

International Equities Corporation Ltd

and controlled entities

ACN 009 089 696

Full Year Statutory Audited Accounts 30 June 2025

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CORPORATE DIRECTORY

DIRECTORS

Chairman
Marcus Peng Fye Tow

Executive Director
Kong Liang Tow

Non – Executive Directors
Aubrey George Menezes
Krishna Ambalavanar

COMPANY SECRETARY

Aubrey George Menezes

REGISTERED OFFICE

Level 6, 348 St Kilda Road,
Melbourne, VIC 3004

Telephone: (03) 9685 2988
Facsimile: (03) 9685 2968

CORPORATE OFFICE

International Equities Corporation Ltd
and Subsidiaries
Level 6, 348 St Kilda Road,
Melbourne, VIC 3004
www.internationalequities.com.au

IEC Real Estate Pty Ltd
Suite 100A, 640 Swanston Street,
Carlton, VIC 3053
www.iecrealestate.com.au

Seasons Heritage Melbourne Pty Ltd
T/A Seasons Heritage Melbourne
572 St Kilda Road,
Melbourne Vic 3004
www.seasonsheritagemelbourne.com.au

Seasons Apartment Hotel Group Pty Ltd
Seasons International Management Pty Ltd
Level 6, 348 St Kilda Road,
Melbourne, VIC 3004
www.seasonsapartmenthotelgroup.com.au

HOME EXCHANGE

Australian Stock Exchange Ltd
Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000
(ASX code: IEQ)

AUDITORS

Moore Australia Audit (WA)
Level 15, Exchange Tower,
2 The Esplanade
Perth WA 6000

SHARE REGISTRY

Managed and maintained at:
Atomic Group,
Level 5, 120 Philip Street,
Sydney NSW 2001

BANKERS

National Australia Bank
Level 1, 330 Collins Street
Melbourne, Vic 3000

Bank of Queensland
455 Bourke Street,
Melbourne, Vic 3000

CHAIRMAN'S STATEMENT

'A FUTURE IN PEOPLE'

GROUP OVERVIEW

Since the last Annual Report, the financial position of the Company and its controlled entities (the Group) continue to be affected by a slowing tourism sector and high carrying operating cost. This is further compounded by rising employment cost and high inflation, in part from the impacts of COVID 19. These are reflected in the financial results for the year ended 30 June 2025 and at the date of this statement. There remains uncertainty in terms of the overall economic environment such that economic events and conditions in future may be materially different from those experienced by the Group as at the date of this report.

At this time, it is not possible for the Group to estimate fully the future effects of its operations as any impact will largely depend on the magnitude of the rebound in the tourism and hospitality industries and stability of the Melbourne property market.

At the date of this report there has not been any matter or circumstance that has significantly affected, or may significantly affect, the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in the financial year after the financial year ended 30 June 2025.

Further consideration in relation to the impacts to the financial position are included in the going concern disclosures at Note 1(w) and property valuations referred to in Notes 11 and 12 of the consolidated financial statements.

RESULTS

Last financial year operations across all sectors and geographical locations remained challenging. Revenues were lower as hospitality and tourism sectors remain the most notably affected and has been slow to recover for a variety of reasons.

The Group also undertook a planned restructure to meet the Group's revenues and cashflow. Likewise, the Board also carried out an assessment of business segments. We expect revenue to remain slow. In the meantime, we will be focused on cost and cashflow to remain able to trade. Stubbornly high inflation numbers and interest rates have given rise to fears of a recession and will impact trading position into 2025-26 financial year.

For now, the Company will need to consolidate. For the time being our objective must be to remain cashflow positive and pay down loans when possible to do so.

PROPERTY DEVELOPMENT

A combination high interest rates and a rising compliance cost add further stress to cashflows and remain key issues for development projects. We hope to return to developing new properties in the coming financial years when funding to the property sector is available.

HOTEL MANAGEMENT

At present, Seasons Apartment Hotel Group Pty Ltd (SAHG) trading under the brand name of "Seasons" manages Seasons Heritage Melbourne and Seasons Botanic Gardens, both in Melbourne, which contributes to revenues and cashflows. This sector, however, is heavily impacted by higher operating cost which in turn impacts profitability. In the interim we need to improve yield from our hotel assets and deliver on our "Seasons" brand.

For the financial year ahead, the management of these properties may have to be reviewed should cost continue to escalate.

REAL ESTATE MANAGEMENT

The real estate business trades as International Equities Carlton and has 257 properties under management. Recurring revenue is derived from property management and letting fees, aside from commission on sale of property. Business outlook for this sector remains stable into the future.

OUTLOOK

The coming financial year remains uncertain. We expect to see a gradual return to a more normal trading position albeit subject to rising cost and a difficult employment market. International Equities will continue to consolidate its position in favour of liquidity and repayment of bank loans.

On behalf of the Board of Directors, I would like to thank all staff members in recognition of their efforts and cooperation.

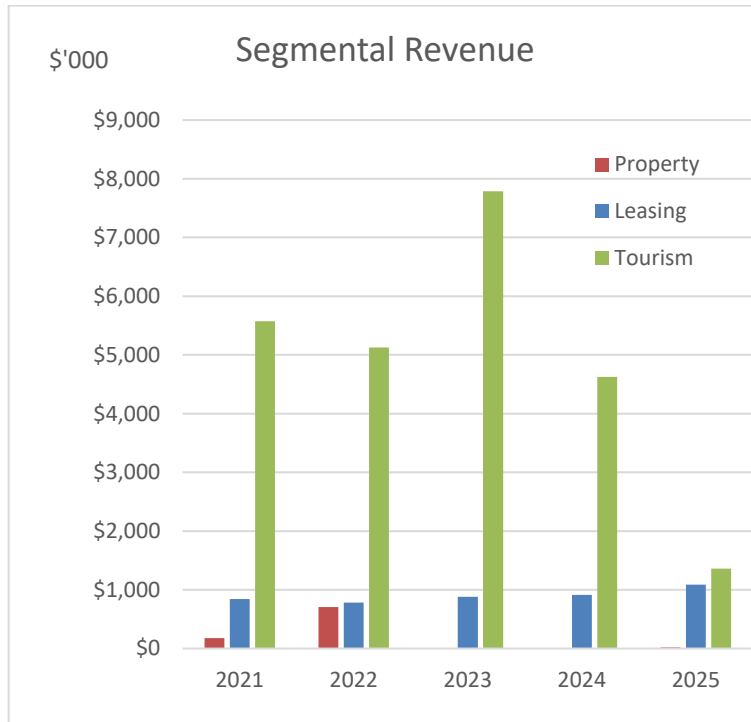
Marcus Tow
Chairman
15th September 2025

DIRECTOR'S REPORT

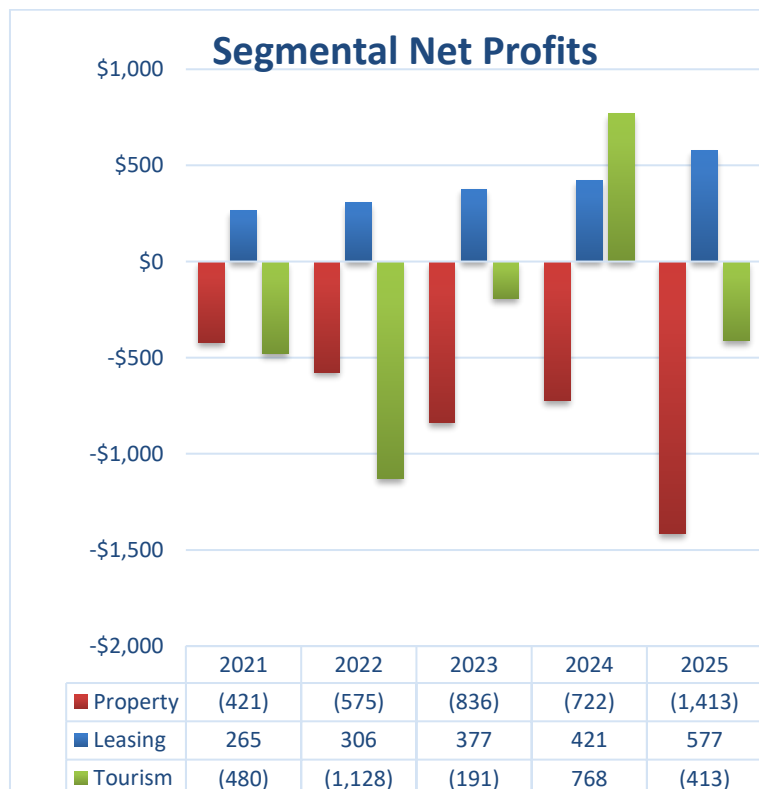
FIVE-YEAR FINANCIAL HIGHLIGHTS

	2021	2022	2023	2024	2025
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue - continuing operations	6,592	4,550	2,698	2,599	2,465
EBITDA - continuing operations	1,288	(681)	310	90	(533)
(Loss) from continuing operations	(636)	(491)	(491)	(475)	(1,249)
Profit/(Loss) from Discontinued operations	-	(906)	(159)	942	-
Net (Loss) attributable to equity holders	(636)	(1,397)	(650)	467	(1,249)
Total Assets	37,487	36,600	35,226	14,178	11,352
Total Liabilities	29,576	30,086	29,362	7,847	6,270
Total Net Assets/Total Equity	7,911	6,514	5,864	6,331	5,082
NTA per share	6.15	5.06	4.56	4.93	3.96
Earnings per share (EPS)	(0.50)	(1.09)	(0.51)	0.36	(0.97)
<u>Segmental Revenue (combine)</u>					
Leasing	841	783	880	913	1,087
Property	180	707	2	1	17
Tourism	5,571	5,128	7,784	4,626	1,361
<u>Segmental Profit/(Loss)</u>					
Leasing	265	306	377	421	577
Property	(421)	(575)	(836)	(722)	(1,413)
Tourism	(480)	(1,128)	(191)	768	(413)

DIRECTOR'S REPORT

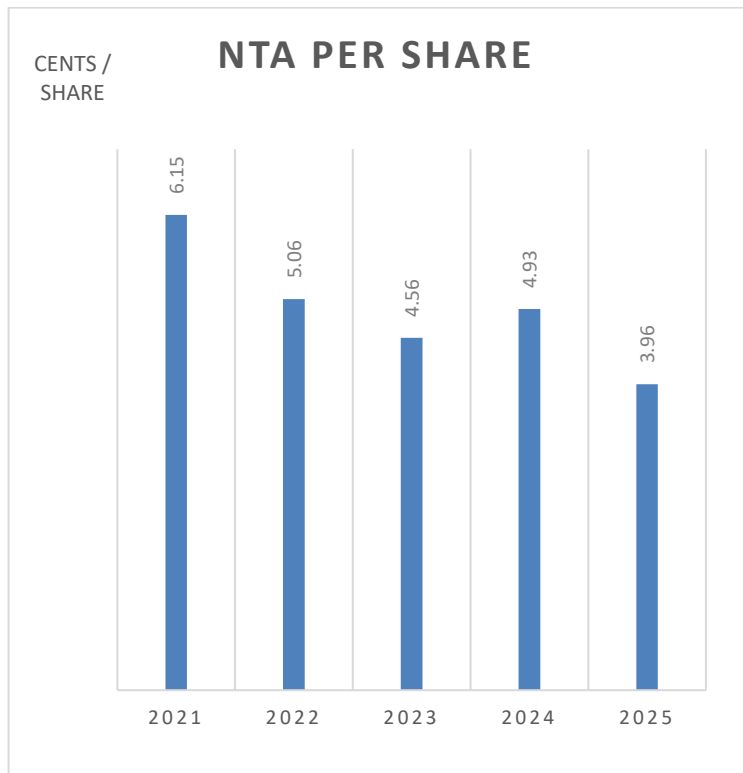


- Revenue from continuing operations decreased by 5.16% to \$2.465 million.
- Revenue from Property, Leasing and Tourism is \$0.017 million, \$1.087 million and \$1.361 million, respectively.
- For the coming financial year, we expect Revenue from Property, Leasing and Tourism to fall to around \$1.5 million due to a sluggish economy and lower tourism revenue.

