Hiap Hoe Limited
(Registration No.: 199400676Z)

Condensed Consolidated Interim Financial Statements for the First Half Year Ended 30 June 2026

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A. Condensed interim consolidated income statement
For the first half year ended 30 June 2026

	Note	The Group 6 months ended 30-Jun-26 $'000	30-Jun-25 $'000	%
Revenue	4	65,254	61,980	5.3
Other items of income				
Dividend income		4,008	3,374	18.8
Interest income		6,438	3,724	72.9
Other income	7A	4,051	3,076	31.7
Impairment loss on trade receivables written back		40	28	42.9
Fair value changes in financial instruments	7D	9,273	11,956	(22.4)
Foreign exchange gain/(loss)		5,259	(3,954)	NM
		29,069	18,204	59.7
Employee benefits expense		(17,378)	(16,761)	3.7
Depreciation expense	7B	(16,300)	(16,073)	1.4
Other expenses	7C	(27,671)	(27,104)	2.1
Finance costs		(11,573)	(14,948)	(22.6)
Profit before tax		21,401	5,298	303.9
Income tax (expense)/credit	9	(4,199)	121	NM
Profit for the period		17,202	5,419	217.4
Attributable to :				
Owners of the Company		17,095	5,380	217.8
Non-controlling interests		107	39	174.4
Total		17,202	5,419	217.4
Earnings per share (cents)				
Basic		3.63	1.14	
Diluted		3.63	1.14	

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

B. Condensed interim consolidated statement of comprehensive income For the first half year ended 30 June 2026

	The Group	
	6 months ended	
	30-Jun-26	30-Jun-25
	$'000	$'000
Profit for the period	17,202	5,419
Other comprehensive income/(loss) item that may be reclassified subsequently to income statement		
- Foreign currency translation	4,552	(1,962)
Other comprehensive income/(loss) for the period, net of tax of nil	4,552	(1,962)
Total comprehensive income for the period	21,754	3,457
Attributable to :		
Owners of the Company	21,647	3,418
Non-controlling interests	107	39
Total comprehensive income for the period	21,754	3,457

C. Condensed interim statements of financial position
As at 30 June 2026

	Note	The Group 30-Jun-26 $'000	The Group 31-Dec-25 $'000	The Company 30-Jun-26 $'000	The Company 31-Dec-25 $'000
Non-Current Assets					
Property, plant and equipment	12	534,261	542,585	-	-
Investment properties	13	526,271	527,120	-	-
Subsidiaries		-	-	622,601	622,601
Joint venture		-	-	13,330	8,895
Other receivables		3,242	3,203	-	-
Lease incentives		8,491	9,085	-	-
Deferred tax assets		4,249	4,228	-	-
		1,076,514	1,086,221	635,931	631,496
Current Assets					
Cash and short-term deposits		109,453	140,101	33	165
Other investments [(A)]	5	521,331	461,046	-	-
Trade and other receivables		8,131	6,880	6	6
Lease incentives		1,809	1,750	-	-
Other assets		382	384	-	-
Prepaid operating expenses		1,778	1,789	2	-
Due from subsidiaries, trade		-	-	142	403
Due from subsidiaries, non-trade		-	-	37,303	37,189
Due from a related company, non-trade		-	2	-	-
Completed properties for sale		538	520	-	-
Inventories		1,655	1,668	-	-
Tax recoverable		14	-	-	-
		645,091	614,140	37,486	37,763
Current Liabilities					
Trade and other payables		6,606	5,778	71	73
Other liabilities		10,094	11,491	512	923
Due to subsidiaries, trade		-	-	160	196
Due to subsidiaries, non-trade		-	-	160,429	154,672
Due to a related company, trade		14	16	-	-
Due to a related company, non-trade		5	16	-	-
Interest-bearing loans and borrowings	14	241,230	246,189	-	-
Tax payable		5,474	6,171	2	45
		263,423	269,661	161,174	155,909
Net Current Assets/(Liabilities) [(B)]		**381,668**	**344,479**	**(123,688)**	**(118,146)**
Non-Current Liabilities					
Other liabilities		8,478	8,215	-	-
Interest-bearing loans and borrowings	14	618,157	607,335	-	-
Deferred tax liabilities		67,195	67,843	-	-
		693,830	683,393	-	-
Net Assets		**764,352**	**747,307**	**512,243**	**513,350**
Equity attributable to owners of the Company					
Share capital	15	83,344	83,344	83,344	83,344
Reserves		677,615	660,674	428,899	430,006
		760,959	744,018	512,243	513,350
Non-controlling interests		3,393	3,289	-	-
Total Equity		**764,352**	**747,307**	**512,243**	**513,350**

[(A)] Comprise quoted and unquoted investments in equities, fixed income instruments, and mutual and private equity funds.

