co-founder of Millenia Investment Management Pte Ltd, a registered fund management company in Singapore. He was previously with Ivory Capital Group and Lehman Brothers' Investment Banking Division and had served in Lehman Brothers' New York, Hong Kong and Singapore offices.

Mr Richard Eu Yee Ming brings extensive corporate expertise, having served as a Director of Eu Yan Sang International for over 30 years, where he remains as Non-Executive Chairman. With various corporate leadership positions in several other organisations under his belt, Mr Eu has a wide range of experience across a variety of roles including in corporate finance.

Ms Michelle Liem Mei Fung, a successful accomplished businesswoman, is the managing director of Nuri Holdings (S) Pte Ltd, the Company's controlling shareholder. With broad experience across investment, property, manufacturing, retail, and trading sectors, she possesses wide-ranging expertise in economics, business, finance, and management. Ms Liem also possesses a unique blend of private and public service experience, in her capacity as a business leader, honorary consul and community leader.

Mr Cheng Hong Kok brings with him extensive financial management experience from roles such as head of corporate planning and finance at Singapore Petroleum Company Limited, and having served as an independent director in a number of SGX listed companies previously.

For FY2023, no former partner or Director of the Company's incumbent auditing firm or its member firms served on the ARC.

During FY2023, the ARC met four times, of which three were scheduled meetings and one was ad-hoc. The KMP attended all the four meetings. The Internal Auditors and the External Auditors attended two and three scheduled meetings respectively.

The ARC is regularly updated by Management, as well as the Company's External Auditors on changes to accounting standards, stock exchange rules, and other codes and regulations that could impact the Group's business and financial statements.

Duties of the ARC

The roles and responsibilities of the ARC, as defined under its terms of reference, encompass the following:

i. Reviewing the adequacy and effectiveness of the internal controls over financial, operational, compliance, information technology, and risk management policies and systems established by Management;

CORPORATE GOVERNANCE REPORT

ii. Reviewing the assurance provided by the CEO and CFO regarding the Group's financial records and financial statements;

iii. Monitoring compliance with relevant laws, regulations, the SGX-ST Listing Manual, and the Code;

iv. Reviewing the principal business risks and assessing the appropriateness of mechanisms to identify, prevent, and minimise these risks;

v. Reviewing the appropriateness and consistency of accounting standards applied by the Group, significant financial reporting matters, and judgements;

vi. Reviewing monthly management reports, as well as half-year and full-year financial statements, ensuring their accuracy, completeness, integrity, and consistency before submission to the Board or public disclosure;

vii. Meeting with Management and External Auditors to review the financial statements, the audit process, and outcomes, along with other sections of the annual report, including disclosures on corporate governance practices, before publication;

viii. Reviewing and recommending for Board approval, IPTs as defined in Chapter 9 of the SGX-ST Listing Manual and those that require the ARC's approval as stipulated in the general mandate approved by Shareholders;

ix. Reviewing the Internal Auditors' program, ensuring that the complementary roles of internal and external audit functions are aligned, ensuring that there are no unjustified restrictions or limitations on Internal Auditors' work scope, reviewing Internal Auditors' reports, and ensuring prompt management response;

x. Reviewing and recommending for Board approval the Whistle-blowing Policy, providing a confidential avenue for employees and external parties to report suspected improprieties, including financial irregularities;

xi. Reviewing audit representation letters issued by the Company before Board consideration, examining the contents of External Auditors' management letters, monitoring Management's responsiveness to recommendations, and ensuring that External Auditors have direct and unrestricted access to Company officers and the ARC Chairman;

xii. Reviewing audit fees, audit terms, the nature and extent of non-audit services provided by External Auditors and providing recommendations to the Board regarding proposals to Shareholders for the appointment, re-appointment, or removal of External Auditors; and

xiii. Reviewing the adequacy, effectiveness, independence, scope, and outcomes of the external audit and the Company's internal audit functions.

An ARC Report is presented to the Board at the conclusion of each fiscal year, and minutes of ARC meetings are regularly presented at Board meetings to ensure Board members are informed.

Activities of the ARC

During FY2023, consistent with previous years, the ARC convened with both Internal and External Auditors, excluding Management, to deliberate on the reasonableness of the financial reporting process, the efficacy of internal controls, and significant auditor comments and recommendations. Where relevant, the ARC refers to best practices outlined in the Guidebook for Audit Committee in Singapore, practice directives from the Financial Reporting Surveillance Programme administered by the Accounting and Corporate Regulatory Authority (ACRA), and guidance issued by SGX RegCo through its Regulator's Column and announcements.

ARC meeting minutes are routinely shared at Board meetings for Directors' information. Directors with vested interests in transactions under consideration for IPTs recuse themselves from both ARC and Board meetings during deliberations and approvals.

The ARC reviewed the External Auditor's audit plan for FY2023, aligning with their proposed significant focus areas affecting financial statements. In reviewing the Group's FY2023 financial statements, the ARC engaged Management on applied accounting principles and judgment affecting financial statement integrity, also assessing the clarity of key financial disclosures.

Additionally, the ARC reviewed and addressed, amongst other, the following key audit matters reported by External Auditors for FY2023:

(1) Revenue recognition;

(2) Valuation of investment properties, hotels, and owner-occupied properties;

(3) Net realizable value of development properties;

(4) Fraud risk associated with management override of controls;

(5) Loans and Borrowings; and

(6) Transactions with related parties.

("**Key Audit Matters**")

Audit & Risk Committee's Commentary of Key Audit Matters

In examining the Key Audit Matters for FY2023, the ARC engaged in comprehensive discussions with both Management and our External Auditors, Deloitte & Touche LLP ("**Deloitte**"). The ARC reviewed the basis and conclusions outlined in Deloitte's report pertaining to the Key Audit Matters for FY2023. Following consideration, the ARC concurred with the audit findings. For more information on the Key Audit Matters for FY2023, please refer to pages 99 to 100 of this Annual Report.

Subsequent to this review process, the ARC is satisfied that all the aforementioned **Key Audit Matters** have been properly dealt with and consequently recommended Board approval of the financial statements. The Board has on 26 March 2024 approved the Audited Financial Statements.

Throughout the fiscal period, Management provided regular updates to the ARC regarding changes in accounting standards and pertinent accounting issues directly impacting the financial statements. Moreover, Directors are regularly invited to attend seminars conducted by leading accounting firms, aimed at enhancing their understanding of evolving accounting standards and associated issues.

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In FY2023, the External Auditors briefed the ARC on (i) significant revisions in financial reporting standards and new interpretations affecting the Group.

Whistle-blowing Policy

The Group has implemented a "Whistle-blowing Policy" ("**WB Policy**") to establish a formal channel for employees and external stakeholders to raise concerns. This policy serves to reassure individuals that they will be protected from retaliation or victimization when reporting concerns in good faith.

The WB Policy is readily accessible on the Company's Intranet and official website, encouraging the reporting of any behaviour or actions that may be deemed suspicious, in violation of regulations or accounting standards, or contrary to internal policies. Additionally, a Chinese translation of the policy has been disseminated to the Group's employees in China. A summary of the WB Policy is provided in the "Other Corporate Governance Matters" section of this Annual Report.

Outlined within the WB Policy are mechanisms for submitting concerns and issues, including dedicated communication channels such as the email address: whistle-blowing@tuansing.com, as well as the two designated committees responsible for handling submissions: the Whistle-blowing Committee and the ARC. The Company ensures the confidentiality of all information received and safeguards the identities and interests of whistle-blowers. Anonymous reporting is also facilitated and respected.

Employee Awareness and Oversight of the Whistle-blowing Policy

All newly recruited employees are briefed on the existence and significance of the WB Policy. Additionally, as part of an annual requirement, all employees receive a reminder in the form of an Annual Declaration. This declaration mandates disclosure of any conflicts of interest or the raising of concerns regarding potential irregularities within the Company or the Group's operations. Even in cases where there are no disclosures to make, a "nil" return is mandatory.

Furthermore, the regular agenda of the periodic ARC meetings includes a review of any entries in the whistle-blowing incident register, along with monitoring the progress of any ongoing investigations. The WB Policy, alongside its associated procedures, undergoes periodic scrutiny, updates, and approval by the ARC to ensure continued relevance and efficacy.

Empowered Oversight and Investigation by the ARC

The ARC has explicit authority within its terms of reference to investigate any matter, including those related to whistle-blowing. All whistle-blower complaints undergo thorough review by the ARC to ensure independent and comprehensive investigation, followed by appropriate and diligent follow-up actions. The Company maintains a whistle-blowing register to document all reported incidents, including instances where no issues are raised. The contents of this register are diligently reviewed by the ARC during its periodic meetings.

In 2023, the Company received one whistle-blowing report via its designated email address/channel. The investigation and handling of this report strictly adhered to the procedures outlined in the WB Policy, demonstrating the Company's commitment to upholding transparency and accountability.

Evaluation of External Auditors

Throughout FY2023, and consistent with previous years, the ARC engaged in a comprehensive review of the "Planning Report to the Audit and Risk Committee" prepared by Deloitte, the External Auditors. This review encompassed discussions on various critical aspects, including audit scope, materiality, group audit scoping, assessment of significant risks, areas of audit focus, internal control plans, and utilisation of specialists and data analytics, all conducted prior to the commencement of audit activities.

As part of the assessment of audit quality, the ARC reviewed several key areas, including audit hours, team experience, adequacy of training, results of internal and external inspections, quality control measures, staff oversight, and staff attrition rates.

Additionally, the ARC reviewed the independence, objectivity, and proposed fees of the External Auditors, including both audit and non-audit fees. Compliance with the Code of Professional Conduct and Ethics issued by The Institute of Singapore Chartered Accountants ("**ISCA**") was ensured, particularly regarding communication with the ARC before providing non-assurance services to prevent any impairment of auditor independence. The Group has in place policies and procedures to facilitate compliance with such requirements.

The ARC reviewed and approved the nature of non-audit services performed and fees charged by Deloitte and its member firms. A detailed breakdown of the fees paid or payable to Deloitte and its member firms is provided in the subsequent table, excluding fees paid or payable by the Group's associates and joint ventures.

	FY2023		FY2022	
	S$	**% of Total Fees**	**S$**	**% of Total Fees**
Audit fees:				
(i) Audit fees to Deloitte Singapore	**473,000**	**57**	459,000	49
(ii) Audit fees to Deloitte member firms outside Singapore	**181,000**	**22**	281,000	30
Total Audit Fees	**654,000**	**79**	740,000	79
Non-Audit fees:				
(i) Audit related services to Deloitte Singapore	**65,000**	**8**	38,000	4
(ii) Non-Audit related services to Deloitte Singapore	**70,000**	**8**	79,000	8
(iii) Non-Audit related services to Deloitte member firms outside Singapore	**42,000**	**5**	81,000	9
Total Non-Audit Fees	**177,000**	**21**	198,000	21
Total Fees	**831,000**	**100**	938,000	100

CORPORATE GOVERNANCE REPORT

On the recommendation of the ARC, the Board has approved the re-appointment of Deloitte as the External Auditors of the Group, subject to Shareholders' approval at the forthcoming AGM. In FY2023, Deloitte and its member firms were also engaged by the Group's associates and joint ventures for audit purposes. This decision aligns with the Company's adherence to Rules 712 and 715 of the SGX-ST Listing Manual governing the appointment of auditing firms.

The ARC has unrestricted access to Management and staff, ensuring seamless cooperation in its oversight functions. Furthermore, it possesses full discretion to extend invitations to Directors or members of Management to participate in its meetings.

Provision 10.4
Internal Auditors Reporting and Compliance

The ARC's oversight of the Group's internal controls and risk management is complemented by the work of the internal audit function, which is outsourced to PricewaterhouseCoopers Risk Services Pte. Ltd. ("**PwC**"), herein referred to as the Internal Auditors. The primary reporting line of the Internal Auditors is to the ARC, which exercises authority over their appointment, termination, and remuneration. Operating within the framework of the International Professional Practices Framework ("**IPPF**") issued by the Institute of Internal Auditors, PwC has unrestricted access to Company documents, records, properties, and personnel, ensuring effective auditing processes.

Following the ARC's recommendation, the Board has approved the re-engagement of PwC as the Internal Auditors of the Group for the ensuing year. In FY2023, the ARC assessed the adequacy of the internal audit function by reviewing PwC's audit plan and the quality of its reports. Notably, the Company's internal audit function operates independently of the external audit, with PwC maintaining corporate membership with the Institute of Internal Auditors Singapore and employing professionals with relevant qualifications and experience.

PwC's work adheres to the PricewaterhouseCoopers Global Internal Audit Services Methodology, aligning with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors.

Prior to the commencement of each financial year, the ARC collaboratively develops and approves an annual internal audit plan, ensuring comprehensive coverage of all major functions or business units within the Group. The audit plan has been devised in such a way that all major functions or business units are audited within an internal-audit cycle. Additionally, the ARC provides strategic direction to the Internal Auditor, directing focus on specific aspects deemed critical for audit, thus enhancing operational effectiveness and risk management.

In FY2023, the Internal Auditors conducted audits, *inter alia*, (i) for selected investment properties; cash and bank management, procurement, payables and payments, tenancy management and carpark management (ii) for selected commercial building in Australia: cash and bank management, procurement, payables and payments, commercial center operations management and carpark management (iii) for corporate office: IT Operations and Corporate Procurement (for non-trade purchases) and (iv) for selected hotel operations: procurement, payables and payments, food and beverage operations management, reservations, front office operations, income audit operations and cash and bank management, inventory management, fixed assets management, human resources management, payroll management, and IT operation. among others. These audits were integral in ensuring compliance, risk mitigation, and operational efficiency across diverse functional areas within the Group.

Following a thorough review of PwC's FY2023 audit plan and concluding report, the ARC is confident that the Company's internal audit function is adequately resourced to fulfil its responsibilities for the fiscal year.

ARC's commentary on the independence, adequacy and effectiveness of the internal audit function

The ARC's assessment of the internal audit function for FY2023 focused on ensuring effective execution and management cooperation. After scrutinizing PwC's reports and evaluating the remedial actions undertaken by Management, the ARC reaffirmed that the internal audit function operates independently, effectively, and with sufficient resources.

Provision 10.5
Independent meeting with External and Internal Auditors

During FY2023, both the External Auditors and Internal Auditors were actively engaged in ARC meetings. Notably, the External Auditors had independent sessions with the ARC, fostering open dialogue and enhancing transparency in audit processes.

IV. SHAREHOLDER RIGHTS AND ENGAGEMENTS

Recognizing the importance of equitable treatment and effective communication with Shareholders, the Company continuously updates and reviews relevant arrangements to facilitate Shareholder engagement. Shareholders are encouraged to actively participate in general meetings and are provided with comprehensive information on the Company's performance, position, and prospects.

SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

Principle 11: Fair and equitable treatment of shareholders, enabling them to exercise shareholder rights and communicate their views. Providing shareholders with balanced and understandable assessment of the Company's performance, position and prospects

Provision 11.1
Providing opportunity for Shareholders to participate and vote at general meeting

Shareholders are entitled to attend the general meeting and are given opportunities to participate effectively in, and vote at, the general meetings of the Company.

Shareholders are informed of annual general meetings at least 21 days in advance through various channels, including reports, circulars, newspaper notices, SGXNet announcements, and the Company's website. General meetings are conveniently located within accessible venues. Resolutions tabled at the general meetings are passed via a transparent voting process explained by scrutineers, ensuring fairness and clarity in decision-making.

At each AGM, Shareholders are presented with an overview of the Group's performance, position, and prospects, fostering transparency and informed decision-making. Additionally, a presentation deck accompanies each financial results announcement, providing Shareholders and investors with deeper insights into the Group's performance. The presentation documents are also made available via SGXNet and the Company's corporate website for broader accessibility and transparency.

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In a proactive move to enhance shareholder engagement during AGMs, the Company ensures that shareholders receive notice of AGMs at least 21 days in advance. This timeline allows shareholders ample opportunity to review the annual reports thoroughly and prepare pertinent questions for discussion during the AGMs.

According to the Company's Constitution, shareholders who are not classified as "relevant intermediaries" have the option to appoint up to two proxies to represent them at general meetings. However, shareholders falling under the category of "relevant intermediaries," such as banks, licensed capital markets services providers offering custodial services, and the Central Provident Fund Board ("**CPF**"), are permitted to appoint more than two proxies. This accommodation aims to facilitate the involvement of indirect shareholders, including CPF investors, in general meetings. Indirect shareholders acting as proxies possess the same rights as direct shareholders, allowing them to attend, speak, and vote at these meetings.

For a proxy appointment to be valid, the instrument appointing a proxy must be submitted to the specified location(s) mentioned in the AGM notice at least 72 hours prior to the scheduled time of the meeting.

The Company has embraced electronic poll voting for several years to promote transparency in the voting process. This electronic polling procedure entails the following steps:

- Electronically registering shareholders and proxies attending the meeting, with each participant receiving an electronic token.
- Conducting a rigorous assessment of the system's integrity by an independent external scrutineer before the meeting commences.
- Validating proxies and poll voting data by the appointed scrutineer to ensure the integrity of the polling process.
- Providing clear instructions on how to utilise the electronic token for polling purposes.
- Subjecting every resolution to electronic polling.
- Displaying voting results promptly on screen, indicating the number and percentage of votes cast for and against each resolution.
- Publishing the voting outcomes via SGXNet on the same day following the conclusion of the meeting.

In FY2023, the Company organized a virtual AGM through a "live" webcast in alignment with regulatory directives, particularly the Joint Guidance issued by ACRA, the Monetary Authority of Singapore, and the SGX RegCo.

The virtual AGM was convened on April 26, 2023, adhering to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts, and Debenture Holders) Order 2020, as issued by the Ministry of Law. Shareholders who had registered received exclusive access to the "live" webcast AGM, where they were assigned a unique link for audio and visual streaming.

At the outset of the virtual AGM, the CFO delivered a presentation detailing the Group's financial performance for FY2022. This was followed by the Executive Director/CEO's presentation on the Group's business operations. The presentation segment culminated in a Question & Answer session addressing substantial questions received from Shareholders before the AGM, adhering to prescribed guidelines.

Following the meeting, the AGM presentation slides and the outcomes of the poll votes on each resolution presented (including the total votes cast for and against each resolution) were disseminated via SGXNet and posted on the Company's website.

Provision 11.2
Separate resolutions at general meetings

The Board ensures that each issue brought forth at general meetings is proposed as a separate resolution. Resolutions are not bundled, as they are independent and unrelated. Comprehensive explanatory notes for each agenda item are appended to the Notice of AGM in the Annual Report.

Provision 11.3
Attendees at general meeting

In FY2023, all Directors and KMP physically attended the virtual AGM. External Auditors participated remotely by accessing the designated link for the "live" webcast.

For the AGM held on April 26, 2023, Shareholders were afforded a 7-day window to submit questions in advance through various channels, including post, dedicated email, and AGM pre-registration website. This practice will continue for the upcoming April 2024 AGM, accompanied by the Company's commitment to releasing responses to AGM questions no later than 72 hours before the proxy cut-off, empowering Shareholders to make informed voting decisions.

Provision 11.4
Absentia voting at general meetings

Under Regulation 76 of the Constitution, Shareholders are permitted to vote in absentia, which includes methods such as mail, email, or facsimile during general meetings. As with the virtual AGM held in 2023, Shareholders will be allowed at the forthcoming AGM to be held in 2024 to submit votes by mailing the proxy form to the Company's registered office or via email. Additionally, Shareholders may opt to appoint the Chairman of the meeting as their proxy to vote on their behalf, following prescribed guidelines.

Provision 11.5
Minutes of general meetings

The Company meticulously records the proceedings of general meetings, capturing questions posed by Shareholders, responses provided by the Board and Management, and the voting outcomes of each resolution. These minutes are made available to the public through the Company's website.

Following the virtual AGM in 2023, the minutes were disseminated via SGXNet and published on the Company's website within the stipulated timeframe, accessible at: https://www.tuansing.com/investor-centre/publications/ within one month of the AGM.

Provision 11.6
Dividend Policy

The Company has devised a dividend policy that strives to strike a balance between conserving cash for working capital and future investments, and meeting Shareholders' expectations of receiving dividends from their investments. This policy is detailed in the "Other Corporate Governance Matters" section of the Annual Report.

CORPORATE GOVERNANCE REPORT

ENGAGEMENT WITH SHAREHOLDERS

Principle 12: Regular communication with shareholders and facilitation of shareholders' participation at general meetings

Provisions 12.1, 12.2, and 12.3
Communication with Shareholders

The Company maintains an "Investor Centre" section on its corporate website (www.tuansing.com), offering access to Company announcements, publications, and real-time stock information, including historical share prices. Frequently Asked Questions (FAQs) are also available under the "Get In Touch" section, providing Shareholders with key information about the Company.

Since November 2015, the Company has implemented an Investor Relations Policy, outlining principles to furnish Shareholders and prospective investors with the requisite information for making informed investment decisions.

The Board upholds a commitment to transparency in the Company's operations while safeguarding its commercial interests. Company announcements are comprehensive and detailed, containing valuable information and analysis. Press releases and presentation slides are regularly provided and accessible on the Company's website.

An investor relations contact (ir@tuansing.com) is listed under the "Business Directory" within the "Get In Touch" section, enabling stakeholders to express concerns or provide feedback. Management endeavours to respond to Shareholders' or investors' inquiries within two working days.

The Company's investor relations function is overseen by its General Counsel, with primary outsourcing to August Consulting, a public relations consulting firm. They work closely with the CEO/Executive Director and senior management to address investor queries and plan media events and related initiatives.

Avenues of Communication

The Company prioritises transparent and equitable communication with Shareholders and the investment community, ensuring timely dissemination of announcements via SGXNet and the Company's corporate website. In the event of inadvertent disclosure to a select group, the Company promptly extends the disclosure publicly.

Emphasizing proactive disclosure, the Company routinely shares its broad strategy, business developments, and financial performance through various media channels. For matters with potential material impact on share prices, information is promptly released. Utilising mediums such as news releases, annual reports, Shareholder circulars, meetings, SGXNet announcements, webcasts, and the corporate website, the Company ensures effective communication.

Following the cessation of quarterly financial reporting by SGX-ST, the Company maintains half-yearly reporting for FY2023. Financial results for the half-year ended June 30, 2023, were announced on August 11, 2023, within the stipulated timeline. The full-year results for 2023 were announced on February 23, 2024, accompanied by press releases and PowerPoint presentations. The 2023 Annual Report will be electronically distributed to Shareholders 21 days ahead of the AGM scheduled for April 26, 2024.

General meetings remain the primary avenue for dialogue with Shareholders. During AGMs, the CEO and CFO deliver PowerPoint presentations on the Group's performance and future outlook, encouraging Shareholders to raise queries, express concerns, or offer suggestions.

The Company acknowledges the Ministry of Law's announcement on December 15, 2022, regarding the cessation of the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings) Orders, effective July 1, 2023. Accordingly, the Company commits to conducting all future general meetings in person, including the forthcoming 2024 AGM, adhering to prevailing rules and regulations, with no virtual participation option for Shareholders.

Additionally, the Company engages with investors and Shareholders through analysts and fund managers' briefings, roadshows, and investor conferences attended by Management.

To streamline the process of gathering feedback, a "Get In Touch" link and "Feedback and Queries" template are available on the corporate website. The Company promptly addresses Shareholders' queries received via telephone and email, as listed on the website.

V. MANAGING STAKEHOLDER RELATIONSHIPS

The Board upholds an inclusive approach, prioritising the consideration and harmonisation of the needs and interests of material stakeholders. This commitment aligns with its overall responsibility to safeguard the Company's best interests.

ENGAGEMENT WITH STAKEHOLDERS

Principle 13: Managing stakeholder relationships, balancing the needs and interests of material stakeholders for the Company's best interests

Provisions 13.1, 13.2, and 13.3
Managing stakeholder relationships

The Company maintains robust channels to identify and engage with its key stakeholder groups, recognising the pivotal role of intimate business knowledge and regular interactions in discerning material issues. Detailed insights into the Company's stakeholder engagement approach and materiality assessment are outlined in the "Sustainability Report" section of this Annual Report, which is readily accessible on the Company's corporate website. This platform serves as an invaluable tool for effective communication and engagement with all stakeholders.

OTHER CORPORATE GOVERNANCE MATTERS

To maintain a high standard of corporate governance, the Company implements a suite of policies and practices governing the conduct of its Directors and employees.

INTERESTED PERSON TRANSACTIONS
Listing Manual Rule 907

The Company has obtained Shareholders' mandate under Rule 920 of the SGX–ST Listing Manual ("**IPT Mandate**") through an extraordinary general meeting convened on April 24, 2019. All IPTs are executed on fair and arm's length terms, irrespective of their nature or scale. In instances of potential conflicts of interest, the involved Director recuses themselves from discussions and refrains from influencing Board decisions. The IPT policy and procedures underwent revision in 2019, with a dedicated Review Committee established by the Board to assist the ARC in overseeing IPTs exceeding $100,000 but falling below 3% of the Group's latest audited net tangible assets. A separate register is maintained to record IPTs carried out in compliance with the IPT Mandate, with minutes of Review Committee meetings circulated to the ARC and Board for review.

CORPORATE GOVERNANCE REPORT

For IPTs outside the IPT Mandate's scope, a quarterly/half-yearly submission of a comprehensive list, including transactions below $100,000 and their aggregate, is made to the ARC for scrutiny. Approval from the ARC and Board is mandatory for any IPT exceeding $100,000. Upon Board approval, immediate disclosure is made if the IPT or its aggregate reaches 3% of the Group's latest audited net tangible assets. Should the IPT or its aggregate reach 5% of the Group's net tangible assets, Shareholders' approval is sought through a general meeting, with the interested Shareholder (and any associates) abstaining from voting. In FY2023, the respective thresholds for 3% and 5% were approximately $36.6 million and $61.0 million, based on the Company's audited consolidated balance sheet as of December 31, 2022.

Details of IPTs for FY2023 and FY2022 are presented in the "SGX-ST Listing Manual Requirements" section of this Annual Report.

DEALINGS IN SECURITIES
Listing Manual Rule 1207(19)

The Company has implemented a stringent insider trading policy, prohibiting all Directors and employees from engaging in transactions involving the Company's securities while in possession of price-sensitive information. This prohibition extends from one month before the the Company's half-year and full-year financial result announcements until the day of such announcements ("**Window Period**"). This policy aims to deter short-term securities transactions by Directors and employees, while emphasizing their obligations under insider trading laws. To ensure compliance, the Company circulates advance notices via email to all Directors and employees before the commencement of the Window Period.

CODE OF CONDUCT AND PRACTICES

Recognizing the paramount importance of upholding integrity and professionalism, the Group has instituted a comprehensive code of conduct and practices detailed within the Employees' Handbook. Accessible electronically via the Company's Intranet, the Handbook is introduced to all new employees during their induction.

The code delineates acceptable and unacceptable behaviour at the employee level and addresses workplace harassment issues. On the business front, it outlines standards of behaviour concerning the offering and receipt of business courtesies, as well as conflicts of interest issues.

Since 2016, the code of conduct has been reinforced with the implementation of the Information Security Policy, Personal Data Protection Policy, and the Anti-bribery and Anti-corruption Policy.

WHISTLE-BLOWING POLICY

The Company maintains a robust WB Policy, underscoring its commitment to stringent compliance with accounting, financial reporting, internal controls, corporate governance, and auditing requirements. This policy serves as a platform for employees and external parties to raise concerns, ensuring protection from reprisals or victimization for bona fide whistle-blowing.

While safeguarding genuine whistle-blowers from unfair treatment, the policy unequivocally prohibits frivolous and unfounded complaints and does not serve as a platform for personal grievances.

In situations where evidence may be lacking, particularly in anonymous reports or where the reliability of the concern is dubious, the Whistle-blowing Committee ("**WBC**") may face challenges in proceeding with investigations.

To facilitate issue submission, the Company has established a dedicated email address, allowing whistle-blowers to contact the WBC and the ARC Chairman directly and confidentially, safeguarding their identity within legal confines. The WB Policy mandates the confidentiality of the whistle-blower's identity at all times. Where the whistle-blower has disclosed his/her identity, such disclosure and/or the issues submitted by the whistle-blower will be kept confidential and within the knowledge of the WBC and/or the ARC only (as the case maybe).

In addition, there may be exceptional circumstances where the identity of the whistle-blower(s) or the issues raised could/would not be kept confidential and will need to be disclosed. In such circumstances, the WBC and/or ARC will endeavour to discuss the need for such disclosures with the whistle-blower(s) first, if it is appropriate to do so. More information on the WB Policy may be found on the Company's website at the following URL: https://www.tuansing.com/whistle-blowing-policy.

Assisted by the WBC, the ARC addresses issues/concerns raised and arranges for investigation and/or follow-up of appropriate action and reports to the Board accordingly. Should the ARC or WBC receive reports relating to serious offences, and/or criminal activities in the Group, they and the Board have access to appropriate external professional advice. Where appropriate or required, a report will be made to the relevant governmental authorities for further investigation.

➢ ***Whistle-blowing Committee***

The WBC consists of:

- CEO;
- CFO;
- General Counsel; and
- Director, Group Human Resources & Administration.

The Board believes that the earlier an issue/concern is raised, the easier it would be for the Group to take the necessary action as appropriate. During FY2023, the WBC received one report and conducted a thorough investigation on the matter before reporting its findings and the relevant follow-up action to the ARC and the Board. The procedures set out in the WB Policy were adhered to in the investigation and handling of this report and the matter was closed off thereafter.