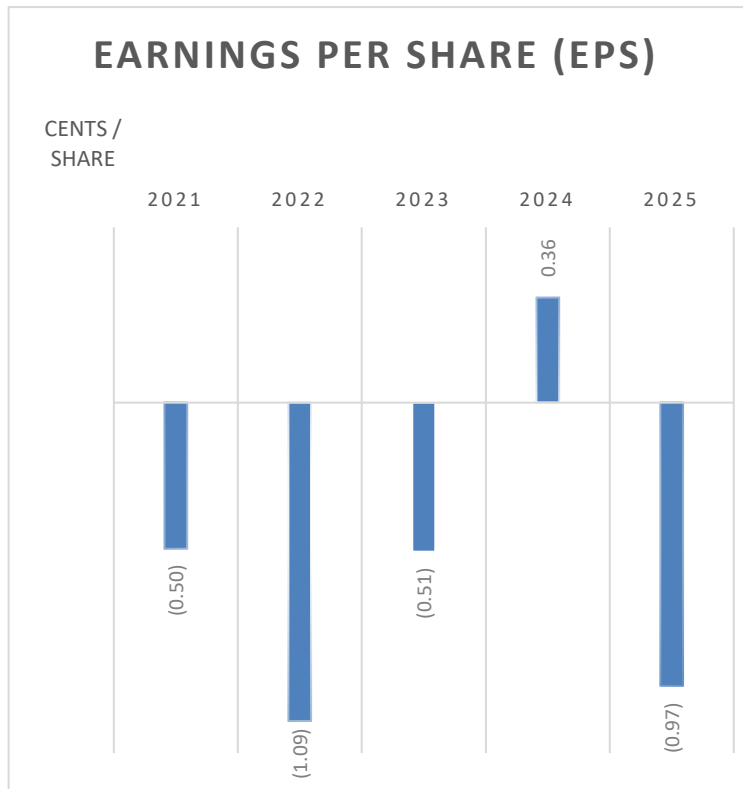


- Combined Loss after tax was \$1.249 million.
- Contributions to profit / (loss) after tax from Property, Leasing and Tourism is \$ (1.413) million, \$0.577 million and \$(0.413) million, respectively.
- For the coming financial year, we expect to record a loss after tax of \$1.0 million from Property, Leasing and Tourism as a direct impact from a slowing tourism sector and higher carrying operating cost.
- No dividends were declared for the financial year ended 30 June 2025.

DIRECTOR'S REPORT



- Net Tangible Assets decreased by 0.97 cents to 3.96 cents per share (2024: 4.93 cents per share)
- For the coming financial year Net Tangible Assets is expected to fall by 0.80 cents per share due a slowing tourism sector and higher carrying operating cost.



- Loss per Share was 0.97 cents per share. (Earnings per Share 2024: 0.36 cents per share)
- Earnings is greatly affected by the outcomes of a slowing tourism sector and higher carrying operating cost
- For the coming financial year, a loss per share is expected at 0.80 cents per share for reasons stated above.

DIRECTOR'S REPORT

Your directors present their report on the consolidated entity consisting of International Equities Corporation Ltd (the company) and the entities it controlled (the Group) at the end of, and during the year ended 30 June 2025.

Directors and Company Secretary

The following persons were directors of the Company during the whole of the financial year and up to the date of this report:

Marcus Peng Fye Tow (Chairman)
Kong Liang Tow
Aubrey George Menezes (Chief Financial Officer / Company Secretary)
Anandakrishna Ambalavanar (Chief Executive Officer - Seasons)

The Company Secretary in office during or since the end of the year:

Aubrey George Menezes

Information on directors and company secretary

The particulars of the qualifications, experience, special responsibilities, shareholdings and disclosure of interests of the Directors and Company Secretary are as follows:

Marcus Peng Fye Tow holds a Bachelor of Business Management degree from Melbourne's Monash University, a Masters of Management from Swinburne University and a Real Estate Agent's Licence from the Real Estate Institute of Victoria. Over 24 years, he has been actively involved in all areas with the Company's development projects in Melbourne. He is also a director of Renaissance Assets Pty Ltd which is a substantial shareholder in the Company. He provides leadership and strategic planning skills to the company. In the last three years, he did not hold directorships in other listed companies. Board member since 14 September 1999.

He attended 11 of the 11 meetings of directors held during the year.

Kong Liang Tow is a well established businessman with extensive business interests in commercial, residential and tourism properties. Over the last 32 years, he has held directorships in various public listed companies in Malaysia which activities include property development and investment. He also has business interests in logging, timber and manufacturing industries. He defines strategic objectives and business leadership skills to the company. In the last three years, he did not hold directorships in other listed companies. Board member since 8 November 1996.

He attended 11 of the 11 meetings of directors held during the year.

Aubrey George Menezes is an Australian CPA, a member of Chartered Institute of Management Accountants in UK. He is experienced in corporate finance and planning and was previously attached to professional practice and public listed corporation, which activities include property development and investment, hospitality and travel. He provides financial understanding and risk assessment to the business. In the last three years, he did not hold directorships in other listed companies. Board member since 16 May 1997.

He attended 11 of the 11 meetings of directors held during the year.

Anandakrishna Ambalavanar previously held the position of Chief Executive Officer of Seasons Apartment Hotel Group Pty Ltd, the hotel management arm of the Company. He has 37 years international and domestic experience in managing hotels and has been associated with The Sheraton Group and Mirvac Hotels prior to joining the Company. Board member since 7 December 2012.

He attended 11 of the 11 meetings of directors held during the year.

Information on other key management personnel

Elena Wei Theng Tow holds a Bachelor of Commerce and Music degree from Melbourne's Monash University. Over 20 years, she has been actively involved in all areas of hotel management for the Company and currently holds the position of Director of Operations for the group. She is also actively involved in the executive committee which oversees all aspects of decision making and operations of hotel management for the group. She provides people and change management policies to the company. She is a director of all Seasons hotel related companies and a director of Renaissance Assets Pty Ltd which is a substantial shareholder in the Company.

DIRECTOR'S REPORT

Information on other key management personnel (Continued)

Dennis Jun Fye Tow holds a Bachelor of Commerce and Arts degree from Melbourne's Deakin University. Over 16 years, he has been actively involved in all areas of hotel management for the Company and currently assists to provide internal audit controls on issues related to hotel management. He is also involved in the executive committee of the hotel management group. He provides financial services and international market experience to the company. He is a director of all Seasons hotel related companies and a director of Renaissance Assets Pty Ltd which is a substantial shareholder in the Company.

Remuneration Report

Remuneration policy

The Board has adopted the remuneration committee's recommendation as follows:

The remuneration policy of the Company states that director's and executive's remuneration should be fixed at fair market terms. These terms may include offering incentives linked to key performance areas affecting the economic entity's financial results. Where contractual, the remuneration term will be for one calendar year. This policy aims to draw a balance between retaining the best executives and directors to run and manage the economic entity, as well as create goal congruence between directors, executives and shareholders.

Fair market terms are defined as an all-encompassing annual remuneration, benefits and employment terms and conditions that would be comparable to the remuneration of individuals in other entities with similar financial performance or as recommended by a human resource consultant.

The board's policy in determining the nature and amount of remuneration for board members and senior executives of the economic entity is outlined as follows:

- (i) The remuneration policy for senior executives includes an annual salary, fringe benefits (if applicable) and superannuation contribution. Other statutory terms are included.
- (ii) The remuneration policy for executive directors includes an annual salary, fringe benefits (if applicable) and superannuation contribution. Other statutory terms are included.
- (iii) The remuneration policy for an executive director with a service contract is a fee including GST. No fringe benefits and superannuation contributions are applicable. The nature of the contract is highlighted under Employment Contracts of Directors and Senior Executives in this remuneration report.
- (iv) The remuneration policy for non-executive directors includes an annual director's fee and travelling expenses (if applicable) to attend all meetings.
- (v) Directors are not entitled to any type of fee if employed with the company unless recommended and approved by shareholders at the Annual General Meeting

For the financial year, the Board has adopted two recommendations which are:

- (i) To accept and ratify all current director's and executive's remuneration terms. The remuneration committee will formulate new recommendations for the coming financial year in accordance with the policies, where required.
- (ii) Non-executive directors will be reimbursed for attending meetings. No fee will be payable for the last financial year.

During the financial year, applicable directors and executives received a superannuation guaranteed contribution required by the government, which is currently 12.0%. They did not receive any other retirement benefits.

All remuneration paid to directors and executives were valued at cost to the company and expensed. No shares or options were given to directors and executives during the year.

Performance Based Remuneration

The performance of directors and executives are measured against the economic entity's performance to enhance shareholders' value. The criterion is set as a measured increase in the net tangible asset value of the economic entity excluding intangibles. Other key performance indicators apply. All remuneration reviews, bonuses and incentives are linked to this performance criterion. The Board may, however, exercise its discretion and can recommend changes to the remuneration committee's recommendations. Any changes will be deliberated and justified by the remuneration committee. The evaluation of senior executives took place for the financial year ended 30 June 2025.

For the financial year, the Board has accepted the remuneration committee's recommendation to not award any remuneration increments, bonuses and incentives until sustainable profits is achieved.

DIRECTOR'S REPORT

Company Performance, Shareholders Wealth and Directors' and Executives' Remuneration

The remuneration policy aims to achieve goal congruence between shareholders and directors and executives. Given the size of the company and industry in which the company is in, a simpler measure of performance has been adopted. The criteria are set as a measured increase in the net tangible asset value of the economic entity excluding intangibles.

For the hospitality and tourism sector two criteria are employed:

- (i) To achieve a 10% growth in Gross Operating Profit (GOP) whilst maintaining a ratio of 40% to Gross Revenues.
- (ii) To achieve a 5% increase in net tangible asset value excluding intangibles.

For the property development sector three criteria are employed:

- (i) To achieve a 10% growth in Net after tax profits.
- (ii) To achieve a 5% increase in net tangible asset value excluding intangibles.
- (iii) To reject any development proposal with less than 15% development profit.

These criteria and performance indices are to be reviewed every 3 three years.

For the financial year, shareholders wealth has declined due to nil development property sales, rising finance costs, reduced management fees / income from serviced apartments / hotel operations and real estate commissions. It was mitigated by cost rationalisation of its operations. The Group's performance is expected to remain stable in the financial year ahead barring any slide in economic conditions.

Below is a table summarising key performance and shareholder wealth indicators for the Company For the year ended 30 June 2025 and the previous 4 financial years.

Period	Profit (Loss) after Tax (\$'000s)	EPS (cents per share)	Share Price (cents)
Year ending 30 June 2025	(1,249)	(0.97)	4.00
Year ending 30 June 2024	467	0.36	4.00
Year ending 30 June 2023	(650)	(0.51)	3.40
Year ending 30 June 2022	(1,397)	(1.09)	3.50
Year ending 30 June 2021	(636)	(0.50)	3.50

Disclosure relating to directors' and executive officers' emoluments is as follows:

(a) Names and positions held of key management personnel in office at any time during the financial year are:

Parent entity directors:

Executive Directors:

MPF Tow	Chairman	- International Equities Corporation Group
KL Tow	Director	- International Equities Corporation Group

Non-Executive Directors:

AG Menezes	Director / Company Secretary	- International Equities Corporation Group
A Ambalavanar	Director	- International Equities Corporation Group

Subsidiary entity directors:

EWT Tow	Director	- Seasons Apartment Hotel Group Pty Ltd
DJF Tow	Director	- Seasons Apartment Hotel Group Pty Ltd

There are no other employees within the consolidated entity who are considered to be key management personnel as defined by AASB 124.