[(B)] The Company is in a net current liabilities position mainly due to maturity of borrowings from subsidiaries within the next 12 months. The Company will be able to continue to roll over its loans upon its maturity. The Group's financing strategy is further explained in Note 14.

D. Condensed interim statements of changes in equity
For the period from 1 January 2026 to 30 June 2026 and 1 January 2025 to 30 June 2025

	Attributable to equity holders of the Company								
The Group	**Share capital**	**Treasury shares**	**Accumulated profits**	**Capital reserve**	**Foreign currency reserve**	**Total reserves**	**Total**	**Non-controlling interests**	**Total equity**
(All figures in $'000)									
At 1 January 2026	83,344	-	704,539	(7,672)	(36,193)	660,674	744,018	3,289	747,307
Profit for the period	-	-	17,095	-	-	17,095	17,095	107	17,202
Foreign currency translation	-	-	-	-	4,552	4,552	4,552	-	4,552
Other comprehensive income net of tax of nil	-	-	-	-	4,552	4,552	4,552	-	4,552
Total comprehensive income for the period	-	-	17,095	-	4,552	21,647	21,647	107	21,754
Contributions by and distributions to owners									
Dividends on ordinary shares	-	-	(4,706)	-	-	(4,706)	(4,706)	-	(4,706)
Acquisition of non-controlling interests	-	-	-	-	-	-	-	(3)	(3)
Total contributions by and distributions to owners	-	-	(4,706)	-	-	(4,706)	(4,706)	(3)	(4,709)
At 30 June 2026	83,344	-	716,928	(7,672)	(31,641)	677,615	760,959	3,393	764,352
At 1 January 2025	84,445	(1,101)	677,697	(7,672)	(38,249)	631,776	715,120	3,110	718,230
Profit for the period	-	-	5,380	-	-	5,380	5,380	39	5,419
Foreign currency translation	-	-	-	-	(1,962)	(1,962)	(1,962)	-	(1,962)
Other comprehensive loss net of tax of nil	-	-	-	-	(1,962)	(1,962)	(1,962)	-	(1,962)
Total comprehensive income/(loss) for the period	-	-	5,380	-	(1,962)	3,418	3,418	39	3,457
Contributions by and distributions to owners									
Dividends on ordinary shares	-	-	(2,353)	-	-	(2,353)	(2,353)	-	(2,353)
Cancellation of treasury shares	(1,101)	1,101	-	-	-	-	-	-	-
Total contributions by and distributions to owners	(1,101)	1,101	(2,353)	-	-	(2,353)	(2,353)	-	(2,353)
At 30 June 2025	83,344	-	680,724	(7,672)	(40,211)	632,841	716,185	3,149	719,334

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

For the period from 1 January 2026 to 30 June 2026 and 1 January 2025 to 30 June 2025

The Company (All figures in $'000)	**Share capital**	**Treasury shares**	**Accumulated profits**	**Total equity**
At 1 January 2026	83,344	-	430,006	513,350
Profit for the period	-	-	3,599	3,599
Total comprehensive income for the period	-	-	3,599	3,599
Contributions by and distributions to owners				
Dividends on ordinary shares	-	-	(4,706)	(4,706)
Total contributions by and distribution to owners	-	-	(4,706)	(4,706)
At 30 June 2026	83,344	-	428,899	512,243
At 1 January 2025	84,445	(1,101)	433,020	516,364
Loss for the period	-	-	(1,393)	(1,393)
Total comprehensive loss for the period	-	-	(1,393)	(1,393)
Contributions by and distributions to owners				
Dividends on ordinary shares	-	-	(2,353)	(2,353)
Cancellation of treasury shares	(1,101)	1,101	-	-
Total contributions by and distribution to owners	(1,101)	1,101	(2,353)	(2,353)
At 30 June 2025	83,344	-	429,274	512,618