DIVIDEND POLICY

The Company's primary objective is to achieve long-term capital growth for the benefit of Shareholders. While a significant portion of profits is retained for future investment, the Company acknowledges the desire of some Shareholders to receive income from their investments. Accordingly, the Company aims to distribute dividends annually, subject to cash flow considerations, targeting a medium-term dividend yield ranking within the first quartile of benchmarked Real Estate Development and Holding Companies. This quartile is defined as the middle value between the smallest and median numbers in the dataset.

CORPORATE GOVERNANCE REPORT

Recommendations for the actual dividend payout are deliberated by the Board annually and presented for Shareholders' approval at the AGM. The Board retains the discretion to propose special dividends to commemorate exceptional operational achievements or major investment sales.

The Tuan Sing Holdings Limited Scrip Dividend Scheme (the "**Scheme**") constitutes a vital aspect of the dividend policy, enabling Shareholders who opt for it to align their growth with the Company.

Introduced on 18 December 2009, the Scheme offers Shareholders the choice to receive dividends either in cash or in the form of fully-paid ordinary shares in the Company. This flexibility empowers Shareholders to tailor their investment strategies to meet their objectives effectively.

Opting for the Scheme incurs no transaction costs for Shareholders. By issuing ordinary shares through the Scheme, the Company enhances share liquidity in the market while conserving cash, thereby fortifying its working capital position.

Full details of the Tuan Sing Holdings Limited Scrip Dividend Scheme Statement are accessible on the Company's website at www.tuansing.com.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

The information required under Rule 720(6) and Appendix 7.4.1 of the SGX-ST Listing Manual in respect of the Directors seeking re-election at the 54th Annual General Meeting is set out below.

Name of Director and appointment	**CHENG HONG KOK** **Non-Executive & Independent Director**
Date of appointment	15 August 2017
Date of last re-appointment (if applicable)	23 April 2021
Age	81
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board concurred with the Nominating Committee's recommendation for the re-appointment of Mr Cheng Hong Kok.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc)	Non-Executive & Independent Director ● Remuneration Committee (Chairman) ● Audit and Risk Committee (Member) ● Nominating Committee (Member)
Professional qualifications	Refer to Directors' Profile on page 9 of this Annual Report.
Working experience and occupation(s) during the past 10 years	Refer to Directors' Profile on page 9 of this Annual Report.
Shareholding interest in the listed issuer and its subsidiaries	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/ or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Nil
Conflict of interest (including any competing business)	Nil
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer.	Yes
Other Principal Commitments including directorships ● Past (for the last 5 years)	SP Corporation Limited (Non-Executive and Independent Chairman)
Other Principal Commitments including directorships ● Present	Refer to Directors' Profile on page 9 of this Annual Report.
Information required under items (a) to (k) of Appendix 7.4.1 of the SGX-ST Listing Manual	Mr Cheng Hong Kok's responses under items (a) to (k) of Appendix 7.4.1 of the SGX-ST Listing Manual are all "No".

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director and appointment	**OOI JOON HIN** **Non-Executive & Independent Director**
Date of appointment	7 May 2021
Date of last re-appointment (if applicable)	28 April 2022
Age	58
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board concurred with the Nominating Committee's recommendation for the re-appointment of Mr Ooi Joon Hin.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc)	Non-Executive & Independent Director ● Audit and Risk Committee (Chairman)
Professional qualifications	Refer to Directors' Profile on page 9 of this Annual Report.
Working experience and occupation(s) during the past 10 years	Refer to Directors' Profile on page 9 of this Annual Report.
Shareholding interest in the listed issuer and its subsidiaries	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Nil
Conflict of interest (including any competing business)	Nil
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer.	Yes
Other Principal Commitments including directorships ● Past (for the last 5 years)	- Millennia Investment Management Pte. Ltd. (Managing Director and Co-founder) - Areca Partners Limited (Director) - Millennia China Technology Pte. Ltd. (Director) - Haciendas Pte. Ltd. (Director) - Haciendas DC Fund GP Pte. Ltd. (Director) - Haciendas DC Fund Pte. Ltd. (Director) - Millennia-VFT Ventures Pte. Ltd. (Director and Investment Committee member) - NACT Engineering Pte. Ltd. (Director) - Millennia Capital Limited (Director) - Millennia Asset Management (Wuhan) Co., Ltd (Director) - Millennia Internet Capital Pte. Ltd. (Director)
Other Principal Commitments including directorships ● Present	Refer to Directors' Profile on page 9 of this Annual Report.
Information required under items (a) to (k) of Appendix 7.4.1 of the SGX-ST Listing Manual	Mr Ooi Joon Hin's responses under items (a) to (k) of Appendix 7.4.1 of the SGX-ST Listing Manual are all "No".

STATUTORY REPORTS AND ACCOUNTS

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

The Directors present their statement together with the audited consolidated financial statements of the Group and statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2023.

In the opinion of the Directors:

(a) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 103 to 176 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023, and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

1 Directors

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

Richard Eu Yee Ming	(Chairman, Non-Executive and Independent Director)
William Nursalim alias William Liem	(Executive Director and Chief Executive Officer)
Cheng Hong Kok	
Ooi Joon Hin	
Michelle Liem Mei Fung	

2 Arrangements to enable Directors to acquire benefits by means of the acquisition of shares and debentures

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the Directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate.

3 Directors' interests in shares and debentures

The Directors of the Company holding office at the end of the financial year had no interest in the share capital and debentures of the Company and related corporations as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Companies Act 1967 except as follows:

	Holdings registered in name of Director		Holdings in which Director is deemed to have an interest	
Names of Directors and companies in which interests are held	**As at 1 January 2023**	**As at 31 December 2023**	**As at 1 January 2023**	**As at 31 December 2023**
The Company (Ordinary Shares)				
Michelle Liem Mei Fung	–	**–**	652,022,446[1][2]	**667,488,232[1][2]**
William Nursalim alias William Liem	–	**–**	651,772,446[1]	**667,238,232[1]**
The Company				
S$200 million 3-year 6.90% per annum Notes due 2024 pursuant to the S$900,000,000 Multicurrency Medium Term Note Programme ("**MTN Programme**")[3]				
Michelle Liem Mei Fung	–	**–**	$5,000,000[5]	**–[4]**
William Nursalim alias William Liem	$1,000,000	**–[4]**	$5,000,000[5]	**–[4]**
S$150 million 4-year 7.50% per annum Notes due 2027 pursuant to the MTN Programme[6]				
Michelle Liem Mei Fung	–	**–**	–	**$5,000,000[5]**
William Nursalim alias William Liem	–	**$1,500,000**	–	**$5,000,000[5]**

Note

(1) By virtue of interest in Nuri Holdings (S) Pte Ltd.
(2) Michelle Liem Mei Fung is deemed interested in 250,000 shares held by the Estate of David Lee Kay Tuan.
(3) The S$200 million 3-year 6.90% per annum Notes due 2024 pursuant to the MTN Programme were issued on 18 October 2021.
(4) Purchased and cancelled pursuant to a notice of tender offer issued by the Company on 17 October 2023.
(5) By virtue of interest in Ardent Investment Partners Pte Ltd.
(6) The $150 million 4-year 7.50% per annum Notes due 2027 pursuant to the MTN Programme were issued on 2 November 2023.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3 Directors' interests in shares and debentures (cont'd)

By virtue of Section 7 of the Companies Act 1967, Michelle Liem Mei Fung and William Nursalim alias William Liem are deemed to have an interest in the Company and in all the related corporations of the Company.

There was no change in any of the above-mentioned Directors' interests between the end of the financial year and 21 January 2024.

4 Share options

(a) Options to take up unissued shares

During the financial year, no options to take up unissued shares of the Company or any corporation in the Group were granted.

(b) Options exercised

During the financial year, there were no shares of the Company or any corporation in the Group issued by virtue of the exercise of an option to take up unissued shares.

(c) Unissued shares under option

At the end of the financial year, there were no unissued shares of the Company or any corporation in the Group under option.

5 Audit and Risk Committee

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

Ooi Joon Hin	(Chairman, Non-Executive and Independent Director)
Richard Eu Yee Ming	(Non-Executive and Independent Director)
Michelle Liem Mei Fung	(Non-Executive and Non-Independent Director)
Cheng Hong Kok	(Non-Executive and Independent Director) (Appointed on 2 February 2024)

The Audit and Risk Committee performed functions specified in Section 201B (5) of the Companies Act 1967, the Listing Manual of Singapore Exchange Securities Trading Limited ("SGX-ST") and the Singapore Code of Corporate Governance.

The Audit and Risk Committee met four times during the financial year ended 31 December 2023 and had reviewed, *inter alia*, the following with the executive Director, external and internal auditors of the Company where relevant:

(a) the external and internal audit plans; the scope of the internal audit procedures and results of the internal auditors' examination and evaluation of the Group's systems of internal accounting controls;

(b) the Group's financial and operating results and accounting policies;

(c) the consolidated financial statements of the Group and the financial statements of the Company before their submission to the Directors of the Company and the external auditors' report on those financial statements;

(d) the half-yearly and annual announcements as well as the related press releases on the results and financial positions of the Company and the Group;

(e) the interested person transactions as specified under Chapter 9 of the SGX-ST Listing Manual Rules;

(f) the co-operation and assistance given by the management to the Group's external and internal auditors; and

(g) the re-appointment of the external and internal auditors of the Group.

The Audit and Risk Committee has full access to and has the co-operation of the management and has been given the resources required for it to discharge its functions properly. It also has full discretion to invite any Director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit and Risk Committee.

The Audit and Risk Committee has recommended to the Directors the nomination of Deloitte & Touche LLP for re-appointment as external auditors of the Group at the forthcoming Annual General Meeting of the Company.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

6 External auditors

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

On Behalf of the Directors

Richard Eu Yee Ming
Chairman

William Nursalim alias William Liem
Executive Director/Chief Executive Officer

26 March 2024

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TUAN SING HOLDINGS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Tuan Sing Holdings Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2023, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 103 to 176.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity 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 and of the changes in equity of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *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.

Revenue recognition of development properties under development

The Group recognises revenue based on the stage of completion for the sale of development properties under development on the terms and specifications as set out in the contracts. The analysis of whether the contracts comprise one or more performance obligations and the method used to measure progress for revenue recognition for these development properties requires estimate by management.

The stage of completion is measured by reference to the value of work performed to date as compared to the estimated total construction costs of the development project as approved by management. Significant judgements are required to determine the total construction costs which include estimation for variation works and any other claims from contractors. Any changes to the estimated total construction costs will impact the stage of completion, and consequentially the revenue recognised.

Our audit performed and responses thereon

We read the sales and purchase agreements of development properties and discussed with management to understand the relevant terms of the contracts and the basis of management's identification of the performance obligations. We performed procedures to evaluate the design and tested the implementation and operating effectiveness of the relevant controls put in place by the Group in respect of revenue recognition from the development properties.

We also reviewed management's estimated total construction cost for each of the development projects, and assessed the reasonableness of the assumptions and estimates applied by management which included key elements such as construction costs and variation works, taking also into consideration the need by management to account for any effects of significant or unusual events that occurred during the year which may impact the estimated total construction cost. In addition, we also performed arithmetic computations of the stage of completion and revenue to be recognised for the year.

We assessed management's basis of identifying performance obligations and the basis of revenue recognition for these development properties to be appropriate. We also assessed that the key assumptions applied by management for estimated total construction costs to be reasonable based on supportable information available. We also assessed that the related disclosures in the financial statements to be appropriate.

Further disclosures are made in Note 28 to the financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TUAN SING HOLDINGS LIMITED

Key Audit Matters (cont'd)

Valuation of development properties

The Group has residential properties under development and completed properties for sale which are mainly located in Singapore and Indonesia. These development properties are stated at the lower of cost and net realisable values.

The determination of the estimated net realisable value of certain development properties is dependent upon the Group's expectations of future selling prices. Weakening market conditions and slow take up rate of development properties may impact and create downward pressure on the selling prices of these properties. There is a risk that the estimates of net realisable values may exceed future selling prices, resulting in losses when properties are sold.

Our audit performed and responses thereon

We discussed with and evaluated management's basis used in their assessment in determining the net realisable value of the Group's properties under development and completed properties for sale and the amount of write-down to net realisable value to be recorded if any, based on the Group's estimated selling prices of these properties, by comparing where available, to recently transacted prices for the same project and prices of past sales of comparable properties in the vicinity. In addition, we obtained valuations performed by external independent professional valuers engaged by the Group and held discussions with them on the appropriateness of comparables used and adjustments applied. We also considered the adequacy of the disclosures in respect of the write-downs, if any, presented in the financial statements for these properties.

We assessed management's estimates to be reasonable based on supportable information available, and that management had applied their knowledge of the business in determining the estimated selling prices of the respective properties, by taking into consideration the selling prices of recent sales of the respective properties and that of comparable properties, and expectations of the property market conditions. We found that the Group has appropriately recorded the write-down in profit or loss in the current year. We also assessed that the related disclosures in the financial statements to be appropriate.

Further disclosures are made in Note 10 to the financial statements.

Valuation of investment properties, hotels, owner-managed and owner-occupied properties

The Group has investment properties, hotels, owner-managed and owner-occupied properties stated at fair value, determined based on external independent professional valuers ("external valuers") engaged by the Group.

The valuation process involves significant judgement and estimation. The valuations are dependent on the valuation methodologies applied and the underlying assumptions used, which includes, among others, price per square metre of market comparables used; capitalisation rates; discount rates; price per square metre of gross / net lettable area and value per room for hotel properties. A change in the key assumptions applied may have a significant impact to the valuation.

Our audit performed and responses thereon

We read the terms of engagement of the external valuers engaged and also considered the objectivity and independence of the external valuers including their qualifications and competency.

We considered the appropriateness of the valuation methodologies used by the external valuers for the respective investment properties, hotels, owner-managed and owner-occupied properties, taking into account the profile and type of these properties. We discussed with the external valuers on the results of their work, and compared the key assumptions used in their valuations by reference to externally published benchmarks or comparables where available and considered whether these assumptions are consistent with the current market environment. We have also engaged our internal valuation specialists to assist in reviewing the valuation reports issued by external valuers for the Group's major investment properties, hotels, owner-managed and owner-occupied properties by assessing whether the valuation methodologies and key assumptions adopted are reasonable.

We also considered the adequacy of the disclosures in the financial statements, in describing the inherent degree of subjectivity and key assumptions in the estimates.

We assessed the external valuers to have the appropriate level of qualifications and experience, and that the valuation methodologies adopted were in line with generally accepted market practices for similar properties. The key assumptions used were within reasonable range, taking into account historical rates and available industry data for comparable markets and properties. We also assessed that the related disclosures in the financial statements to be appropriate.

Further disclosures on the investment properties, hotels, owner-managed and owner-occupied properties are found in Notes 14 and 12 to the financial statements respectively.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TUAN SING HOLDINGS LIMITED

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the Directors' Statement but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the Company and Strategy, 5-Year Financial Highlights, Corporate Stewardship, Management Discussion and Analysis, Corporate Governance Report, Sustainability Report and Shareholding Statistics reports, which 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 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 when it becomes available 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 auditor's report, we conclude that there is 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 other information which are expected to be made available to us after the date of this auditor's report, 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

(a) 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.

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

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

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

(e) 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.

(f) 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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TUAN SING HOLDINGS LIMITED

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

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

Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Yang Chi Chih.

Deloitte & Touche LLP
Public Accountants and
Chartered Accountants
Singapore

26 March 2024

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

		Group		Company	
	Note	2023 $'000	2022 $'000	2023 $'000	2022 $'000
ASSETS					
Current assets					
Cash and cash equivalents	5	**222,796**	251,988	**44,206**	62,927
Trade and other receivables	6	**23,115**	26,216	**462,193**	447,061
Tax recoverable		**2,819**	2,061	**–**	–
Contract assets	7	**87,828**	79,327	**–**	–
Contract costs	8	**2,754**	3,045	**–**	–
Derivative financial instruments	23	**921**	–	**–**	–
Inventories	9	**2,202**	2,144	**–**	–
Development properties	10	**110,163**	209,739	**–**	–
		452,598	574,520	**506,399**	509,988
Assets classified as held for sale	11	**–**	1,542	**–**	–
Total current assets		**452,598**	576,062	**506,399**	509,988
Non-current assets					
Property, plant and equipment	12	**481,083**	473,774	**116**	849
Right-of-use assets	13	**231**	187	**15**	239
Investment properties	14	**1,450,424**	1,395,151	**–**	763
Investments in subsidiaries	15	**–**	–	**762,704**	763,829
Investments in equity accounted investees	16	**195,019**	166,196	**–**	–
Investment in financial asset	17	**26,344**	26,192	**–**	–
Deferred tax assets	18	**1,988**	1,566	**–**	–
Trade and other receivables	6	**11,680**	17,868	**–**	–
Total non-current assets		**2,166,769**	2,080,934	**762,835**	765,680
Total assets		**2,619,367**	2,656,996	**1,269,234**	1,275,668
LIABILITIES AND EQUITY					
Current liabilities					
Loans and borrowings	19	**402,037**	332,133	**33,869**	–
Lease liabilities	13	**50**	34	**10**	195
Trade and other payables	20	**107,030**	99,874	**505,178**	550,695
Contract liabilities	22	**–**	1,317	**–**	–
Income tax payable		**5,995**	7,209	**–**	–
Total current liabilities		**515,112**	440,567	**539,057**	550,890
Non-current liabilities					
Loans and borrowings	19	**827,477**	946,028	**147,317**	139,610
Lease liabilities	13	**74**	38	**7**	17
Deferred tax liabilities	18	**47,316**	45,198	**–**	–
Derivative financial instruments	23	**1,019**	–	**–**	–
Other non-current liabilities	20	**312**	338	**–**	–
Total non-current liabilities		**876,198**	991,602	**147,324**	139,627
Capital, reserves and non-controlling interests					
Share capital	24	**193,569**	187,625	**193,569**	187,625
Treasury shares	25	**(4,473)**	(4,369)	**(4,473)**	(4,369)
Reserves	26	**1,036,846**	1,040,030	**393,757**	401,895
Equity attributable to owners of the Company		**1,225,942**	1,223,286	**582,853**	585,151
Non-controlling interests		**2,115**	1,541	**–**	–
Total equity		**1,228,057**	1,224,827	**582,853**	585,151
Total liabilities and equity		**2,619,367**	2,656,996	**1,269,234**	1,275,668

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	Group	
		2023	**2022**
		$'000	**$'000**
Revenue	28	**303,720**	225,297
Cost of sales		**(213,748)**	(138,432)
Gross profit		**89,972**	86,865
Other net operating income/(expenses)	29	**2,836**	(5,130)
Distribution costs		**(15,826)**	(10,188)
Administrative expenses		**(50,148)**	(54,820)
Share of results of equity accounted investees	16	**29,333**	29,924
Interest income	30	**6,167**	4,530
Finance costs	31	**(68,274)**	(50,753)
(Loss)/Profit before tax and fair value adjustments		**(5,940)**	428
Fair value adjustments	32	**8,599**	306
Profit before tax	33	**2,659**	734
Income tax credit	34	**2,751**	2,116
Profit for the year		**5,410**	2,850
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Revaluation of properties		**15,633**	20,264
Income tax relating to components of other comprehensive income that will not be reclassified subsequently		**(4,114)**	(5,462)
Fair value gain/(loss) on investments in equity instruments designated at fair value through other comprehensive income ("FVTOCI")		**152**	(3,447)
		11,671	11,355
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		**(8,049)**	(34,975)
Share of exchange differences on translation of equity accounted investees		**(3,647)**	(5,333)
Fair value loss arising on hedging instruments		**(98)**	–
Income tax relating to components of other comprehensive income that may be reclassified subsequently		**(276)**	–
		(12,070)	(40,308)
Other comprehensive loss for the year, net of tax	35	**(399)**	(28,953)
Total comprehensive income/(loss) for the year		**5,011**	(26,103)
Profit attributable to:			
Owners of the Company		**4,836**	4,591
Non-controlling interests		**574**	(1,741)
		5,410	2,850
Total comprehensive income/(loss) attributable to:			
Owners of the Company		**4,437**	(24,445)
Non-controlling interests		**574**	(1,658)
		5,011	(26,103)
Basic and diluted earnings/(loss) per share (cents)			
Including fair value adjustments	36	**0.39**	0.38
Excluding fair value adjustments	36	**(0.40)**	0.07

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	Group 2023 $'000	Group 2022 $'000
Operating activities			
Profit before tax		**2,659**	734
Adjustments for:			
Fair value gain	32	**(8,599)**	(306)
Share of results of equity accounted investees	16	**(29,333)**	(29,924)
Allowance for diminution in value for development properties, net	10	**15**	450
Depreciation of property, plant and equipment	12	**6,257**	6,686
Depreciation of right-of-use assets	13	**38**	35
Amortisation of contract costs	8	**8,108**	3,784
Allowance/(Writeback of allowance) for doubtful trade and other receivables, net	6	**5**	(126)
Bad debts written off, net	29	**2**	145
Net loss/(gain) on disposal of property, plant and equipment	33	**13**	(9)
Property, plant and equipment written off	33	**36**	993
Provision for impairment on property, plant and equipment	12	**153**	–
Gain on disposal of an equity accounted investee	16	**(115)**	–
Interest income	30	**(6,167)**	(4,530)
Finance costs	31	**68,274**	50,753
Unrealised foreign currency translation (gain)/loss		**(4,781)**	844
Operating cash flows before movements in working capital		**36,565**	29,529
Development properties		**99,238**	29,365
Inventories		**(170)**	(144)
Trade and other receivables		**12,377**	7,521
Contract costs		**(7,814)**	(3,986)
Contract assets		**(8,501)**	(22,400)
Contract liabilities		**(1,317)**	(2,294)
Trade and other payables		**8,112**	15,148
Cash generated from operations		**138,490**	52,739
Interest received		**6,104**	3,405
Income tax paid		**(1,185)**	(1,233)
Net cash from operating activities		**143,409**	54,911
Investing activities			
Purchase of property, plant and equipment	12	**(6,979)**	(2,009)
Proceeds from disposal of property, plant and equipment		**60**	34
Proceeds from sale of assets held for sale		**1,542**	–
Additions to investment properties	14	**(45,002)**	(63,489)
Deposit paid for acquisition of land and investment properties	6	**–**	(9,863)
Proceeds from repayment of loan by a related party		**–**	5,838
Investments in equity accounted investees	16	**(3,750)**	(750)
Loan to an equity accounted investee	6,16	**(3,676)**	(8,000)
Proceeds from disposal of an equity accounted investee	16	**4,500**	–
Net cash used in investing activities		**(53,305)**	(78,239)
Financing activities			
Proceeds from loans and borrowings		**279,388**	23,000
Repayment of loans and borrowings		**(324,781)**	(75,078)
Repayment of lease liabilities	19	**(38)**	(58)
Interest paid		**(68,602)**	(48,084)
(Increase)/Decrease in encumbered fixed deposits and cash balances		**(5,832)**	5,273
Dividend paid to shareholders	27	**(2,582)**	(2,478)
Purchase of treasury shares	25	**(104)**	(202)
Acquisition of non-controlling interests of subsidiaries	15	**–**	(14,300)
Net cash used in financing activities		**(122,551)**	(111,927)
Net decrease in cash and cash equivalents		**(32,447)**	(135,255)
Cash and cash equivalents at the beginning of the year	5	**248,075**	395,806
Foreign currency translation adjustments		**(2,577)**	(12,476)
Cash and cash equivalents at the end of the year	5	**213,051**	248,075

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

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	Share capital $'000	Treasury shares $'000	Foreign currency translation account $'000	Asset revaluation reserve $'000	Investment revaluation reserve $'000	Other capital reserves# $'000	Revenue reserve $'000	Attributable to owners of the Company $'000	Non-controlling interests $'000	Total equity $'000
Group											
At 1 January 2023		**187,625**	**(4,369)**	**(79,843)**	**142,718**	**(4,724)**	**226,187**	**755,692**	**1,223,286**	**1,541**	**1,224,827**
Total comprehensive income/(loss) for the year											
Profit for the year		-	-	-	-	-	-	4,836	4,836	574	5,410
Exchange differences on translation of foreign operations	35	-	-	(11,696)	-	-	-	-	(11,696)	-	(11,696)
Revaluation of properties	35	-	-	-	15,633	-	-	-	15,633	-	15,633
Fair value loss arising on hedging instruments	35	-	-	-	-	-	(98)	-	(98)	-	(98)
Fair value gain on investments in equity instruments designated at FVTOCI	35	-	-	-	-	152	-	-	152	-	152
Income tax adjustments relating to other comprehensive income	35	-	-	-	(4,114)	-	(276)	-	(4,390)	-	(4,390)
Other comprehensive (loss)/ income for the year, net of tax		-	-	(11,696)	11,519	152	(374)	-	(399)	-	(399)
Total		-	-	(11,696)	11,519	152	(374)	4,836	4,437	574	5,011
Transactions with owners, recognised directly in equity											
Transfer from asset revaluation reserve and other capital reserves to revenue reserve		-	-	-	(265)	-	(6,084)	6,349	-	-	-
Share of reserves of equity accounted investees		-	-	-	-	-	905	-	905	-	905
Issue of shares under the Scrip Dividend Scheme	24	5,944	-	-	-	-	-	-	5,944	-	5,944
Repurchase of shares	25	-	(104)	-	-	-	-	-	(104)	-	(104)
Dividend paid to shareholders											
- Cash	27	-	-	-	-	-	-	(2,582)	(2,582)	-	(2,582)
- Share	27	-	-	-	-	-	-	(5,944)	(5,944)	-	(5,944)
Total		5,944	(104)	-	(265)	-	(5,179)	(2,177)	(1,781)	-	(1,781)
At 31 December 2023		**193,569**	**(4,473)**	**(91,539)**	**153,972**	**(4,572)**	**220,634**	**758,351**	**1,225,942**	**2,115**	**1,228,057**

Details of "Other capital reserves" are disclosed in Note 26.

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

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	Share capital $'000	Treasury shares $'000	Foreign currency translation account $'000	Asset revaluation reserve $'000	Investment revaluation reserve $'000	Other capital reserves# $'000	Revenue reserve $'000	Attributable to owners of the Company $'000	Non-controlling interests $'000	Total equity $'000
Group											
At 1 January 2022		181,695	(4,167)	(39,452)	127,916	(1,277)	234,362	751,123	1,250,200	14,217	1,264,417
Total comprehensive income/(loss) for the year											
Profit/(Loss) for the year		–	–	–	–	–	–	4,591	4,591	(1,741)	2,850
Exchange differences on translation of foreign operations	35	–	–	(40,391)	–	–	–	–	(40,391)	83	(40,308)
Revaluation of properties	35	–	–	–	20,264	–	–	–	20,264	–	20,264
Fair value loss on investments in equity instruments designated at FVTOCI	35	–	–	–	–	(3,447)	–	–	(3,447)	–	(3,447)
Income tax adjustments relating to other comprehensive income	35	–	–	–	(5,462)	–	–	–	(5,462)	–	(5,462)
Other comprehensive (loss)/income for the year, net of tax		–	–	(40,391)	14,802	(3,447)	–	–	(29,036)	83	(28,953)
Total		–	–	(40,391)	14,802	(3,447)	–	4,591	(24,445)	(1,658)	(26,103)
Transactions with owners, recognised directly in equity											
Transfer from other capital reserves to revenue reserve		–	–	–	–	–	(8,386)	8,386	–	–	–
Share of reserves of equity accounted investees		–	–	–	–	–	1,093	–	1,093	–	1,093
Non-controlling interests arising from additional capital contribution in a subsidiary		–	–	–	–	–	–	–	–	2,400	2,400
Effects of acquiring non-controlling interests in a subsidiary		–	–	–	–	–	(882)	–	(882)	(13,418)	(14,300)
Issue of shares under the Scrip Dividend Scheme	24	5,930	–	–	–	–	–	–	5,930	–	5,930
Repurchase of shares	25	–	(202)	–	–	–	–	–	(202)	–	(202)
Dividend paid to shareholders											
- Cash	27	–	–	–	–	–	–	(2,478)	(2,478)	–	(2,478)
- Share	27	–	–	–	–	–	–	(5,930)	(5,930)	–	(5,930)
Total		5,930	(202)	–	–	–	(8,175)	(22)	(2,469)	(11,018)	(13,487)
At 31 December 2022		187,625	(4,369)	(79,843)	142,718	(4,724)	226,187	755,692	1,223,286	1,541	1,224,827

Details of "Other capital reserves" are disclosed in Note 26.