DIRECTOR'S REPORT

(b) Specified directors' remuneration

	Short-term benefits				Post-employment		Other Long-term	Share-based payment	Total
	Cash, Salary & fees \$000	Superannuation contributions \$000	Cash bonus \$000	Non-cash Benefit \$000	Superannuation contributions \$000	Redundancy payments \$000	Long Service Leave \$000	\$000	\$000
2025									
Executive Directors									
MPF Tow	95	-	-	-	-	-	-	-	95
KL Tow	-	-	-	-	-	-	-	-	-
Non- Executive Directors									
AG Menezes	41	-	-	-	-	-	-	-	41
A Ambalavanar	-	-	-	-	-	-	-	-	-
	136	-	-	-	-	-	-	-	136
2024									
Executive Directors									
MPF Tow	-	-	-	-	-	-	-	-	-
KL Tow	-	-	-	-	-	-	-	-	-
Non- Executive Directors									
AG Menezes	41	-	-	-	-	-	-	-	41
A Ambalavanar	118	7	-	-	-	95	-	-	220
	159	7	-	-	-	95	-	-	261

(c) Specified executives' remuneration

	Short-term benefits				Post-employment		Other Long-term	Share-based payment	Total
	Cash, Salary & fees \$000	Superannuation contributions \$000	Cash bonus \$000	Non-cash Benefit \$000	Superannuation contributions \$000	Redundancy payments \$000	Long Service Leave \$000	\$000	\$000
2025									
EWT Tow	-	-	-	-	-	-	-	-	-
DJF Tow	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
2024									
EWT Tow	-	-	-	-	-	-	-	-	-
DJF Tow	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-

DIRECTOR'S REPORT

(d) Remuneration options

Options granted as remuneration:

There were no options granted as remuneration during the year to parent entity directors or specified executive

(e) Shares issued on exercise of remuneration options

There were no shares issued on exercise of remuneration options by parent entity directors or specified executives during the year.

(f) Options and rights holdings

Number of options held by parent entity directors and specified executives:

	Balance 01/07/2024	Granted as remuneration	Options exercised*	Net change other*	Balance 30/06/2025	Total vested 30/06/2025	Total exercisable	Total unexercisable
Parent entity directors:								
Executive Directors:								
MPF Tow	-	-	-	-	-	-	-	-
KL Tow	-	-	-	-	-	-	-	-
Non - Executive Directors:								
AG Menezes	-	-	-	-	-	-	-	-
A Ambalavanar	-	-	-	-	-	-	-	-
Specified executives:								
EWT Tow	-	-	-	-	-	-	-	-
DJF Tow	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-

(g) Shareholdings

Number of shares held by parent entity directors and specified executives:

	Balance 01/07/2024	Received as remuneration	Options exercised	Net change other*	Balance 30/06/2025
Parent entity directors:					
Executive Directors:					
MPF Tow +	61,221,269	-	-	-	61,221,269
KL Tow +++	61,221,269	-	-	-	61,221,269
Non – Executive Directors:					
AG Menezes	-	-	-	-	-
A Ambalavanar	-	-	-	-	-
Specified executives:					
EWT Tow +	61,221,269	-	-	-	61,221,269
DJF Tow ++	61,221,269	-	-	-	61,221,269

+ Interest arises from their directorship in Renaissance Assets Pty Ltd and shares held by a relative

++ Interest arises from his directorship in Renaissance Assets Pty Ltd and in his personal capacity

+++ Interest arises from shares held by a relative

* Net change other refers to shares purchased or sold during the financial year.

DIRECTOR'S REPORT

(h) Employment Contracts of Directors and Senior Executives

Employed directors and senior executives are given contracts of service which stipulate an annual salary and benefits (if applicable). The remuneration structure for the director and senior executive is based on a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the company. The contracts for service between the company and the director and senior executive are on a continuing basis the terms of which are not expected to change in the immediate future. Upon retirement the director and senior executive are paid employee benefit entitlements accrued to date of retirement. The director and senior executive are paid a sum based on the last salary depending on the length of service in the event of redundancy. Any options not exercised before or on the date of termination lapse.

With exception, the company has two on-going management agreements with Renaissance United Assets Management Pty Ltd and 88 Properties Pty Ltd, for provision of Mr Marcus PF Tow and Mr. AG Menezes' services, respectively, which expires on 31 December 2025. No superannuation and benefits are applicable under these agreements. The company reserves the right to renew these agreements under fair market terms. No termination payments are included in the agreement. Mr Marcus PF Tow and Mr. AG Menezes has an interest in Renaissance United assets Management Pty Ltd and 88 Properties Pty Ltd, respectively.

Principal Activities

The principal activities of the consolidated entity during the course of the financial year were Property Development, Tourism – Hotel Management and Others – Real Estate Sales and Management.

	2025 \$000	2024 \$000
Consolidated results		
The consolidated profit/(loss) of the group for the year after income tax expense was:	<u>(1,249)</u>	<u>467</u>
Earnings per share		
Basic earnings / (loss) per share (cents per share)	<u>(0.97)c</u>	<u>0.36c</u>

Significant changes in state of affairs

Other than as reported in the Chairman's Statement, there have been no significant changes in the state of affairs of the consolidated entity that occurred during the financial year.

Review of operations

A summary of consolidated revenues and results by industry segments is set out below:

Highlights	Segment revenue	Segment revenue
Continuing Operations	2025 \$000	2024 \$000
Property development	17	1
Tourism	1,361	1,685
Leasing	1,087	913
	<u>2,465</u>	<u>2,599</u>

Equity Raising and Earnings per Share

For financial year ended 30 June 2025 to the date of this report, no equity was proposed or raised. Shareholder's equity in the company remains at 128,223,577 ordinary shares.

For 2025 profit / (loss) per share of (0.97) cents (2024: profit / (loss) per share 0.36 cents) was recorded from revenue from hotel accommodation. Operations cost remain high due to persistently high inflation.

DIRECTOR'S REPORT

Results from Operations

For the last financial year, revenue has decreased slightly by 5.16 % to \$2.465 million (2024: \$2.599 million). Segmental revenue of \$1.361 million, \$0.017 million and \$1.087 million was generated by Tourism, Property Development and Leasing segments, respectively. The Company will need to stabilise revenues of the Tourism segment in light of a slowing tourism sector and higher carrying operating cost.

Profit / (Loss) after tax for the financial year ended was (\$1.249) million (2024: Profit after tax: \$0.467 million). The Tourism and Property development segments generated a Profit / (Loss) of (\$0.413) million and (\$1.413) million, respectively. However, after tax profit of \$0.577 million was recorded against Leasing segment. The loss from Tourism and Property Development segment was due to lower revenues, higher operating cost and an impairment in value of property held. For the year ahead the company expects losses mostly due to a slowing tourism sector and higher carrying operating cost.

Capital Expenditure

For the financial year ahead, the Company intends to continue their program to refresh all hotel properties as part of its ongoing maintenance policy to ensure it remains positive. All capital expenditure is budgeted for and is financed by cash flows generated from hotel operations.

Borrowings

For the financial year ended 30 June 2025, the Company continues to be funded by bank and other borrowings of \$2.306 million fully secured by the Company's assets. Interest on these borrowings for the same period was \$0.179 million. The Company continues to pay down bank borrowings through amortisation and/or sale of stock of apartments.

Cash Generating Assets

The main cash generating assets of the consolidated entity have been from property related activities in Melbourne and the hotel and serviced apartment operations of Seasons Heritage Melbourne. These are outlined below.

Property Development and Related Activities

Uropa and Seasons Residential Apartments

This development undertaken by IEC (Management) Pty Ltd. continues to carry a stock of 2 apartments and 5 Commercial lots which generate rental income for the company. The company intends to retain all residential and commercial properties for income.

'Seasons Heritage Melbourne' Service Apartments

This development undertaken by (IEC) Pacific Pty Ltd continues to carry stock of 11 Serviced Apartments and commercial lots as at 30 June 2025. The company will retain the Serviced Apartments to be managed by Seasons Heritage Melbourne Pty Ltd and IEC Real Estate Pty Ltd.

Real Estate Management – IEC Real Estate Pty Ltd

IEC Real Estate is a licensed real estate agency specialising in managing apartments for the Company and various other owners. It currently concentrates its activities in Melbourne CBD, Carlton and surrounding areas. It holds on book nearing 257 management authorities.

'Seasons' Hotel Management

Seasons Apartment Hotel Group

'Seasons' is a trade-mark brand of Seasons Apartment Hotel Group Pty Ltd. and its related entity Seasons International Management Pty Ltd. It manages Seasons Heritage Melbourne and Seasons Botanic Gardens on St Kilda Road in Melbourne. The Group will continue to manage these properties into the future.

Seasons of Perth hotel

This property was held by Renaissance Australia Pty Ltd, a wholly owned subsidiary of the company. On 4th October 2023, the Company announced the sale of Seasons of Perth and its entire Business Assets for \$22.5 million. Proceeds were utilised to reduce borrowings by \$14.580 million.

DIRECTOR'S REPORT

Seasons Heritage Melbourne

This property is held by (IEC) Pacific Pty Ltd and operated by Seasons Heritage Melbourne Pty Ltd both are wholly owned subsidiaries of the company. The property currently consists of 27 serviced apartments including a heritage listed residence.

Seasons Darling Harbour

This property was operated by Seasons Darling Harbour Pty Ltd, a wholly owned subsidiary of the company. This property was returned to its lot owners in November 2023 upon expiry of leases.

Dividends

No dividend is recommended in respect of the year ended 30 June 2025 and none has been paid or recommended since the start of the financial year.

Events after the end of the financial year

No matters or circumstance that has significantly affected, or may significantly affect, the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in the financial year after the financial year ended 30 June 2025.

Likely developments and expected results of operations.

The Company's revenue is primarily derived from the sale of apartment stock and income from hotel and serviced apartment operations. The risk to sale of apartment stock centres on certainty in the economy, cost of funds to banks and lending criteria.

At the date of this report confidence in travel and hotel stays has not fully returned to pre-Covid levels. Likewise, higher wages and carrying operating cost have become a focus for Company. Added to the risk factors are high interest rates and inflation.

Risk for tourism is the confidence of returning tourist and holiday makers. Whilst domestic and international borders are now open cost of travel and accommodation deter holiday makers. The Company continues to see uncertainty in the tourism segment in the future years.

For the year ahead, the Company will continue to manage cashflows and have oversight over all cost centres. Further cost rationalisation will be required.

Environmental regulations

The directors believe that the consolidated entity is not subject to any particular or significant environmental regulation.

Insurance of officers

At the date of this report, the Company was still negotiating on policy renewal terms. The amount will be included in financial year ending 30 June 2026. The officers of the company covered by the insurance policy include the directors: KL Tow, AG Menezes, MPF Tow, A Ambalavanar and key management personnel. The liabilities insured include costs and expenses that may be incurred in defending civil or criminal proceedings should such proceedings be brought against the officers in their capacity as officers of the company or a related body corporate.

Share options

There are no options over unissued shares as at the date of this report. No options were exercised during the past year.

Proceedings on behalf of company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

Rounding of amounts to nearest thousand dollars

The consolidated entity is of a kind referred to in class order CI 2016/191 issued by the Australian Securities & Investments Commission relating to the "rounding off" of amounts in the directors' report and the financial report. Amounts in the directors' report and financial report have been rounded off to the nearest thousand dollars in accordance with that class order.

DIRECTOR'S REPORT

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2025 has been received and can be found on page 15.

Parent Entity Financial Statements

The Annual Report 2024 is presented according to the *Corporations Amendment (Corporate Reporting Reform) Act 2010 and the accompanying Corporations Amendment Regulations 2010 (No. 6)*. The Act has removed the need to prepare the parent entity financial statements. However, as some parent entity disclosures are still required by way of note, hence, a simplified parent statement of financial position and parent disclosures in relation to commitments amongst other parties are presented in note 31.

Non-audit Services

The board of directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the directors prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

There were no fees paid / payable for non-audit services to the external auditors during the year ended 30 June 2025.

This report is made out in accordance with a resolution of directors.



AG Menezes
Director

Perth Western Australia
15th September 2025

Auditor's Independence Declaration
Under Section 307c of the Corporations Act 2001**To the directors Of International Equities Corporation Limited & Controlled Entities**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2025, there have been:

- a) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit, and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.