E. Condensed interim consolidated statement of cash flows
For the first half year ended 30 June 2026

	The Group	
	6 months ended	
	30-Jun-26	30-Jun-25
	$'000	$'000
Cash flows from operating activities		
Profit before tax	21,401	5,298
Adjustments for:		
Amortisation of deferred income	(125)	(125)
Amortisation of lease incentives	908	944
Depreciation of property, plant and equipment	11,632	11,501
Depreciation of investment properties	4,668	4,572
Dividend income from investments	(4,008)	(3,374)
Fair value changes in other investments	(9,273)	(11,944)
Fair value changes in derivative instruments	-	(12)
Gain on disposal of property, plant and equipment	(40)	-
Impairment loss on trade receivables	1	17
Impairment loss on trade receivables written back	(40)	(28)
Finance costs	11,573	14,948
Interest income	(6,438)	(3,724)
Loss/(gain) on disposal of other investments	78	(12)
Property, plant and equipment written off	5	-
Exchange difference	(4,854)	3,919
Operating cash flows before changes in working capital	**25,488**	**21,980**
Changes in working capital		
(Increase)/decrease in:		
Inventories	19	5
Trade and other receivables	(629)	580
Other assets	1	4
Payment of upfront lease incentives	-	(2,485)
Prepaid operating expenses	54	124
Due from a related company, trade	-	(1)
Due from a related company, non-trade	2	-
Increase/(decrease) in:		
Trade and other payables	755	(2,230)
Other liabilities	(1,118)	(1,111)
Due to a related company, trade	(2)	(6)
Due to a related company, non-trade	(11)	(20)
	24,559	**16,840**
Income tax paid	(5,516)	(4,097)
Net cash flows generated from operating activities	**19,043**	**12,743**

E. Condensed interim consolidated statement of cash flows (cont'd)
For the first half year ended 30 June 2026

	The Group	
	6 months ended	
	30-Jun-26	30-Jun-25
	$'000	$'000
Cash flows from investing activities		
Interest income received	5,917	3,488
Dividend income received and return of capital	4,116	14,651
Additions to property, plant and equipment (1)	(1,588)	(1,202)
Improvement of investment property	(265)	-
Purchase of other investments	(59,542)	(23,421)
Proceeds from disposal of other investments	8,344	5,380
Proceeds from disposal of property, plant and equipment	40	-
Net cash flows used in investing activities	**(42,978)**	**(1,104)**
Cash flow from financing activities		
Acquisition of non-controlling interests	(3)	-
Interest paid	(9,559)	(11,218)
Changes in cash and bank balances pledged	(5,629)	(4,545)
Changes in fixed deposits pledged	37,295	8,054
Repayment of loans and borrowings	(17,987)	(442,766)
Repayment of principal portion of lease liabilities	(2,103)	(1,966)
Proceeds from loans and borrowings	23,254	436,193
Dividends paid on ordinary shares by the Company	(4,706)	(2,353)
Net cash flows generated from/(used in) financing activities	**20,562**	**(18,601)**
Net decrease in cash and cash equivalents	**(3,373)**	**(6,962)**
Effect of exchange rate changes on cash and cash equivalents	244	(268)
Cash and cash equivalents at beginning of period	**13,000**	**23,463**
Cash and cash equivalents at end of period	**9,871**	**16,233**
Cash and cash equivalents comprise:		
Cash and bank balances	16,748	15,724
Fixed deposits	92,705	42,865
	109,453	58,589
Cash and bank balances pledged	(7,233)	(7,546)
Fixed deposits pledged	(92,349)	(34,810)
Cash and cash equivalents	9,871	16,233

(1) **Additions to property, plant and equipment**

During the six months ended 30 June 2026, the Group added property, plant and equipment of $1,655,000 (30 June 2025: $2,528,000) which included non-cash additions to right-of-use assets of $67,000 (30 June 2025: $1,326,000).

F. Notes to the condensed interim consolidated financial statements For the first half year ended 30 June 2026

1. Corporate Information

Hiap Hoe Limited (the “Company”) is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST) Mainboard. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2026 comprise the Company and its subsidiaries (collectively, the “Group”).

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

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

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

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

2. Basis of Preparation

The condensed interim financial statements for the six months ended 30 June 2026 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2025.

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

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

2.1. New and amended standards adopted by the Group

In the current financial period, the Group and the Company adopted the Amendments to SFRS(I) that are mandatory for annual periods beginning on or after 1 January 2026.