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

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	Share capital $'000	Treasury shares $'000	Other capital reserves# $'000	Revenue reserve $'000	Total equity $'000
Company						
At 1 January 2023		**187,625**	**(4,369)**	**101,264**	**300,631**	**585,151**
Profit for the year, representing total comprehensive income for the year		**–**	**–**	**–**	**388**	**388**
Transactions with owners, recognised directly in equity						
Issue of shares under the Scrip Dividend Scheme	24	**5,944**	**–**	**–**	**–**	**5,944**
Repurchase of shares	25	**–**	**(104)**	**–**	**–**	**(104)**
Dividend paid to shareholders						
- Cash	27	**–**	**–**	**–**	**(2,582)**	**(2,582)**
- Share	27	**–**	**–**	**–**	**(5,944)**	**(5,944)**
Total		**5,944**	**(104)**	**–**	**(8,526)**	**(2,686)**
At 31 December 2023		**193,569**	**(4,473)**	**101,264**	**292,493**	**582,853**
At 1 January 2022		181,695	(4,167)	101,264	308,868	587,660
Profit for the year, representing total comprehensive income for the year		–	–	–	171	171
Transactions with owners, recognised directly in equity						
Issue of shares under the Scrip Dividend Scheme	24	5,930	–	–	–	5,930
Repurchase of shares	25	–	(202)	–	–	(202)
Dividend paid to shareholders						
- Cash	27	–	–	–	(2,478)	(2,478)
- Share	27	–	–	–	(5,930)	(5,930)
Total		5,930	(202)	–	(8,408)	(2,680)
At 31 December 2022		187,625	(4,369)	101,264	300,631	585,151

Details of "Other capital reserves" are disclosed in Note 26.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

1 General

Tuan Sing Holdings Limited (Registration number: 196900130M) is incorporated in the Republic of Singapore with its principal place of business and registered office at 9 Oxley Rise, #03-02 The Oxley, Singapore 238697. The Company is listed on the Singapore Exchange Securities Trading Limited.

The principal activity of the Company is that of investment holding. The principal activities of its significant subsidiaries, associates and joint ventures are disclosed in Notes 41 and 42 to the financial statements respectively. There have been no significant changes in the nature of these activities during the financial year.

The consolidated financial statements of the Group and statement of financial position and statement of changes in equity of the Company for the year ended 31 December 2023 were authorised for issue by the Board of Directors on 26 March 2024.

2 Material accounting policy information

(a) Basis of accounting

The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the material accounting policy information below, and are drawn up in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS(I)s"). The financial statements are expressed in Singapore dollars.

(b) Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. Control is achieved when the Group has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee, and has the ability to use its power to affect its returns. Details of the Group's significant subsidiaries and composition of the group are disclosed in Note 41.

Basis of consolidation

The consolidated financial statements of the Group incorporate the financial statements of the Company and its subsidiaries.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. When necessary, adjustments are made to the financial statements of subsidiaries to align their accounting policies in line with those of the Group.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation. Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions.

Non-controlling interests in subsidiaries are identified separately from the Group's equity and are initially measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis.

Subsequent to the acquisition date, the carrying amounts of non-controlling interests are adjusted for the non-controlling interests' share of changes in equity. Losses are attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Company's separate financial statements

Investments in subsidiaries in the Company's separate financial statements are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

Associates and joint ventures

An associate is an entity over which the Group has significant influence that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Details of the Group's material associates are disclosed in Note 42.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Details of the Group's material joint ventures are disclosed in Note 42.

Equity method of accounting

The results and assets and liabilities of associates and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*.

Investment in each associate or joint venture is initially recognised at cost, and subsequently accounted for by including the Group's share of the profit or loss and other comprehensive income or loss in the carrying amount of the investment until the date on which significant influence or joint control ceases. Dividends received reduce the carrying amount of the investment. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2 Material accounting policy information (cont'd)

(b) Basis of consolidation (cont'd)

Equity method of accounting (cont'd)

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group. When necessary, adjustments are made to align the associate's or joint venture's accounting policies with those of the Group.

(c) Foreign currency transactions and translation

Functional and presentation currency

The individual financial statements of each group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency).

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are presented in Singapore dollars ("SGD"), which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

Foreign currency transactions

In preparing the financial statements of the group entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and

- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

Foreign currency translation

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are translated at exchange rates prevailing on the reporting date. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the date of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a reserve named as "foreign currency translation account" (attributed to non-controlling interests as appropriate).

Upon the disposal of the entire interest in a foreign operation during the year, all of the exchange differences accumulated in the foreign currency translation account in respect of that operation attributable to the owners of the Group are reclassified to profit or loss.

(d) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2 Material accounting policy information (cont'd)

(d) Fair value measurement (cont'd)

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Refer to Notes 12, 14, 17, 23 and 40(e) for details of non-financial assets, financial assets and financial instruments that are measured at fair value on basis described above or where such fair values are disclosed.

(e) Financial instruments

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets

Financial assets are initially measured at fair value (except for trade receivables that do not have a significant financing component which are measured at transaction price), net of transaction costs that are directly attributable to the acquisition or issue of financial assets (other than those at fair value through profit or loss). Transaction costs directly attributable to the acquisition or issue of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

Classification of financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL") based on the group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

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

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

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

By default, all other financial assets are subsequently measured at FVTPL.

Despite the foregoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2 Material accounting policy information (cont'd)

(e) Financial instruments (cont'd)

Amortised cost and effective interest method (cont'd)

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI, and is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss under "Interest income" line item.

Equity instruments designated at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which SFRS(I) 3 applies.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investment revaluation reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments. Instead, it will be transferred to revenue reserve.

Dividends on these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in profit or loss.

The Group designated all investments in equity instruments that are not held for trading at FVTOCI on initial recognition.

A financial asset is held for trading if either:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination at FVTOCI on initial recognition.
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called "accounting mismatch") that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value as at each reporting date, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset. Fair value is determined in the manner described in Note 40(e).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2 Material accounting policy information (cont'd)

(e) Financial instruments (cont'd)

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on trade receivables and other receivables, contract assets, financial guarantee contracts and other debt instruments that are measured at amortised cost or at FVTOCI. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial asset. The ECL incorporates forward-looking information and is a probability-weighted estimate of the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. Details about the Group's credit risk management and impairment policies are disclosed in Note 40(c).

The Group always recognises lifetime ECL for trade receivables and contract assets. The ECL on these financial assets are estimated using the simplified approach based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is 1) contingent consideration of an acquirer in a business combination to which SFRS(I) 3 applies, 2) held for trading, or 3) it is designated at FVTPL.

A financial liability is classified as held for trading if either:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2 Material accounting policy information (cont'd)

(e) Financial instruments (cont'd)

Financial liabilities at FVTPL (cont'd)
A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated at FVTPL upon initial recognition if either:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

- it forms part of a contract containing one or more embedded derivatives, and SFRS(I) 9 permits the entire combined contract to be designated at FVTPL.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liabilities.

However, for financial liabilities that are designated at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to revenue reserve upon derecognition of the financial liability.

Gains or losses on financial guarantee contracts and loan commitments issued by the Group that are designated by the Group at FVTPL are recognised in profit or loss.

Fair value is determined in the manner described in Note 40(e).

Financial liabilities subsequently measured at amortised cost
Financial liabilities that are not 1) contingent consideration of an acquirer in a business combination, 2) held-for-trading, or 3) designated at FVTPL, are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

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

Financial guarantee contract liabilities are initially measured at their fair values and, if not designated at FVTPL and do not arise from a transfer of a financial asset, are subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with SFRS(I) 9; and

- the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies.

Derecognition of financial liabilities
The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derivative financial instruments
Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value as at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which case the timing of the recognition in profit or loss depends on the nature of the hedge relationship. The Group designates interest rate swap contracts as cash flow hedging instruments in respect of interest rate risks. Further details of derivative financial instruments are disclosed in Note 23.

2 Material accounting policy information (cont'd)

(e) Financial instruments (cont'd)

Derivative financial instruments *(cont'd)*

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Group has both a legally enforceable right and intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Hedge accounting

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions, and whether the hedging relationship meets the hedge effectiveness requirements under SFRS(I) 9. The Group designates the change in fair value of a hedging instrument in its entirety as the hedging instrument for all of its hedging relationships.

Cash flow hedges

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under "other capital reserves", limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in equity are removed from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability. This transfer does not affect other comprehensive income. Furthermore, if the Group expects that some or all of the loss accumulated in other comprehensive income will not be recovered in the future, that amount is immediately reclassified to profit or loss.

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is reclassified to profit or loss when the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

(f) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and deposits and bank overdrafts which are subsequently measured at amortised cost. Cash and cash equivalents in the consolidated statement of cash flows exclude encumbered fixed deposits and bank balances.

(g) Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are initially measured at their transaction price, unless they contain significant financing components and are recognised at fair value. They are subsequently measured at amortised cost, less loss allowance.

Details about the Group's credit risk management and impairment policies are disclosed in Note 40(c).

(h) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method.

Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution. Allowance is made where necessary for obsolete, slow-moving and defective inventories.

(i) Development properties

Development properties comprise properties in the course of development and completed properties held for sale in the ordinary course of business.

Completed properties held for sale are stated at the lower of cost and estimated net realisable value. Cost is determined by apportionment of the total land cost and development costs capitalised attributable to properties. Net realisable value takes into account the estimated selling price, less cost to be incurred in marketing and selling, and the expected costs to completion, where appropriate.

Cost of development properties comprises costs that relate directly to the development, such as cost of land and construction and related costs that are attributable to development activities and can be allocated to the development project.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2 Material accounting policy information (cont'd)

(i) Development properties (cont'd)

When losses are expected, full allowance are recognised as expenses immediately based on best estimates of net realisable value and estimated costs to completion.

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

The Group's policy for revenue recognition in relation to development properties is described under "Revenue recognition" Note 2(q).

Costs attributable to the construction of showflat are capitalised as prepayment and disclosed under trade and other receivables when incurred and are recognised in the profit or loss in the period when the development properties are launched for sale.

(j) Property, plant and equipment

Measurement

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes are stated at cost less accumulated depreciation and impairment losses.

Cost includes professional fees and for qualifying assets, borrowing cost, capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

When 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.

Revaluation

Certain land and buildings held for use in the production or supply of goods or services (excluding investment properties), or for administrative purpose, are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation less subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the reporting date.

Any revaluation increase arising from the revaluation of such land and buildings is recognised in other comprehensive income and accumulated in the asset revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised as an expense, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on revaluation of such land and buildings is charged as an expense to the extent that it exceeds the balance, if any, held in the asset revaluation reserve relating to a previous revaluation of the same asset. Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset.

Depreciation

Depreciation is calculated using the straight-line method to allocate the cost or revalued amounts of the assets (other than freehold land and properties under construction), net of their residual values, over their estimated useful lives as follows:

	Useful lives
Buildings on freehold land	50 years
Leasehold land, buildings and improvements	Over the remaining lease periods ranging 3 to 99 years
Plant and equipment	1 to 15 years
Motor vehicles	5 to 10 years

Freehold land is not depreciated.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period following the group's consideration of the asset condition, wear-and-tear, technology changes and expected use taking into account climate-related strategy. The effect of any changes in estimate is accounted for on a prospective basis.

Disposal

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. When a revalued property is sold, the attributable revaluation surplus in the asset revaluation reserve is transferred directly to revenue reserve.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2 Material accounting policy information (cont'd)

(k) Impairment of property, plant and equipment excluding goodwill

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Where an asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units ("CGU"), or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

An impairment loss is recognised in profit or loss when the recoverable amount of an asset is less than its carrying amount, unless the asset is carried at revalued amount, in which case the impairment loss is treated as a revaluation decrease as described above.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, to the extent that the increase does not exceed the carrying amount that would have been determined had no impairment loss been recognised. A reversal of an impairment loss is recognised immediately in profit or loss, unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase as described above.

(l) Investment properties

Investment properties, which are completed properties and properties under construction held to earn rental and/or for capital appreciation, are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

Transfers are made to or from investment properties when and only when there is a change in use. For a transfer from development property to investment property, the deemed costs of property for subsequent accounting is its fair value at the date of change in use with fair value gain or loss recognised in profit or loss. For a transfer from investment property to owner occupied property, the deemed costs of property for subsequent accounting is its fair value at the date of change in use. For a transfer from owner occupied property to investment property, the property is accounted for in accordance with the accounting policy for property, plant and equipment Note 2(j) up to the date of change in use.

(m) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(n) Leases

The Group as lessor

The Group enters into lease agreements as a lessor with respect to its investment properties and the leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. A right-of-use asset and a corresponding lease liability are recognised with respect to all lease arrangements, except for short-term leases (those with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

As a practical expedient, SFRS(I) 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. However, the Group has not used this practical expedient. For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate. The incremental borrowing rate is determined by obtaining interest rate from external financing sources and make 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 mainly fixed lease payments (including in-substance fixed payments) over the lease terms.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2 Material accounting policy information (cont'd)

(n) Leases (cont'd)

The Group as lessee (cont'd)

Right-of-use assets are initially measured at cost comprising the initial lease liability, any lease payments made at or before the commencement date (less any lease incentives received), any initial direct costs and any restoration costs. The right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

The right-of-use assets are depreciated over the lease terms commencing from the date of the lease, and are tested for impairment in accordance with the policy similar to that adopted for property, plant and equipment in Note 2(k).

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. Lease liability is remeasured by discounting the revised lease payments using a revised discount rate when there is a change in the lease term upon exercising extension options not previously included in the determination of the lease term. A corresponding adjustment is made to the related right-of-use asset.

(o) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Warranties

Provisions for the expected cost of warranty obligations are recognised at the date of sale of the relevant products, at management's best estimate of the expenditure required to settle the Group's obligation.

(p) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects. Dividends are deducted from shareholders' equity and recorded as a liability when declared payable. Proposed dividends which are subject to shareholders' approval are not deducted from equity and are not recorded as liabilities.

(q) Revenue recognition

The Group recognises revenue from the following major sources:

- Sale of products
- Sale of development properties
- Revenue from hotel operations
- Revenue from services rendered
- Rental income
- Interest income
- Dividend income

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

Sale of products

The Group sells commodity trading products and polypropylene and polyethylene woven bags. Revenue is recognised at a point in time when control of the goods has transferred, being when the goods have been shipped to the customer's location (delivery). Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when onselling the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Group when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Under the Group's standard contract terms, customers do not have a right of return.

2 Material accounting policy information (cont'd)

(q) Revenue recognition (cont'd)

Sale of development properties
The Group constructs and sells residential properties under long-term contracts with customers.

Under the terms of the contracts for sale of residential properties, the Group is contractually restricted from redirecting the properties to another customer and has an enforceable right to payment for work done. Revenue is recognised over-time based on the stage of completion of construction. The stage of completion is measured by reference to the value of work performed to date as compared to the estimated total construction costs of the development projects as approved by management. Management considers that this method is an appropriate measure of the progress towards complete satisfaction of these performance obligations under SFRS(I) 15. Profits are recognised only in respect of finalised sales contracts to the extent that such profits relate to the progress of the construction work.

For development properties whereby the Group has no enforceable right to payment until legal title has passed to the customer, revenue is recognised at a point in time when the legal title has been transferred to the customer. The revenue is measured at the transaction price agreed under the contract. For development properties under construction, the Group becomes entitled to invoice customers for construction of residential properties based on achieving a series of performance-related milestones. When a particular milestone is reached, the customer is sent a relevant statement of work signed by a third-party surveyor and an invoice for the related milestone payment. For completed development properties, the Group is entitled to invoice customers in accordance with the payment schedule in the sales contract.

If the value of the goods transferred exceeds the milestone payments, a contract asset is recognised. If the milestone payment exceeds the revenue recognised to date, a contract liability is recognised.

When the period between the recognition of revenue and payment by the customer exceeds one year, an adjustment is made to the transaction price for the time value of money.

Revenue from hotel operations
Revenue from operations of a hotel is recognised from the following major sources: hotel stays, valet parking services and sales of food and beverages.

Provisions of hotel stays and valet parking services are recognised as performance obligations satisfied over time. Progress towards complete satisfaction of these performance obligations is measured based on the proportion of the total duration of stay that has elapsed at the end of the reporting period. Payments for hotel stays and valet parking services sold to corporates are due from the customers at the end of the duration of stay. Payments for such services sold to individual customers are due from the customers prior to the stay. A contract asset is recognised for time which has elapsed representing the Group's right to consideration for the services performed to date, except for short durations of service where the effect would be immaterial.

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

The Group sells hotel packages to customers. The hotel packages offer combined goods and services. These goods and services are considered distinct as they are regularly supplied by the Group to customers on a stand-alone basis. These are therefore accounted for as separate performance obligations. In this case, the transaction price will be allocated to each performance obligation based on their stand-alone selling prices. Payment of the transaction price is due immediately when the customer purchases the hotel package.

Revenue from services rendered
The Group provides services to lessees of its investment properties and property management services. Such services are recognised as a performance obligation satisfied over time. Revenue is recognised for these services based on the stage of completion of the contract. Management has assessed that the stage of completion is determined as the proportion of the total service period that has elapsed as at the end of the reporting period is an appropriate measure of progress towards complete satisfaction of these performance obligations under SFRS(I) 15. Payments for these services are due in accordance with payment schedules in the customer contract, on straight-line basis over the term of the contract.

Rental income
The Group's policy for recognition of revenue from operating leases is described above in Note 2(n).

Interest income
The Group's policy for recognition of interest income is described above in Note 2(e).

Dividend income
Dividends on investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2 Material accounting policy information (cont'd)

(r) Employee benefits

Retirement benefit obligations

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered services entitling them to the contributions. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are accounted for as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognised any related restructuring costs.

Employees' leave entitlement

Employees' entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for leave as a result of services rendered by employees up to the end of reporting period.

(s) Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

(t) Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax. It is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Current tax

Current tax payable represents the amount expected to be paid to taxation authorities on taxable profit for the year, using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous periods. The amount of current tax payable is the best estimate of the tax amount expected to be paid that reflects the uncertainty related to income taxes.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from (i) initial recognition of goodwill; or (ii) initial recognition of assets and liabilities in a transaction that is not a business combination, and at the time of the transaction affects neither accounting nor taxable profit, and does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and interests in associates and joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets are recognised for deductible temporary differences associated with such investments and interests only if it is probable that future taxable amounts will be available to utilise those temporary differences.

Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or when the asset is realised based on the tax laws and rates that have been enacted or substantively enacted at the reporting date.

Except for investment properties that are measured using the fair value model, the measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model of the Group whose business objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The Group has not rebutted the presumption that the carrying amount of the investment properties will be recovered entirely through sale.

2 Material accounting policy information (cont'd)

(t) Income tax (cont'd)

Offsetting

Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amounts and the Group intends either to settle its current tax assets and liabilities on a net basis, or to realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority.

(u) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components.

The Group determines and presents operating segments based on information that is provided internally to the Chief Executive Officer ("CEO"), who is the Group's chief operating decision maker. All operating segments' results are reviewed regularly by the Group's CEO to make decisions about resources to be allocated to the segments and assess its performance, and for which discrete financial information is available.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Group's accounting policies

Management is of the opinion that any instances of application of judgements are not expected to have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

Stage of completion for revenue recognition

The Group recognises contract revenue in Note 28 based on the stage of completion for the sale of development properties under development where the Group has enforceable rights to payment for performance completed to date. The stage of completion is measured by reference to the value of work performed to date as compared to the total estimated construction costs of the development projects as approved by management.

Significant judgements are required to estimate the total construction costs which include estimation for variation works and any other claims from contractors and sub-contractors. In making the judgements, the Group relies on past experience and the work of quantity surveyors. The valuation of development properties and provisions for foreseeable losses, if any, are therefore subject to uncertainty in respect of variation works and estimation of future costs. The Group adopts a prudent approach in evaluating these uncertainties.

The Group's revenue recognised based on the stage of completion is disclosed in Note 28 to the financial statements.

Allowance for diminution in value for development properties

Development properties in the course of development and completed properties are stated at lower of cost and estimated net realisable value, assessed on an individual property basis. When it is probable that the total development costs will exceed the total projected revenue, the amount in excess of net realisable value is recognised as an expense immediately.

The process of evaluating the net realisable value of each property is subject to management judgement and the effect of assumptions in respect of development plans, timing of sale and the prevailing market conditions. Management performs cost studies for each property, taking into account the costs incurred to date, the development status and costs to complete each development property. Any future variation in plans, assumptions and estimates can potentially impact the carrying amounts of the respective properties.

The carrying amounts of development properties and allowance for diminution in value are disclosed in Note 10.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3 Critical accounting judgements and key sources of estimation uncertainty (cont'd)

Key sources of estimation uncertainty (cont'd)

Fair value measurement and valuation processes

The Group carries its investment properties, hotels, owner-managed and owner-occupied properties at fair value based on independent professional valuations.

In determining fair values, the valuers have used valuation methodologies (including direct comparison method, income capitalisation method, discounted cash flow method and residual method) which involve certain estimates and significant unobservable inputs which are disclosed in Notes 12 and 14. The direct comparison method involves the analysis of comparable sales of similar properties and adjusting prices to those reflective of the properties. The income capitalisation method involves assessment of the income earning capacity and capitalising it at the adopted capitalisation rate to derive a core value. The discounted cash flow method recognises the time value of money by estimating the net present value of future cash flows. The residual method involves the estimation of the gross development value assuming the property is completed and from which the development costs are deducted to derive a residual figure. In relying on valuation reports, the management has exercised its judgement and is satisfied that the valuation methods and estimates are reflective of current market conditions. The valuation reports are prepared in accordance with recognised appraisal and valuation standards.

Information relating to the valuation methodologies and inputs used in determining the fair value of hotels, owner-managed and owner-occupied properties and investment properties are disclosed in Notes 12 and 14 respectively to the financial statements.

Deferred tax liabilities arising from changes in the carrying amount of investment in Grand Hotel Group

The Group's interest in Grand Hotel Group ("GHG") is held by TSH Australia Holdings Pte Ltd ("TAHAUD"), a wholly-owned subsidiary of the Company, through Tuan Sing (Australia) Trust ("TSAT") and Tuan Sing Real Estate Trust ("TSRET"). GHG comprises the Grand Hotel Trust ("GHT") and its controlled entities and Grand Hotel Company Pty Ltd ("GHC") and its controlled entities. The units in GHT are 'stapled' to the shares of GHC. GHT is not liable for tax under the Australian tax legislation provided the taxable income (including any assessable component of capital gains from sale of investment assets) is fully distributed to unit holders in each year.

TAHAUD is subject to income taxes in the Australian jurisdiction. The Group has estimated deferred tax liability arising from changes in the carrying amount of its investments in GHG amounting to A$40,354,000 (2022: A$35,267,000) or equivalent to $36,351,000 (2022: $32,118,000) (Note 18). In estimating this amount, the Group considers the taxable gains to be the excess of the Group's share of the fair value of net assets of GHG over the tax cost base of the securities in GHG held by the Group.

Future actual tax liability when incurred and payable will differ from this estimate to the extent that the future realisation of values from the investment in GHG differs from the amount of fair value of the assets currently estimated. It would similarly be affected by any change in tax losses and tax base which have yet to be agreed with the Australian tax authorities.

Loss allowance for receivables

Loss allowance for aged trade receivables is based on an evaluation of the collectability of receivables. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including current creditworthiness, past collection history of each customer, ongoing dealings with them and forward-looking macro-economic information. If the financial conditions of the customers were to deteriorate, resulting in an impairment of their ability to make payments, additional loss allowance may be required.

The carrying amount of trade and other receivables are disclosed in Note 6 to the financial statements.

4 Segment information

Products and services from which reportable segments derive their revenues

For management purposes, the Group is organised into business segments based on their products and services. In the previous financial year, Industrial Services comprised trading and marketing of industrial commodities, as well as manufacturing of polypropylene woven bags in Malaysia. As the Group has ceased its trading and marketing of industrial commodities operations and Industrial Services is no longer a reportable segment, the manufacturing of polypropylene woven bags business in Malaysia is presented under Other Investments with effect from 1 January 2023. Accordingly, the Group's reportable operating segments under SFRS(I) 8 *Operating Segments* are as follows:

Segment	Principal activities
Real Estate Investment	Property investments in Singapore, Australia, Indonesia and China
Real Estate Development	Property development and provision of construction management services in Singapore and Indonesia
Hospitality	Investment in hotels in Melbourne and Perth, Australia, managed by Hyatt, the hotel operator
Other Investments	Investment in Gul Technologies Singapore Pte. Ltd. ("GulTech") and Pan-West (Private) Limited ("Pan-West"), as well as manufacturing of polypropylene woven bags in Malaysia. GulTech is a printed circuit boards manufacturer with plants in China. Pan-West distributes golf-related lifestyle products

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

4 Segment information (cont'd)

Products and services from which reportable segments derive their revenues (cont'd)

Segment revenue represents revenue generated from external and internal customers. Segment profit represents the profit earned by each segment before allocation of interest and taxes, net foreign exchange gain or loss, fair value adjustments and other non-recurring adjustments. Segment assets and liabilities are presented net of inter-segment balances. Inter-segment pricing is determined on arm's length basis. These operating segments are reported in a manner consistent with internal reporting provided to the Chief Executive Officer who is responsible for allocating resources and assessing performance of the operating segments.

Information regarding each of the Group's reportable segments is presented in the following section.

Segment revenues and results

	Real Estate Investment $'000	Real Estate Development $'000	Hospitality $'000	Other Investments[1] $'000	Corporate[2] $'000	Inter-Segment Eliminations $'000	Consolidated $'000
2023							
Revenue							
External revenue	**57,332**	**148,463**	**90,185**	**7,598**	**142**	**-**	**303,720**
Inter-segment revenue	**2,718**	**2,767**	**-**	**-**	**9,651**	**(15,136)**	**-**
	60,050	**151,230**	**90,185**	**7,598**	**9,793**	**(15,136)**	**303,720**
Adjusted EBIT*	**28,119**	**(9,050)**	**16,940**	**33,086**	**(13,161)**	**740**	**56,674**
Interest income							**6,167**
Finance costs							**(68,274)**
Net foreign exchange loss							**(456)**
Net gain on disposal of property, plant and equipment							**(13)**
Impairment loss on property, plant and equipment							**(153)**
Gain on disposal of an equity accounted investee							**115**
Loss before tax and fair value adjustments							**(5,940)**
Fair value adjustments							**8,599**
Profit before tax							**2,659**
Income tax credit							**2,751**
Profit for the year							**5,410**

	Real Estate Investment $'000	Real Estate Development $'000	Hospitality $'000	Industrial Services $'000	Other Investments[1] $'000	Corporate[2] $'000	Inter-Segment Eliminations $'000	Consolidated $'000
2022								
Revenue								
External revenue	52,421	78,027	85,450	9,213	–	186	–	225,297
Inter-segment revenue	3,614	3,625	–	–	–	9,364	(16,603)	–
	56,035	81,652	85,450	9,213	–	9,550	(16,603)	225,297
Adjusted EBIT*	28,489	(6,225)	19,139	(1,926)	30,540	(18,982)	1,710	52,745
Interest income								4,530
Finance costs								(50,753)
Net foreign exchange loss								(6,114)
Net gain on disposal of property, plant and equipment								9
Net gain on disposal of right-of-use assets								11
Profit before tax and fair value adjustments								428
Fair value adjustments								306
Profit before tax								734
Income tax credit								2,116
Profit for the year								2,850

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

4 Segment information (cont'd)

Segment revenues and results (cont'd)

* Adjusted EBIT is based on a measure of adjusted earnings before interest and tax, excluding the effects of (i) gain or loss on disposal of subsidiaries, joint venture/associate, investment properties, and property, plant & equipment, (ii) fair value gain or loss on investment properties and derivative financial instruments, (iii) revaluation deficit on property, plant and equipment, (iv) impairment /writeback of impairment on investments in joint venture/associate and property, plant and equipment, (v) loss allowance on interest receivables and (vi) net foreign exchange gain or loss.

Note:

1. The revenue in 2023 is derived from the manufacturing business of polypropylene woven bags in Malaysia (previously reported under Industrial Services for 2022). No revenue is reported in 2022 under "Other Investments" as the Group's investment in GulTech is equity accounted for.
2. "Corporate" refers to the aggregation of provision of corporate-level services by the Company to the various subsidiaries and charged as such. They are eliminated at group-level upon consolidation.

Segment assets, liabilities and other segment information

	Real Estate Investment $'000	Real Estate Development $'000	Hospitality $'000	Other Investments $'000	Corporate $'000	Consolidated $'000
As at 31 December 2023						
Assets						
Segment assets	1,646,289	232,574	400,489	9,444	107,220	2,396,016
Deferred tax assets	-	105	1,649	-	234	1,988
Investment in financial asset	-	26,344	-	-	-	26,344
Investments in equity accounted investees	20,994	14,480	-	159,545	-	195,019
Total assets	1,667,283	273,503	402,138	168,989	107,454	2,619,367
Liabilities						
Segment liabilities	(39,004)	(37,787)	(19,355)	(5,697)	(6,642)	(108,485)
Loans and borrowings	(800,394)	(70,053)	(178,111)	-	(180,956)	(1,229,514)
Income tax payable and deferred tax liabilities	(5,469)	(322)	(1,073)	(149)	(46,298)	(53,311)
Total liabilities	(844,867)	(108,162)	(198,539)	(5,846)	(233,896)	(1,391,310)
Net assets/(liabilities)	822,416	165,341	203,599	163,143	(126,442)	1,228,057
Other information						
Capital expenditure	92	41	5,887	901	58	6,979
Depreciation of property, plant and equipment	703	68	5,123	252	111	6,257
Depreciation of right-of-use assets	4	-	-	25	9	38
Allowance for diminution in value for development properties	-	15	-	-	-	15
Revaluation gain/(loss) on properties (in other comprehensive income)	2,865	-	12,814	-	(46)	15,633
Revaluation loss on property, plant and equipment (in profit or loss)	(1,743)	-	-	-	-	(1,743)
Fair value gain on investment properties	11,780	-	-	-	12	11,792
Fair value loss on financial instruments	-	-	-	(1,450)	-	(1,450)

4 Segment information (cont'd)

Segment assets, liabilities and other segment information (cont'd)

	Real Estate Investment $'000	Real Estate Development $'000	Hospitality $'000	Industrial Services $'000	Other Investments $'000	Corporate $'000	Consolidated $'000
As at 31 December 2022							
Assets							
Segment assets	1,605,267	327,464	392,408	63,376	933	73,594	2,463,042
Deferred tax assets	–	–	1,343	–	–	223	1,566
Investment in financial asset	–	26,192	–	–	–	–	26,192
Investments in equity accounted investees	21,783	14,048	–	–	130,365	–	166,196
Total assets	1,627,050	367,704	393,751	63,376	131,298	73,817	2,656,996
Liabilities							
Segment liabilities	(31,825)	(36,326)	(16,536)	(1,165)	(5,000)	(10,749)	(101,601)
Loans and borrowings	(815,936)	(142,819)	(179,796)	–	–	(139,610)	(1,278,161)
Income tax payable and deferred tax liabilities	(5,452)	(1,060)	(175)	(324)	–	(45,396)	(52,407)
Total liabilities	(853,213)	(180,205)	(196,507)	(1,489)	(5,000)	(195,755)	(1,432,169)
Net assets/(liabilities)	773,837	187,499	197,244	61,887	126,298	(121,938)	1,224,827
Other information							
Capital expenditure	51	34	1,145	488	–	291	2,009
Depreciation of property, plant and equipment	701	64	4,823	200	–	898	6,686
Depreciation of right-of-use assets	3	–	–	29	–	3	35
Allowance for diminution in value for development properties	–	450	–	–	–	–	450
Revaluation gain on properties (in other comprehensive income)	2,058	–	18,206	–	–	–	20,264
Revaluation loss on property, plant and equipment (in profit or loss)	(2,864)	–	–	–	–	–	(2,864)
Fair value gain on investment properties	6,106	–	–	–	–	–	6,106
Fair value loss on financial instruments	–	–	–	–	(2,936)	–	(2,936)

Geographical information

Geographically, management reviews the performance of the businesses in Singapore, Australia, China, Malaysia and Indonesia.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of external customers. Non-current assets other than the deferred tax assets and derivative financial instruments are based on the geographical location of the assets.