Suan-Lee Tan
Partner – Audit and Assurance
[Moore Australia Audit \(WA\)](#)
Perth
15th day of September 2025



Moore Australia Audit (WA)
Chartered Accountants

Independent Auditor's Report

To the members of International Equities Corporation Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of International Equities Corporation Limited (the Company) and its controlled entities (the "Group"), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss & other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards and the Corporations Regulations 2001, and

Material Uncertainty Related to Going Concern

Without qualification to the opinion expressed above, we draw attention to note 1(w) of the financial statements, which describes the principal conditions that raise doubt about the Group's ability to continue as a going concern. Should the funding outcomes described in note 1(w) not eventuate, this may cast doubt about the Group's ability to continue as a going concern for at least the next 12 months and, if it could not continue as a going concern, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business and at amounts other than as stated in the financial report.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

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 report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter
How the matter was addressed in our audit
Carrying Values of Property, Plant & Equipment and Non-Current Assets Held for Sale / Discontinued Operations
Refer to Note 1(u) Critical Accounting Estimates and Judgements, Note 2 Revenue, Note 4 Discontinued Operations / Non-Current Assets Held for Sale, and Note 12 Property, Plant and Equipment

The total value of the Group's property, plant and equipment (PP&E) at balance date amounted to \$6.87 million.

The value of these property assets is considered a key audit matter as these are material to the Group.

Properties located at 572 St Kilda Road Melbourne were subject to an independent valuation during the year while other properties were based on directors' internal assessment and a previous external valuation.

Management has taken into consideration these valuations as well as other relevant factors, such as recent comparable sales data and current market conditions in assessing whether there are impairment indicators.

As a result of the latest independent valuation, an impairment expense of \$0.488 million was recognised.

Valuation is dependent on several key assumptions and judgements including highest and best use concepts, capitalisation rates and comparative market values.

Our procedures included, amongst others:

- Evaluated management's fair value assessment process in respect of the properties, which were subject to an external valuation and an internal appraisal based on comparable sales data during the year and review of rental yields and other market analysis, to the extent available.
- Considered the experience, methodology and assumptions adopted by the independent valuer during the year and the appropriateness of the methodology and assumptions adopted by the Directors in their internal assessment.
- Considered the potential impact of reasonably possible downside changes in these key assumptions with reference to more recent market data, to the extent available, concerning the Melbourne residential (and serviced) apartment sectors.
- Considered the appropriateness of the impairment recognised on the properties held at 572 St Kilda Road Melbourne as a result of the external valuation obtained during the year. We also benchmarked the book values of the other properties against current external market information such as comparable apartments sold or advertised for sale during the year where available, to ensure there were no other impairment indicators at balance date.
- Reviewed the adequacy of disclosures in the financial statements.
- Based on available evidence, we found management's assumptions in relation to carrying property values to be reasonable.

Carrying Values of Inventories
Refer to Note 11 Inventories

The total carrying value of inventories in the statement of financial position as at 30 June 2025 amounted to \$0.76 million.

Inventory is valued at the lower of cost and net realisable value. Net realisable value is determined by the estimated selling price in the ordinary course of business, less estimated costs to sell.

Our procedures included, amongst others:

- Considered the experience, methodology and assumptions adopted by the independent valuer during the year.
- Benchmarked the value adopted by management against current external market information such as comparable apartments sold or advertised for sale during the year where available, to ensure there were no impairment indicators at balance date.

Key audit matter
How the matter was addressed in our audit

No valuation adjustments were considered necessary, as at 30 June 2025, as a consequence of the independent valuation obtained during the year.

The significant value and subjective nature of determining the net realisable value of the apartments has led us to conclude that valuation of inventories was a key audit matter.

- Reviewed the adequacy of disclosures in the financial statements.

Accounting for AASB 16 Leases
Refer to Note 1(u) Critical Accounting Estimates and Judgements, Note 13 Right of Use Assets and Note 18 Lease Liabilities

The Company has adopted AASB 16 *Leases* in respect of its managed serviced apartments.

Adoption of AASB 16 has resulted in right-of-use assets of \$2.26 million and lease liabilities of \$2.47 million being recognised in the statement of financial position as at 30 June 2025.

The Group has a significant number of leases, several of which were modified, lapsed or terminated during the year.

Because of the significant judgements which have been applied and the estimates made in determining the impact of AASB 16, this area is considered as a key audit matter.

Our procedures included, amongst others:

- Assessed whether the Group's accounting policies and practices are in accordance with the requirements of AASB 16 through consideration of the Group's application of the accounting principles.
- Assessed the discount rates applied in determining lease liabilities.
- Verified the accuracy of the underlying lease data by agreeing a sample of leases to original contracts or other supporting information, and assessing the integrity and mechanical accuracy of the AASB 16 calculations for each lease sampled.
- Checked the completeness of the lease data by reconciling the lease liabilities to operating lease commitments and by considering if we had knowledge of any other contracts which may contain a lease.
- Reviewed the adequacy of disclosures in the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025 but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and will request that it is corrected. If it is not corrected, we will seek to have the matter appropriately brought to the attention of users for whom our report is prepared.

Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and
- c) for such internal control as the directors determine is necessary to enable the preparation of:
 - i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
 - ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the Australian Auditing Standards 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 this financial report.

A further description of our responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2025. In our opinion, the Remuneration Report of International Equities Corporation Limited for the year ended 30 June 2025 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



Suan-Lee Tan
Partner – Audit and Assurance
Moore Australia Audit (WA)
Perth
15th day of September 2025



Moore Australia Audit (WA)
Chartered Accountants

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 21 to 61, are in accordance with the Corporations Act 2001:
 - (a) comply with Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
 - (b) give a true and fair view of the financial position as at 30 June 2025 and of the performance for the year ended on that date of the Company and consolidated group.
2. The Chairman, Chief Executive Officer and Chief Finance Officer have each declared that:
 - (a) the financial records of the company for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;
 - (b) the financial statements and notes for the financial year comply with the Accounting Standards; and
 - (c) the financial statements and notes for the financial year give a true and fair view;
3. The consolidated entity disclosure statement for International Equities Corporation Ltd and its controlled entities as at 30 June 2025 is true and correct.
4. In the Directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed by authority for and on behalf of the Directors by:



AG Menezes
Director

Perth, Western Australia
15th September 2025

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025**

	Note	Consolidated entity	
		2025	2024
		\$'000	\$'000
Continuing Operations			
Revenue	2	2,465	2,599
Other Income	2	-	-
Property development costs	3	-	-
Hotel cost of goods sold	3	(1,181)	(924)
Impairment of non current assets	3	(488)	-
Lease Income / (interest and expenses)	3	(195)	(225)
Borrowing costs expense	3	(179)	(189)
Administrative expenses	3	(1,249)	(1,353)
Depreciation and amortisation expenses	3	(342)	(376)
Other Cost	3	(80)	(7)
Profit/(loss) before income tax expense from continuing operations		(1,249)	(475)
Income tax expense	25	-	-
Profit/(loss) after income tax expense from continuing operations		(1,249)	(475)
Profit/(loss) after income tax expenses from discontinued operations	4	-	942
Net Profit/(loss) for the year		(1,249)	467
Other comprehensive income			
Items that may be reclassified to profit and loss		-	-
Other comprehensive income/(loss) for the year		-	-
Total comprehensive income/(loss) for the year		(1,249)	467

The above Statement should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025**

	Note	Consolidated Entity	
		2025	2024
		\$'000	\$'000
Net profit/(loss) attributable to:			
Members of the parent entity		(1,249)	467
Non-controlling interest		-	-
		<u>(1,249)</u>	<u>467</u>
Total comprehensive income attributable to:			
Members of the parent entity		(1,249)	467
Non-controlling interest		-	-
		<u>(1,249)</u>	<u>467</u>
Earnings Per Share			
From continuing operations:			
Basic earnings per share		(0.97c)	(0.37c)
Diluted earnings per share		(0.97c)	(0.37c)
From discontinued operations:			
Basic earnings per share		-	0.73c
Diluted earnings per share		-	0.73c
From continuing and discontinued operations:			
Basic earnings per share	7	(0.97)c	0.36c
Diluted earnings per share		(0.97)c	0.36c

The above Statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	Note	Consolidated Entity	
		2025	2024
		\$'000	\$'000
CURRENT ASSETS			
Cash assets	9	1,276	2,972
Receivables	10	184	322
Inventories	11	757	757
Other	15	-	-
		<u>2,217</u>	<u>4,051</u>
Assets classified as held for sale	4	-	-
TOTAL CURRENT ASSETS		<u>2,217</u>	<u>4,051</u>
NON CURRENT ASSETS			
Property, plant and equipment	12	6,865	7,361
Right-of-use Assets	13	2,263	2,754
Intangible assets	14	7	12
TOTAL NON CURRENT ASSETS		<u>9,135</u>	<u>10,127</u>
TOTAL ASSETS		<u>11,352</u>	<u>14,178</u>
CURRENT LIABILITIES			
Payables	16	1,394	2,191
Interest-bearing liabilities	17	1,663	1,963
Lease Liabilities	18	226	228
Provisions	19	102	105
		<u>3,385</u>	<u>4,487</u>
Liabilities directly associated with assets classified as held for sale	4	-	-
TOTAL CURRENT LIABILITIES		<u>3,385</u>	<u>4,487</u>
NON CURRENT LIABILITIES			
Interest-bearing liabilities	17	646	717
Lease Liabilities	18	2,239	2,643
TOTAL NON CURRENT LIABILITIES		<u>2,885</u>	<u>3,360</u>
TOTAL LIABILITIES		<u>6,270</u>	<u>7,847</u>
NET ASSETS		<u>5,082</u>	<u>6,331</u>
EQUITY			
Contributed equity	20	12,093	12,093
Reserves	21	40	40
Accumulated losses	22	(7,051)	(5,802)
TOTAL EQUITY		<u>5,082</u>	<u>6,331</u>

The above Statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2025

	Share capital \$'000	Share option reserves \$'000	Asset revaluation reserves \$'000	Accumulated losses \$'000	Total \$'000	Total equity \$'000
(a) Consolidated Entity						
Balance at 1 July 2024	12,093	40	-	(5,802)	6,331	6,331
Net loss for the year	-	-	-	(1,249)	(1,249)	(1,249)
Other Comprehensive/(loss) income for the year	-	-	-	-	-	-
Total Comprehensive income / (loss) for the year	-	-	-	(1,249)	(1,249)	(1,249)
Transfer from reserves to retained earnings – Sale of SOP	-	-	-	-	-	-
Dividends paid or declared	-	-	-	-	-	-
Balance at 30 June 2025	12,093	40	-	(7,051)	5,082	5,082

	Share capital \$'000	Share option reserves \$'000	Asset revaluation reserves \$'000	Accumulated losses \$'000	Total \$'000	Total equity \$'000
(a) Consolidated Entity						
Balance at 1 July 2023	12,093	40	6,706	(12,975)	5,864	5,864
Net loss for the year	-	-	-	467	467	467
Other Comprehensive/(loss) income for the year	-	-	-	-	-	-
Total Comprehensive income / (loss) for the year	-	-	-	467	467	467
Transfer from reserves to retained earnings – Sale of SOP	-	-	(6,706)	6,706	-	-
Dividends paid or declared	-	-	-	-	-	-
Balance at 30 June 2024	12,093	40	-	(5,802)	6,331	6,331

The above Statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2025

	Note	Consolidated entity 2025 \$000	2024 \$000
Cash flows from operating activities			
Receipts from customers		2,573	4,500
Payments to suppliers and employees		(3,754)	(7,364)
Interest received		2	8
Borrowing costs paid		(179)	(700)
Other Income		34	211
Net cash provided by/ (used in) operating activities	8(a)	(1,324)	(3,345)
Cash flows from investing activities			
Proceeds from sale of property, plant & equipment		-	21,375
Purchase of intangibles		-	-
Purchase of property, plant and equipment		-	-
Net cash provided by/ (used in) investing activities		-	21,375
Cash flows from financing activities			
Proceeds from borrowings		67	-
Repayment of borrowings		(439)	(16,594)
Net cash provided by/ (used in) financing activities		(372)	(16,594)
Net increase/(decrease) in cash held		(1,696)	1,436
Cash at the beginning of the financial year		2,972	1,536
Cash at the end of the financial year	9	1,276	2,972

The above Statement should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The financial report covers the economic entity of International Equities Corporation Limited and its controlled entities ("the Group"). International Equities Corporation Limited is a listed public company, incorporated and domiciled in Australia. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. The financial statements were authorised for issue on 15 September 2025 by the directors of the company.