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

2.2. Use of judgements and estimates

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

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2025.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

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

<u>Impairment of non-financial assets</u>

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

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

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

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

<u>Valuation of unquoted investments</u>

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

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

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

F. Notes to the condensed interim consolidated financial statements (cont'd) For the first half year ended 30 June 2026

3. Seasonal operations

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

4. Segment and revenue information

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

i. The rental segment is in the business of renting of space under the investment properties and property, plant and equipment.

ii. The leisure segment is in the business of providing leisure and recreational facilities, including bowling centres, billiards centres and amusement centres under the brand 'SuperBowl'.

iii. The hotel operations segment is operated under the brand names of "Aloft Singapore Novena", "Holiday Inn Express Trafford City", "Aloft Perth" and "Great Eastern Motor Lodge".

iv. The other investments portfolio consists of a mix of quoted and unquoted investments.

v. The others segment is involved in Group-level corporate services and treasury functions.

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

F. Notes to the condensed interim consolidated financial statements (cont'd) For the first half year ended 30 June 2026

4.1. Reportable segments

1 January 2026 to 30 June 2026

	Rental Income	Leisure Business	Hotel Income	Other Investments	Others	Elimination	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue							
Segment revenue							
- External sales	15,724	5,131	44,399	-	-	-	65,254
- Inter-segment sales (Note A)	145	-	-	-	1,407	(1,552)	-
	15,869	5,131	44,399	-	1,407	(1,552)	65,254
Results							
Segment profit/(loss) (Note B)	4,828	878	5,619	22,127	(4,493)	(7,558)	21,401
Income tax expense							(4,199)
Profit after tax							17,202
Other information:							
Other income	3,732	20	245	2	52	-	4,051
Interest income	67	-	40	6,322	9	-	6,438
Finance costs	(3,220)	(145)	(2,317)	(3,818)	(2,073)	-	(11,573)
Fair value changes in other investments	-	-	-	9,273	-	-	9,273
Depreciation expense	(4,380)	(1,215)	(4,646)	-	(53)	(6,006)	(16,300)
Other expenses	(6,783)	(875)	(19,317)	(252)	(444)	-	(27,671)
Timing of transfer of goods or services (excluding lease rental income*) from contracts with customers							
At a point in time	552	5,061	9,477	-	-	-	15,090
Over time	731	70	34,922	-	-	-	35,723
	1,283	5,131	44,399	-	-	-	50,813
Additional to non-current assets (Note C)	369	68	1,051	-	432	-	1,920
Segment assets (Note D)	469,596	11,274	214,833	621,936	4,936	-	1,322,575
Segment liabilities (Note E)	297,299	8,610	189,450	257,441	142,012	-	894,812

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

F. Notes to the condensed interim consolidated financial statements (cont'd) For the first half year ended 30 June 2026

4.1. Reportable segments (cont'd)

1 January 2025 to 30 June 2025

	Rental Income	Leisure Business	Hotel Income	Other Investments	Others	Elimination	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue							
Segment revenue							
- External sales	14,281	5,341	42,358	-	-	-	61,980
- Inter-segment sales (Note A)	146	-	-	-	1,447	(1,593)	-
	14,427	5,341	42,358	-	1,447	(1,593)	61,980
Results							
Segment profit/(loss) (Note B)	1,550	1,061	3,101	11,528	(4,343)	(7,599)	5,298
Income tax credit							121
Profit after tax							5,419
Other information:							
Other income	2,826	18	213	14	5	-	3,076
Interest income	95	-	38	3,577	14	-	3,724
Finance costs	(4,548)	(187)	(3,748)	(3,978)	(2,487)	-	(14,948)
Fair value changes in other investments	-	-	-	11,944	-	-	11,944
Fair value changes in derivative instruments	-	-	-	12	-	-	12
Depreciation expense	(4,349)	(1,221)	(4,469)	-	(28)	(6,006)	(16,073)
Other expenses	(6,428)	(936)	(19,061)	(251)	(428)	-	(27,104)
Timing of transfer of goods or services (excluding lease rental income*) from contracts with customers							
At a point in time	512	5,281	9,577	-	-	-	15,370
Over time	642	60	32,781	-	-	-	33,483
	1,154	5,341	42,358	-	-	-	48,853
Additional to non-current assets (Note C)	936	493	1,088	-	11	-	2,528
Segment assets (Note D)	470,152	13,134	217,473	466,083	4,664	-	1,171,506
Segment liabilities (Note E)	283,138	9,518	190,529	193,646	122,242	-	799,073

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

F. Notes to the condensed interim consolidated financial statements (cont'd) For the first half year ended 30 June 2026

4.1. Reportable segments (cont'd)

Notes

A Inter-segment revenues are eliminated on consolidation.