	Revenue from external customers		Non-current assets	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Singapore	**180,801**	108,401	**1,243,290**	1,225,690
Australia	**109,190**	106,562	**639,781**	616,495
China	**845**	777	**217,092**	175,937
Indonesia	**5,286**	343	**59,106**	56,093
Malaysia	**7,598**	9,214	**5,512**	5,153
	303,720	225,297	**2,164,781**	2,079,368

Other segment information

There were no customers that contributed individually 10% or more to the Group's revenue for FY2023 and FY2022.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

5 Cash and cash equivalents

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Cash at banks and on hand	**122,848**	173,665	**8,423**	7,510
Fixed deposits	**88,679**	69,452	**35,783**	55,417
Amounts held under the Housing Developers (Project Account) Rules	**11,269**	8,871	**–**	–
	222,796	251,988	**44,206**	62,927

Cash and cash equivalents comprise cash at banks and fixed deposits and are subject to an insignificant risk of changes in value. Deposits earned interest ranging from 1.70% to 5.08% per annum (2022: 0.03% to 4.20% per annum) and for tenures ranging from 7 days to 6 months (2022: 7 days to 1 year).

Withdrawals of amounts held under the project accounts are restricted to payments for expenditure incurred on development properties and are subject to the provisions in the Housing Developers (Project Account) Rules in Singapore.

The carrying amounts of the cash and cash equivalents approximate their fair values at the end of the reporting period. Further details regarding the exposure to interest rate risk, contractual and effective interest rates and foreign currency denomination of the cash and cash equivalents are disclosed under Note 40 to the financial statements.

Cash and cash equivalents
For the purpose of the consolidated statement of cash flows, the consolidated cash and cash equivalents comprise the following:

	Group	
	2023	**2022**
	$'000	**$'000**
Cash and cash equivalents per consolidated statement of cash flows		
Cash and cash equivalents (as per statement of financial position)	**222,796**	251,988
Encumbered fixed deposits and bank balances	**(9,745)**	(3,913)
	213,051	248,075

As at 31 December 2023, the Group had cash and cash equivalents placed with banks in China amounting to $63,574,000 (2022: $69,423,000), the repatriation of which into Singapore is subject to the Foreign Exchange Control Regulations in China.

As at 31 December 2023, cash and cash equivalents amounting to $52,239,000 (2022: $46,140,000) were pledged to banks to secure credit facilities. Information relating to the Group's loans and borrowings is disclosed in Note 19 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

6 Trade and other receivables

	Note	Group		Company	
		2023	2022	2023	2022
		$'000	$'000	$'000	$'000
Trade					
Trade receivables		**10,503**	5,889	**–**	–
Less: Loss allowance		**(5)**	(182)	**–**	–
		10,498	5,707	**–**	–
Amounts due from:					
- related parties		**192**	295	**–**	–
- joint ventures	16	**475**	21	**–**	–
		667	316	**–**	–
Total trade receivables - current		**11,165**	6,023	**–**	–
Non-trade					
Deposits [a]		**715**	17,910	**1**	569
Prepayments		**5,632**	6,343	**475**	829
Interest receivables		**491**	442	**87**	388
Sundry debtors		**4,118**	4,460	**42**	34
		10,956	29,155	**605**	1,820
Less: Loss allowance		**–**	(72)	**–**	(72)
		10,956	29,083	**605**	1,748
Amounts due from:					
- subsidiaries	21	**–**	–	**501,462**	485,268
- related parties		**76**	–	**68**	–
- associates	16	**916**	951	**–**	18
- joint ventures	16	**11,682**	8,038	**4**	9
		12,674	8,989	**501,534**	485,295
Less: Loss allowance					
- subsidiaries	21	**–**	–	**(39,946)**	(39,982)
- joint ventures	16	**–**	(11)	**–**	–
		12,674	8,978	**461,588**	445,313
		23,630	38,061	**462,193**	447,061
Less: non-current portion		**(11,680)**	(17,868)	**–**	–
Total non-trade receivables - current		**11,950**	20,193	**462,193**	447,061
Total trade and other receivables - current		**23,115**	26,216	**462,193**	447,061
Total trade and other receivables - non-current		**11,680**	17,868	**–**	–

(a) Included in the deposits of the Group were deposits amounting to:

- $9,863,000 paid in FY2022 for the acquisition of 19 commercial units at Summer Station from Sanya Summer Real Estate Co., Ltd, as associate and related party of the Group. The deposit has been classified as non-current at the end of the reporting period in FY2022 and was transferred to investment property upon completion of the acquisition in FY2023; and
- $100,000 (2022: $999,000) placed with a bank under a margin deposit arrangement, in relation to a letter of guarantee issued by the bank in favour of an external party.

As the deposits are placed with counterparties that are creditworthy, the management has assessed that the credit risks are low and the deposits are subject to immaterial credit loss.

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

6 Trade and other receivables (cont'd)

Analysis of trade receivables

Trade receivables are non-interest bearing and are generally on 7 to 90 days (2022: 7 to 90 days) credit term. They are recognised at their original invoice amounts which represent their fair values on initial recognition. The Group assesses the potential customer's credit quality and determines credit limits to be allowed before accepting any new customer. Credit limits granted to customers are reviewed regularly.

Loss allowance for trade receivables has always been measured at an amount equal to lifetime expected credit losses ("ECL"). The ECL on trade receivables are estimated by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. There has been no change in the estimation techniques during the current reporting period.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. None of the trade receivables that have been written off is subject to enforcement activities.

Analysis of amounts due from related parties

Amounts due from related parties are non-interest bearing. The trade amounts due from related parties are generally on 30 days (2022: 30 days) credit terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Loss allowance for amounts due from related parties has always been measured at an amount equal to lifetime expected credit losses ("ECL"). In determining the ECL, management has taken into account the financial position of the related parties, adjusted for factors that are specific to the related parties and general economic conditions of the industry in which the related parties operate, in estimating the probability of default of the trade amounts due from related parties as well as the loss upon default.

The table below shows the movement in ECL that has been recognised for trade receivables:

	Lifetime ECL - credit-impaired $'000
Group	
Balance as at 1 January 2022	1,839
Amounts written off	(1,491)
Change in loss allowance due to new trade receivables originated, net of those derecognised due to settlement	(126)
Exchange difference on consolidation	(40)
Balance as at 31 December 2022	**182**
Amounts written off	**(175)**
Change in loss allowance due to new trade receivables originated, net of those derecognised due to settlement	**5**
Exchange difference on consolidation	**(7)**
Balance as at 31 December 2023	**5**

Analysis of other receivables

The following table shows the movement in ECL that has been recognised for other receivables:

	Lifetime ECL - credit-impaired $'000
Group	
Balance as at 1 January 2022	125
Amounts written off	(41)
Exchange difference on consolidation	(1)
Balance as at 31 December 2022	**83**
Amounts written off	**(83)**
Balance as at 31 December 2023	**–**
Company	
Balance as at 1 January 2022 and 31 December 2022	**72**
Amounts written off	**(72)**
Balance as at 31 December 2023	**–**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

6 Trade and other receivables (cont'd)

The following is an aging analysis of trade receivables:

	Group	
	2023	**2022**
	$'000	**$'000**
Not past due	**10,849**	4,588
< 3 months	**254**	1,340
3 months to 6 months	**46**	78
6 months to 12 months	**16**	17
	11,165	6,023

Details of collateral

As at 31 December 2023, trade and other receivables amounting to $8,972,000 (2022: $11,692,000) were mortgaged to banks to secure certain credit facilities for the Group. Information relating to the Group's loans and borrowings is disclosed in Note 19 to the financial statements.

7 Contract assets

Contract assets relate primarily to the Group's right to consideration for work completed but not billed at the reporting date in respect of its property development business. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group invoices the customer. The changes in contract assets are due to the differences between the agreed payment schedule and progress of the construction work. As at 1 January 2022, contract assets amounted to $57,059,000.

Management always estimates the loss allowance on amounts due from customers at an amount equal to lifetime ECL, taking into account the historical default experience and the future prospects of the residential industry. There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for the contract assets. None of the amounts due from customers at the end of the reporting period is past due. As there was no historical credit loss experience by the Group, the ECL is assessed by management to be insignificant.

8 Contract costs

Contract costs relate to commission and legal fees paid to intermediaries as a result of obtaining residential property sales contracts. These costs are amortised over the period during which the residential properties are transferred to the purchasers. Amortisation amounting to $8,108,000 (2022: $3,784,000) was recognised as part of the distribution costs in profit or loss. There was no impairment loss in relation to the costs capitalised.

9 Inventories

	Group	
	2023	**2022**
	$'000	**$'000**
Raw materials	**799**	708
Work-in-progress	**891**	873
Finished goods	**512**	563
At cost	**2,202**	2,144

There was no allowance for inventory obsolescence recognised in profit or loss for the year ended 31 December 2023 and 2022.

Details of collateral

As at 31 December 2023, inventories amounting to $1,949,000 (2022: $2,144,000) were mortgaged to banks to secure credit facilities for the Group. Information relating to the Group's loans and borrowings is disclosed in Note 19 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

10 Development properties

	Group	
	2023	2022
	$'000	$'000
Properties in the course of development	**103,588**	202,616
Land held for future development	**6,575**	6,836
	110,163	209,452
Completed properties held for sale	**–**	287
	110,163	209,739
The above comprises:		
Properties in the course of development in Singapore	**27,088**	135,005
Properties in the course of development in Indonesia	**76,500**	67,611
Land held for future development in China	**6,575**	6,836
Completed properties held for sale in Singapore	**–**	287
	110,163	209,739

Development properties comprise properties in the course of development, land held for future development or held for sale and completed properties held for sale. These properties have operating cycles longer than one year. Development properties are classified as current assets as they are intended for sale in the Group's normal operating cycle.

Properties in the course of development and land held for future development or sale

	Group	
	2023	2022
	$'000	$'000
Land cost	**86,662**	183,491
Development cost incurred to-date	**23,066**	24,394
Others	**7,010**	8,853
	116,738	216,738
Less: Allowance for diminution in value	**(6,575)**	(7,286)
	110,163	209,452
Completed properties held for sale		
Completed properties, at cost	**–**	287

Allowance for diminution in value

		Group	
	Note	2023	2022
		$'000	$'000
Movements in allowance for diminution in value			
At 1 January		**7,286**	7,558
Exchange difference on consolidation		**(261)**	(722)
Allowance during the year	33	**15**	450
Transfer to investment property		**(465)**	–
At 31 December		**6,575**	7,286

The allowance for diminution in value for development properties was estimated after taking into account estimated selling prices and estimated total construction costs, where appropriate. The estimated selling prices are based on expected selling prices for the development project after taking into consideration of prevailing market conditions.

Details of collateral
As at 31 December 2023, development properties amounting to $27,089,000 (2022: $132,632,000) were mortgaged to banks to secure credit facilities for the Group. Information relating to the Group's loans and borrowings is disclosed in Note 19 to the financial statements.

10 Development properties (cont'd)

List of development properties

As at 31 December 2023, the development properties held by the Group are as follows:

Name of property/ location	Description/ planned use	Tenure	Land area (sq m)	Estimated gross floor area (sq m)	Year completed/ estimated completion	Group's effective equity interest
Properties in the course of development						
Peak Residence 333 Thomson Road Singapore	Condominium of 90 units	Freehold	5,331	8,209	2024	70%
Balmoral Tower, Opus Bay Batam, Indonesia	Apartments of 559 units	30 years from 2004	5,564	51,185	2025	100%
Cluny Villas, Opus Bay Batam, Indonesia	Villas of 325 units (Phase 1A – 22 units launched)	30 years from 2004	186,886	56,211	2024 to 2025 (Phase 1A)	100%
Batam Opus Bay Land (I), Indonesia [(a)]	Proposed integrated mixed-development township	30 years from 2004	657,299	*	*	100%
Batam Opus Bay Land (II), Indonesia	Proposed residential development	30 years from 2019	401,229	*	*	100%
Land held for future development						
Land in Jin'an District, Fuzhou, Fujian Province, China	Residential	70 years from 1994	163,740	**	**	100%

* Subject to relevant authorities' approval.
** Pending renewal of expired certificate for construction site planning.
(a) Excluding Balmoral Tower and Cluny Villas

11 Assets classified as held for sale

On 30 December 2021, the Group's wholly-owned subsidiary, Clerodendrum Land Pte. Ltd., granted options to a related party for the sale of three shop units in Sennett Residence for a consideration of $2,241,000. One unit was classified as development property held for sale and the remaining two units were classified as investment properties. Accordingly, the investment properties were classified as assets held for sale based on the agreed sale consideration of $1,542,000. The operations of the investment properties were included in the Group's real estate investment segment for segment reporting purposes. The sale was completed in 2023.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

12 Property, plant and equipment

	Note	Building and freehold land $'000	Leasehold land, buildings and improvements $'000	Plant and equipment $'000	Motor vehicles $'000	Total $'000
Group						
Cost or valuation:						
At 1 January 2023		**459,703**	**7,849**	**26,861**	**504**	**494,917**
Exchange differences on consolidation		**(4,686)**	**(371)**	**(459)**	**(7)**	**(5,523)**
Additions		**470**	**58**	**6,451**	**–**	**6,979**
Disposals		**–**	**–**	**(35)**	**(202)**	**(237)**
Write-offs		**–**	**–**	**(314)**	**–**	**(314)**
Transfer to investment properties	14	**(763)**	**(1,298)**	**92**	**–**	**(1,969)**
Elimination of depreciation upon revaluation		**(3,842)**	**–**	**–**	**–**	**(3,842)**
Revaluation		**12,812**	**1,078**	**–**	**–**	**13,890**
At 31 December 2023		**463,694**	**7,316**	**32,596**	**295**	**503,901**
At 1 January 2022		478,960	8,826	28,238	509	516,533
Exchange differences on consolidation		(33,261)	(692)	(1,618)	(12)	(35,583)
Additions		100	–	1,833	76	2,009
Disposals		–	–	(8)	(88)	(96)
Write-offs		–	–	(1,877)	–	(1,877)
Reclassification		(27)	(285)	293	19	–
Elimination of depreciation upon revaluation		(3,469)	–	–	–	(3,469)
Revaluation		17,400	–	–	–	17,400
At 31 December 2022		459,703	7,849	26,861	504	494,917
Comprising:						
At 31 December 2023						
At cost		**–**	**7,316**	**32,596**	**295**	**40,207**
At valuation		**463,694**	**–**	**–**	**–**	**463,694**
		463,694	**7,316**	**32,596**	**295**	**503,901**
At 31 December 2022						
At cost		809	7,849	26,861	504	36,023
At valuation		458,894	–	–	–	458,894
		459,703	7,849	26,861	504	494,917

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

12 Property, plant and equipment (cont'd)

	Note	Building and freehold land $'000	Leasehold land, buildings and improvements $'000	Plant and equipment $'000	Motor vehicles $'000	Total $'000
Group (cont'd)						
Accumulated depreciation:						
At 1 January 2023		**–**	**591**	**17,378**	**344**	**18,313**
Exchange differences on consolidation		**37**	**(38)**	**(310)**	**(3)**	**(314)**
Depreciation		**3,805**	**122**	**2,310**	**20**	**6,257**
Disposals		**–**	**–**	**(31)**	**(133)**	**(164)**
Write-offs		**–**	**–**	**(278)**	**–**	**(278)**
Transfer to investment properties	14	**–**	**(35)**	**–**	**–**	**(35)**
Elimination of depreciation upon revaluation		**(3,842)**	**–**	**–**	**–**	**(3,842)**
At 31 December 2023		**–**	**640**	**19,069**	**228**	**19,937**
At 1 January 2022		–	590	16,366	411	17,367
Exchange differences on consolidation		(180)	(67)	(1,063)	(6)	(1,316)
Depreciation		3,649	136	2,896	5	6,686
Disposals		–	–	(5)	(66)	(71)
Write-offs		–	–	(884)	–	(884)
Reclassification		–	(68)	68	–	–
Elimination of depreciation upon revaluation		(3,469)	–	–	–	(3,469)
At 31 December 2022		–	591	17,378	344	18,313
Accumulated impairment:						
At 1 January 2023		**–**	**2,830**	**–**	**–**	**2,830**
Exchange differences on consolidation		**–**	**(102)**	**–**	**–**	**(102)**
Impairment loss		**–**	**–**	**153**	**–**	**153**
At 31 December 2023		**–**	**2,728**	**153**	**–**	**2,881**
At 1 January 2022		–	3,110	–	–	3,110
Exchange differences on consolidation		–	(280)	–	–	(280)
At 31 December 2022		–	2,830	–	–	2,830
Carrying amount:						
At 31 December 2023		**463,694**	**3,948**	**13,374**	**67**	**481,083**
At 31 December 2022		459,703	4,428	9,483	160	473,774

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

12 Property, plant and equipment (cont'd)

	Plant and equipment $'000
Company	
Cost:	
At 1 January 2023	**2,811**
Additions	**42**
Transfer to subsidiaries	**(1,248)**
At 31 December 2023	**1,605**
At 1 January 2022	4,316
Additions	279
Write-offs	(1,784)
At 31 December 2022	2,811
Accumulated depreciation:	
At 1 January 2023	**1,962**
Depreciation	**85**
Transfer to subsidiaries	**(558)**
At 31 December 2023	**1,489**
At 1 January 2022	1,887
Depreciation	877
Write-offs	(802)
At 31 December 2022	1,962
Carrying amount:	
At 31 December 2023	**116**
At 31 December 2022	849

Included in building and freehold land is freehold land with a carrying amount of $328,383,000 (2022: $324,791,000) which is not subject to depreciation.

The Group reviews the carrying amounts of its property, plant and equipment at the end of each reporting period to determine whether there is any indication that those assets have suffered impairment loss. An impairment loss of $153,000 (2022: $Nil) was made as a result of such assessment.

Details of collateral
As at 31 December 2023, property, plant and equipment amounting to $479,166,000 (2022: $470,373,000) were mortgaged to banks as security for borrowings. Information relating to the Group's loans and borrowings is disclosed in Note 19 to the financial statements.

Fair value measurement of hotels, owner-managed and owner-occupied properties
The Group's hotels, owner-managed and owner-occupied properties (including freehold land and buildings) are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulative depreciation and subsequent accumulative impairment loss. The fair value measurement is based on the valuation carried out by independent professional valuers, who have appropriate qualification and recent experience in the fair value measurement of the properties in the relevant locations. The valuation conforms to International Valuation Standards.

The Group classified fair value measurement using a fair value hierarchy that reflects the nature and complexity of the significant inputs used in making the measurement. As at 31 December 2023 and 2022, the fair value measurement of the Group's hotels, owner-managed and owner-occupied properties is classified within Level 3 of the fair value hierarchy. There were no transfers between different levels during the year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

12 Property, plant and equipment (cont'd)

Fair value measurement of hotels, owner-managed and owner-occupied properties (cont'd)

Based on the valuation, revaluation gain amounting to $15,633,000 (2022: $20,264,000) was recognised in other comprehensive income (Note 35). Revaluation loss is charged against related revaluation surplus to the extent that the decrease does not exceed the amount held in the revaluation surplus in respect of the same property. Revaluation loss of $1,743,000 (2022: $2,864,000) was recognised in the profit or loss, representing the revaluation loss in excess of the balance accumulated in the asset revaluation reserve of the same property (Note 32).

As at 31 December 2023, had freehold land and building been carried at historical cost, their aggregate carrying amount would have been approximately $442,010,000 (2022: $441,629,000) for the Group.

Management reviews the appropriateness of the valuation methodologies and assumptions adopted and address any significant issues that may arise. Details of valuation methodologies and significant unobservable inputs used in the fair value measurement as at 31 December 2023 and 2022 are as follows:

Name of property	Valuation methodology	Significant unobservable inputs (Level 3)	Range 2023	Range 2022
Australia				
Grand Hyatt Melbourne (Hotel)[a] 123 Collins Street Melbourne, Victoria	Capitalisation Approach	Capitalisation rate[1]	**6.00%**	5.00%
	Discounted Cash Flow Method	Discount rate[1]	**7.25% -8.25%**	6.75% - 7.75%
		Terminal yield rate[1]	**5.25% -6.25%**	4.75%-5.75%
	Direct Comparison Method	Value per room[2]	**$585,500 - $630,600**	–
Carpark within Grand Hyatt Melbourne complex[a]	Capitalisation Approach	Capitalisation rate[1]	**5.25%**	5%
	Discounted Cash Flow Method	Discount rate[1]	**6.50%**	6.75%
		Terminal yield rate[1]	**5.75%**	5.25%
Hyatt Regency Perth (Hotel)[b] 99 Adelaide Terrace East Perth, Western Australia	Income Capitalisation Approach	Capitalisation rate[1]	**6.0%**	6.0%
	Discounted Cash Flow Method	Discount rate[1]	**8.00% - 8.25%**	7.75% - 8.75%
		Terminal yield rate[1]	**6.00% -6.25%**	5.75% - 6.75%
	Direct Comparison Method	Value per room[2]	**$135,100 - $148,600**	$118,400 - $136,600
Singapore				
The Oxley[c] 9 Oxley Rise	Comparison Method	Price per square metre of strata floor area[2]	**$24,000 - $30,800**	$28,900 - $29,100
	Income Capitalisation Method	Net income margin*[2]	**–**	85%
		Capitalisation rate[1]	**–**	3.25%

* Net income margin = net property income/annual gross rental income.
(1) Any significant isolated increase (decrease) in these inputs would result in a significantly lower (higher) fair value measurement.
(2) Any significant isolated increase (decrease) in these inputs would result in a significantly higher (lower) fair value measurement.
(a) The valuations were performed by Jones Lang LaSalle Advisory Services Pty Ltd in 2023 and CBRE Valuations Pty Limited in 2022.
(b) The valuations were performed by Savills Valuations Pty Ltd in 2023 and CBRE Valuations Pty Limited in 2022.
(c) The valuations were performed by Colliers International Consultancy & Valuation (Singapore) Pte Ltd for both years.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

12 Property, plant and equipment (cont'd)

List of hotels, owner-managed and owner-occupied properties

The carrying amount of the Group's hotels, owner-managed and owner-occupied properties as at 31 December 2023 and 2022 included in property, plant and equipment are set out below.

Name of property	Description	Tenure	Land area[2] (sq m)	Group's effective equity interest	2023 AUD'000[1]	2022 AUD'000[1]	2023 S$'000	2022 S$'000
Australia								
Grand Hyatt Melbourne (Hotel)	Located at the "Paris End" of Collins Street. The property is an internationally recognised 5-star hotel with 33 levels, complete with retail space and basement car park. The retail space is accounted for under investment properties (Note 14).	Freehold	5,776	100%	**370,000**	360,000	**333,296**	327,852
Carpark within Grand Hyatt Melbourne complex					**65,000**	67,500	**58,552**	61,472
Hyatt Regency Perth (Hotel)	Located at the eastern end of the central business district and overlooks the Swan River. The property is an integrated 5-star hotel, office, retail and parking complex. The hotel is built over 9 levels. The office, retail and parking complex are accounted for under investment properties (Note 14).	Freehold	22,754	100%	**55,500**	50,250	**49,994**	45,763
					490,500	477,750	**441,842**	435,087

(1) Figures in AUD are for information.
(2) Land area refers to the whole development including commercial and carpark.

Name of property	Description	Tenure	Estimated lettable area (sq m)	Group's effective equity interest	2023 S$'000	2022 S$'000
Singapore						
The Oxley 9 Oxley Rise	3 floors of commercial space within a 10-storey building including residential units. The remaining commercial space for lease is accounted for under investment properties (Note 14).	Freehold	1,073	100%	**31,054**	29,375
					31,054	29,375

13 Right-of-use assets/Lease liabilities

The Group as a lessee

The Group leases several assets including office premises, accommodation for staff, office equipment and motor vehicles. The leases have varying terms and renewal rights. The average lease term is between 3 to 84 years (2022: 3 to 84 years) and rentals are generally fixed for the same periods. The Group has an option to purchase certain equipment for a nominal amount at the end of the lease term.

Right-of-use assets

	Leasehold land and building $'000	Plant and equipment $'000	Motor vehicles $'000	Total $'000
Group				
Cost:				
At 1 January 2023	**270**	**72**	**–**	**342**
Additions	**15**	**75**	**–**	**90**
Disposals	**(11)**	**–**	**–**	**(11)**
Exchange differences on consolidation	**(15)**	**–**	**–**	**(15)**
At 31 December 2023	**259**	**147**	**–**	**406**
At 1 January 2022	281	123	26	430
Additions	5	12	–	17
Disposals	–	(57)	(25)	(82)
Exchange differences on consolidation	(16)	(6)	(1)	(23)
At 31 December 2022	270	72	–	342
Accumulated depreciation:				
At 1 January 2023	**114**	**41**	**–**	**155**
Depreciation	**25**	**13**	**–**	**38**
Disposals	**(11)**	**–**	**–**	**(11)**
Exchange differences on consolidation	**(7)**	**–**	**–**	**(7)**
At 31 December 2023	**121**	**54**	**–**	**175**
At 1 January 2022	96	69	26	191
Depreciation	25	10	–	35
Disposals	–	(35)	(25)	(60)
Exchange differences on consolidation	(7)	(3)	(1)	(11)
At 31 December 2022	114	41	–	155
Carrying amount:				
At 31 December 2023	**138**	**93**	**–**	**231**
At 31 December 2022	156	31	–	187

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

13 Right-of-use assets/Lease liabilities (cont'd)

The Company as a lessee

The Company leases office premises and office equipment. The average lease term is between 3 to 6 years (2022: 2 to 6 years) and rentals are fixed for the same periods. The Company does not have the option to purchase the leased assets for a nominal amount at the end of the lease term.

	Leasehold building $'000	Plant and equipment $'000	Total $'000
Company			
Cost:			
As at 1 January 2023	**3,853**	**45**	**3,898**
Disposals	**(3,853)**	**–**	**(3,853)**
As at 31 December 2023	**–**	**45**	**45**
As at 1 January 2022	15,064	39	15,103
Additions	4,759	6	4,765
Disposals	(15,970)	–	(15,970)
As at 31 December 2022	3,853	45	3,898
Accumulated depreciation:			
As at 1 January 2023	**3,638**	**21**	**3,659**
Depreciation	**215**	**9**	**224**
Disposals	**(3,853)**	**–**	**(3,853)**
At 31 December 2023	**–**	**30**	**30**
As at 1 January 2022	6,086	13	6,099
Depreciation	2,977	8	2,985
Write-offs	(5,425)	–	(5,425)
At 31 December 2022	3,638	21	3,659
Carrying amount:			
At 31 December 2023	**–**	**15**	**15**
At 31 December 2022	215	24	239

Lease liabilities

	Group		Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Amounts due for settlement within 12 months (shown under current liabilities)	**50**	34	**10**	195
Amounts due for settlement after 12 months	**74**	38	**7**	17
	124	72	**17**	212

The Group and the Company do not face a significant liquidity risk with regards to its lease liabilities. Lease liabilities are monitored within the Group's treasury function.

As at 31 December 2023, the commitments for short-term leases are $9,000 (2022: $15,000) for the Group. The Company does not have any commitments for short-term leases as at the end of reporting period.

None of the leases in which the Group or the Company is the lessee contain variable lease payment terms. The total cash outflow for leases during the year amounted to $105,000 (2022: $155,000) for the Group.

As at 31 December 2023, right-of-use assets amounting to $212,000 (2022: $156,000) were mortgaged to banks as security for borrowings. Information relating to the Group's loans and borrowings is disclosed in Note 19 to the financial statements.