The separate financial statements of the parent entity, International Equities Corporation Limited, have not been presented within this financial report as permitted by amendments made to Corporations Act 2001 effective as at 28 June 2010.

The financial report of the Group, and International Equities Corporation Limited as an individual chief entity comply with all International Financial Reporting Standards (IFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the Group in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Basis of Preparation

The accounting policies set out below have been consistently applied to all years presented.

Reporting Basis and Conventions

The financial statements are prepared on an accrual basis and are based on historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

Accounting Policies

(a) Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by International Equities Corporation Ltd at the end of the reporting period. A controlled entity is any entity over which International Equities Corporation Ltd has the ability and right to govern the financial and operating policies so as to obtain benefits from the entity's activities

Where controlled entities have entered or left the Group during the year, the financial performance of those entities is included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 26 to the financial statements.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are reported separately within the equity section of the consolidated statement of financial position and statement of comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

(b) Investments

Other Investments

Other investments are brought to account at cost. The carrying amount of investments is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the shares' market value or the underlying net assets in the particular companies.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(c) Income tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

The company and its wholly-owned subsidiaries have formed an income tax consolidated group under the tax consolidation regime. Each entity in the group recognises its own current and deferred tax liabilities, except for any deferred tax liabilities resulting from unused tax losses and tax credits, which are immediately assumed by the parent entity. The current tax liability of each group entity is then subsequently assumed by the parent entity. The group notified the Australian Tax Office that it had formed an income tax consolidated group to apply from 1st July 2003.

(d) Inventories

Inventories, including land held for resale, are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. Cost includes the cost of acquisition, development costs, holding costs and directly attributable interest on borrowed funds where the development is a qualifying asset. When a development is completed and ceases to be a qualifying asset, borrowing costs and other costs are expenses as incurred.

(e) Impairment of assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(f) Property, Plant & Equipment

Each class of property, plant and equipment is carried at cost or fair value, less where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are shown at fair value and additions capitalised (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), determined every three - five years (or when requested by the Company's bankers or lenders), by an independent valuation performed by an external independent valuer less subsequent depreciation for buildings. In the interim years, fair value is based on Directors' assessments having regard to market movements. Changes to fair values are recorded in the Asset Revaluation Reserve in the Statement of Financial Position.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the re-valued amount of the asset.

Plant & Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land and building, is depreciated on a straight line basis over their useful lives to the economic entity commencing from the time the asset is held ready for use.

The expected useful lives are as follows:

Furniture, fixtures and equipment	5 years
Motor vehicles	5 years
Leasehold Improvement at cost	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(g) Cash

For purposes of the statement of cash flows, cash includes deposits at call which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts.

(h) Earnings per share

a. Basic earnings per share

Basic earnings per share is determined by dividing the group operating result after income tax attributable to members by weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Earnings per share (Continued)

b. Diluted earnings per share

Diluted earnings per share adjusts the figure used in the determination of basic earnings per share by taking into account amounts paid on ordinary shares and any reduction in earnings per share that will probably arise from the exercise of options outstanding during the financial year.

(i) Land held for development and resale

Land held for development and resale comprises land held for development, contract costs and other holding costs incurred to date.

Costs include the cost of acquisition, development, interest on funds borrowed for the development and holding costs until completion of development. Interest and holding charges incurred after development are expensed. Profit is recognised on an individual contract basis generally at settlement.

(j) Receivables

All trade and other debtors are recognised at the amounts receivable as they are due for settlement no more than 30 days from date of recognition. Collection of trade and other debtors are reviewed on an ongoing basis; uncollectible debts are written off. A provision for doubtful debts is raised where some doubt as to collection exists.

(k) Revenue

Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes.

Revenue from the sale of apartments or units is generally recognised upon settlement, which is at a point in time.

Interest revenue is recognised over time on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of services and accommodation is recognised over time upon the provision of the service to customers.

All revenue is stated net of the amount of goods and services tax (GST).

(l) Trade and other creditors

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. These amounts are unsecured and are usually paid within 30 days of recognition.

(m) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in income in the period in which they are incurred.

(n) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the item of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(o) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

(p) Financial instruments

The Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

The Group subsequently measures all equity investments at fair value. The Company has not elected to present fair value gains and losses on equity investments in OCI, where there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

As per AASB 9, an expected credit loss model is applied, not an incurred credit loss model as per AASB 139. To reflect changes in credit risk, this expected credit loss model requires the Company to account for expected credit loss since initial recognition.

For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. In measuring the expected credit loss, a provision matrix for trade receivables was used taking into consideration various data to get to an expected credit loss (i.e. diversity of customer base, appropriate groupings of historical loss experience, etc).

Interest related to the financial liability is recognised in profit or loss. On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognised.

(q) Fair Value of Assets and Liabilities

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(r) Comparative Figures

Where appropriate comparative figures have been adjusted to conform to changes in presentation of the current financial period.

(s) Rounding of Amounts

The parent entity has applied the relief available to it under ASIC class order CI 2016/191 and accordingly, amounts in the financial report and directors' report have been rounded off to the nearest \$1,000.

(t) Leases

At inception of a contract, the Group assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Group where the Group is a lessee. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Subsequently, the lease liability is measured by a reduction to the carrying amount of any payments made and an increase to reflect any interest on the lease liability.

The right-of-use assets is an initial measurement of the corresponding lease liability less any incentives and initial direct costs. Subsequently, the measurement is the cost less accumulated depreciation (and impairment if applicable).

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest. The Group's incremental borrowing rate applied to the lease liabilities was 7.5%.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(u) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. 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.

Key estimates — Impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates and assumptions.

Key estimates -Fair Value of Freehold Land and Buildings

The Group regularly reassesses the value of freehold land and buildings so as to ensure that they are reflected at fair value based on either independent valuations or directors' assessments incorporating the latest available market information. Such assessments are based on information available and judgements made at the time of preparing these financial statements. Refer to note 12 for information on best estimates used in the valuation of land and buildings.

Key estimates -Fair Value of Inventory

The Group regularly reassesses the value of inventory to ensure that they are reflected at fair value based on either independent valuations or directors' assessments incorporating the latest available market information. Such assessments are based on information available and judgements made at the time of preparing these financial statements. Refer to note 11 for information on best estimates used in the valuation of land and buildings.

Key estimates -Carrying Value of Right of Use Assets

The Group carries right of use assets at amortised cost and impairment tests them when there is an indicator of impairment. The impairment testing of assessed values are based on value in use calculations/consideration. Such assessments are based on information available, assumptions and judgements made at the time of preparing these financial statements. Refer to note 13 for information as to assumptions used and estimates adopted in the impairment assessment of right of use assets.

(v) New and Amended Accounting Policies Adopted by the Group

Adoption of new and revised accounting standards

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

In the year ended 30 June 2025, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current reporting period beginning on or after 1 July 2024. The changes that impact the Group are as follows:

AASB 2020-1: Classification of Liabilities as Current or Non-current

The Group adopted AASB 2020-1 which amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. It also clarifies the meaning of "settlement of a liability".

The adoption of the amendment did not have a material impact on the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(v) New and Amended Accounting Policies Adopted by the Group (continued)

Adoption of new and revised accounting standards (continued)

AASB 2022-5: Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback

The Group adopted AASB 2022-5 which amends AASB 16 to add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in AASB 15: *Revenue from Contracts with Customers* to be accounted for as a sale.

The adoption of the amendment did not have a material impact on the financial statements.

AASB 2022-6: Amendments to Australian Accounting Standards – Non-Current Liabilities with Covenants

The Group adopted AASB 2022-6 which amends AASB 101 to improve the information an entity provides in its financial statements about liabilities from loan arrangements for which the entity's right to defer settlement of those liabilities for at least 12 months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement.

The adoption of the amendment did not have a material impact on the financial statements.

New standards and interpretations issued but not yet effective

The following standard is not yet effective but may have an impact on the financial statements of the Group in the future.

– *AASB 18: Presentation and Disclosure in Financial Statements*

AASB 18 will replace AASB 101 to amend the presentation and disclosure requirements in financial statements which includes:

- the presentation of the statement of profit or loss into five categories, namely the operating, investing, financing, discontinued operations and income tax categories, as well as newly defined operating profit subtotals;
- disclosure of management-defined performance measures (MPMs) in a single note; and
- enhanced requirements for grouping (aggregation and disaggregation) of information.

In addition, the Group will be required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Group plans on adopting the amendment for the reporting period ending 30 June 2028. The Group is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Group's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as "other".

– *AASB 2024-2: Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments*

AASB 2024-2 amends AASB 7 and AASB 9 in relation to:

- settling financial liabilities using an electronic payment system;
- assessing contractual cash flow characteristics of financial assets with environmental, social and corporate governance (ESG) and similar features; and
- disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income, and adds disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs.

The Group plans on adopting the amendment for the reporting period ending 30 June 2027. The amendment is not expected to have a material impact on the financial statements once adopted.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(v) New and Amended Accounting Policies Adopted by the Group (continued)

New standards and interpretations issued but not yet effective (continued)

- AASB 2024-3: *Amendments to Australian Accounting Standards – Annual Improvements Volume 11*

AASB 2024-3 amends the following:

- AASB 1 to improve consistency between AASB 1 and the requirements for hedge accounting in AASB 9, as well as to improve the understandability of AASB 1;
- AASB 7 to replace a cross-reference and improve the consistency in the language used in AASB 7 with the language used in AASB 13;
- AASB 9 to clarify how a lessee accounts for the derecognition of a lease liability when it is extinguished and address inconsistencies between AASB 9 and the requirements in AASB 15 in relation to the term “transaction price”;
- AASB 10 in relation to determining de facto agents of an entity; and
- AASB 107 to replace the term “cost method” with “at cost”, as the term is no longer defined in Australian Accounting Standards.

The Group plans on adopting the amendment for the reporting period 30 June 2027. The amendment is not expected to have a material impact on the financial statements once adopted.

(w) Going Concern & Obligations under Bank Borrowings

For the year ended 30 June 2025, the Group reported a net loss after tax of \$1.249 million (2024: Profit of \$0.467 million and generated net cash operating outflows of \$1.324 million (2024: net cash operating outflows of \$3.345 million). At balance sheet date, current liabilities exceeded current assets by \$1.168 million.

Having considered all of the matters noted above, the directors are confident of the Group's ability to continue as a going concern for the following reasons:

- The demonstrated ability to obtain refinancing for existing loans.
- The demonstrated ability to sell down existing stocks of apartments located in Melbourne to reduce debt. The property market in Melbourne, in particular, remains stable;
- The ability to dispose of certain non-current assets to extinguish the loans
- The ability to draw on additional funds from existing approved finance facilities;
- The ability to raise capital or loans from shareholders or related parties.