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

	30-Jun-26 $'000	30-Jun-25 $'000
Profit from inter-segment sales	1,552	1,593
Depreciation	6,006	6,006
	7,558	7,599

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

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

	30-Jun-26 $'000	30-Jun-25 $'000
Segment assets	1,322,575	1,171,506
Unallocated assets		
Property, plant and equipment	287,986	296,498
Investment properties	111,044	114,544
Consolidated total assets	1,721,605	1,582,548

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

	30-Jun-26 $'000	30-Jun-25 $'000
Segment liabilities	894,812	799,073
Unallocated liability		
Deferred tax liabilities	62,441	64,141
Consolidated total liabilities	957,253	863,214

F Geographical information

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

	Revenue		Non-current assets	
	30-Jun-26 $'000	30-Jun-25 $'000	30-Jun-26 $'000	30-Jun-25 $'000
Revenue				
Australia	20,322	18,413	178,770	171,150
Singapore	40,448	39,303	862,712	886,022
United Kingdom	4,484	4,264	30,783	32,845
	65,254	61,980	1,072,265	1,090,017

F. Notes to the condensed interim consolidated financial statements (cont'd) For the first half year ended 30 June 2026

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2026 and 31 December 2025:

The Group	Carrying amount		Fair value			
	At amortised cost	Fair value through profit or loss	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total
At 30 June 2026	$'000	$'000	$'000	$'000	$'000	$'000
Financial assets						
Trade and other receivables (1)	7,771	-				
Other investments (2)	-	521,331	234,767	-	286,564	521,331
Other assets	382	-				
Cash and short-term deposits	109,453	-				
	117,606	521,331	234,767	-	286,564	521,331
Financial liabilities						
Trade and other payables (3)	(3,517)	-				
Other liabilities (4)	(12,617)	-				
Amount due to a related company (trade and non-trade)	(19)	-				
Interest-bearing loan and borrowings (5)	(837,881)	-				
	(854,034)	-	-	-	-	-

The Group	Carrying amount		Fair value			
	At amortised cost	Fair value through profit or loss	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total
At 31 December 2025	$'000	$'000	$'000	$'000	$'000	$'000
Financial assets						
Trade and other receivables (1)	6,565	-				
Other investments (2)	-	461,046	205,671	-	255,375	461,046
Other assets	384	-				
Amount due from a related company (non-trade)	2	-				
Cash and short-term deposits	140,101	-				
	147,052	461,046	205,671	-	255,375	461,046
Financial liabilities						
Trade and other payables (3)	(2,143)	-				
Other liabilities (4)	(13,965)	-				
Amounts due to a related company (trade and non-trade)	(32)	-				
Interest-bearing loan and borrowings (5)	(829,884)	-				
	(846,024)	-	-	-	-	-

(1) excludes GST receivables and lease receivables.

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

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

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

(5) excludes lease liabilities.

F. Notes to the condensed interim consolidated financial statements (cont'd) For the first half year ended 30 June 2026

6. Fair value measurement

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

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

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

Included in unquoted investments is investment in A2I Holdings S.A.R.L ("A2I") which relates to the investment in Essendi (formerly known as AccorInvest Group), which owns or leases hotels mainly operated by the Accor Group. The Group holds 20.71% (2025: 20.71%) interest in A2I and the carrying value of A2I as at 30 June 2026 was $103,936,000 (31 December 2025: $105,991,000). A2I is a limited liability investment holding company which is incorporated and domiciled in Luxembourg. Management has determined that the investment in A2I is passive and the Group has no significant influence in the said investee.