14 Investment properties

	Note	Group 2023 $'000	Group 2022 $'000	Company 2023 $'000	Company 2022 $'000
Completed investment properties					
At 1 January		**1,395,151**	1,342,245	**763**	811
Exchange differences on consolidation		**(2,791)**	(16,341)	**–**	–
Additions		**45,002**	63,489	**–**	–
Net gain/(loss) from fair value adjustments	32	**9,626**	5,758	**–**	(48)
Properties transferred from property, plant and equipment	12	**1,934**	–	**–**	–
Properties transferred from development properties	10	**1,502**	–	**–**	–
Transfer to a subsidiary		**–**	–	**(763)**	–
		1,450,424	1,395,151	**–**	763

	Group 2023 $'000	Group 2022 $'000
Completed investment properties represented by:		
Singapore	**1,211,506**	1,195,145
Australia	**196,189**	179,681
China	**41,954**	20,325
Malaysia	**775**	–
	1,450,424	1,395,151

Fair value adjustments
The Group's investment properties as at 31 December 2023 and 2022 are stated at fair value, based on valuation carried out by independent professional valuers, who have the appropriate qualification and experience in the location and category of the properties being valued. Based on these valuations, a net fair value gain of $9,626,000 (2022: $5,758,000) was recognised in profit or loss (Note 32).

In estimating the fair value of the investment properties, the highest and best use of the properties is their current use. The Group classified fair value measurement using a fair value hierarchy that reflects the nature and complexity of the significant inputs used in making the measurement. As at 31 December 2023 and 2022, the fair value measurement of the Group's investment properties is classified within Level 3 of the fair value hierarchy.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

14 Investment properties (cont'd)

Fair value adjustments (cont'd)

Management reviews the appropriateness of the valuation methodologies and assumptions adopted and address any significant issues that may arise. Details of valuation methodologies and significant unobservable inputs used in the fair value measurement as at 31 December 2023 and 2022 are as follows:

			Range	
Name of property	**Valuation methodology**	**Significant unobservable inputs (Level 3)**	**2023**	**2022**
Singapore				
18 Robinson[a] 18 Robinson Road	Income Capitalisation Method	Net income margin*[1] Capitalisation rate[2]	**77% - 81%** **3.0%**	77% - 81% 3.0%
	Discounted Cash Flow Method	Discount rate[2] Terminal yield rate[2]	**6.25%** **3.0%**	6.25% 3.0%
Link@896[b] 896 Dunearn Road	Direct Comparison Method	Price per square metre of strata floor area[1]	**Office : $22,500 - $34,600** **Retail : $26,400 - $59,200**	Office : $16,400 - $28,100 Retail : $24,100 - $45,200
	Income Capitalisation Method	Net income margin*[1] Capitalisation rate[2]	**76% - 80%** **3.25% - 3.50%**	76% - 80% 3.50%
Site at 870 Dunearn Road[a]	Residual Method	Gross development value per square metre on net floor area[1]	**$48,000**	$47,200
		Total development cost per square metre of gross floor area[2]	**$16,800**	$16,300
		Developer's profit and marketing fees[2]	**10%**	10%
	Direct Comparison Method	Price per square metre per plot ratio[1]	**$24,300 - $38,500**	–
The Oxley[c] 9 Oxley Rise #01-01 to #01-10, #02-01 to #02-14, #03-01 to #03-14	Comparison Method	Price per square metre of strata floor area[1]	**$24,000 - $30,800**	$28,900 - $29,100
	Income Capitalisation Method	Net income margin*[1] Capitalisation rate[2]	**–** **–**	85% 3.25%
L&Y Building[b] #01-03, #01-04, #05-01 59 Jalan Pemimpin	Direct Comparison Method	Price per square metre of strata floor area[1]	**$6,900 - $8,500**	$7,600 - $7,700
	Income Capitalisation Method	Net income margin*[1] Capitalisation rate[2]	**73% - 77%** **3.0%**	– –
Far East Finance Building[a] #11-01/02 14 Robinson Road	Direct Comparison Method	Price per square metre of net lettable area[1]	**$30,500 - $37,500**	–
	Income Capitalisation Method	Net income margin*[1] Capitalisation rate [2]	**79% - 83%** **2.15%**	78% - 82% 2.15%
	Discounted Cash Flow Method	Discount rate[2] Terminal yield rate[2]	**6.0%** **2.15%**	6.0% 2.15%
Mont Botanik Residence[d] #02-05 2K Jalan Remaja	Direct Comparison Method	Price per square metre of strata floor area[1]	**$21,300 - $23,200**	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

14 Investment properties (cont'd)

Fair value adjustments (cont'd)

Name of property	Valuation methodology	Significant unobservable inputs (Level 3)	Range 2023	Range 2022
Australia				
Commercial Centre & Carpark within Hyatt Regency Perth complex[e] 99 Adelaide Terrace East Perth, Western Australia	Capitalisation Method	Capitalisation rate[2]	**7.75%**	7.75%
	Discounted Cash Flow Method	Discount rate[2] Terminal yield rate[2]	**8.25%** **8.00%**	7.25% 7.75%
Two vacant land[e] 10 & 40 Terrace Road East Perth, Western Australia	Comparison Method	Price per square metre of land area[1]	**$1,900 - $6,400**	$3,600
Commercial Centre within Grand Hyatt Melbourne complex[f] 123 Collins Street Melbourne, Victoria	Capitalisation Method	Capitalisation rate[2]	**Retail: 5.25%**	Retail: 5.0%
	Discounted Cash Flow Method	Discount rate[2] Terminal yield rate[2]	**Retail: 6.00%** **Retail: 5.50%**	Retail: 6.25% Retail: 5.25%
Single-storey commercial Building[g] 25 George Parade Melbourne, Victoria	Direct Comparison Method	Price per square metre of land area[1]	**$15,500 - $37,100**	$27,300 -$29,600
China				
Three-storey commercial building[h] No. 2950 Chunshen Road Minhang District, Shanghai	Comparison Method	Price per square metre of gross floor area[1]	**$5,600 - $6,500**	$5,600 - $7,000
	Income Capitalisation Method	Capitalisation rate[2]	**5.0% - 5.5%**	5.0% - 5.5%
6 shop units and basement commercial units within Lakeside Ville Phase III[h] Lane 1517 Huqingping Highway, Qingpu District, Shanghai	Comparison Method	Price per square metre of gross floor area[1]	**Aboveground: $5,600 - $6,000 Basement: $800 - $900**	Aboveground: $5,800 - $6,200 Basement: $900 - $1,000
	Income Capitalisation Method	Capitalisation rate[2]	**Aboveground: 4.25% - 4.75% Basement: 3.75% - 4.75%**	Aboveground: 4.25%-4.75% Basement: 4.25%-4.75%
55 underground carpark lots at Luyinyuan[h] Lane 558 Baochun Road, Minhang District, Shanghai	Comparison Method	Sale price per car park lot[1]	**$37,200 - $65,000**	$47,300 - $58,000
3 (2022:2) apartment units at Lakeside Ville Phase III[h] Units 201 and 802 in Block 363 and Unit 1102 in Block 391, Lakeside Ville Phase III, Lane 1517 Huqingping Highway, Qingpu District, Shanghai	Comparison Method	Price per square metre of gross floor area[1]	**$9,600 - $11,200**	$10,000 - $11,700
19 commercial units at Summer Station[i] Units 101-115 (134-148), 201-202 (241-242), 211-212 (251-252) in Block 7 at Summer Station, Yuxiu Road, Jiyang District, Sanya, Hainan Province	Direct Comparison Method	Price per square metre of gross floor area[1]	**$9,300 -$10,600**	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

14 Investment properties (cont'd)

Fair value adjustments (cont'd)

Name of property	Valuation methodology	Significant unobservable inputs (Level 3)	Range 2023	Range 2022
Malaysia				
One-and-a-half-storey factory[j] No. 53, Jalan Cemerlang Taman Perindustrian Cemerlang, 81800 Ulu Tiram, Johor Darul Takzim	Comparison Method	Price per square metre of land area[1]	**$510 - $543**	–

Notes:

* Net income margin = net property income/annual gross rental income.
(1) Any significant isolated increase (decrease) in these inputs would result in a significantly higher (lower) fair value measurement.
(2) Any significant isolated increase (decrease) in these inputs would result in a significantly lower (higher) fair value measurement.
(a) The valuations were performed by Jones Lang LaSalle Property Consultants Pte Ltd for both years.
(b) The valuations were performed by Savills Valuation and Professional Services (S) Pte Ltd for both years.
(c) The valuations were performed by Colliers International Consultancy & Valuation (Singapore) Pte Ltd for both years.
(d) The valuation was performed by OrangeTee Advisory Pte Ltd.
(e) The valuations were performed by Savills Valuations Pty Ltd in 2023 and CBRE Valuations Pty Limited in 2022.
(f) The valuations were performed by Jones Lang LaSalle Advisory Services Pty Ltd in 2023 and CBRE Valuations Pty Limited in 2022.
(g) The valuations were performed by Charter Keck Cramer Pty Ltd in 2023 and CBRE Valuations Pty Limited in 2022.
(h) The valuations were performed by Knight Frank Petty Limited for both years.
(i) The valuation was performed by Jones Lang LaSalle Corporate Appraisal and Advisory Limited.
(j) The valuation was performed by Knight Frank Malaysia Sdn Bhd.

Operating lease disclosure

During the year, rental income from the Group's investment properties which were all leased under operating leases amounted to $48,274,000 (2022: $43,173,000) (Note 28). Direct operating expenses (including repairs and maintenance) related to these investment properties amounted to $16,551,000 (2022: $13,675,000). Information on operating lease commitments is disclosed in Note 38 to the financial statements.

Details of collateral

As at 31 December 2023, investment properties amounting to $1,427,076,000 (2022: $1,316,826,000) were mortgaged to banks as security for borrowings. Information relating to the Group's loans and borrowings is disclosed in Note 19 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

14 Investment properties (cont'd)

List of investment properties

The carrying amounts of investment properties held by the Group as at 31 December 2023 and 2022 are as follows:

Name of property	Description	Tenure	Estimated lettable area/ strata floor area (sq m)	Group's effective equity interest	2023 $'000	2022 $'000
Singapore						
18 Robinson 18 Robinson Road	A 28-storey commercial building comprising office tower, retail podium, sky terrace and an automated guided vehicular car parking system	999 years from 1884 & 1885 and 99 years from 2013	17,782	100%	**685,000**	683,000
Link@896 896 Dunearn Road	A 5-storey commercial building comprising retail and office units	Freehold and 999 years from 1879	18,026	100%	**396,000**	388,000
Site at 870 Dunearn Road	Redevelopment site	Freehold	1,592[1]	100%	**58,000**	58,000
The Oxley #01-01 to #01-10, #02-01 to #02-14, #03-01 to #03-14 9 Oxley Rise	3 floors of commercial space within a 10-storey building including residential units	Freehold	1,484	100%	**42,946**	40,625
L&Y Building #01-03, #01-04, #05-01 59 Jalan Pemimpin	3 out of a total of 24 strata units of a 5-storey industrial building	999 years from 1885	2,100	100%	**15,760**	14,820
Far East Finance Building #11-01/02 14 Robinson Road	1 strata unit (floor) within a 13-storey commercial building and a basement	999 years from 1884	340	100%	**12,000**	10,700
Mont Botanik Residence #02-05 2K Jalan Remaja	1 apartment unit	Freehold	88	100%	**1,800**	–
					1,211,506	1,195,145

[1] Refers to land area.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

14 Investment properties (cont'd)

List of investment properties (cont'd)

Name of property	Description	Tenure	Estimated lettable area (sq m)	Group's effective equity interest	2023 AUD'000[1]	2022 AUD'000[1]	2023 S$'000	2022 S$'000
Australia								
Commercial Centre within Grand Hyatt Melbourne complex	Retail tenancies located along Collins Street, additional tenancy space within the complex and a basement tenancy space	Freehold	3,024[2]	100%	**96,000**	92,000	**86,477**	83,784
Commercial Centre & Carpark within Hyatt Regency Perth complex and 2 vacant land of 3,072 sqm	3-level commercial building and plaza level shops and suites with 2-levels of basement carpark	Freehold	29,183[3]	100%	**116,594**	100,300	**105,028**	91,343
25 George Parade Melbourne	A single storey commercial building	Freehold	135[4]	100%	**5,200**	5,000	**4,684**	4,554
					217,794	197,300	**196,189**	179,681

(1) Figures in AUD are for information only.
(2) Refers to the estimated lettable area of the commercial centre.
(3) Refers to the estimated lettable area of the commercial centre including additional lettable area under construction.
(4) Refers to building area.

Name of property	Description	Tenure	Estimated gross floor area (sq m)	Group's effective equity interest	2023 RMB'000[1]	2022 RMB'000[1]	2023 S$'000	2022 S$'000
China								
No. 2950 Chunshen Road Minhang District, Shanghai	A 3-storey commercial building	57 years from 2008	2,170	100%	**31,900**	31,900	**5,927**	6,163
Lakeside Ville Phase III, Lane 1517 Huqingping Highway, Qingpu district, Shanghai	6 shop units and basement commercial units	56 years from 2010	3,896	100%	**26,300**	26,700	**4,887**	5,158
	3 (2022:2) apartment units		757 (2022: 634)	100%	**39,600**	32,600	**7,358**	6,299
Lane 558 Baochun Road, Minhang district, Shanghai	55 underground carpark lots	60 years from 2005	2,403	100%	**14,000**	14,000	**2,601**	2,705
Block 7 at Summer Station Yuxiu Road, Jiyang District, Sanya, Hainan Province	19 commercial units	40 years from 2017	2,175	100%	**114,000**	–	**21,181**	–
					225,800	105,200	**41,954**	20,325

(1) Figures in RMB are for information only.

14 Investment properties (cont'd)

List of investment properties (cont'd)

Name of property	Description	Tenure	Estimated gross floor area (sq m)	Group's effective equity interest	2023 MYR'000[1]	2022 MYR'000[1]	2023 S$'000	2022 S$'000
Malaysia								
No. 53, Jalan Cemerlang Taman Perindustrian Cemerlang, 81800 Ulu Tiram, Johor Darul Takzim	One-and-a-half-storey factory	Freehold	834	100%	**2,700**	–	**775**	–
					2,700	–	**775**	–

[1] Figures in MYR are for information only.

15 Investments in subsidiaries

	Company 2023 $'000	Company 2022 $'000
Unquoted shares, at cost	**716,926**	725,533
Loans to subsidiaries	**121,387**	61,402
Deemed investment arising from financial guarantees	**100,239**	92,275
	938,552	879,210
Less: Allowance for impairment	**(175,848)**	(115,381)
	762,704	763,829

Details of the Company's significant subsidiaries are disclosed in Note 41 to the financial statements.

Financial guarantees
The Company provided guarantees to banks for credit facilities obtained by certain of its subsidiaries and recorded a deemed financial guarantee fee income in accordance with SFRS(I) 9 *Financial Instruments: Recognition and Measurement*. The deemed income is amortised over the period of the guarantees. The unamortised financial guarantee fee of $12,633,000 (2022: $11,033,000) is disclosed under the Company's non-trade payables in Note 20 to the financial statements. The guarantee fee was not charged by the Company to the subsidiaries. The full amount of the guarantee fee is deemed to be additional investment in subsidiaries.

Movements in allowance for impairment

	Company 2023 $'000	Company 2022 $'000
Allowance for impairment		
At 1 January	**(115,381)**	(139,619)
(Allowance)/Reversal of allowance for impairment, net	**(60,467)**	11,337
Written off	**–**	12,901
	(60,467)	24,238
At 31 December	**(175,848)**	(115,381)

During the year, an allowance for impairment loss amounting to $60,467,000 (2022: reversal of impairment loss of $11,337,000) was made in respect of the Company's investments in certain subsidiaries to reflect the carrying values of the investments to the recoverable amounts determined by the difference between the subsidiaries' carrying amount and fair value less costs of disposal and after taking into account the current financial position of the subsidiaries.

Loans to subsidiaries
Loans to subsidiaries refer to unsecured advances which have no fixed terms of repayment and are not expected to be repaid in the next 12 months, of which advances amounting to $40,000,000 (2022: $40,000,000) bear interest rate at 10.2% (2022: 6.5%) per annum. The remaining advances of $81,387,000 (2022: $21,402,000) are non-interest bearing.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

15 Investments in subsidiaries (cont'd)

Non-wholly owned subsidiaries

Details of non-wholly owned subsidiaries that have material non-controlling interests to the Group is disclosed below:

Name of subsidiary	Country of incorporation and principal place of business	Effective equity interest & voting power held by non-controlling interests		Net profit allocated to non-controlling interests		Accumulated non-controlling interests	
		2023	2022	2023 $'000	2022 $'000	2023 $'000	2022 $'000
SP Corporation Pte. Ltd. (formerly known as SP Corporation Limited) and its subsidiaries[1]	Various	**–**	–	**–**	(229)	**–**	–
TSRC Novena Pte. Ltd.	Singapore	**30%**	30%	**574**	(1,218)	**2,115**	1,541
Goodworth Investment Pte Ltd, Splendourland Pte Ltd, PT Goodworth Investments[2]	Singapore & Indonesia	**–**	–	**–**	(294)	**–**	–
				574	(1,741)	**2,115**	1,541

Notes:

[1] During 2022, the Company acquired the remaining 19.8% interests in SP Corporation Limited for a purchase consideration of $11,055,000. The acquisition was effected by way of a scheme of arrangement in accordance with Section 210 of the Companies Act 1967 and the Singapore Code on Take-overs and Mergers. SP Corporation Limited was subsequently delisted from the Official List of the SGX-ST on 23 December 2022, and converted from a public company to a private company on 27 December 2022 under the new name SP Corporation Pte. Ltd.

[2] During 2022, the Company acquired the remaining 10% interests in Goodworth Investment Pte Ltd and Splendourland Pte Ltd from a related party for a purchase consideration totalling $3,245,000 and repaid shareholder loans totalling $2,881,000 to the related party (Note 37).

16 Investments in equity accounted investees

	Group	
	2023 $'000	2022 $'000
Unquoted equity shares, at cost	**108,960**	109,710
Exchange differences on consolidation	**(7,059)**	(2,805)
Share of post-acquisition results and reserves, net of dividends and distributions received	**93,118**	59,291
	195,019	166,196

Equity accounted investees

Associates

The Group equity accounted for Gul Technologies Singapore Pte Ltd ("GulTech"), Sanya Summer Real Estate Co. Ltd ("SSRE") and Pan-West (Private) Limited ("Pan-West"). In August and September 2021, GulTech divested a total of 17.5% of its equity stake in Gultech (Jiangsu) Electronics Co., Ltd ("Gultech Jiangsu) to external investors and entities set up to administer an employee share option plan and the effects of this divestment was included in the share of post-acquisition reserves. The Group has been informed that Gultech Jiangsu has recently decided that the potential listing plans of Gultech Jiangsu should be halted, in light of and taking into consideration the current geopolitical and economic conditions and they entered into an arrangement to buyback 15.5% of the total shares in the issued share capital of Gultech Jiangsu in October 2023. The buy-back of the 15.5% and the remaining 2% of the total shares in the issued share capital of Gultech Jiangsu was completed in February 2024. Details of the Group's significant associates are disclosed in Note 42 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

16 Investments in equity accounted investees (cont'd)

Equity accounted investees (cont'd)

Associates (cont'd)

The Group's share of net assets and total comprehensive income of its associates is set out below:

	Note	Group 2023 $'000	Group 2022 $'000
Share of net assets			
At 1 January		**144,413**	119,588
Exchange differences on consolidation		**(3,945)**	(3,727)
Share of total comprehensive income (refer to below)		**31,650**	27,459
Elimination of share of unrealised profit on sale of commercial units to a subsidiary		**1,002**	–
Share of post-acquisition reserves		**905**	1,093
At 31 December		**174,025**	144,413
Share of total comprehensive income			
Share of results before fair value adjustments		**30,836**	30,395
Share of fair value gain on investment properties	32	**2,264**	–
Share of fair value loss on financial instruments	32	**(1,450)**	(2,936)
Share of total comprehensive income for the year		**31,650**	27,459

	Note	Group 2023 $'000	Group 2022 $'000	Company 2023 $'000	Company 2022 $'000
Amounts due from associate (non-trade)	6	**916**	951	**–**	18

The non-trade amount due from associate was unsecured, interest-free, and repayable on demand.

Share of the associates' capital commitments is disclosed in Note 38 to the financial statements.

GulTech and its subsidiaries

The summarised financial information of GulTech and its subsidiaries on a 100% basis is set out below:

	2023 US$'000[1]	2022 US$'000[1]	2023 S$'000	2022 S$'000
Current assets	**276,841**	268,313	**364,876**	360,373
Non-current assets	**145,531**	163,147	**191,810**	219,123
Current liabilities	**(90,824)**	(120,017)	**(119,706)**	(161,195)
Non-current liabilities	**(52,020)**	(87,076)	**(68,562)**	(116,952)
	279,528	224,367	**368,418**	301,349
Non-controlling interests	**(7,381)**	(6,151)	**(9,728)**	(8,261)
Equity attributable to owners	**272,147**	218,216	**358,690**	293,088
Revenue for the year	**377,079**	453,341	**506,606**	624,931
Net profit for the year	**52,982**	45,039	**71,181**	62,086

[1] Figures in US$ are for information.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

16 Investments in equity accounted investees (cont'd)

Equity accounted investees (cont'd)

Associates (cont'd)

SSRE

The summarised financial information of Sanya Summer Real Estate on a 100% basis is set out below:

	2023 RMB'000[1]	2022 RMB'000[1]	2023 S$'000	2022 S$'000
Current assets	**1,009,589**	1,516,183	**187,582**	292,927
Non-current assets	**1,062,268**	1,691	**197,369**	327
Current liabilities	**(930,099)**	(544,976)	**(172,813)**	(105,289)
Non-current liabilities	**(528,242)**	(426,333)	**(98,147)**	(82,368)
Equity attributable to owners	**613,516**	546,565	**113,991**	105,597
Revenue for the year	**117,417**	–	**22,286**	–
Net profit/(loss) for the year	**66,952**	(9,783)	**12,707**	(2,010)

[1] Figures in RMB are for information.

Pan-West

The Group had recognised its share of losses of $4,998,000 (2022: $4,998,000) (Note 20) being the corporate guarantees given to certain banks in exchange for bank facilities granted to Pan-West and its subsidiary. Other than the aforementioned corporate guarantees, the Group had no other commitments in relation to Pan-West.

Since prior years, the Group has ceased recognising Pan-West's losses after the Group's share of Pan-West's accumulated losses exceeded the Group's cost of investment. Accordingly, the Group's nominal additional share of accumulated losses of Pan-West amounting to $8,134,000 (2022: $8,081,000) as at the end of the year was not recognised.

Joint ventures

The Group equity accounted for Greenwillow-AREI Partners Pte. Ltd. ("GAP"), TSME Mitra I Pte. Ltd. ("TSME") and TSME Mitra III Pte. Ltd., which was incorporated in 2022. The Group through TSME entered into a joint venture arrangement to develop a property in Karawang, east of Jakarta, into an international luxury outlet mall. The Group jointly controls the ventures with the other partners under the contractual agreements which require unanimous consent for all major decisions over the relevant activities.

During the year, the Group disposed of its 50% interest in TSME Mitra III Pte. Ltd. to a related party for a sale consideration of $4,500,000 and recognised a profit of $115,000.

Details of the Group's significant joint ventures are disclosed in Note 42 to the financial statements.

The Group's share of net assets and total comprehensive income of its joint ventures is set out below:

	Note	2023 S$'000	2022 S$'000
Share of net assets			
At 1 January		**21,783**	24,252
Exchange differences on consolidation		**(309)**	(3,096)
(Disposal)/Cost of initial recognition		**(750)**	750
Share of total comprehensive loss (refer to below)		**(1,601)**	(123)
Share of post-acquisition reserves		**1,871**	–
At 31 December		**20,994**	21,783
Share of total comprehensive (loss)/income			
Share of results before fair value adjustments		**(1,503)**	(471)
Share of fair value (loss)/gain on investment property	32	**(98)**	348
Share of total comprehensive loss for the year		**(1,601)**	(123)

16 Investments in equity accounted investees (cont'd)

Equity accounted investees (cont'd)
Joint ventures (cont'd)

	Note	Group 2023 $'000	Group 2022 $'000	Company 2023 $'000	Company 2022 $'000
Amounts due from joint ventures					
- trade		**475**	21	**–**	–
- non-trade		**6**	38	**4**	9
Non-current amount due from joint venture (non-trade)		**11,676**	8,000	**–**	–
Allowance for impairment loss		**–**	(11)	**–**	–
Presented in trade and other receivables	6	**12,157**	8,048	**4**	9

The amounts due from joint ventures are unsecured and interest-free. The non-current amount due from joint venture is unsecured and repayable in 2026. Interest is charged at 3.80% (2022: Nil%) per annum.

Share of the joint ventures' capital commitments is disclosed in Note 38 to the financial statements.

Greenwillow-AREI Partners Pte. Ltd.
The Group has ceased recognising GAP's losses after the Group's share of accumulated losses of $16,000 exceeded the Group's cost of investment of $5,000 and an allowance for impairment loss of $11,000 was made on the amount due from GAP. As the Group had submitted an application to strike off GAP during 2023, the amount due from GAP and allowance for impairment loss were written off during the year.

Movements in allowance for impairment

	Note	Group 2023 $'000	Group 2022 $'000
Allowance for impairment			
At 1 January		**(11)**	(11)
Written off		**11**	–
At 31 December	6	**–**	(11)

TSME Mitra I Pte. Ltd. and its subsidiaries
The summarised financial information of TSME Mitra I Pte. Ltd. and its subsidiaries on a 100% basis is set out below:

	2023 S$'000	2022 S$'000
Current assets	**16,147**	13,629
Non-current assets	**89,417**	50,072
Current liabilities	**(10,339)**	(1,221)
Non-current liabilities	**(53,238)**	(20,399)
Equity attributable to owners	**41,987**	42,081
Revenue for the year	**184**	–
Net loss for the year	**(3,022)**	(231)

TSME Mitra III Pte. Ltd. and its subsidiaries
The summarised financial information of TSME Mitra III Pte. Ltd. and its subsidiaries on a 100% basis is set out below:

	2023 S$'000	2022 S$'000
Current assets	**–**	1,491
Current liabilities	**–**	(7)
Equity attributable to owners	**–**	1,484
Net loss for the year	**(180)**	(16)

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17 Investment in financial asset

	Group	
	2023	2022
	$'000	$'000
Investment in equity instrument designated at fair value through other comprehensive income ("FVTOCI")		
Unquoted equity shares	**26,344**	26,192

The investment in unquoted equity investment represents a 2.26% investment in an investment holding company which owns a subsidiary in the property development business. The investee is a related party which is controlled by the majority shareholder of the Group. The fair value of the investment as at 31 December 2023 was determined by reference to the fair value of the underlying assets and the valuation was carried out by an independent valuer. Based on the valuation, a fair value gain of $152,000 (2022: fair value loss of $3,447,000) was recognised in other comprehensive income (Note 35).

The investment is held for long-term strategic purpose and is not held for trading. Accordingly, management has elected to designate the investment at FVTOCI as the management believes that recognising short-term fluctuations in the investment's fair value in profit or loss would not be consistent with the Group's strategy of holding the investment for long-term purposes and realising the performance potential in the long run.

As at 31 December 2023 and 2022, the fair value measurement of the Group's financial asset at fair value through other comprehensive income is classified within Level 3 of the fair value hierarchy. There were no transfers between different levels during the year.

Management reviews the appropriateness of the valuation methodologies and assumptions adopted and address any significant issues that may arise. Details of valuation methodologies and significant unobservable inputs used in the fair value measurement as at 31 December 2023 and 2022 are as follows:

Financial asset at FVTOCI	Fair value (net assets)		Valuation methodology	Significant unobservable inputs (Level 3)	Range	
	2023	2022			2023	2022
	$'000	$'000				
Unquoted equity shares	**26,344**	26,192	Income approach	Revenue growth rate[(1)] Discount rate[(2)]	**6% - 8%** **11.8%**	6% - 8% 11.4%

(1) Any significant isolated increase (decrease) in these inputs would result in a significantly higher (lower) fair value measurement.
(2) Any significant isolated increase (decrease) in these inputs would result in a significantly lower (higher) fair value measurement.

18 Deferred tax assets and liabilities

Deferred tax at the end of the reporting period consists of the following:

	Group	
	2023	2022
	$'000	$'000
Deferred tax assets and liabilities arising from		
Accelerated tax depreciation compared to accounting depreciation	**561**	257
Revaluation of properties	**4,537**	4,265
Foreign income not remitted and which will be subject to tax if remitted in the future	**50,330**	47,625
Unutilised tax losses	**(8,923)**	(7,604)
Others	**(1,177)**	(911)
	45,328	43,632
Represented by:		
Deferred tax assets	**(1,988)**	(1,566)
Deferred tax liabilities	**47,316**	45,198
	45,328	43,632

Deferred tax assets and liabilities are netted off when there is a legally enforceable right to offset and when the deferred income taxes relate to the same tax authorities.