Based on the above factors, the Directors consider the going concern basis of preparation to be appropriate for this financial report. However, in the unlikely event the above outcomes are not achievable, the Group may not be able to realise its assets and extinguish its liabilities at the amounts stated in the financial statements

(x) Discontinuing Operations and Assets Held for Sale

A discontinued operation is a component of the Group that has been disposed of or is held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

Disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of carrying amount and fair value less costs of disposal. For assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

2. REVENUE	2025 \$000	2024 \$000
FROM CONTINUING OPERATIONS		
Operating activities		
- Sale of apartments ¹	-	-
- Sale services & accommodation ²	1,132	1,376
- Property management fees ²	716	594
- Rental revenue ²	581	463
- Interest received – other persons ²	2	1
- Other revenue, including lease modifications ¹	34	165
	<u>2,465</u>	<u>2,599</u>
FROM DISCONTINUED OPERATIONS		
Operating activities		
- Gain on Sale of SOP ¹	-	1,537
- Sale services & accommodation ²	-	1,350
- Rental revenue ²	-	-
- Interest received – other persons ²	-	6
- Other revenue, including lease modifications ¹	-	48
	<u>-</u>	<u>2,941</u>
Total Revenue	<u>2,465</u>	<u>5,540</u>
¹ revenue recognised at a point in time		
² revenue recognised over time		
3. PROFIT/(LOSS) FROM ORDINARY ACTIVITIES		
Profit/(loss) from ordinary activities before income tax has been determined after:		
FROM CONTINUING OPERATIONS		
Borrowing cost	<u>179</u>	<u>189</u>
Administration Costs	1,249	1,353
Hotel cost and cost of goods sold	1,181	924
Depreciation and amortisation	342	376
Impairment of non current assets	488	-
Lease interest	195	225
Commissions	-	-
Other cost	80	7
	<u>3,535</u>	<u>2,885</u>
Total from continuing operations	<u>3,714</u>	<u>3,074</u>
FROM DISCONTINUED OPERATIONS		
Borrowing cost	<u>-</u>	<u>511</u>
Administration Costs	-	389
Hotel cost and cost of goods sold	-	1,030
Depreciation and amortisation	-	69
Lease Interest	-	-
	<u>-</u>	<u>1,488</u>
Total from discontinued operations	<u>-</u>	<u>1,999</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

4. DISCONTINUED OPERATIONS

Renaissance Australia Pty Ltd t/a Seasons of Perth and Seasons Darling Harbour Pty Ltd t/a Seasons Darling Harbour Sydney's operations have been classified in this full year report as 'discontinued operations'. Sale of Seasons of Perth Hotel and Business assets settled on 4th October 2023 whilst Seasons Darling Harbour Sydney's operations ceased in November 2023.

Financial performance of discontinued operations

	2025 \$'000	2024 \$'000
Revenue	-	2,941
Hotel cost of goods sold	-	(1,030)
Borrowing costs expense	-	(511)
Administrative expenses	-	(389)
Depreciation and amortisation expenses	-	(69)
Lease Interest	-	-
Profit/(loss) before income tax expense from discontinued operations	-	942
Income tax expense	-	-
Net Profit/(loss) for the year after income tax expense from discontinued operations	-	942

Consolidated Statement of discontinued operations

	2025 \$'000	2024 \$'000
Non-current assets of classified as held for sale:		
Property, plant and equipment (Season of Perth)	-	-
	<u>-</u>	<u>-</u>
Liabilities directly associated with assets held for sale:		
Interest-bearing liabilities	-	-
	<u>-</u>	<u>-</u>

Cash Flow information from discontinued operations

	2025 \$'000	2024 \$'000
Cash flows from operating activities	-	962
Cash flows from investing activities	-	21,375
Cash flows from financing activities	-	(16,594)
Net increase in cash and cash equivalents from discontinued operations	-	5,743

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

5. KEY MANAGEMENT PERSONNEL

Refer to the remuneration report contained in the directors' report for details of the remuneration paid or payable to each member of the Group's key management personnel (KMP) for the year ended 30 June 2025.

The totals of remuneration paid to KMP of the company and the Group during the year are as follows:

	2025 \$000	2024 \$000
Short term employee benefits	136	166
Post-employment benefits	-	95
Other long-term benefits	-	-
Share based payments	-	-
Total KMP compensation	<u>136</u>	<u>261</u>

Short term employment benefits

These amounts include fees and benefits paid to the non-executive Chair and non-executive directors, as well as all salary, paid leave benefits and cash bonuses awarded to executive directors and other KMP.

Post-employment benefits

These amounts are the current year's estimated cost of providing for the Group's defined benefit scheme post-retirement, superannuation contributions made during the year and post-employment life insurance benefits.

Other long-term benefits

These amounts represent long service leave benefits accruing during the year, long-term disability benefits and deferred bonus payments.

Share based payments

There were no share-based payments during the financial year.

Further information in relation to KMP remuneration can be found in the directors' report.

6. AUDITOR'S REMUNERATION

	2025 \$000	2024 \$000
Remuneration of the auditor of the parent company for:		
- auditing or reviewing the financial report of controlled entities	60	70
Remuneration of the auditor of the controlled entities for:		
- auditing or reviewing the financial report of controlled entities	-	-
	<u>60</u>	<u>70</u>

7. EARNINGS / (LOSS) PER SHARE

Basic profit / (loss) per share is (0.97) cents (2024: profit / (loss) per share 0.36 cents per share)

- Weighted average number of ordinary shares outstanding during the year used in calculation of basic earnings / (loss) per share is 128,223,577 (2024: 128,223,577).
- Diluted earnings / (loss) per share is not materially different from earnings per share

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

8. CASH FLOW INFORMATION

- (a) Reconciliation of cash flow from operations with operating profit/(loss) after income tax

	2025 \$000	2024 \$000
Operating profit/(loss) after income tax	(1,249)	467
Non-cash flows in operating profit		
Depreciation and amortisation of non-current assets	342	445
Impairment of non current assets	488	-
Net (gain) / loss on sale of non-current assets	-	(1,537)
AASB 16 – Interest Charge	195	225
AASB 16 – Lease modifications	(7)	(201)
Changes in assets and liabilities		
(Increase)/Decrease in trade debtors	145	716
(Increase)/Decrease in prepayments	-	20
(Increase)/Decrease in inventories	-	2
(Increase)/Decrease in other non-current assets	-	-
(Decrease)/Increase in trade & other payable	(1,235)	(3,284)
Increase/(Decrease) in provisions	(3)	(198)
Net cash (used in)/provided by operating activities	<u>(1,324)</u>	<u>(3,345)</u>

9. CASH

	2025 \$000	2024 \$000
Cash at bank and on hand	1,276	2,972
	<u>1,276</u>	<u>2,972</u>

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash at bank and on hand	1,276	2,972
	<u>1,276</u>	<u>2,972</u>

10. RECEIVABLES Current

	2025 \$000	2024 \$000
Trade debtors	185	323
Less: allowance for expected credit losses	(1)	(1)
	<u>184</u>	<u>322</u>

The Group has applied AASB 9 in providing for expected credit loss (allowance for impairment) as at 30 June 2025.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

11. INVENTORIES	2025	2024
Current	\$000	\$000
Completed units held for resale	757	757
Consumables and stores	-	-
	<u>757</u>	<u>757</u>

Valuation Basis

Completed units are carried at the lower of cost and net realisable value. Net realisable values are determined by the directors based on market values, being the price that would be received to sell an asset in an orderly transaction between market participants at the reporting date. The assessment undertaken to determine the fair value of the Group's land and buildings is based on the best available current information.

Uncertainty around Property Valuations

The valuation assessments undertaken have placed more weighting to currently available information. The current economic conditions may mean that the Company may face increased uncertainty on which to base valuation judgements, which may impact on the fair values adopted for the Group's property assets and the future price achieved if a property is sold.

12. PROPERTY, PLANT AND EQUIPMENT	2025	2024
	\$000	\$000
Freehold land and buildings		
Seasons Heritage Melbourne hotel at valuation ⁽²⁾	4,286	4,774
IEC Management commercial lots and apartments ⁽³⁾	<u>2,577</u>	<u>2,577</u>
	6,863	7,352
Furniture, fittings and equipment		
At cost	40	40
Less: accumulated depreciation	<u>(38)</u>	<u>(31)</u>
	2	9
Total	<u>6,865</u>	<u>7,361</u>

(1) The fair value of Seasons Heritage Melbourne Serviced Apartments was determined on 28 July 2025 by an independent valuation by Charter Keck Cramer at \$5.00 million.

(2) The fair value of IEC Management's commercial lots and apartments was determined on 18 August 2023 by an independent valuer, Charter Keck Cramer. Having regard to the positive rental yields and sustained profitability of the leasing segment, the Directors have assessed that the fair value is not materially different to the carrying value as at 30 June 2025.

Valuation Basis

The basis of valuation of freehold land and buildings is fair value. Fair values are based on market values, being the price that would be received to sell an asset in an orderly transaction between market participants at the reporting date.

The assessment undertaken to determine the fair value of the Group's freehold land and buildings is based on the best available current information.

Uncertainty around Property Valuations

The valuation assessments undertaken have placed more weighting to currently available information. The current economic conditions may mean that the Company may face increased uncertainty on which to base valuation judgements, which may impact on the fair values adopted for the Group's property assets and the future price achieved if a property is sold.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

12. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	2025 \$000	2024 \$000
Reconciliations:		
Freehold land and buildings		
Opening balance	7,352	7,352
Depreciation	(1)	-
Impairment of non current assets	(488)	-
Disposal	-	-
Closing balance	<u>6,863</u>	<u>7,352</u>
Furniture, fittings and equipment		
Opening balance	51	51
Additions	-	-
Depreciation	(49)	(42)
Closing balance	<u>2</u>	<u>9</u>

13. RIGHT-OF-USE ASSETS

The Group's lease portfolio currently includes apartments managed by the Group. These leases run for a period between 1 and 6 years with an option to renew for a further period between 2 and 10 years. The extension option where management are reasonably certain to be exercised have been included in the calculation of the lease liability.

The Group has elected not to recognise right-of-use assets for low value items and any short-term leases.

	2025 \$000	2024 \$000
(i) AASB 16 related amounts recognised in the balance sheet		
Right-of-use assets		
Leased apartments	2,961	3,111
Accumulated depreciation	<u>(698)</u>	<u>(357)</u>
	<u>2,263</u>	<u>2,754</u>
Right-of-use assets		
Balance at beginning of the year	2,754	3,774
Additions	-	-
Lease modifications	(150)	(662)
Depreciation expense for the year	<u>(341)</u>	<u>(358)</u>
Balance at the end of the financial year	<u>2,263</u>	<u>2,754</u>

The full impact to the Group's operations was mainly due to terminating leases at Seasons Heritage Melbourne and end of management lease at Seasons Darling Harbour in Sydney. Management will continue to review and negotiate the terms of the remaining lease agreements as they become due. As a result of these lease modifications and terminations, the right-of-use assets have decreased by \$0.491 million and lease liabilities have decreased by \$0.406 million in the current financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

14. INTANGIBLE ASSETS

Other Intangibles	2025 \$000	2024 \$000
Balance at beginning of period	12	17
Acquired during the period	-	-
Balance at end of period	<u>12</u>	<u>17</u>
Amortisation	(5)	(5)
Balance at end of period	<u>7</u>	<u>12</u>
 Total balance at end of period	 <u>7</u>	 <u>12</u>

15. OTHER ASSETS

Prepayments	<u>-</u>	<u>-</u>
-------------	----------	----------

16. TRADE AND OTHER PAYABLES

	2025 \$000	2024 \$000
Trade creditors	1,148	1,889
Other creditors and accruals	246	302
	<u>1,394</u>	<u>2,191</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

17. INTEREST-BEARING LIABILITIES

	2025 \$000	2024 \$000
Current		
Loan from related party ^(e)	-	300
Bank loan – secured ^(a)	1,663	1,663
	<u>1,663</u>	<u>1,963</u>
Non-current		
Bank loans - secured ^(a)	643	675
Loan from related party ^(e)	3	42
	<u>646</u>	<u>717</u>
 Borrowings comprise the following:		
Bank of Queensland (matures in 18 October 2026 and subject to annual review)	1,663	1,663
ING (matures in October 2036)	643	675
	<u>2,306</u>	<u>2,338</u>

Notes:

(a) Secured loans are expected to be settled:

- within 12 months
- 12 months or more

(b) Total current and non-current secured liabilities

(c) The carrying amounts of current and non-current assets pledged as security are:

First mortgage

Freehold land and buildings

Inventory for sale

Total assets pledged as security

(d) The bank loans are secured by assets of IEC (Management) Pty Ltd's property, a debenture charge from the companies, a guarantee from the holding company and a deed of subordination from the holding company.