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

30 June 2026	Valuation techniques	Unobservable inputs	Ratio	Sensitivity of the input to fair value
Unquoted investments invested directly by the Group	Comparable market approach	Price-to-book multiples of peer companies	1.77x (31 December 2025: 1.77x)	A 5% increase (decrease) in the price-to-book multiple would result in an increase (decrease) in fair value by $10,363,000. (31 December 2025: $10,709,000)

Movements in Level 3 assets and liabilities measured at fair value

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

	Fair value measurements using significant unobservable inputs (Level 3)		
Group 2026	**Unquoted investments $'000**	**Derivatives assets $'000**	**Total $'000**
At 1 January	255,375	-	255,375
Fair value changes included in profit or loss	712	-	712
Return of capital	(176)	-	(176)
Purchase of other investments	36,252	-	36,252
Proceeds from disposal of other investments	(5,599)	-	(5,599)
At 30 June	286,564	-	286,564

F. Notes to the condensed interim consolidated financial statements (cont'd) For the first half year ended 30 June 2026

6. Fair value measurement (cont'd)

Group 2025	Fair value measurements using significant unobservable inputs (Level 3) Unquoted investments $'000	Derivatives assets $'000	Total $'000
At 1 January	234,307	(12)	234,295
Gain on disposal of other investments	70	-	70
Fair value changes included in profit or loss	5,472	12	5,484
Return of capital	(12,775)	-	(12,775)
Purchase of other investments	33,790	-	33,790
Proceeds from disposal of other investments	(5,489)	-	(5,489)
At 31 December	255,375	-	255,375

7. Profit before tax

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

		The Group 6 months ended 30-Jun-26 $'000	30-Jun-25 $'000
(A)	Other income comprises mainly:		
	Amortisation of deferred income	125	125
	Gain on disposal of property, plant and equipment /asset held-for-sale	40	-
	Government grants [(1)]	78	89
	Gain on disposal of other investments	-	12
	Property recovery income	3,042	2,673
	Rent in lieu	620	-
	Others	146	177
		4,051	3,076
(B)	Depreciation of property, plant and equipment	(11,632)	(11,501)
	Depreciation of investment properties	(4,668)	(4,572)
		(16,300)	(16,073)
(C)	Other expenses comprise mainly:		
	Audit and professional fees	(444)	(424)
	Hotel consumables	(2,412)	(2,654)
	Hotel management fees	(1,557)	(1,417)
	Impairment loss on trade receivables	(1)	(17)
	Marketing and distribution expenses	(4,903)	(4,623)
	Loss on disposal of other investments	(78)	-
	Property, plant and equipment written off	(5)	-
	Property related taxes	(2,086)	(2,085)
	Upkeep and maintenance expenses of properties	(10,925)	(10,527)
	Utilities	(3,725)	(3,667)
	Others	(1,535)	(1,690)
		(27,671)	(27,104)
(D)	Fair value changes in other investments	9,273	11,944
	Fair value changes in derivative instruments	-	12
		9,273	11,956

[(1)] Government grants relate mainly to various employment schemes.

F. Notes to the condensed interim consolidated financial statements (cont'd) For the first half year ended 30 June 2026

8. Related party transactions

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

9. Taxation

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

	The Group	
	6 months ended	
	30-Jun-26	30-Jun-25
	$'000	$'000
Current income tax expense	(5,101)	(2,193)
Over provision in respect of prior years	361	2,960
Reversal and originating of temporary differences	541	(646)

10. Dividends

The condensed financial statements for the first half year ended 30 June 2026 have not recognised any interim dividends. Refer to Note 5 of the Other Information Required by Listing Rule Appendix 7.2 section for more details.

11. Net Asset Value

	The Group		The Company	
	30-Jun-26	31-Dec-25	30-Jun-26	31-Dec-25
Net asset value per share (cents)	161.71	158.11	108.86	109.09
Based on number of shares	470,557,541	470,557,541	470,557,541	470,557,541

12. Property, plant and equipment

The addition of assets including right-of-use assets for the six months ended 30 June 2026 was $1,655,000 (30 June 2025: $2,528,000).

For the first half year reporting, management valuations were carried out, taking into consideration the latest valuation methodologies and assumptions used in the latest external valuation reports prepared for the year ended 31 December 2025.

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

F. Notes to the condensed interim consolidated financial statements (cont'd) For the first half year ended 30 June 2026

13. Investment properties

The Group incurred improvement works at 25 Rowe Avenue, Perth of $265,000 (30 June 2025: $Nil) for the six months ended 30 June 2026.

For the first half year reporting, management valuations were carried out, taking into consideration the latest valuation methodologies and assumptions used in the latest external valuation reports prepared for the year ended 31 December 2025.