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

18 Deferred tax assets and liabilities (cont'd)

Deferred tax assets and liabilities recognised by the Group and the movements thereon during the current and prior reporting periods are as following:

	Note	Accelerated tax depreciation $'000	Revaluation of properties $'000	Foreign income not remitted $'000	Unutilised tax losses $'000	Others $'000	Total $'000
Group							
At 1 January 2023		**257**	**4,265**	**47,625**	**(7,604)**	**(911)**	**43,632**
Exchange differences on consolidation		**(23)**	**(170)**	**(495)**	**32**	**22**	**(634)**
Charged/(Credited) to profit or loss	34	**64**	**320**	**(921)**	**(1,279)**	**(244)**	**(2,060)**
Charged to other comprehensive income	35	**–**	**269**	**4,121**	**–**	**–**	**4,390**
Reclassifications		**263**	**(147)**	**–**	**(72)**	**(44)**	**–**
At 31 December 2023		**561**	**4,537**	**50,330**	**(8,923)**	**(1,177)**	**45,328**
At 1 January 2022		176	4,720	46,708	(6,806)	407	45,205
Exchange differences on consolidation		(19)	(453)	(3,174)	298	96	(3,252)
Transfer from income tax payable		–	(35)	–	–	46	11
Charged/(Credited) to profit or loss	34	100	33	(1,371)	(1,096)	(1,460)	(3,794)
Charged to other comprehensive income	35	–	–	5,462	–	–	5,462
At 31 December 2022		257	4,265	47,625	(7,604)	(911)	43,632

Deferred tax liabilities relating to equity interest in GHG

Deferred tax liabilities included an amount of $36,351,000 (2022: $32,118,000) on account of a provision made by the Group to recognise the taxable gains on the excess of the fair value of net assets of GHG over the tax cost base of the securities in GHG.

Deferred tax liabilities not recognised

At the end of the reporting year, the aggregate amount of temporary differences associated with undistributed earnings of subsidiaries for which deferred tax liabilities have not been recognised was $633,000 (2022: $296,000). No liability has been recognised in respect of these differences because the Group is in a position to control the timing of the reversal of temporary differences, and it is probable that such differences will not reverse in the foreseeable future.

Deferred tax benefits not recognised

At the end of the reporting year, the Group had, subject to the agreement by the tax authorities, unutilised tax losses of $35,839,000 (2022: $51,538,000) and capital allowances of $25,928,000 (2022: $27,308,000) which were available for carry forward and set-off against future taxable income. No deferred tax asset has been recognised due to the unpredictability of the relevant future profit streams.

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19 Loans and borrowings

	Group		Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Short-term borrowings				
Bank loans	**368,168**	332,133	**–**	–
Notes issued under unsecured MTN Programme	**33,869**	–	**33,869**	–
	402,037	332,133	**33,869**	–
Long-term borrowings				
Bank loans	**680,160**	806,418	**–**	–
Notes issued under unsecured MTN Programme	**147,317**	139,610	**147,317**	139,610
	827,477	946,028	**147,317**	139,610
Total borrowings	**1,229,514**	1,278,161	**181,186**	139,610
Represented by:				
Interest-bearing liabilities	**1,234,902**	1,282,778	**184,000**	141,750
Capitalised finance costs	**(5,388)**	(4,617)	**(2,814)**	(2,140)
	1,229,514	1,278,161	**181,186**	139,610
Security profile				
Secured borrowings				
Current	**366,904**	330,894	**–**	–
Non-current	**679,210**	803,972	**–**	–
	1,046,114	1,134,866	**–**	–
Unsecured borrowings				
Current	**35,133**	1,239	**33,869**	–
Non-current	**148,267**	142,056	**147,317**	139,610
	183,400	143,295	**181,186**	139,610
Total borrowings	**1,229,514**	1,278,161	**181,186**	139,610

In 2022, the Group had a secured loan of $270,000,000 due in June 2023. Subsequent to the year ended 31 December 2022, the Group received approval from the lenders to refinance the loan with a new maturity date in July 2026.

Multicurrency Medium Term Note Programme
The Company has in place an unsecured S$900 million Multicurrency Medium Term Note ("MTN") Programme under which it can issue notes in series or tranches and may be denominated in Singapore Dollars or other currency deemed appropriate at the time.

The Company issued S$200 million Series IV notes on 18 October 2021. The Series IV notes have a tenor of three years and bear a fixed interest rate of 6.90% per annum payable semi-annually in arrears. The Company purchased S$58.25 million of the notes on 18 November 2022 under a tender offer at 101% of the principal amounts and S$107.75 million of the notes on 1 November 2023 under a tender offer at 102% of the principal amounts, resulting in a loss on extinguishment of financial liability (Note 31).

The Company issued S$150 million Series V notes on 2 November 2023. The Series V notes have a tenor of four years and bear a fixed interest rate of 7.50% per annum payable semi-annually in arrears.

Details of collateral
Loans and borrowings from banks were secured over the Group's cash and cash equivalents (Note 5), trade and other receivables (Note 6), inventories (Note 9), development properties (Note 10), property, plant and equipment (Note 12), investment properties (Note 14) and covered by corporate guarantees (Note 39).

19 Loans and borrowings (cont'd)

Interest rate profile

	Group		Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Loans and borrowings				
Fixed rate	**183,630**	143,295	**181,186**	139,610
Variable rate	**1,045,884**	1,134,866	**–**	–
	1,229,514	1,278,161	**181,186**	139,610

In 2023, the Group entered into interest rate swaps with notional principal amounts totalling $366,648,000 to hedge its interest rate risk exposure arising from its variable rate loans (Note 23).

The Group's exposure to fair value interest rate risk as at 31 December 2023 is disclosed in Note 40(b) to the financial statements.

Fair value

The fair value of the current portion of the Group's loans and borrowings approximate their carrying amounts at the end of the reporting period because these are short term in nature. The fair value of the non-current portion of the Group's loans and borrowings approximate their carrying amounts at the end of the reporting period as their interest rates approximate current market interest rates on or near the end of the reporting period. Further details regarding foreign currency denomination and maturity dates, contractual and effective interest rates are disclosed in Notes 40(a) and 40(d) respectively to the financial statements.

Loan maturity profile

The non-current borrowings are generally repayable from 18 October 2025 to 28 June 2028 (2022: 25 March 2024 to 18 November 2025). Information relating to the maturity profile of the Group's loans and borrowings is disclosed in Note 40(d) to the financial statements.

Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	1 January 2023	Financing cash flow[(i)]	New lease liabilities	Foreign exchange movement	Other changes[(ii)]	31 December 2023
	$'000	$'000	$'000	$'000	$'000	$'000
Group						
Loans and borrowings	**1,278,161**	**(44,609)**	**–**	**(3,254)**	**(784)**	**1,229,514**
Lease liabilities	**72**	**(38)**	**90**	**(2)**	**2**	**124**

	1 January 2022	Financing cash flow[(i)]	New lease liabilities	Foreign exchange movement	Other changes[(ii)]	31 December 2022
	$'000	$'000	$'000	$'000	$'000	$'000
Group						
Loans and borrowings	1,352,728	(52,078)	–	(23,951)	1,462	1,278,161
Lease liabilities	114	(58)	17	(3)	2	72

(i) The cash flows make up the net amount of proceeds from borrowings and repayments of borrowings in the statement of cash flows.
(ii) Other changes include capitalised finance costs and payments.

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20 Trade and other payables

		Group		Company	
	Note	2023	2022	2023	2022
		$'000	$'000	$'000	$'000
Trade					
Trade payables – current		**8,764**	11,921	–	–
Non-trade					
Other creditors		**30,806**	29,716	972	1,029
Other provisions		**1,904**	2,551	–	–
Advanced billings		**8,877**	10,078	–	–
Accrued operating expenses		**51,213**	39,966	6,265	8,007
Accrued interest expenses		**5,778**	5,980	2,331	2,010
Financial guarantees to subsidiaries	15	**–**	–	12,633	11,033
Amounts due to subsidiaries	21	**–**	–	482,977	528,616
		98,578	88,291	505,178	550,695
Less: non-current portion		**(312)**	(338)	–	–
Total non-trade payables – current		**98,266**	87,953	505,178	550,695
Total trade and other payables – current		**107,030**	99,874	505,178	550,695
Total trade and other payables – non-current		**312**	338	–	–

The Group is granted various credit terms on its purchases from its large number of suppliers who are geographically dispersed. Trade payables are generally on 7 to 90 days (2022: 7 to 90 days) credit term. The Group manages liquidity risk of trade payables primarily by maintaining sufficient cash and credit facilities (Note 40(d)).

Included in other creditors of the Group is a financial guarantee of $4,998,000 (2022: $4,998,000) granted to its associate, Pan-West, being the Group's share of corporate guarantees given to certain banks to secure credit facilities of Pan-West and its subsidiary (Note 16).

The carrying amount of trade and other payables approximate their fair values at the end of the reporting periods. Further details regarding the contractual and effective interest rates, maturity dates and foreign currency denomination are disclosed in Note 40 to the financial statements.

21 Amounts due from/(to) subsidiaries

	Company	
	2023	2022
	$'000	$'000
Amounts due from subsidiaries - non-trade		
- Interest bearing	**43,595**	–
- Interest free	**457,867**	485,268
	501,462	485,268
Less: Allowance for impairment	**(39,946)**	(39,982)
	461,516	445,286
Amounts due to subsidiaries - non-trade		
- Interest bearing	**(119,080)**	(142,080)
- Interest free	**(363,897)**	(386,536)
	(482,977)	(528,616)
Movement in allowance for impairment		
At 1 January	**(39,982)**	(29,830)
Allowance written back/(for)	**36**	(10,152)
At 31 December	**(39,946)**	(39,982)

Amounts due from/(to) subsidiaries are generally unsecured and are repayable on demand. Interest-bearing advances due from and to subsidiaries are charged at weighted average interest of 6.0% (2022: Nil%) per annum and 4.6% (2022: 4.0%) per annum respectively.

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21 Amounts due from/(to) subsidiaries (cont'd)

For purpose of impairment assessment, amounts due from subsidiaries are considered to have low credit risk as the timing of payment is controlled by the Company taking into account cash flow management within the Group and there has been no significant increase in the risk of default on the amounts due from subsidiaries since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month expected credit losses ("ECL").

In determining the ECL, management has taken into account the historical default experience and the financial position of the subsidiaries, adjusted for factors that are specific to the subsidiaries and general economic conditions of the industry in which the subsidiaries operate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case. Management has assessed the expected credit losses to be insignificant other than the amounts provided for.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for amounts due from subsidiaries.

During the year, write-back of allowance for impairment of $36,000 (2022: allowance for impairment of $10,152,000) was made for amounts due from subsidiaries.

22 Contract liabilities

Contract liabilities represent amounts of consideration billed to purchasers of the development properties in advance of the revenue recognised to-date based on the stage of completion of construction.

23 Derivative financial instruments

During the year, the Group entered into certain interest rate swap contracts to hedge its interest rate risk exposure. Derivatives that are designated and effective as hedging instruments are carried at fair value.

	Group	
	2023	
	Assets	Liabilities
	$'000	$'000
Derivatives that are designated and effective as hedging instruments are carried at fair value	**921**	**(1,019)**
Analysed as:		
Current	**921**	**–**
Non-current	**–**	**(1,019)**
	921	**(1,019)**

The Group used interest rate swaps to manage its exposure to interest rate movements on its bank borrowings by swapping a proportion of those borrowings from floating rates to fixed rates. Contracts with notional principal amount of AUD185,000,000 have fixed interest payments at a weighted average fixed rate of 3.64% per annum and a floating interest rate of 3-month Bank Bill Swap Bid Rate. Contracts with notional principal amounts of S$200,000,000 have fixed interest payments at a weighted average fixed rate of 3.05% per annum and floating interest rate of 3-month Singapore Overnight Rate Average.

The Group's interest rate swaps are designated and effective as cash flow hedges and the fair value change of these interest rate swaps, amounting to $98,000 (2022: $Nil) has been recognised in other comprehensive income during the year.

The following table details the notional principal amounts and the remaining terms of interest rate swap contracts outstanding as at the end of the reporting year:

	Weighted average contracted fixed interest rate		Notional principal amount		Fair value	
	2023	2022	2023	2022	2023	2022
	% p.a.	% p.a.	$'000	$'000	$'000	$'000
Group						
3-month	**3.64**	–	**166,648**	–	**921**	–
3-month	**3.05**	–	**200,000**	–	**(1,019)**	–

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24 Share capital

	Group and Company			
	2023	2022	2023	2022
	Number of shares ('000)		$'000	$'000
Issued and paid up:				
At 1 January	**1,218,044**	1,201,565	**187,625**	181,695
Issued under Scrip Dividend Scheme	**20,147**	16,991	**5,944**	5,930
Shares bought back and held as treasury shares	**(349)**	(512)	**–**	–
At 31 December	**1,237,842**	1,218,044	**193,569**	187,625

The Company has a single class of ordinary shares. All issued shares carry one vote per share and are entitled to receive dividends as and when declared by the Company. The ordinary shares are fully paid and have no par value.

Issue of shares
During the year, the Company allotted and issued 20,147,000 (2022: 16,991,000) ordinary shares at an issue price of 29.5 cents (2022: 34.9 cents) per share to eligible shareholders who have validly elected to participate in the Tuan Sing Scrip Dividend Scheme in respect of the first and final ordinary dividend of 0.7 cent per share for the financial year ended 31 December 2022 (2022: 0.7 cent per share for the financial year ended 31 December 2021).

25 Treasury shares

	Group and Company			
	2023	2022	2023	2022
	Number of shares ('000)		$'000	$'000
At 1 January	**12,877**	12,365	**4,369**	4,167
Repurchased during the year	**349**	512	**104**	202
At 31 December	**13,226**	12,877	**4,473**	4,369

During the year, the Company acquired 349,000 (2022: 512,000) of its own shares through purchases on the Singapore Exchange. The total amount paid to acquire the shares was $104,000 (2022: $202,000) and has been deducted from shareholders' equity. The shares are held as treasury shares.

26 Reserves

	Group		Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Foreign currency translation account	**(91,539)**	(79,843)	**–**	–
Asset revaluation reserve	**153,972**	142,718	**–**	–
Investment revaluation reserve	**(4,572)**	(4,724)	**–**	–
Other capital reserves	**220,634**	226,187	**101,264**	101,264
Revenue reserve	**758,351**	755,692	**292,493**	300,631
	1,036,846	1,040,030	**393,757**	401,895

Foreign currency translation account
Foreign currency translation account comprises foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the presentation currency of the Company, i.e. SGD, as well as the translation of monetary items which form part of the Group's net investments in foreign operations at the end of the reporting period.

Asset revaluation reserve
Asset revaluation reserve comprises net cumulative surpluses arising from the revaluation of property, plant and equipment which are held for the purpose of production or supply of goods and services.

Investment revaluation reserve
Investment revaluation reserve represents the cumulative gains and losses arising on the revaluation of investment in equity instrument designated at FVTOCI.

26 Reserves (cont'd)

Other capital reserves

Other capital reserves comprise mainly capital reduction reserve of the Company, share of reserve of an associate, GulTech, distribution reserve of GHG which is used to record the balance of amounts available for distribution as defined by the Trust Deed and differences between the amounts by which the non-controlling interests are adjusted, fair value changes arising on hedging instruments and the fair value of consideration paid for acquisition of additional interests in existing subsidiaries.

Revenue reserve

Revenue reserve is used to record the balance of amounts available for distributions as defined by regulatory requirements. This is distributable to shareholders as dividend.

27 Dividend

	Group and Company	
	2023	2022
	$'000	$'000
Tax-exempt one-tier first and final dividend paid in respect of the previous year		
Cash	**2,582**	2,478
Share	**5,944**	5,930
	8,526	8,408

The Directors proposed a tax exempt one-tier first and final dividend of 0.7 cent (2022: 0.7 cent) per share amounting to $8,665,000 (2022: $8,526,000), subject to the shareholders' approval at the forthcoming Annual General Meeting of the Company, to be paid in respect of the financial year ended 31 December 2023.

28 Revenue

The Group derives its revenue from the transfer of goods and services over time and at a point in time in the following major product lines. This is consistent with the revenue information that is disclosed for each reportable segment under SFRS(I) 8 (see Note 4).

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

	Note	Group	
		2023	2022
		$'000	$'000
Segment Revenue			
Revenue from contracts with customers:			
Sale of products		**7,598**	9,213
Sale of development properties and services rendered		**148,463**	78,027
Hotel operations and related income		**90,185**	85,450
Services rendered		**142**	186
Others		**9,058**	9,248
		255,446	182,124
Rental income from investment properties	14	**48,274**	43,173
		303,720	225,297
At a point of time:			
Sale of products		**7,598**	9,213
Sale of completed development properties		**698**	–
Hotel operations – food and beverage		**26,716**	23,209
Over time:			
Sale of development properties under construction		**146,727**	77,640
Hotel operations – room sales and other income		**63,469**	62,241
Services rendered		**1,180**	573
Others		**9,058**	9,248
		255,446	182,124

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28 Revenue (cont'd)

Revenue represents the invoiced value of goods and services supplied. Included in the Group's revenue from sale of development properties is an amount of $146,727,000 (2022: $77,640,000) whereby the revenue is recognised based on the stage of completion method.

As at 31 December 2023, the transaction price allocated to performance obligations that are partially satisfied amounted to $40,462,000 (2022: $61,811,000). Management expects this amount to be recognised as revenue during the next financial period.

29 Other net operating income/(expenses)

	Group	
	2023	**2022**
	$'000	**$'000**
Bad debts written off	**(2)**	(145)
Foreign exchange loss, net	**(456)**	(6,114)
Gain on disposal of an equity accounted investee	**115**	–
Government grant income	**2,325**	128
Impairment loss on property, plant and equipment	**(153)**	–
(Allowance)/Writeback of allowance for doubtful trade and other receivables, net	**(5)**	126
Other income	**1,012**	875
	2,836	(5,130)

Government grant income of $2,325,000 recognised in 2023 comprised compensation received by the hotel operations in Perth from the Australia government as reimbursement for damages incurred on the hotel property during the period when the hotel was used as a quarantine hotel.

30 Interest income

	Group	
	2023	**2022**
	$'000	**$'000**
Interest income on bank deposits	**5,558**	4,105
Interest income from debtors	**17**	–
Interest income from an equity accounted investee	**523**	–
Interest income from a related party	**–**	288
Interest income – others	**69**	137
	6,167	4,530

31 Finance costs

	Group	
	2023	**2022**
	$'000	**$'000**
Interest expense on loans and borrowings	**62,818**	46,708
Amortisation of capitalised finance costs	**3,299**	3,451
Loss on extinguishment of financial liability	**2,155**	583
Interest expense on lease liabilities	**2**	11
	68,274	50,753

32 Fair value adjustments

	Group	
	2023	**2022**
	$'000	**$'000**
Fair value gain/(loss) from:		
- Subsidiaries	**7,882**	2,894
- Share of equity accounted investees	**717**	(2,588)
	8,599	306
Represented by:		
Fair value adjustments in respect of:		
- investment properties	**11,792**	6,106
- property, plant and equipment	**(1,743)**	(2,864)
- financial instruments	**(1,450)**	(2,936)
	8,599	306

The fair value adjustments are analysed as follows:

		Group		
	Note	**Gross**	**Deferred tax**	**Net**
		$'000	**$'000**	**$'000**
31 December 2023				
Fair value gain on investment properties				
Subsidiaries	14	**9,626**	**(1,690)**	**7,936**
Share of an equity accounted investee	16	**2,166**	**–**	**2,166**
		11,792	**(1,690)**	**10,102**
Revaluation loss on property, plant and equipment				
Subsidiaries	12	**(1,743)**	**523**	**(1,220)**
Fair value loss on financial instruments				
Share of an equity accounted investee	16	**(1,450)**	**–**	**(1,450)**
		8,599	**(1,167)**	**7,432**
31 December 2022				
Fair value gain on investment properties				
Subsidiaries	14	5,758	2,588	8,346
Share of an equity accounted investee	16	348	–	348
		6,106	2,588	8,694
Revaluation loss on property, plant and equipment				
Subsidiaries	12	(2,864)	859	(2,005)
Fair value loss on financial instruments				
Share of an equity accounted investee	16	(2,936)	–	(2,936)
		306	3,447	3,753

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33 Profit before tax

Other than as disclosed elsewhere in these financial statements, profit before tax for the year has been arrived at after charging/(crediting) the following:

	Group	
	2023	**2022**
	$'000	**$'000**
Allowance for diminution in value for development properties (included in cost of sales)	**15**	450
Expenses relating to short term leases (included in administrative expenses)	**67**	97
Cost of inventories recognised as an expense	**4,203**	5,191
Net loss/(gain) on disposal of property, plant and equipment (included in other net operating income/expenses)	**13**	(9)
Property, plant and equipment written off (included in other net operating income/expenses)	**36**	993
Auditors' remuneration[1]		
Audit fees:		
- Auditors of the Company	**473**	459
- Other auditors	**181**	281
Non-audit fees:		
(i) Audit related services		
- Auditors of the Company	**65**	38
(ii) Non-audit related services		
- Auditors of the Company	**70**	79
- Other auditors	**42**	81
Directors' remuneration of the Company:		
- Salaries and wages	**2,552**	2,390
Employees benefit expenses (excluding Directors' remuneration)		
- Salaries and wages	**45,405**	44,196
- Defined contribution plans	**4,023**	3,937
- Others	**6,591**	5,702
	56,019	53,835

[1] The Audit and Risk Committee has reviewed the non-audit services provided by the auditors, Deloitte & Touche LLP, Singapore and the overseas practices of Deloitte Touche Tohmatsu Limited and is of the opinion that these services would not affect the independence of the auditors.

NOTES TO THE FINANCIAL STATEMENTS

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34 Income tax credit

	Note	Group 2023 $'000	Group 2022 $'000
Current income tax:			
- Current		**751**	201
- Under/(Over)provision in prior years		**1,322**	(1,754)
		2,073	(1,553)
Deferred tax:			
- Origination and reversal of temporary differences	18	**(2,060)**	(3,794)
Withholding tax (credit)/expense		**(2,764)**	3,231
		(2,751)	(2,116)

Singapore income tax is calculated at 17% (2022: 17%) of the estimated assessable income for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

The reconciliation between the tax expense reported and the product of accounting profit multiplied by the applicable tax rate is as follows:

	2023 $'000	2022 $'000
Profit before income tax	**2,659**	734
Income tax calculated at 17% (2022: 17%)	**452**	125
Adjustments:		
Share of results of equity-accounted investees	**(4,987)**	(5,087)
Expenses not deductible for tax purposes	**5,073**	5,351
Tax losses not recognised as deferred tax assets	**2,501**	2,783
Tax losses not available for set-off against future income	**3,192**	2,275
Different tax rates of subsidiaries operating in other jurisdictions	**872**	1,180
Income not subject to tax	**(8,041)**	(7,085)
Utilisation of tax losses and capital allowance previously not recognised	**(491)**	(1,655)
Under/(Over)provision in prior years	**1,322**	(1,754)
Withholding tax (credit)/expense	**(2,764)**	3,231
Others	**120**	(1,480)
	(2,751)	(2,116)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

35 Other comprehensive income

	Note	Group		
		Before tax	**Deferred tax**	**After tax**
		$'000	**$'000**	**$'000**
31 December 2023				
Other comprehensive income/(loss)				
Items that will not be reclassified subsequently to profit or loss				
Revaluation of properties	12	**15,633**	**(4,114)**	**11,519**
Fair value gain on investment in equity instrument designated at FVTOCI	17	**152**	**–**	**152**
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translation of foreign operations		**(8,049)**	**–**	**(8,049)**
Share of exchange differences on translation of equity accounted investees		**(3,647)**	**–**	**(3,647)**
Fair value loss arising on hedging instruments		**(98)**	**(276)**	**(374)**
		3,991	**(4,390)**	**(399)**
31 December 2022				
Other comprehensive income/(loss)				
Items that will not be reclassified subsequently to profit or loss				
Revaluation of properties	12	20,264	(5,462)	14,802
Fair value loss on investment in equity instrument designated at FVTOCI	17	(3,447)	–	(3,447)
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translation of foreign operations		(34,975)	–	(34,975)
Share of exchange differences on translation of equity accounted investees		(5,333)	–	(5,333)
		(23,491)	(5,462)	(28,953)

36 Earnings per share

The analysis of the Group's profit/(loss) from operations and fair value adjustments are as follows:

	Note	Group		
		Before fair value adjustments	**Fair value adjustments**	**After fair value adjustments**
		$'000	**$'000**	**$'000**
31 December 2023				
(Loss)/Profit before tax		**(5,940)**	**8,599**	**2,659**
Income tax credit	32, 34	**1,584**	**1,167**	**2,751**
(Loss)/Profit for the year		**(4,356)**	**9,766**	**5,410**
Non-controlling interests		**(574)**	**–**	**(574)**
(Loss)/Profit attributable to owners of the Company		**(4,930)**	**9,766**	**4,836**
31 December 2022				
Profit before tax		428	306	734
Income tax (expense)/credit	32, 34	(1,331)	3,447	2,116
(Loss)/Profit for the year		(903)	3,753	2,850
Non-controlling interests		1,741	–	1,741
Profit attributable to owners of the Company		838	3,753	4,591

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

36 Earnings per share (cont'd)

The calculation of the basic and diluted earnings per share attributable to the ordinary owners of the Company is based on the following data:

	Group	
	2023	**2022**
	$'000	**$'000**
(Loss)/Profit attributable to owners of the Company		
Before fair value adjustments	**(4,930)**	838
Fair value adjustments	**9,766**	3,753
After fair value adjustments	**4,836**	4,591
Weighted average number of ordinary shares for the purpose of computation of basic and diluted earnings per share ('000)	**1,228,538**	1,210,093
Basic and diluted earnings/(loss) per share (cents)		
Including fair value adjustments	**0.39**	0.38
Excluding fair value adjustments	**(0.40)**	0.07

There are no dilutive potential ordinary shares in issue for 2023 and 2022.

37 Significant related party transactions

The Company's major shareholder is Nuri Holdings (S) Pte Ltd ("Nuri"), incorporated in Singapore. Related party transactions with the major shareholder refer to transactions with the companies in which the shareholders of Nuri and their family members have a controlling interest in. The related party transactions are entered into in the normal course of business based on terms agreed between the parties.

In addition to the related party transactions disclosed elsewhere in the financial statements, the Group has the following significant related party transactions with the major shareholder, associates and the Directors of the Company and their associates:

	Group	
	2023	**2022**
	$'000	**$'000**
Transactions with major shareholder		
Sale of products and services rendered	**79**	44
Rental income	**2,797**	1,779
Interest income	**–**	288
Purchase of products and services	**(35)**	(19)
Balance consideration paid for acquisition of 19 commercial units	**(9,486)**	–
MTN interest expense	**(478)**	(397)
Recovery of reinstatement works in relation to a lease	**–**	150
Rental deposits received	**55**	426
Acquisition of non-controlling interests in subsidiaries and repayment of shareholder loans	**–**	(6,126)
Sale of investment in an equity accounted investee	**4,500**	–
Transactions with Directors of the Company and their associates		
Balance consideration received from sale of 3 property units	**2,218**	–
MTN interest expense	**(76)**	(69)
Transactions with key management personnel of the Group		
MTN interest expense	**(70)**	(121)

At the end of the reporting year, the Group had commitments to lease certain commercial properties to the major shareholder. These non-cancellable operating leases have remaining lease terms of 20 months to 43 months (2022: 32 months to 55 months). Future minimum lease receivables under these leases not recognised as receivables at the end of each reporting period were as follows:

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

37 Significant related party transactions (cont'd)

Commitment with related parties

	Group	
	2023	2022
	$'000	$'000
Commitment with major shareholder		
Operating leases:		
- Within one year	**2,840**	2,624
- Year 2	**2,114**	2,637
- Year 3	**485**	1,911
- Year 4	**255**	447
- Year 5	**–**	265
	5,694	7,884

Remuneration of Directors and key management personnel

	Group	
	2023	2022
	$'000	$'000
Short-term benefits and fees	**5,338**	5,109
Post-employment benefits (defined contribution plan)	**67**	76
	5,405	5,185

38 Commitments

Capital commitments

	Group	
	2023	2022
	$'000	$'000
Development and investment properties expenditure contracted for but not provided in the financial statements	**45,598**	62,672
Capital expenditure contracted for but not provided in the financial statements	**2,492**	–
Share of commitments of equity-accounted investees		
- Capital expenditure contracted for but not provided in the financial statements	**1,272**	18,694

Operating lease commitments - where the Group is a lessor

The Group enters into commercial property leases on its investment property portfolio under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights. As at the end of the reporting period, these non-cancellable leases had remaining lease terms of between 1 month and 180 months (2022: 1 month and 62 months).

The unguaranteed residual values do not represent a significant risk for the Group, as they relate to properties which are located in locations with a constant increase in value over the years. The Group did not identify any indications that this situation will change.

The future minimum lease receivables under non-cancellable operating leases contracted with third parties for at the end of each reporting period but not recognised as receivables were as follows:

	Group	
	2023	2022
	$'000	$'000
Year 1	**32,124**	39,354
Year 2	**20,958**	30,264
Year 3	**6,892**	18,414
Year 4	**3,360**	2,708
Year 5	**1,646**	1,534
Year 6 and onwards	**9,388**	18
Total	**74,368**	92,292

39 Contingent liabilities

	Company	
	2023	2022
	$'000	$'000
Guarantees given to banks in respect of bank facilities utilised by subsidiaries	**732,607**	808,965

40 Financial instruments, financial risks and capital management

Financial risk management policies and objectives

The Group has documented financial risk management policies approved by the Board of Directors. The policies consist of guidelines and rules to identify and manage periodically significant risks that might affect the achievement of business objectives, outputs, projects or operating processes at the Group, subsidiary or business unit level. Guidelines and rules are reviewed annually by the Group to ensure that they remain relevant. The Group's overall risk management program seeks to minimise potentially adverse effects on financial performance of the Group.