(e) The loan from related party is interest free, unsecured, and has no fixed terms of repayment.

(f) Under the terms of the ING bank loan, the Group is required to comply with the financial covenant of LVR ratio. The LVR ratio must not exceed 60% at all time. The Group has complied with these covenants throughout the year ended 30 June 2025.

18. LEASES LIABILITIES

	2025 \$000	2024 \$000
(a) Current		
Lease Liability - Right of Use Asset	226	228
Total current	<u>226</u>	<u>228</u>
(b) Non - current		
Lease Liability - Right of Use Asset	2,239	2,643
Total Non - current	<u>2,239</u>	<u>2,643</u>
 Total	<u>2,465</u>	<u>2,871</u>

Refer to Note 13 for details of the impact of lease terminations and modifications on right of use assets and lease liabilities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

	2025 \$000	2024 \$000
19. PROVISIONS		
Employee entitlements	102	105
		Employee Benefits
		\$000
Opening balance at 1 July 2024		105
Additional provisions		6
Amounts used or paid out		(9)
Balance at 30 June 2025		102

Analysis of total provisions

	2025 \$000	2024 \$000
Current	102	105
Non-current	-	-
	102	105

20. CONTRIBUTED EQUITY

Paid-up capital:		
128,223,577 fully paid ordinary shares (2024: 128,223,577)	12,093	12,093
128,223,577 issued and fully paid ordinary shares (2024: 128,223,577) at the start of the financial year	12,093	12,093
Movement in the year	-	-
At end of the financial year	12,093	12,093

The only shares the Company has on issue are the fully paid ordinary shares. These shares have the right to receive dividends as declared and, in the event of a winding up of the Company, to participate in the proceeds of the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

The ordinary shares entitle the holder to one vote, either in person or by proxy, at a meeting of the Company.

	Year to 30 June 2025		Year to 30 June 2024	
	No. of shares	\$000	No. of shares	\$000
Movement in ordinary shares on issue:				
Beginning of the period	128,223,577	12,093	128,223,577	12,093
Share based payments	-	-	-	-
Shares bought back on-market	-	-	-	-
At end of the financial year	128,223,577	12,093	128,223,577	12,093

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

20. CONTRIBUTED EQUITY (CONTINUED)

Capital Management

Management controls the capital of the Group in order to maintain a good debt to equity ratio, provide the shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern.

The Group's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets.

There are no externally imposed capital requirements

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

The gearing ratios for the year ended 30 June (excluding the impact of leases) are as follows:

	2025 \$000	2024 \$000
Total borrowings – see note 17	2,309	2,680
Less cash and cash equivalents – see note 9	<u>(1,276)</u>	<u>(2,972)</u>
Net debt/(equity)	1,033	(292)
Total equity	<u>5,082</u>	<u>6,331</u>
Total capital	<u><u>6,115</u></u>	<u><u>6,039</u></u>
Gearing Ratio	<u>0.20</u>	<u>-</u>
	2025 \$000	2024 \$000

21. RESERVES

Share option reserve	40	40
Asset revaluation reserve	<u>-</u>	<u>-</u>
	<u>40</u>	<u>40</u>

22. ACCUMULATED LOSSES

Accumulated losses at beginning of the financial year	(5,802)	(12,975)
Transfer from Reserves following sale of SOP	-	6,706
Net profit/(loss) attributable to the members of the parent entity	(1,249)	467
Accumulated losses at end of the financial year	<u><u>(7,051)</u></u>	<u><u>(5,802)</u></u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

23. FINANCIAL RISK MANAGEMENT

(a) Financial Risk Management Policies

The group's financial instruments consist mainly of deposits with banks, short term investment, accounts receivable and payable, loans to and from subsidiaries, bank loans and lease liabilities.

i. Treasury Risk Management

The board of directors meet on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The board's overall risk management strategy seeks to assist the consolidated group in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the Board on a regular basis. These include the use of hedging derivative instruments, credit risk policies and future cash flow requirements.

ii. Financial Risk Exposure and Management

The main risks the group is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest rate risk

Interest rate risk is managed with a mixture of fixed and floating rate debt. At 30 June 2025, none of group debt is fixed. Under the present financial conditions interest rate policies are dictated by the financial institutions. The role of the board also includes negotiating for preferred margins over prescribed rates.

Foreign Currency risk

The group is not exposed to fluctuations in foreign currencies arising from the sale and purchase of goods and services. All transactions are in Australian Dollars.

Liquidity risk

The group manages liquidity risk by maintaining adequate banking and borrowing facilities through the monitoring of future rolling cash flow forecasts of its operations, which reflect management's expectations of the settlement of financial assets and liabilities.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group.

Credit risk arises from the financial assets of the Group, which comprise cash and cash equivalents, trade and other receivables and other financial assets. The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained. Exposure at balance date is addressed in each applicable note.

The Company does not hold any credit derivatives to offset its credit exposure.

The Board monitors credit risk by actively assessing the rating quality and liquidity of counter parties:

- only banks and financial institutions with an "A" rating are utilised;
- all potential customers are rated for credit worthiness taking into account their size, market position and financial standing;

The group only invests in listed financial equity assets that have a minimum 'A' credit rating. At present the Consolidated Group has no exposure to this risk.

Unlisted available for sale financial assets are not rated by external credit agencies. These are reviewed regularly by the group to ensure that credit exposure is minimised.

The Group evaluates and compares the risk of a default on a financial instrument at the reporting date with the risk of default on the financial instrument at the date of initial recognition. To support the evaluation process the Group takes into consideration both quantitative and qualitative information that is reasonable and justifiable, including past experience and prospective information that is publicly available. Prospective information taken into consideration includes the future volatility of the of the industries in which the Group's debtors are in, obtained from industry reports, financial news reports, government bodies, as well as taking into consideration multiple external sources of current and future economic information to which the Group's core operations may relate.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

23. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Financial Risk Management Policies (Continued)

ii. Financial Risk Exposure and Management (Continued)

The credit risk for counterparts included in trade and other receivables at 30 June is detailed below:

	2025 \$000	2024 \$000
Trade and other Receivables		
AA rated counterparties	-	-
B rated counterparties	-	-
Counterparties not rated	184	322
Total	<u>184</u>	<u>322</u>

The consolidated group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the consolidated group.

Price risk

The group is not exposed to risk in commodity prices.

(b) Financial Instruments

a. Derivative Financial Instruments

Derivative financial instruments were not used by the consolidated group for the year ended 30 June 2025.

b. Interest Rate Swap

Interest Rate Swaps were not entered for the year ended 30 June 2025.

c. Financial Instrument Composition and maturity analysis

The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the statement of financial position.

	Weighted Average		Fixed Interest Rate Maturing									
	Effective Interest		Floating		Within 1		1 to 5		Non - Interest		Total	
	Rate		Interest Rate		Year		Years		Bearing			
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	%	%	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Financial Assets												
Cash and cash equivalents	0.08	0.01	1,276	2,972	-	-	-	-	-	-	1,276	2,972
Receivables	-	-	-	-	-	-	-	-	184	322	184	322
Total Financial Assets			<u>1,276</u>	<u>2,972</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>184</u>	<u>322</u>	<u>1,460</u>	<u>3,294</u>
Financial Liabilities												
Bank loans and overdrafts	7.72	7.68	2,306	2,338	-	-	-	-	-	-	2,306	2,338
Trade and sundry payables	-	-	-	-	-	-	-	-	1,148	1,876	1,148	1,876
Amounts payable related parties	-	-	-	-	-	-	-	-	3	342	3	342
Total Financial Liabilities			<u>2,306</u>	<u>2,338</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,151</u>	<u>2,218</u>	<u>3,457</u>	<u>4,556</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

23. FINANCIAL RISK MANAGEMENT (CONTINUED)

Trade and other receivables are expected to be collected as follows:

	2025 \$000	2024 \$000
Trade and other receivables		
Not past due	20	90
Past due 30 days	16	21
Past due 60 days	95	42
Past due 90 days	28	32
Past due 90 days +	26	131
Less: Amount impaired	(1)	(1)
Total amount not impaired	<u>184</u>	<u>315</u>

The Group applies the simplified approach to providing for expected credit losses prescribed by AASB 9 which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses trade receivables are grouped based on shared credit risk characteristics and the days past due. The loss allowance provision as at 30 June 2025 is determined by reference to past default experience of the debtor, an analysis of the debtors current financial position, general economic conditions of the industry in which the debtor operates and an assessment of both current and forecast information relevant to the debtor and their industry.

Trade and sundry payables are expected to be paid as follows:

	2025 \$000	2024 \$000
Trade and other Payables		
Less than 6 months	562	446
6 months to 1 year	323	302
1 to 5 years	509	1,128
Over 5 years	-	-
	<u>1,394</u>	<u>1,876</u>

(i) Net Fair Values

The net fair values of:

All assets and liabilities approximate their carrying value.

No financial assets and financial liabilities are readily traded on organised markets.

Financial assets where the carrying amount exceeds net fair values have not been written down as the consolidated group intends to hold these assets to maturity.

Aggregate net fair values and carrying amounts of financial assets and financial liabilities at balance date:

	2025		2024	
	Carrying Amount	Net Fair Value	Carrying Amount	Net Fair Value
	\$000	\$000	\$000	\$000
Financial Assets				
Cash and cash equivalents	1,276	1,276	2,972	2,972
Trade and other receivables	184	184	322	322
	<u>1,460</u>	<u>1,460</u>	<u>3,294</u>	<u>3,294</u>
Financial Liabilities				
Trade and other payables	1,148	1,148	1,876	1,876
Bank and other loans payable	2,309	2,309	2,680	2,680
	<u>3,457</u>	<u>3,457</u>	<u>4,556</u>	<u>4,556</u>

(ii) Interest Rate Risk

The group has performed a sensitivity analysis relating to its exposure to interest rate risk at balance sheet date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

23. FINANCIAL RISK MANAGEMENT (CONTINUED)

(iii) Sensitivity Analysis

Interest Rate Sensitivity Analysis

At 30 June 2025, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	2025 \$000	2024 \$000
Change in Profit		
- Increase in interest rate by 2%	(46)	(54)
- Decrease in interest rate by 2%	46	54
Change in Equity		
- Increase in interest rate by 2%	(46)	(54)
- Decrease in interest rate by 2%	46	54

The above interest rate sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

The Company is not exposed to foreign currency risk or price risk.

24. FAIR VALUE MEASUREMENT

- (a) Recurring and non-recurring fair value measurement amounts and the level of the fair value hierarchy within which the fair value measurements are categorised:

Fair Value Measurements at 30 June 2025:

		Quoted Prices in Active Markets for Identical Assets \$000 (Level 1)	Significant Observable Inputs Other than Level 1 Inputs \$000 (Level 2)	Significant Unobservable Inputs \$000 (Level 3)
Recurring fair value measurements				
Property, plant and equipment (at revalued amounts):				
Freehold land and buildings	(i)	-	6,863	-

Fair Value Measurements at 30 June 2024:

		Quoted Prices in Active Markets for Identical Assets \$000 (Level 1)	Significant Observable Inputs Other than Level 1 Inputs \$000 (Level 2)	Significant Unobservable Inputs \$000 (Level 3)
Description	Note			
Recurring fair value measurements				
Property, plant and equipment (at revalued amounts):				
Freehold land and buildings		-	7,352	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

24. FAIR VALUE MEASUREMENT (CONTINUED)

- (i) The fair value measurement amounts of freehold land and buildings relate to:
- Seasons of Perth Hotel in Western Australia, sold on 4 October 2023
 - Serviced Apartments at Seasons Heritage Melbourne Hotel in Victoria.
 - Commercial Lots and Apartments of IEC Management Pty Ltd

- b. Valuation techniques and inputs used to determine level 2 fair values:

	Fair Value at 30 June 2025	Description of Valuation Techniques	Inputs Used
Level 2	\$000		
11 Apartments within Seasons Heritage Melbourne (Charter Keck Kramer Valuation Report 28 July 2025)	4,225	Direct Comparison Approach, Estimation of future trading results, Going Concern valuation	Supply-demand factors, current market rental and sales prices, Management Rights, Historical and forecasted trading figures.
Commercial Lots and Apartments of IEC Management (Valuation by Charter Keck Kramer 18 August 2023)	4,758	Direct Comparison Approach, Estimation of future trading results, Going Concern valuation	Supply-demand factors, current market rental and sales prices, Management Rights, Historical and forecasted trading figures.