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

14. Borrowings

Group ($'000)

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

As at 30 June 2026		As at 31 December 2025	
Secured	Unsecured	Secured	Unsecured
237,169	-	242,103	-

Amount repayable after one year [(2)]

As at 30 June 2026		As at 31 December 2025	
Secured	Unsecured	Secured	Unsecured
600,712	-	587,781	-

[(1)] Exclude lease liabilities of $4,061,000 (31 December 2025: $4,086,000).
[(2)] Exclude lease liabilities of $17,445,000 (31 December 2025: $19,554,000).

Details of any collateral

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

1. Legal mortgages on the Group's property, plant and equipment and investment properties (collectively, the "Properties");

2. Legal assignment of all rights and benefits under the sale and purchase agreements, hotel management contracts and/or tenancy agreements;

3. Assignment of all insurance policies and interest service reserve account for certain Properties;

4. Corporate guarantees given by the Company and certain subsidiaries; and

5. A charge over certain other investments, and cash and short-term deposits.

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

(a) Maintenance of certain financial ratios such as interest coverage ratios, debt servicing coverage ratios and gearing ratios;
(b) Maintenance of security margins for borrowings secured by other investments, and compliance with loan-to-value requirement for borrowings secured by the Properties.

14. Borrowings (cont'd)

The loan covenants are either tested annually at 31 December, or half-yearly at 30 June and 31 December to ensure that the ratios fall within the requirements of the loan facility agreements. For the financial period ended 30 June 2026, the Group has met and complied with the covenant requirements.

The Group's interest-bearing loans and borrowings as at 30 June 2026 are mainly loans drawn from Money Market Line and Revolving Credit facilities ("RCFs") and are secured by the Group's assets. The amounts drawn under these facilities are below the quantum granted by the banks and the valuations of the relevant assets under which the facilities are secured are above the Loan-to-Value provisions of the facilities.

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

15. Share capital

	The Group and the Company			
	30-Jun-26	30-Jun-25	30-Jun-26	30-Jun-25
Issued and fully paid ordinary shares	Number of shares		$	$
Balance at beginning of interim period	470,557,541	474,557,391	83,344,131	84,445,256
Cancellation of treasury shares	-	(3,999,850)	-	(1,101,125)
Balance at end of interim period	470,557,541	470,557,541	83,344,131	83,344,131

There were no outstanding convertibles and subsidiary holdings as at the end of the financial period ended 30 June 2026 and 30 June 2025.

The number of issued shares as at 30 June 2026 is 470,557,541 (30 June 2025: 470,557,541).

16. Treasury shares

	The Group and the Company			
	30-Jun-26	30-Jun-25	30-Jun-26	30-Jun-25
	Number of shares		$	$
Balance at beginning of interim period	-	3,999,850	-	1,101,125
Cancellation of treasury shares	-	(3,999,850)	-	(1,101,125)
Balance at end of interim period	-	-	-	-

G. Other Information Required by Listing Rule Appendix 7.2

1. Review

The condensed consolidated statement of financial position of Hiap Hoe Limited and its subsidiaries as at 30 June 2026 and the related condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

Condensed interim consolidated income statement for the first half year ended 30 June 2026 ("1H 2026") performance

The Group recorded revenue of $65.3 million for 1H 2026, an increase of $3.3 million from $62.0 million recorded in the previous corresponding period ended 30 June 2025 ("1H 2025").

Rental revenue increased by $1.4 million to $15.7 million (1H 2025: $14.3 million) mainly due to higher occupancies for the Group's properties.

Revenue from hotel operations increased by $2.0 million to $44.4 million (1H 2025: $42.4 million) mainly attributed to the higher occupancies achieved.

Revenue from leisure business contributed $5.1 million (1H 2025: $5.3 million) across all seven bowling centres.

The Group recorded other income of $4.1 million (1H 2025: $3.1 million). See Note F.7(A) for more details on the Group's other income.

Interest income increased by $2.7 million to $6.4 million (1H 2025: $3.7 million) mainly attributable to higher fixed income instruments and AUD fixed deposit placements.

The Group recorded a fair value gain of $9.3 million (1H 2025: $12.0 million) in financial instruments arising from mark-to-market gains from other investments.

The Group recorded other expenses of $27.7 million (1H 2025: $27.1 million). These expenses included upkeep and maintenance of the properties, utilities, marketing related expenses, hotel management fees and other costs. See Note F.7(C) for more details on the Group's other expenses.

Finance cost decreased by $3.3 million to $11.6 million (1H 2025: $14.9 million) due to lower borrowing costs.