The Group's risk management process is carried out in three phases, i.e. identification and assessment of risks, formulation and implementation of risk treatment, and monitoring and reporting of risk profile. The key risks relating to financial management include foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and investing cash in excess of short-term operational requirement.

Factors behind financial risks

The Group's activities expose it to a variety of financial risks such as market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group seeks to minimise potentially adverse effects arising from the unpredictability of the financial markets on the Group's financial performance.

The Group's financial instruments comprise loans and borrowings, cash and liquid resources, trade and other receivables and trade and other payables that arise directly from its operations. The Group manages its exposure to currency and interest rate risks by using a variety of techniques and instruments as described in Notes 40(a) and 40(b) to the financial statements.

Natural hedging is preferred by matching assets and liabilities of the same currency. Derivative financial instruments are only used where it is necessary to reduce the Group's exposure to fluctuations in foreign exchange and interest rates or to comply with covenants imposed by banks. While these financial instruments are subject to risk of change in market rates subsequent to their acquisition, such changes are generally offset by opposite effects on the items being hedged. The Group does not hold or issue derivative financial instruments for speculative purposes.

There has been no major change to the Group's exposure to these financial risks or the manner in which the Group manages and measures the risk. Market risk exposures are measured using sensitivity analyses indicated in Notes 40(a) and 40(b) to the financial statements.

Categories of financial instruments

The table below sets out the financial instruments at the end of the reporting year:

	Group		Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Financial assets				
Financial assets at FVTOCI	**26,344**	26,192	**–**	–
Financial assets at amortised cost	**339,787**	369,056	**505,924**	509,159
	366,131	395,248	**505,924**	509,159
Derivative financial instruments	**921**	–	**–**	–
	367,052	395,248	**505,924**	509,159
Financial liabilities				
Financial liabilities at amortised cost	**1,322,981**	1,363,297	**673,731**	679,272
Financial guarantee contracts	**4,998**	4,998	**12,633**	11,033
Lease liabilities	**124**	72	**17**	212
	1,328,103	1,368,367	**686,381**	690,517
Derivative financial instruments	**1,019**	–	**–**	–
	1,329,122	1,368,367	**686,381**	690,517

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

40 Financial instruments, financial risks and capital management (cont'd)

(a) Foreign currency risk management

The Group's subsidiaries, associates and joint ventures operate mainly in Singapore, Australia, Indonesia, China and Malaysia. Entities in the Group regularly transact in currencies other than their respective functional currencies ("foreign currencies") such as the Singapore dollar ("SGD"), Australian dollar ("AUD"), United States dollar ("USD"), Malaysian Ringgit ("MYR") and Indonesian Rupiah ("IDR"). Currency risk arises when transactions are denominated in foreign currencies.

In addition, the Group is exposed to currency translation risk on the net assets in foreign operations mainly in Australia, Indonesia and China. As far as possible, the Group relies on natural hedges of matching foreign assets and liabilities of the same currency.

The Group does not enter into currency options and does not use forward foreign exchange contracts for speculative trading purposes.

Currency risk exposure

At the end of the reporting year, the carrying amounts of significant monetary assets and monetary liabilities denominated in currencies other than the respective entities' functional currencies were as follows:

	SGD $'000	USD $'000	AUD $'000	Others $'000
Group				
31 December 2023				
Financial assets				
Cash and cash equivalents	**–**	**815**	**33,729**	**–**
Trade and other receivables	**–**	**–**	**9**	**–**
	–	**815**	**33,738**	**–**
Financial liabilities				
Trade and other payables	**–**	**(30)**	**–**	**–**
Net financial assets	**–**	**785**	**33,738**	**–**
Net currency exposure	**–**	**785**	**33,738**	**–**
31 December 2022				
Financial assets				
Cash and cash equivalents	335	1,400	50,535	60
Trade and other receivables	–	281	383	–
	335	1,681	50,918	60
Financial liabilities				
Trade and other payables	(60)	(323)	(36)	(7)
Net financial assets	275	1,358	50,882	53
Net currency exposure	275	1,358	50,882	53

40 Financial instruments, financial risks and capital management (cont'd)

(a) Foreign currency risk management (cont'd)

Currency risk exposure (cont'd)

At the end of the reporting year, the carrying amounts of significant monetary assets and monetary liabilities denominated in currencies other than the Company's functional currency were as follows:

	USD $'000	AUD $'000	MYR $'000
Company			
At 31 December 2023			
Financial assets			
Cash and cash equivalents	**801**	**25,288**	**–**
Trade and other receivables	**14**	**8,238**	**110**
Net currency exposure	**815**	**33,526**	**110**
At 31 December 2022			
Financial assets			
Cash and cash equivalents	1,367	50,535	–
Trade and other receivables	180	383	–
	1,547	50,918	–
Financial liabilities			
Trade and other payables	(88)	(36)	–
Net financial assets	1,459	50,882	–
Net currency exposure	1,459	50,882	–

Sensitivity analysis for currency risk

The following table details the sensitivity to a 10% increase/decrease in the relevant foreign currencies against the functional currency of each Group entity. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where they gave rise to an impact on the Group's profit or loss and/or equity.

If the relevant foreign currency weakens by 10% against the functional currency of each Group entity, profit or loss may increase (decrease) by:

	SGD		USD	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Group				
Profit or Loss	**–**	(28)	**(79)**	(136)
Company				
Profit or Loss	**–**	–	**(82)**	(146)

	AUD		Others	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Group				
Profit or Loss	**(3,374)**	(5,088)	**–**	(5)
Company				
Profit or Loss	**(3,353)**	(5,088)	**(11)**	(19)

The strengthening of the relevant foreign currency against the functional currency of each Group entity at the end of the reporting year would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

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40 Financial instruments, financial risks and capital management (cont'd)

(b) Interest rate risk management

Interest rate risk is the risk that future cash flows of a financial instrument may fluctuate because of changes in interest rates in the market.

The Group's exposure to interest rate risk arises mainly from variable rate bank loans and borrowings. The Group aims to optimize net interest cost and to reduce volatility in the finance cost. The Group borrows mainly variable rate debts with varying tenures. A summary of the Group's interest-bearing financial instruments is disclosed in Note 40(d) to these financial statements.

Other than those disclosed in Note 23, the Group does not use derivative financial instruments to hedge fluctuations in interest rates for its borrowings.

As at 31 December 2023, the Group has transitioned all its bank borrowings linked to the Swap Offer Rate ("SOR") to the Singapore Overnight Rate Average ("SORA"). The Group does not have any non-derivative financial assets and derivatives that are referenced to interest rate benchmark subject to interest rate benchmark reform.

Interest rate risk exposure

At the end of the reporting year, the interest rate profile of the interest-bearing financial instruments was as follows:

	Group		Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Variable rate instruments				
Financial assets	**39,271**	73,274	**43,472**	–
Financial liabilities	**(1,045,884)**	(1,134,866)	**(119,080)**	(142,080)
Interest rate swaps	**366,648**	–	**–**	–
Net interest rate exposure	**(639,965)**	(1,061,592)	**(75,608)**	(142,080)

Sensitivity analysis for interest rate risk

The sensitivity analysis below is based on the exposure to interest rates for financial instruments at the end of the reporting year and assumes that the change took place at the beginning of the financial year and was held constant throughout the reporting year. The magnitude represents the Group's assessment of the likely movement in interest rates under normal economic conditions.

If interest rates had been 100 basis points higher or lower and all other variables were held constant, the Group's profit before tax would decrease or increase by $6,400,000 (2022: $10,616,000) and the Company's profit before tax would decrease or increase by $756,000 (2022: $1,421,000).

(c) Overview of the Group's exposure to credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a mean of mitigating the risk of financial loss from such defaults. Credit risk on cash and cash equivalents and derivative financial instrument is limited as these balances are placed with or transacted with institutions of repute. The Group manages these risks by monitoring credit worthiness and limiting the aggregate use to any individual counterparty. The Group does not expect to incur material credit losses on its financial instruments.

The Group develops and maintains its credit risk gradings to categorise exposures according to their degree of risk of default. The Group uses its trading records to rate its major customers and other debtors. The Group does not hold any collateral to cover its credit risks associated with its financial assets.

The Group's current credit risk framework comprises the following categories:

Category	Description	Basis for recognising ECL
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL - not credit-impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

40 Financial instruments, financial risks and capital management (cont'd)

(c) Overview of the Group's exposure to credit risk (cont'd)

The assessment of the credit quality and exposure to credit risk of the Group's trade and other receivables have been disclosed in Note 6. The tables below detail the credit quality of the Group's financial assets and other items, as well as maximum exposure to credit risk by credit risk rating grades:

	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount $'000	Loss allowance $'000	Net carrying amount $'000
Group						
31 December 2023						
Trade receivables	6	(i)	Lifetime ECL (simplified approach)	**11,170**	**(5)**	**11,165**
Other receivables	6,16	(ii)	12-month ECL	**11,676**	**–**	**11,676**
Other receivables	6	(ii)	12-month ECL	**6,322**	**–**	**6,322**
Contract assets	7	(i)	Lifetime ECL (simplified approach)	**87,828**	**–**	**87,828**
					(5)	
31 December 2022						
Trade receivables	6	(i)	Lifetime ECL (simplified approach)	6,205	(182)	6,023
Other receivables	6,16	(ii)	12-month ECL	8,000	–	8,000
Other receivables	6	(ii)	12-month ECL	23,718	–	23,718
Other receivables	6	In default	Lifetime ECL - credit-impaired	83	(83)	–
Contract assets	7	(i)	Lifetime ECL (simplified approach)	79,327	–	79,327
					(265)	
Company						
31 December 2023						
Other receivables	6	(ii)	12-month ECL	**202**	**–**	**202**
Amount due from subsidiaries	21	Performing	12-month ECL	**461,516**	**–**	**461,516**
Amount due from subsidiaries	21	In default	Lifetime ECL - credit-impaired	**39,946**	**(39,946)**	**–**
					(39,946)	
31 December 2022						
Other receivables	6	(ii)	12-month ECL	946	–	946
Other receivables	6	In default	Lifetime ECL - credit-impaired	72	(72)	–
Amount due from subsidiaries	21	Performing	12-month ECL	445,286	–	445,286
Amount due from subsidiaries	21	In default	Lifetime ECL - credit-impaired	39,982	(39,982)	–
					(40,054)	

(i) For trade receivables and contract assets, the Group has applied the simplified approach in SFRS(I) 9 to measure the loss allowance at lifetime ECL. The Group determines the expected credit losses on these items based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Notes 6 and 7 include further details on the loss allowance for these receivables.

(ii) For other receivables, the Group monitors the credit risk of other receivables based on the past due information, as well as those quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, to assess if there has been any significant increase in credit risk since initial recognition of the financial assets. Accordingly, the other receivables are measured on 12-month ECL or lifetime ECL, depending on whether there has been significant increase in the credit risk. Note 6 includes further details on the loss allowance for these receivables.

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

40 Financial instruments, financial risks and capital management (cont'd)

(c) Overview of the Group's exposure to credit risk (cont'd)

The carrying amount of financial assets recorded in the financial statements, grossed up for any allowances for losses, represents the Group's maximum exposure to credit risk without taking into account of the value of any collateral obtained.

With respect to trade and other receivables at the end of the reporting year, there were no trade receivables with outstanding balances individually exceeding 5% of the Group's trade and other receivables as at 31 December 2023 and 2022.

The Company has issued financial guarantees to banks for borrowings of its subsidiaries. These guarantees are subject to the impairment requirements of SFRS(I) 9. The Company has assessed that its subsidiaries have strong financial capacity to meet the contractual cash flow obligations in the near future and hence, does not expect significant credit losses arising from these guarantees.

The credit risk for trade receivables after loss allowance for doubtful receivables was as follows:

	Group	
	2023	**2022**
	$'000	**$'000**
By geographical area		
Singapore	**6,187**	1,169
Australia	**2,523**	3,046
China	**192**	294
Indonesia	**742**	23
Malaysia	**1,521**	1,491
	11,165	6,023
By type of customers		
Related parties	**667**	316
Non-related parties	**10,498**	5,707
	11,165	6,023
By operating segments		
Real Estate Investment	**1,703**	1,994
Real Estate Development	**5,594**	341
Hospitality	**2,274**	2,197
Industrial Services	**–**	1,491
Other Investments	**1,521**	–
Corporate	**73**	–
	11,165	6,023

(d) Liquidity risk

The Group manages liquidity risk by maintaining sufficient cash and borrowings with different tenures. Due to the dynamic nature of the businesses the Group is in, the Group aims at maintaining flexibility in funding and keeping adequate committed credit facilities available.

The Group is in a net current liability position of $62,514,000 (2022: net current asset position of $135,495,000) as at 31 December 2023. This was due mainly to the classification of a secured bank loan amounting to $296,852,000 from non-current liabilities to current liabilities as the bank loan is due to mature in December 2024. This bank loan is secured by the Group's hotels and investment properties in Australia and has a loan to value ("LTV") ratio of 47%, which is below the maximum ratio of 55% required by the banks. The Group's refinancing strategy relies on its ability to continuously renew its bank loan facilities and roll over the loans with its respective banks. The Group had successfully refinanced this bank loan previously over the past ten years and is confident of refinancing this bank loan. In addition, as at 31 December 2023, the Group has unencumbered cash and cash equivalents of $213,051,000 and unutilised committed credit facilities amounting to approximately $180,000,000. In consideration of the aforementioned, the Group is confident of meeting its current obligations as and when they fall due.

40 Financial instruments, financial risks and capital management (cont'd)

(d) Liquidity risk (cont'd)

Analysis for liquidity and interest risk – non-derivative financial liabilities

The following tables detail the effective annual interest rates and the remaining contractual maturity for non-derivative financial liabilities at the end of the reporting year.

The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and Company can be required to pay. The table includes both interest and principal cash flows. The adjustment column represents possible future cash flow attributable to the instruments included in the maturity analysis which is not included in the carrying amount of the financial liabilities on the statements of financial position.

	Effective interest rate	On demand or less than 1 year	Within 1 to 2 years	Within 2 to 5 years	Adjustment	Total
	% p.a.	$'000	$'000	$'000	$'000	$'000
Group						
31 December 2023						
Non-interest bearing	**–**	**93,155**	**312**	**–**	**–**	**93,467**
Lease liabilities (Fixed rate)	**2.0 – 5.8**	**54**	**35**	**37**	**(2)**	**124**
Fixed interest rate instruments	**2.0 – 7.4**	**48,452**	**12,441**	**170,651**	**(47,914)**	**183,630**
Variable interest rate instruments	**4.6 – 5.9**	**420,376**	**428,642**	**290,248**	**(93,382)**	**1,045,884**
Financial guarantee contracts	**–**	**4,998**	**–**	**–**	**–**	**4,998**
		567,035	**441,430**	**460,936**	**(141,298)**	**1,328,103**
31 December 2022						
Non-interest bearing	–	84,798	338	–	–	85,136
Lease liabilities (Fixed rate)	2.0 – 3.6	35	31	9	(3)	72
Fixed interest rate instruments	2.0 – 6.9	11,082	150,849	1,192	(19,828)	143,295
Variable interest rate instruments	3.3 – 4.6	367,972	435,548	406,351	(75,005)	1,134,866
Financial guarantee contracts	–	4,998	–	–	–	4,998
		468,885	586,766	407,552	(94,836)	1,368,367
Company						
31 December 2023						
Non-interest bearing	**–**	**373,465**	**–**	**–**	**–**	**373,465**
Lease liabilities (Fixed rate)	**2.0**	**10**	**7**	**–**	**–**	**17**
Fixed interest rate instruments	**7.4**	**47,151**	**11,250**	**170,651**	**(47,866)**	**181,186**
Variable interest rate instruments	**4.6**	**124,560**	**–**	**–**	**(5,480)**	**119,080**
Financial guarantee contracts	**–**	**12,633**	**–**	**–**	**–**	**12,633**
		557,819	**11,257**	**170,651**	**(53,346)**	**686,381**
31 December 2022						
Non-interest bearing	–	397,582	–	–	–	397,582
Lease liabilities (Fixed rate)	2.0 – 2.8	196	10	7	(1)	212
Fixed interest rate instruments	6.9	9,781	149,548	–	(19,719)	139,610
Variable interest rate instruments	4.0	147,807	–	–	(5,727)	142,080
Financial guarantee contracts	–	11,033	–	–	–	11,033
		566,399	149,558	7	(25,447)	690,517

At the end of the reporting year, the maximum amount that the Company could be forced to settle under the financial guarantee contracts if the full guaranteed amounts are claimed by the counterparties to the guarantees is $732,607,000 (2022: $808,965,000). Based on expectations at the end of the reporting period, the Group considers that it is more likely than not that no amount will be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

As at the end of the reporting year, the Group's total obligation on guarantees in connection with Pan-West's bank facilities amounted to $4,998,000 (2022: $4,998,000). The earliest time that a guarantee could be called is as and when the guarantee is claimed by the counterparty.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

40 Financial instruments, financial risks and capital management (cont'd)

(d) Liquidity risk (cont'd)

Analysis for liquidity and interest risk – non-derivative financial assets

The following tables detail the effective annual interest rates and the expected maturity for non-derivative financial assets at the end of the reporting year. The tables have been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the Group and the Company anticipate that the cash flow will occur in a different year. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which are not included in the carrying amount of the financial assets on the statements of financial position.

	Effective interest rate % p.a.	On demand or less than 1 year $'000	Within 1 to 2 years $'000	Within 2 to 5 years $'000	Adjustment $'000	Total $'000
Group						
31 December 2023						
Non-interest bearing	**–**	**135,506**	**–**	**4**	**–**	**135,510**
Variable interest rate instruments	**0.01 – 4.4**	**39,471**	**–**	**–**	**(200)**	**39,271**
Fixed interest rate instruments	**1.9 – 4.9**	**155,302**	**424**	**12,028**	**(2,748)**	**165,006**
		330,279	**424**	**12,032**	**(2,948)**	**339,787**
31 December 2022						
Non-interest bearing	–	161,293	–	8,010	–	169,303
Variable interest rate instruments	0.01 – 3.4	73,310	–	–	(36)	73,274
Fixed interest rate instruments	1.3 – 4.5	126,696	–	–	(217)	126,479
		361,299	–	8,010	(253)	369,056
Company						
31 December 2023						
Non-interest bearing	**–**	**425,539**	**–**	**–**	**–**	**425,539**
Variable interest rate instruments	**5.9**	**46,048**	**–**	**–**	**(2,576)**	**43,472**
Fixed interest rate instruments	**4.1**	**37,022**	**–**	**–**	**(109)**	**36,913**
		508,609	**–**	**–**	**(2,685)**	**505,924**
31 December 2022						
Non-interest bearing	–	453,742	–	–	–	453,742
Fixed interest rate instruments	1.3	55,577	–	–	(160)	55,417
		509,319	–	–	(160)	509,159

Analysis for liquidity and interest risk – Derivative financial instruments

The following table details the Group's liquidity analysis for derivative financial instruments based on contractual maturities. The table has been drawn up based on the undiscounted net cash inflows and outflows on derivative financial instruments that settle on a net basis. There were no derivative financial instruments in 2022.

	On demand or within 1 year $'000	Within 2 to 5 years $'000
Group		
At 31 December 2023		
Net settled:		
Interest rate swap contracts	**921**	**(1,019)**

40 Financial instruments, financial risks and capital management (cont'd)

(e) Fair value of financial assets and financial liabilities

The carrying amounts of cash and cash equivalents, trade and other receivables and payables, provisions and other liabilities approximated their respective fair values due to their relative short-term maturity. The fair value of financial assets at FVTOCI is disclosed in Note 17.

The fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices;
- the fair value of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments; and
- the fair value of derivative instruments are calculated using quoted prices. Where such prices are not available, discounted cash flow analysis is used, based on the applicable yield curve of the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives.

The fair value of other classes of financial assets and liabilities are disclosed in the respective notes to the financial statements.

At the end of each reporting period, the Group's interest rate swap was measured based on Level 2. The valuation technique and key input is future cash flows which are estimated based on forward interest rates (from observable yield curves at the end of the reporting year) and contract interest rates, discounted at a rate that reflects the credit risk of various counterparties.

At the end of each reporting period, the Group's FVTOCI was measured based on Level 3. The fair value of the investment as at 31 December 2023 was determined by reference to the fair value of underlying assets and the valuation was carried out by an independent valuer.

Reconciliation of Level 3 fair value measurement:

	Group	
	2023	**2022**
	$'000	**$'000**
Balance at 1 January	**26,192**	29,639
Fair value gain/(loss)	**152**	(3,447)
Balance at 31 December	**26,344**	26,192

(f) Capital management policies and objectives

In managing capital, the Group's objectives are to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to provide appropriate returns to shareholders and benefits for other stakeholders through pricing its products and services at levels commensurate with the level of risks it is exposed to.

The capital structure of the Group consists of loans and borrowings disclosed in Note 19, issued share capital and reserves as disclosed in Notes 24 and 26 to the financial statements respectively.

In order to maintain or achieve an optimal capital structure, the Group may issue new shares, obtain new borrowings, sell assets to reduce borrowings, pay or adjust the amount of dividend payment or return capital to shareholders. The Group's overall strategy remains unchanged from the prior years.

The Group monitors capital risks through measuring the Group's gross gearing and net gearing. The Group's gross gearing is calculated as total borrowings divided by total equity, whilst net gearing is calculated as net borrowings divided by total equity. Net borrowings are calculated as total borrowings as disclosed in Note 19, less cash and cash equivalents as disclosed in Note 5 to the financial statements.

	Group	
	2023	**2022**
	$'000	**$'000**
Total borrowings	**1,229,514**	1,278,161
Total equity	**1,228,057**	1,224,827
Gross gearing (times)	**1.00**	1.04
Net borrowings	**1,006,718**	1,026,173
Total equity	**1,228,057**	1,224,827
Net gearing (times)	**0.82**	0.84

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

40 Financial instruments, financial risks and capital management (cont'd)

(g) Equity price risk management

The Group is exposed to equity risks arising from equity investment classified at FVTOCI. Equity investment measured at FVTOCI is held for strategic rather than trading purposes. The Group does not actively trade in such investment. Further details of this equity investment can be found in Note 17.

Equity price sensitivity

The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the reporting period. In respect of equity investment at FVTOCI, if equity price had been 10% higher/lower while all other variables were held constant, the Group's asset revaluation reserve would increase/decrease by approximately $2,634,000 (2022: $2,619,000).

41 Listing of significant subsidiaries

Information relating to the significant subsidiaries is disclosed as below:

Name of company	Note	Principal activities	Country of incorporation/ establishment	Effective equity interest and voting power held by the Group	
				2023	**2022**
				%	**%**
Significant subsidiaries directly held by the Company					
Calypso Construction Management Pte. Ltd.		Construction management	Singapore	**100**	100
Gerbera Land Pte. Ltd.		Property investment	Singapore	**100**	100
Oxley Development Pte Ltd		Property investment	Singapore	**100**	100
Pemimpin Properties Pte Ltd		Property investment	Singapore	**100**	100
Superluck Properties Pte Ltd		Property investment	Singapore	**100**	100
TSH Capital Pte. Ltd.		Treasury	Singapore	**100**	–
Significant subsidiaries indirectly held by the Company					
GH Operations Pty Ltd	(i)	Operation of hotels	Australia	**100**	100
Grand Hotel Company Pty Ltd	(i)	Investment holding	Australia	**100**	100
Grand Hotel Management Pty Ltd	(i)	Trustee	Australia	**100**	100
Habitat Properties (Shanghai) Ltd.	(i)	Property development	China	**100**	100
Hainan Jiayuan Business Management Co., Ltd.	(ii)	Property investment	China	**100**	100
HR Operations Pty Ltd	(i)	Operation of hotels	Australia	**100**	100
TSRC Novena Pte. Ltd.		Property development	Singapore	**70**	70
PT Goodworth Investments	(i)	Property development	Indonesia	**100**	100
PT Titian Damai Mandiri	(i)	Property development	Indonesia	**100**	100

All the significant subsidiaries in Singapore are audited by Deloitte & Touche LLP, Singapore.

(i) Audited by overseas practices of Deloitte Touche Tohmatsu Limited.

(ii) Analytical review performed for purpose of consolidation.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

42 Listing of significant associates and joint ventures

Associates are those in which the Group has significant influence, but not control in the operating and financial policy decisions. Joint ventures are those in which the Group has joint control of the arrangement and has equal rights to net assets of the joint arrangement.

Information relating to the significant associates and joint venture is disclosed as below:

Name of company	Note	Principal activities	Country of incorporation	Effective equity interest and voting power held by the Group	
				2023	2022
				%	%
Gul Technologies Singapore Pte. Ltd. ("GulTech")	(i)	Investment holding	Singapore	**44.5**	44.5
Gultech (Jiangsu) Electronics Technologies Co., Ltd (held through GulTech)	(ii)	Manufacture of printed circuit boards	China	**43.6**	36.7
Sanya Summer Real Estate Co. Ltd	(iii),(iv)	Property development	China	**7.8**	7.8
PT Karawang Outlet Mall	(ii)	Property development and investment	Indonesia	**50.0**	50.0

(i) Audited by Deloitte & Touche LLP, Singapore.

(ii) Audited by overseas practices of Deloitte Touche Tohmatsu Limited.

(iii) Analytical review performed for purpose of consolidation.

(iv) The Group has significant influence via representation on the board of directors, and participation in policy-making processes.

43 Adoption of new and revised standards

In the current year, the Group and the Company have applied all the new and revised SFRS(I) Accounting Standards that are mandatorily effective for an accounting period that begins on or after 1 January 2023. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements except as below.

Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies

The Group has adopted the amendments to SFRS(I) 1-1 for the first time in the current year. The amendments change the requirements in SFRS(I) 1-1 with regard to disclosure of accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in SFRS(I) 1-1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The group has applied materiality guidance in SFRS(I) Practice Statement 2 in identifying its material accounting policies for disclosures in the related notes. The previous term 'significant accounting policies' used throughout the financial statements has been replaced with 'material accounting policy information'.

Amendments to SFRS(I) 1-12: International Tax Reform – Pillar Two Model Rules

The Group has adopted the amendments to SFRS(I) 1-12 for the first time in the current year. The scope of SFRS(I) 1-12 was amended to clarify that the Standard applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development ("OECD"), including tax law that implements qualified domestic minimum top-up taxes described in those rules.

The amendments introduce a temporary exception to the accounting requirements for deferred taxes in SFRS(I) 1-12, so that an entity would neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

Following the amendments, the Group is required to disclose that it has applied the exception and to disclose separately its current tax expense (income) related to Pillar Two income taxes.

The amendments have no impact on the Group and the Company in the current year as management has determined that the Group is not in scope of the Pillar Two model rules.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

44 Standards issued but not effective

At the date of authorisation of these financial statements, the Group and the Company have not applied the following SFRS(I) pronouncements that have been issued but are not yet effective:

Effective for annual periods beginning on or after 1 January 2024

- Amendments to SFRS(I) 1-1: *Classification of Liabilities as Current or Non-current*
- Amendments to SFRS(I) 1-1: *Non-current Liabilities with Covenants*

Effective date is deferred indefinitely

- Amendments to SFRS(I) 10 and SFRS(I) 1-28: *Sale or Contribution of Assets between Investor and its Associate or Joint Venture*

Management anticipates that the adoption of the above SFRS(I)s, SFRS(I) INTs and amendments to SFRS(I) in future periods will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption.

SGX-ST LISTING MANUAL REQUIREMENTS

31 DECEMBER 2023

		Group			
		Aggregate value of all interested person transactions (excluding transactions less than $100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		**Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000)**	
Name of interested persons	**Nature of relationship**	**2023**	**2022**	**2023**	**2022**
		$'000	**$'000**	**$'000**	**$'000**
Nuri Holdings (S) Pte Ltd and associates	Nuri Holdings (S) Pte Ltd is the Company's major shareholder and controlling shareholder.				
Lease and recovery of reinstatement works from an interested person		**–**	–	**659**	7,239
Michelle Liem Mei Fung and associates	Michelle Liem Mei Fung is a deemed controlling shareholder of the Company.				
Rendering of consultancy services to an interested person		**–**	–	**–**	300
Acquisition of remaining 10% in 2 subsidiaries from an interested person by way of cash and repayment of shareholders' loan		**–**	6,126	**–**	–
Michelle Liem Mei Fung and Tan Enk Ee and associates	Michelle Liem Mei Fung and Tan Enk Ee are deemed controlling shareholders of the Company.				
Acquisition of commercial property units from an interested person		**–**	21,273	**–**	–
Disposal of 50% in a joint venture to an interested person		**4,500**	–	**–**	–
William Nursalim alias William Liem and associates	William Nursalim alias William Liem is the Executive Director/Chief Executive Officer and a deemed controlling shareholder of the Company.				
Interest expenses for Series V unsecured Notes subscribed by an interested person		**–**	–	**450**	–
William Nursalim alias William Liem, Michelle Liem Mei Fung and Tan Enk Ee and associates	William Nursalim alias William Liem is the Executive Director/Chief Executive Officer. William Liem, Michelle Liem Mei Fung and Tan Enk Ee are deemed controlling shareholders of the Company.				
Interest expenses for Series V unsecured Notes subscribed by an interested person		**–**	–	**1,500**	–
Tan Enk Ee and associates	Tan Enk Ee is a deemed controlling shareholder of the Company.				
Interest expenses for Series V unsecured Notes subscribed by an interested person		**–**	–	**2,100**	–
Aggregated interested person transactions		**4,500**	27,399	**4,709**	7,539

SGX-ST LISTING MANUAL REQUIREMENTS

31 DECEMBER 2023

MATERIAL CONTRACTS

– Listing Manual Rule 1207(8)

Save as disclosed above, there were no other material contracts entered into by the Company and its subsidiaries involving the interest of the Chief Executive Officer, Directors or controlling shareholders, which were either subsisting at the end of the financial year or if not then subsisting, entered into since the end of the previous financial year.