The Group recorded a foreign exchange gain of $5.3 million in 1H 2026 as compared to a loss of $4.0 million in 1H 2025. The differences were mainly due to the fluctuation in Australian dollar, Euro and United States dollar exchange rates against the Singapore dollar.

The Group generated a higher profit before tax of $21.4 million (1H 2025: $5.3 million) with income tax expense of $4.2 million (1H 2025: income tax credit of $0.1 million). Correspondingly, the profit after tax was higher at $17.2 million (1H 2025: $5.4 million).

Condensed consolidated statement of financial position as at 30 June 2026

Non-current assets

Non-current assets decreased by $9.7 million from $1,086.2 million to $1,076.5 million as at 30 June 2026 mainly due to depreciation for the period.

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

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

Current assets

Current assets increased by $31.0 million from $614.1 million to $645.1 million as at 30 June 2026 as the Group recorded higher other investments arising from fair value gains and additional purchases during this period.

Current liabilities

Current liabilities decreased by $6.3 million from $269.7 million to $263.4 million as at 30 June 2026 mainly due to the reclassification of bank borrowings to non-current liabilities, which was partially offset by additional loans drawn during the period.

Non-current liabilities

Non-current liabilities increased by $10.4 million from $683.4 million to $693.8 million as at 30 June 2026 mainly due to the reclassification of bank borrowings as mentioned above.

Condensed interim consolidated statement of cash flows position as at 30 June 2026

The Group recorded a net cash generated from operating activities of $19.0 million and $12.7 million in 1H 2026 and 1H 2025 respectively. The increase in cash generated from operating activities in 1H 2026 was generally due to the improved business performance as mentioned above, and the absence of the upfront lease incentive payment.

The net cash used in investing activities in 1H 2026 was $43.0 million as compared to $1.1 million in 1H 2025 mainly due to higher purchases of other investments.

The Group recorded net cash generated from financing activities of $20.6 million in 1H 2026 as compared to net cash used of $18.6 million in 1H 2025. This included a lower interest payment of $9.6 million and a net increase in loans and borrowings of $5.3 million.

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

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

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

The Group will continue to prioritise enhancing rental yields and occupancy rates across its existing property portfolio to reinforce its base of recurring income. While the hospitality sector is expected to stay resilient, it will likely continue to face pressure from rising operating costs. Ongoing geopolitical uncertainty and market volatility may also weigh on the Group's businesses, including its investment portfolio.

The Group has sufficient banking facilities and liquidity to meet its debt obligations and operational needs and will continue to maintain a prudent approach towards non-essential capital expenditure and new investment decisions.

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

5. Dividend information

(a) Current Financial Period Reported On

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

The Directors are pleased to announce an interim dividend for the financial period ended 30 June 2026 as follows:

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

(b) Corresponding Period of the immediately preceding financial year

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

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

(c) Date payable

3 September 2026

(d) Books closure date

NOTICE IS HEREBY GIVEN that the Share Transfer Books and the Register of Members of the Company will be closed from 5 p.m. on **24 August 2026**, for the purpose of determining the shareholders' entitlements to the interim one-tier tax exempt dividend of 0.25 Singapore cent per ordinary share for the financial period ended 30 June 2026.

Duly completed registrable transfers in respect of shares in the Company received by the close of business at 5 p.m. on 24 August 2026 by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., will be registered to determine shareholders' entitlements to such dividend.

Shareholders whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares in the Company as at 5 p.m. on 24 August 2026 will be entitled to such dividend.

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

6. Interested person transactions

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than $100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000)
	6 months ended 30 June 2026	6 months ended 30 June 2026
Hiap Hoe & Co. Pte. Ltd, a subsidiary of the ultimate holding company, Hiap Hoe Holdings Pte Ltd.	Provision of services for maintenance of properties to the Company's subsidiaries. (Value of transactions - $154,034)	Nil

No general mandate for IPTs has been obtained from shareholders.

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

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

By Order of the Board

Ong Beng Hong
Joint Company Secretary
14 August 2026

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

We, on behalf of the directors of Hiap Hoe Limited, hereby confirm that, to the best of our knowledge, nothing has come to the attention of the board of directors of Hiap Hoe Limited which may render the unaudited financial results of Hiap Hoe Limited for the first half year ended 30 June 2026 to be false or misleading in any material respect.

On behalf of the Board of Directors

Teo Ho Beng
Executive Chairman

Teo Keng Joo, Marc
Executive Director / Chief Executive Officer