AUDITORS

– Listing Manual Rule 1207(6)

The aggregate amount of fees paid to the external auditors, broken down into audit and non-audit services are presented under the Corporate Governance Report section and Note 33 to the financial statements for the financial year ended 31 December 2023. The Audit and Risk Committee had reviewed the non-audit services provided by the external auditors, Deloitte & Touche LLP, Singapore and the overseas practices of Deloitte Touche Tohmatsu Limited and was of the opinion that these services would not affect the independence of the external auditors.

The Board of Directors and the Audit and Risk Committee, having reviewed the adequacy of the resources and experience of Deloitte & Touche LLP, the audit engagement partner assigned to the audit, their other audit engagements, the size and complexity of the Group, and the number and experience of supervisory and professional staff assigned to the audit, were satisfied that the Group had complied with Rules 712 and 715 of the SGX-ST Listing Manual.

SHAREHOLDING STATISTICS

AS AT 8 MARCH 2024

SHARE CAPITAL

Issued and fully paid-up capital (including treasury shares)	:	$193,569,171.69
Issued and fully paid-up capital (excluding treasury shares)	:	$189,042,289.73
Number of issued shares (including treasury shares)	:	1,251,068,354
Number of issued shares (excluding treasury shares)	:	1,237,643,354
Number/percentage of treasury shares	:	13,425,000 (1.08%)[1]
Number/percentage of shares for subsidiary holdings[2]	:	Nil (0%)
Class of shares	:	Ordinary shares
Voting rights	:	One vote per share, the Company cannot exercise any voting rights in respect of the shares held by it as treasury shares

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares[3]	%[3]
1 - 99	450	3.15	21,275	0.00
100 - 1,000	1,158	8.11	650,311	0.05
1,001 - 10,000	7,219	50.58	38,286,794	3.09
10,001 - 1,000,000	5,406	37.87	253,957,054	20.52
1,000,001 & above	41	0.29	944,783,920	76.34
TOTAL	**14,274**	**100.00**	**1,237,699,354**	**100.00**

TWENTY LARGEST SHAREHOLDERS

as shown in the Register of Members and Depository Register

No.	Name of Shareholders	No. of Shares[3]	%[3]
1	UOB NOMINEES (2006) PRIVATE LIMITED	667,249,132	53.91
2	SING INVESTMENTS & FINANCE NOMINEES (PTE) LTD	49,682,900	4.01
3	PHILLIP SECURITIES PTE LTD	37,498,168	3.03
4	DBS NOMINEES PTE LTD	37,388,057	3.02
5	CITIBANK NOMINEES SINGAPORE PTE LTD	28,542,391	2.31
6	KOH WEE MENG	26,800,000	2.17
7	RAFFLES NOMINEES (PTE) LIMITED	15,592,637	1.26
8	UOB KAY HIAN PTE LTD	9,460,120	0.76
9	UNITED OVERSEAS BANK NOMINEES PTE LTD	5,534,660	0.45
10	OCBC SECURITIES PRIVATE LTD	4,972,078	0.40
11	MAYBANK SECURITIES PTE. LTD.	4,368,434	0.35
12	TAN THIAN HWEE	4,222,217	0.34
13	OCBC NOMINEES SINGAPORE PTE LTD	3,899,442	0.32
14	DBS VICKERS SECURITIES (S) PTE LTD	3,461,138	0.28
15	LAMIPAK KMP PTE LTD	3,276,100	0.26
16	CHIAM HOCK POH	3,196,814	0.26
17	LEH BEE HOE	2,922,677	0.24
18	LOW JUNRUI (LIU JUNRUI)	2,557,581	0.21
19	LIM LIANG MENG	2,525,071	0.20
20	IFAST FINANCIAL PTE LTD	2,324,485	0.19
	TOTAL	**915,474,102**	**73.97**

Notes:

(1) Percentage is calculated based on total issued and paid-up shares (excluding treasury shares).

(2) "Subsidiary holdings" is defined in the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act 1967.

(3) Based on the report provided by The Central Depository (Pte) Limited ("**CDP**") as at 8 March 2024, which does not take into account the Company's share buy backs of 56,000 shares from 5 March 2024 to 8 March 2024. The corresponding percentage is calculated based on 1,237,699,354 shares, being the total issued shares excluding treasury shares based on CDP's report.

SHAREHOLDING STATISTICS

AS AT 8 MARCH 2024

SUBSTANTIAL SHAREHOLDERS

as shown in the Register of Substantial Shareholders

Name	No. of Shares (Direct Interest)	%[1]	No. of Shares (Deemed Interest)	%[1]
Nuri Holdings (S) Pte Ltd	667,238,232	53.91	–	–
Michelle Liem Mei Fung[2][3]	–	–	667,488,232	53.93
William Nursalim alias William Liem[2]	–	–	667,238,232	53.91
Dr Tan Enk Ee[2]	404,863	0.03	667,238,232	53.91
Koh Wee Meng	75,500,000	6.10	–	–

Notes:

(1) Percentages are calculated based on 1,237,643,354 issued shares (excluding treasury shares) as at 8 March 2024. Percentage figures have been rounded to 2 decimal places.

(2) By virtue of interest in Nuri Holdings (S) Pte Ltd.

(3) Ms Michelle Liem Mei Fung is deemed interested in 250,000 shares held by the Estate of David Lee Kay Tuan.

SHAREHOLDINGS HELD IN THE HANDS OF THE PUBLIC

Based on information available to the Company as at 8 March 2024, approximately 39.86% of the issued ordinary shares of the Company is held by the public and therefore, Rule 723 of the SGX-ST Listing Manual is complied with.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 54th Annual General Meeting of Tuan Sing Holdings Limited ("**Company**") will be convened and held on Friday, 26 April 2024, in a wholly physical format, at NTUC Centre, One Marina Boulevard, Room 801, Level 8, Singapore 018989 at 2.00 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive and adopt the Directors' Statement and the Audited Financial Statements for the financial year ended 31 December 2023 ("**FY2023**") and the Auditor's Report thereon. **Ordinary Resolution 1**

2. To approve a first and final one-tier tax exempt dividend of 0.7 cent per ordinary share for FY2023. **Ordinary Resolution 2**

3. To approve the payment of S$434,000 as Directors' fees for FY2023 (FY2022: S$425,000). **Ordinary Resolution 3**

4. To re-elect Mr Cheng Hong Kok, a Director who will retire by rotation pursuant to Regulation 105 of the Constitution of the Company and Rule 720(5) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual and who, being eligible, offers himself for re-election. **Ordinary Resolution 4**

5. To re-elect Mr Ooi Joon Hin, a Director who will retire by rotation pursuant to Regulation 105 of the Constitution of the Company and Rule 720(5) of the SGX-ST Listing Manual and who, being eligible, offers himself for re-election. **Ordinary Resolution 5**

6. To re-appoint Deloitte & Touche LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **Ordinary Resolution 6**

SPECIAL BUSINESS:

To consider and if thought fit, to pass with or without modifications, the following resolutions, which will be proposed as Ordinary Resolutions:

7. **Authority to allot and issue shares up to ten per centum (10%) of the issued shares** **Ordinary Resolution 7**

That pursuant to Section 161 of the Companies Act 1967 of Singapore (the "**Companies Act**") and the rules of the SGX-ST Listing Manual, authority be and is hereby given to the Directors of the Company to:

(a) (i) issue shares of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit; and

(b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

(1) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 10 per centum (10%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with paragraph (2) below);

(2) (subject to such manner of calculation and adjustment as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under paragraph (1) above, the percentage of issued Shares shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:

(i) new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and

NOTICE OF ANNUAL GENERAL MEETING

(ii) Instruments that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares,

and, in paragraph (1) above and this paragraph (2), "subsidiary holdings" has the meaning given to it in the SGX-ST Listing Manual;

(3) in exercising authority conferred by this Resolution, the Company shall comply with the provisions of the SGX-ST Listing Manual for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and

(4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

8. **Authority to allot and issue shares pursuant to the Tuan Sing Holdings Limited Scrip Dividend Scheme** **Ordinary Resolution 8**

That pursuant to Section 161 of the Companies Act, authority be and is hereby given to the Directors to allot and issue from time to time such number of Shares in the capital of the Company as may be required to be allotted and issued pursuant to the Tuan Sing Holdings Limited Scrip Dividend Scheme.

9. **The Proposed Renewal of Share Purchase Mandate** **Ordinary Resolution 9**

That:

(a) (i) on-market purchase(s) of Shares (each an "**On-Market Purchase**") effected on the SGX-ST; and/or

(ii) off-market purchase(s) of Shares (each an "**Off-Market Purchase**") effected in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST as may for the time being be applicable, be and are hereby authorised and approved generally and unconditionally ("**Share Purchase Mandate**");

(b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:

(i) the date on which the next Annual General Meeting of the Company is held; or

(ii) the date by which the next Annual General Meeting of the Company is required by law to be held; or

(iii) the date on which the purchases and acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated;

(c) in this Resolution:

"**Average Closing Price**" means the average of the last dealt prices (excluding any transaction that the SGX-ST requires to be excluded for this purpose) of a Share for the last five market days on which the Shares are transacted on the SGX-ST immediately preceding the day of the On-Market Purchase by the Company or the date of the making of the offer pursuant to the Off-Market Purchase, as the case may be, and deemed to be adjusted, in accordance with the SGX-ST Listing Manual, for any corporate action that occurs during the relevant five-day period and the day on which the On-Market Purchase was made or the date of the making of the offer pursuant to the Off-Market Purchase, as the case may be;

NOTICE OF ANNUAL GENERAL MEETING

"**date of the making of the offer**" means the date on which the Company announces its intention to make an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the basis set out below) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

"**Maximum Limit**" means that number of issued Shares representing 10% of the total number of issued Shares as at the date of the passing of this Resolution (excluding any Shares which are held as treasury shares and subsidiary holdings (as defined in the SGX-ST Listing Manual) as at that date); and

"**Maximum Price**" in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) which shall not exceed:

(i) in the case of an On-Market Purchase, 105% of the Average Closing Price of the Shares; and

(ii) in the case of an Off Market Purchase, 110% of the Average Closing Price of the Shares; and

(d) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he/she may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.

10. **The Proposed Renewal of Interested Person Transactions Mandate** **Ordinary Resolution 10**

That:

(a) approval be and is hereby given, for the purposes of Chapter 9 of the SGX-ST Listing Manual ("**Chapter 9**"), for the Company, its subsidiaries and associated companies that are considered to be "entities at risk" under Chapter 9, or any of them, to enter into any of the transactions falling within the types of interested person transactions described in the Appendix A to the Company's Letter to Shareholders dated 4 April 2024 ("**Appendix A**"), with any party who is of the classes of interested persons described in the Appendix A, provided that such transactions are carried out in the ordinary course of business and on normal commercial terms, will not be prejudicial to the interests of the Company and its minority shareholders and are in accordance with the review procedures for interested person transactions as set out in Appendix A ("**IPT Mandate**");

(b) the IPT Mandate shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company; and

(c) the Independent Directors for the purpose of the IPT Mandate be and are authorised to complete and do all such acts and things (including without limitation, executing all such documents as may be required) as they may consider expedient or necessary in the interests of the Company to give effect to the IPT Mandate and/or this Resolution.

By Order of the Board

Leow May Cin
Company Secretary

4 April 2024
Singapore

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY NOTES ON BUSINESSES TO BE TRANSACTED:

Ordinary Resolution 1 — is to receive and adopt the Directors' Statement and the Audited Financial Statements for FY2023 and the Auditor's Report thereon which can be found under "Statutory Reports and Accounts" in the Company's Annual Report 2023.

Ordinary Resolution 2 — is to approve a first and final one-tier tax exempt dividend of 0.7 cent per ordinary share in respect of FY2023 ("**Proposed Dividend**"). The Tuan Sing Holdings Limited Scrip Dividend Scheme is applicable if the Proposed Dividend is approved.

Under the Tuan Sing Holdings Limited Scrip Dividend Scheme, shareholders entitled to dividends may elect to receive either cash or an allotment of ordinary shares of the Company, credited as fully paid, *in lieu* of the cash amount of the Proposed Dividend. Shareholders who elect to receive the Proposed Dividend in scrip, the issue price for the new shares to be allotted shall be set at not more than 10% discount to the average of the last dealt prices of the shares of the Company for each market day from the ex-dividend date to the record date.

Ordinary Resolution 3 — is to approve the payment of Directors' fees of S$434,000 for FY2023, for services rendered by the Directors on the Board and on various Board Committees. The framework for the proposed Directors' fees is set out in the "Corporate Governance Report" of the Company's Annual Report 2023.

Ordinary Resolution 4 — Mr Cheng Hong Kok will, upon re-election, continue to serve as a member of the Board of Directors, the Chairman of the Remuneration Committee and a member of the Nominating Committee and the Audit and Risk Committee of the Company. He is considered as an Independent and Non-Executive Director. The detailed information on Mr Cheng Hong Kok (including information as set out in Appendix 7.4.1 of the SGX-ST Listing Manual can be found under "Directors' Profile" and "Additional Information On Director Seeking Re-election" in the Company's Annual Report 2023.

Ordinary Resolution 5 — Mr Ooi Joon Hin will, upon re-election, continue to serve as a member of the Board of Directors and the Chairman of the Audit and Risk Committee. He is considered as an Independent and Non-Executive Director. The detailed information on Mr Ooi Joon Hin (including information as set out in Appendix 7.4.1 of the SGX-ST Listing Manual can be found under "Directors' Profile" and "Additional Information On Director Seeking Re-election" in the Company's Annual Report 2023.

Ordinary Resolution 6 — is to re-appoint Deloitte & Touche LLP as the Company's Auditors and to authorise the Directors to fix their remuneration. The Company has complied with Rule 713(1) of the SGX-ST Listing Manual by ensuring that the audit partner is not in charge of more than five consecutive years of audits. The current audit partner, Mr Yang Chi Chih was appointed in FY2021.

Ordinary Resolution 7 — is to empower the Directors to issue shares in the capital of the Company up to an amount not exceeding in aggregate 10% of the issued shares in the capital of the Company. This 10% limit is lower than the limit allowed under the SGX-ST Listing Manual. The Company is seeking a lower limit as it believes that this is adequate for the time being and will review the limit annually. For the purpose of determining the aggregate number of shares that may be issued, the percentage of issued shares will be calculated based on the issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time that this Resolution is passed after adjusting for any subsequent consolidation or subdivision of shares.

Ordinary Resolution 8 — is to authorise the Directors to issue shares in the Company pursuant to the Tuan Sing Holdings Limited Scrip Dividend Scheme to participating shareholders who, in respect of that qualifying dividend, have elected to receive scrip *in lieu* of the cash amount of that qualifying dividend.

Ordinary Resolution 9 — is to renew the mandate to allow the Company to purchase or otherwise acquire its issued ordinary shares, on the terms and subject to the conditions set out in the Resolution.

The Company may use its internal sources of funds or external borrowings or a combination of both to finance the purchase or acquisition of its ordinary shares. The amount of financing required for the Company to purchase or acquire its ordinary shares, and the impact on the Company's financial position, cannot be ascertained as at the date of this Notice as these will depend on the number of ordinary shares purchased or acquired, whether the purchase or acquisition is made out of profits or capital, the price at which such ordinary shares were purchased or acquired and whether the shares purchased or acquired are held as treasury shares or cancelled.

The financial effects of the purchase or acquisition of such ordinary shares by the Company pursuant to the proposed Share Purchase Mandate on the audited financial statements of the Company and the Group for FY2023, based on certain assumptions, are set out in paragraph 2.7 of the Letter to Shareholders dated 4 April 2024 ("**Letter**"). Please refer to the Letter for more details.

Ordinary Resolution 10 — is to renew the mandate to enable the Company, its subsidiaries and associated companies that are considered to be "entities at risk" under Chapter 9 of the SGX-ST Listing Manual, or any of them, to enter into certain interested person transactions with specified classes of interested persons, as described in the Appendix A to the Letter. Please refer to the Letter for more details.

NOTES

(1) The 54th Annual General Meeting is being convened, and will be held, in a wholly physical format. **There will be no option for shareholders to participate virtually.**

(2) This Notice will be sent to members by electronic means via publication on the Company's website at the URL https://investor.tuansing.com/announcements.html and on SGXNet at the URL https://www.sgx.com/securities/company-announcements. Printed copies of this Notice will not be sent by post to members.

(3) Shareholders, including CPF and SRS investors, may submit substantial and relevant questions related to the resolutions to be tabled for approval at the 54th Annual General Meeting in advance of the Annual General Meeting:

(a) by post to the Company's registered address at 9 Oxley Road #03-02 The Oxley, Singapore 238697; or

(b) via email to the Company at SHquestions@tuansing.com.

When submitting questions by post or via email, shareholders should also provide the following details: (i) the shareholder's full name; (ii) the shareholder's address; and (iii) the manner in which the shareholder holds shares in the Company (e.g., via CDP, CPF, SRS and/or scrip), for verification purposes. All questions submitted in advance must be received by 2.00 p.m. on 12 April 2024.

(4) The Company will address all substantial and relevant questions received from shareholders by the 12 April 2024 deadline by publishing its responses to such questions on the Company's website at the URL https://investor.tuansing.com/announcements.html and the SGX website at the URL https://www.sgx.com/securities/company-announcements at least 72 hours prior to the closing date and time for the lodgement/receipt of instruments appointing a proxy(ies). The Company will respond to questions or follow-up questions submitted after the 12 April 2024 deadline either within a reasonable timeframe before the Annual General Meeting, or at the Annual General Meeting itself. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

NOTICE OF ANNUAL GENERAL MEETING

(5) Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

(6) A member who is not a relevant intermediary is entitled to appoint not more than two proxies. Where such member's instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.

A member who is a relevant intermediary is entitled to appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument. "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

(7) A proxy need not be a member of the Company.

(8) The instrument appointing the Chairman of the Meeting as proxy must be submitted to the Company in the following manner:

(a) if submitted by post, be lodged at the office of the Company's Share Registrar, B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or

(b) if submitted electronically via email, be submitted to the Company's Share Registrar at main@zicoholdings.com, in each case not less than 72 hours before the time appointed for holding the 54th Annual General Meeting.

(9) A member who wishes to submit an instrument of proxy can download a copy of the proxy form from the Company's website or SGXNet, and complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

Members are encouraged to submit completed proxy forms electronically via email.

(10) CPF and SRS investors who wish to vote or to appoint the Chairman of the Meeting as their proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 17 April 2024.

(11) The Company's Annual Report 2023 and the Letter to Shareholders dated 4 April 2024 (in relation to the proposed renewal of the Share Purchase Mandate and the Interested Person Transactions Mandate) have been published and may be accessed at the Company's website as follows:

(a) the Annual Report 2023 may be assessed at the URL https://www.tuansing.com/investor-centre/publications.html by clicking on the hyperlink for "FY2023 Annual Report"; and

(b) the Letter to Shareholders dated 4 April 2024 may be assessed at the URL https://www.tuansing.com/investor-centre/publications.html by clicking on the hyperlink for "Letter to Shareholders 2024"

The above documents may also be assessed on the SGXNet at the URL https://www.sgx.com/securities/company-announcements. Members may request for printed copies of these documents by downloading a copy of the Request Form, completing and submitting the Request Form to the Company in the following manner:

(a) if submitted by post, be lodged at the office of the Company's Share Registrar, B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or

(b) if submitted electronically via email, be submitted to the Company's Share Registrar at main@zicoholdings.com.

PERSONAL DATA PRIVACY

By submitting an instrument appointing the Chairman of the Meeting as proxy to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of the Chairman of the Meeting as proxy for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines.

NOTICE OF DIVIDEND PAYMENT DATE AND RECORD DATE

NOTICE IS HEREBY GIVEN THAT subject to shareholders of the Company approving the proposed payment of the first and final one-tier tax exempt dividend of 0.7 cent per ordinary share ("**Proposed Dividend**") at the 54th Annual General Meeting to be held on 26 April 2024, the share transfer books and register of members of the Company will be closed on Friday, 10 May 2024 after 5.00 p.m. for the preparation of dividend warrants.

Duly completed instruments of transfer received by the Company's Share Registrar in Singapore, B.A.C.S. Private Limited at 77 Robinson Road #06-03 Robinson 77, Singapore 068896 up to 5.00 p.m. on Friday, 10 May 2024 will be registered to determine shareholders' entitlements to the Proposed Dividend.

Shareholders (being depositors) whose securities accounts with The Central Depository (Pte) Limited ("**CDP**") are credited with shares in the capital of the Company as at 5.00 p.m. on 10 May 2024 will be entitled to the Proposed Dividend.

Shareholders with a registered address outside Singapore and who have not provided to the Company or CDP, an address in Singapore for the service of notices and documents by Friday, 26 April 2024, will not participate in the Tuan Sing Holdings Limited Scrip Dividend Scheme which is applicable to the Proposed Dividend.

The Proposed Dividend, if approved by shareholders, will be paid on 27 June 2024.

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TUAN SING HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Registration No. 196900130M)

Proxy Form
Annual General Meeting

IMPORTANT

1. The 54th Annual General Meeting ("**AGM**") of Tuan Sing Holdings Limited (the "**Company**") is being convened, and will be held, in a wholly physical format on 26 April 2024 at NTUC Centre, One Marina Boulevard, Room 801, Level 8, Singapore 018989. The Notice of AGM dated 4 April 2024 will accordingly be sent to members by electronic means via publication on the Company's website at the URL https://investor.tuansing.com/announcements.html and on the SGX website at the URL https://www.sgx.com/securities/company-announcements. Printed copies of the Notice of AGM will not be sent by post to members.
2. Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of proxy(ies) or the Chairman of the meeting as a member's proxy to attend, speak and vote on his/her/its behalf at the AGM.
3. This proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by Central Provident Fund ("**CPF**")/ Supplementary Retirement Scheme ("**SRS**") investors. CPF and SRS investors:
   (a) may attend and cast his/her vote(s) at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
   (b) may appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 2.00 p.m. on 17 April 2024, being 7 working days before the date of the AGM.
4. By submitting this Proxy Form, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 4 April 2024.

I/We ______________________ (Name) ______________________ (NRIC/Passport/Co Reg Number)

of ____ (Address)

being a *member/members of the Company, hereby appoint:

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			

and/or*

Name	**NRIC/Passport**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			

or if no proxy is named, the Chairman of the AGM as *my/our *proxy/proxies to vote for *me/us on *my/our behalf at the AGM to be held at **2.00 p.m. (Singapore Time) on Friday, 26 April 2024** at NTUC Centre, One Marina Boulevard, Room 801, Level 8, Singapore 018989 and at any adjournment thereof.

*I/We direct *my/our proxy/proxies* to vote for or against or to abstain from voting on the resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the *proxy/proxies may vote or abstain from voting at *his/her/its discretion.

ORDINARY BUSINESS		**For****	**Against****	**Abstain****
Ordinary Resolution 1	Adoption of Directors' Statement, Audited Financial Statements and Independent Auditor's Report.			
Ordinary Resolution 2	Payment of a first and final dividend.			
Ordinary Resolution 3	Approval of Directors' fees.			
Ordinary Resolution 4	Re-election of Mr Cheng Hong Kok as a Director.			
Ordinary Resolution 5	Re-election of Mr Ooi Joon Hin as a Director.			
Ordinary Resolution 6	Re-appointment of Deloitte & Touche LLP as Auditors and authorisation for Directors to fix their remuneration.			
SPECIAL BUSINESS				
Ordinary Resolution 7	Authority to allot and issue shares (General Share Issue Mandate).			
Ordinary Resolution 8	Authority to allot and issue shares pursuant to the Tuan Sing Holdings Limited Scrip Dividend Scheme.			
Ordinary Resolution 9	The Proposed Renewal of the Share Purchase Mandate.			
Ordinary Resolution 10	The Proposed Renewal of the Interested Person Transactions Mandate.			

* *Delete where inapplicable.*

** *Voting will be conducted by poll. If you wish the proxy(ies)/Chairman of the meeting as your proxy to exercise all your votes "For" or "Against" the relevant resolution, please indicate with a tick (✓) in the "For" or "Against" box provided in respect of that resolution. Alternatively, please insert the relevant number of shares "For" or "Against" in the "For" or "Against" box provided in respect of that resolution. If you wish the Chairman of the meeting as your proxy to abstain from voting on a resolution, please indicate with a tick (✓) in the "Abstain" box provided in respect of that resolution. Alternatively, please insert the relevant number of shares in the "Abstain" box provided in respect of that resolution.* ***In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the meeting as your proxy for that resolution will be treated as invalid.***

Dated this __________ day of ________________ 2024.

Shares in:	**Total Number of Shares held**
(a) Depository Register	
(b) Register of Members	

____
Signature(s) of Member(s)/Common Seal

* *Delete whichever is inapplicable.*

IMPORTANT: PLEASE READ NOTES OVERLEAF

Fold and seal here

NOTES TO PROXY FORM:

1. A member who is unable to attend the AGM and wishes to appoint proxy(ies) or the Chairman of the meeting as proxy to attend, speak and vote at the AGM on his/her/its behalf should complete, sign and return this Proxy Form in accordance with the instructions printed thereon.
2. Please insert the total number of shares held by you as a member of the Company. If you have shares entered against in the Depository Register as defined in Section 81SF of the Securities and Future Act 2001 of Singapore (maintained by The Central Depository (Pte) Limited), you should insert that number of shares. If you have shares registered in your name in the Register of Members (maintained by or on behalf of the Company), you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this instrument appointing a proxy will be deemed to relate to all the shares held by you.
3. **A member (whether individual or corporate) who is unable to attend the AGM may appoint his/her/its proxy(ies) or the Chairman of the meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM**. This proxy form may be downloaded from the Company's website at the URL https://investor.tuansing.com/announcements.html and on the SGX website at the URL https://www.sgx.com/securities/company-announcements. Printed copies of this proxy form will not be sent by post to members. Where a member (whether individual or corporate) appoints the Chairman of the meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the meeting as proxy for that resolution will be treated as invalid.
4. A member who is not a relevant intermediary is entitled to appoint not more than two proxies. Where such member's instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.

   A member who is a relevant intermediary is entitled to appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.
5. "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967. CPF and SRS investors who wish to appoint the Chairman of the meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes **by 5.00 p.m. on 17 April 2024**.
6. The proxy(ies) need not be a member of the Company.
7. A member can appoint the Chairman of the meeting as his/her/its proxy, but this is not mandatory.

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Affix
Postage
Stamp

TUAN SING HOLDINGS LIMITED
c/o B.A.C.S. Private Limited
77 Robinson Road #06-03 Robinson 77
Singapore 068896

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8. The instrument appointing proxy must be submitted to the Company in the following manner:
   (a) if submitted by post, be lodged at the office of the share registrar of the Company, B.A.C.S. Private Limited at 77 Robinson Road #06-03 Robinson 77, Singapore 068896; or
   (b) if submitted electronically, be submitted via email to the share registrar of the Company at main@zicoholdings.com, in either case not less than 72 hours before the time appointed for holding the AGM.

   A member who wishes to submit an instrument of proxy can download a copy of the proxy form from the Company's website or the SGX website, and complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above. The Company shall be entitled to reject the instrument appointing a proxy (ies) if it is incomplete or improperly completed.

   Members are encouraged to submit completed proxy forms electronically via email.
9. The Proxy Form must be signed under the hand of the appointor or by his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorized officer. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act 1967 of Singapore.
10. Where a Proxy Form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company), if the Proxy Form is submitted by post, be lodged with the Proxy Form or, if the Proxy Form is submitted electronically via email, be emailed with the Proxy Form , failing which the instrument may be treated as invalid.
11. The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing proxy (including any related attachment). In addition, in the case of a member whose shares are entered in the Depository Register, the Company may reject a Proxy Form if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.
12. Subject to paragraph 4 above, completion and return of this Proxy Form shall not preclude a member from attending and voting at the AGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the Proxy Form to the AGM.

Personal Data Privacy:

By submitting this Proxy Form, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 4 April 2024.

DISCLAIMER: This Annual Report has been prepared by Tuan Sing Holdings Limited (the "Company") and consists of general background information about the Company's activities at the date of this Annual Report. The information in this Annual Report is provided in summary form only and does not purport to be complete. While every reasonable care has been taken in preparing this Annual Report, neither the Company nor its partners will be held responsible for any inaccuracies or omissions. All statements are believed to be correct but are not to be regarded as statements or representations of fact. All information and specifications are current at the time of going to press and are subject to such changes as may be required by the Company. Renderings and illustrations are artist's impressions only and cannot be regarded as representations of fact. This Annual Report and its contents are confidential and proprietary to the Company, and no part of it or its subject matter may be reproduced, redistributed, passed on, or the contents otherwise divulged, directly or indirectly, to any other person (excluding the relevant person's professional advisers) or published in whole or in part for any purpose without the prior written consent of the Company. If this Annual Report has been received in error, it must be returned immediately to the Company.

TUAN SING HOLDINGS LIMITED

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