There were no changes during the period in the valuation techniques used by the Group to determine Level 2 fair values.

	Fair Value at 30 June 2024	Description of Valuation Techniques	Inputs Used
Level 2	\$000		
11 Apartments within Seasons Heritage Melbourne (Charter Keck Kramer Valuation Report 3 February 2022)	4,630	Direct Comparison Approach, Estimation of future trading results, Going Concern valuation	Supply-demand factors, current market rental and sales prices, Management Rights, Historical and forecasted trading figures.
Seasons of Perth (CBRE Hotels Valuation Report 10 January 2022)	-	Direct Comparison Approach, Estimation of future trading results, Going Concern valuation	Supply-demand factors, current market rental and sales prices, Management Rights, Historical and forecasted trading figures.
Commercial Lots and Apartments of IEC Management (Valuation by Charter Keck Kramer 18 April 2018)	3,492	Direct Comparison Approach, Estimation of future trading results, Going Concern valuation	Supply-demand factors, current market rental and sales prices, Management Rights, Historical and forecasted trading figures.

There were no changes during the period in the valuation techniques used by the Group to determine Level 2 fair values.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

25. INCOME TAX EXPENSE

	2025 \$000	2024 \$000
(a) The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax as follows:		
Profit / (Loss) from ordinary activities before income tax	(1,249)	467
Income tax liability / (benefit) calculated at 25% (2024: 25%) of profit/ (loss) from ordinary activities before income tax	312	(117)
Tax effect of permanent differences	-	-
	312	(117)
Timing differences and tax profits/(losses) not brought to account as future income tax liability / (benefit)	(312)	117
	-	-
Income tax expense	-	-
(b) Deferred tax liability		
Profits deferred for tax purposes	-	-
(c) Deferred tax asset		
Certain deferred tax assets have not been recognised as an asset: Attributable to tax losses at 25% (2024: 25%) ^{Note 1}	4,609	4,070

The tax benefits of the above deferred tax assets will only be obtained if:

- (a) the company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
- (b) the company continues to comply with the conditions for deductibility imposed by law; and
- (c) no changes in income tax legislation adversely affect the company in utilising the benefits

Note 1 - the corporate tax rate for eligible companies is 25% by 30 June 2024 providing certain turnover thresholds and other criteria are met. Deferred tax assets and liabilities are required to be measured at the tax rate that is expected to apply in the future income year when the asset is realised, or the liability is settled. The Directors have determined that the deferred tax balances be measured at the tax rates stated.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

26. INVESTMENT IN CONTROLLED ENTITIES

Parent entity:	Country of incorporation	Percentage owned	
		2025	2024
International Equities Corporation Ltd*	Australia		
Controlled entities:			
(IEC) Pacific Pty Ltd*	Australia	100	100
IEC (Management) Pty Ltd*	Australia	100	100
IEC Real Estate Pty Ltd*	Australia	100	100
Renaissance Australia Pty Ltd*	Australia	100	100
Seasons Heritage Melbourne Pty Ltd*	Australia	100	100
IEC Properties Pty Ltd**	Australia	100	100
Seasons Apartment Hotel Group Pty Ltd**	Australia	100	100
Seasons International Management Pty Ltd*	Australia	100	100
Seasons Darling Harbour Pty Ltd*	Australia	100	100
Seasons Harbour Plaza Pty Ltd*	Australia	100	100

* Audited by Moore Australia, Perth

** Dormant in the Financial Year 2025 and 2024

27. RELATED PARTIES

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties:

- (i) Details of all equity transactions between directors and director related entities in the company are as noted in the Directors Report.
- (ii) MPF Tow has an interest in Renaissance Assets Pty Ltd and Renaissance United Asset Management Pty Ltd arising from his directorship in these entities. Transactions with these entities are as noted below:

	2025	2024
	\$000	\$000
Trade receivable at year end due from: Renaissance Assets Pty Ltd ⁽ⁱ⁾	26	1
Trade payable at year end due to: Renaissance Assets Pty Ltd ⁽ⁱ⁾	(69)	483
Loans payable at year end to: Renaissance Assets Pty Ltd – current ⁽ⁱ⁾	-	300
Renaissance Assets Pty Ltd – non-current ⁽ⁱ⁾	(2)	42
Revenue received during the year from: Renaissance Assets Pty Ltd	450	144

- (i) These amounts are unsecured and interest free with no fixed terms of repayment.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

28. COMMITMENTS

Capital Commitments

The Company had no capital commitments at 30 June 2025.

29. CONTINGENT LIABILITIES AND GUARANTEES

The Company had the following contingent liabilities and guarantees as at 30 June 2025:

- The group has provided an unlimited corporate guarantee and indemnity as security for all loans held by the group.

Other than the above, the directors are not aware of any event or occurrence that would result in any contingent liability becoming enforceable as at 30 June 2025.

30. SEGMENTAL REPORTING

Segment Information

Identification of reportable segments

The group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of product category and service offerings since the diversification of the Group's operations inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following:

- the products sold and/or services provided by the segment;
- the type or class of customer for the products or service;
- the distribution method; and
- external regulatory requirements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

30. SEGMENTAL REPORTING (CONTINUED)

Types of products and services by segment

Property Development

The property development and re-sale segment is responsible for identifying, costing and financing potential development opportunities, developing acquisitions and finding buyers for completed developments.

Tourism

Tourism relates to the Group's own hotel operations and to leasing and operating a hotel cum serviced apartment for a fee.

Leasing

This relates to the operations of a licensed real estate agency which includes sale and/or leasing of apartments for a management fee.

Basis of accounting for purposes of reporting by operating segments

i) Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors, being the chief decision makers with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

ii) Intersegment transactions

An internally determined transfer price is set for all intersegment sales, leasing and fee. This price is established annually and is based on what should be realised in the event the sale was made to an external party at arm's length. All such transactions are eliminated on consolidation of the Group's financial statements.

Corporate charges are allocated by way of management fees to reporting segments based on the segment's overall proportion of revenue generation within the Group. The Board of Directors believes this is representative of likely consumption of head office expenditures that should be used in assessing segment performance and cost recoveries.

Intersegment loans payable and receivable are initially recognised at the consideration received/to be received net of transaction costs. If intersegment loans receivable and payable are not on commercial terms, these are not adjusted to fair value based on market interest rates. This policy represents a departure from that applied to the statutory financial statements.

iii) Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives majority economic value from that asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

iv) Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

v) Unallocated items

The following items of revenue, expenses, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- Derivatives;
- Net gains on disposal of available-for-sale investments;
- Impairment of assets and other non-recurring items of revenue or expenses;
- Income tax expense;
- Deferred tax assets and liabilities;
- Current tax liabilities;
- Other financial liabilities; and
- Intangible assets

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

30. SEGMENTAL REPORTING (CONTINUED)

(i) Segment performance (combined)

	Property Development \$'000	Tourism \$'000	Leasing \$'000	Total \$'000
Year ended 30/06/2025				
Revenue				
External sales	17	1,360	1,086	2,463
Intersegment sales	52	210	31	293
Interest income	-	1	1	2
Total segment revenue	69	1,571	1,118	2,758
Reconciliation of segment revenue to group revenue				
Other revenue	-	-	-	-
Less: Intersegment elimination	(52)	(210)	(31)	(293)
Total group revenue	17	1,361	1,087	2,465
Segment net profit / (loss)				
	(63)	(15)	1,087	1,009
Reconciliation of segment results to group net profit/(loss) before tax:				
(a) Amounts not included in segment results but reviewed by the Board:				
– Corporate charges	(683)	(62)	(504)	(1,249)
– Depreciation	-	(336)	(6)	(342)
– Impairment of Non Current Assets	(488)	-	-	(488)
(b) Unallocated items:				
– Finance costs	(179)	-	-	(179)
– Other	-	-	-	-
Net profit / (loss) from operations	(1,413)	(413)	577	(1,249)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

30. SEGMENTAL REPORTING (CONTINUED)

(i) Segment performance (combined)

	Property Development \$'000	Tourism \$'000	Leasing \$'000	Total \$'000
Year ended 30/06/2024				
Revenue				
External sales	-	3,082	913	3,995
Intersegment sales	136	220	24	380
Interest income	1	7	-	8
Total segment revenue	137	3,309	937	4,383
Reconciliation of segment revenue to group revenue				
Other revenue	-	1,537	-	1,537
Less: Intersegment elimination	(136)	(220)	(24)	(380)
Total group revenue	1	4,626	913	5,540
Segment net profit / (loss)	(6)	2,447	913	3,354
Reconciliation of segment results to group net profit/(loss) before tax:				
(a) Amounts not included in segment results but reviewed by the Board:				
– Corporate charges	(527)	(729)	(486)	(1,742)
– Depreciation and amortisation	-	(439)	(6)	(445)
(b) Unallocated items:				
– Finance costs	(189)	(511)	-	(700)
– Other	-	-	-	-
Net profit/(loss) from operations	(722)	768	421	467

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

30. SEGMENTAL REPORTING (CONTINUED)

(ii) Segment assets

	Property Development \$'000	Tourism \$'000	Leasing \$'000	Consolidated \$'000
2025				
Segment assets	8,730	2,682	113	11,525
Segment asset increases for the period:				
– Capital expenditure	-	-	-	-
	8,730	2,682	113	11,525
Reconciliation of segment assets to group assets:				
Intersegment eliminations	-	(173)	-	(173)
Unallocated assets:				
– Intangibles	-	-	-	-
Total group assets	8,730	2,509	113	11,352
	Property Development \$'000	Tourism \$'000	Leasing \$'000	Consolidated \$'000
2024				
Segment assets	10,804	3,304	130	14,238
Segment asset increases for the period:				
– Capital expenditure	-	-	-	-
	10,804	3,304	130	14,238
Reconciliation of segment assets to group assets:				
Intersegment eliminations	-	(60)	-	(60)
Unallocated assets:				
– Intangibles	-	-	-	-
Total group assets	10,804	3,244	130	14,178

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

30. SEGMENTAL REPORTING (CONTINUED)

(iii) Segment liabilities

	Property Development \$'000	Tourism \$'000	Leasing \$'000	Consolidated \$'000
2025				
Segment liabilities	16,837	2,327	190	19,354
Reconciliation of segment liabilities to group liabilities:				
Intersegment eliminations	(14,489)	1,496	(91)	(13,084)
Unallocated liabilities:				
– Other financial liabilities	-	-	-	-
Total group liabilities	2,348	3,823	99	6,270

	Property Development \$'000	Tourism \$'000	Leasing \$'000	Consolidated \$'000
2024				
Segment liabilities	16,725	2,490	233	19,448
Reconciliation of segment liabilities to group liabilities:				
Intersegment eliminations	(13,955)	2,474	(120)	(11,601)
Unallocated liabilities:				
– Other financial liabilities	-	-	-	-
Total group liabilities	2,770	4,964	113	7,847

Secondary Reporting

(iv) Revenue by geographical region:

Revenue, including revenue from discontinued operations, attributable to external customers is disclosed below, based on the location of the external customer:

	30 June 2025 \$000	30 June 2024 \$000
Australia	2,465	5,540
Total revenue	2,465	5,540

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

30. SEGMENTAL REPORTING (CONTINUED)

(v) Asset by geographical region:

The location of segment assets by geographical location of the assets is disclosed below:

	30 June 2025	30 June 2024
	\$000	\$000
Australia	11,353	14,178
Total assets	11,353	14,178

The economic entity effectively operates in one geographical segment, being Australia, with operations across Western Australia, New South Wales and Victoria.

(vi) Major customers

The Group has no external customers in any of its segments which accounts for more than 10% of external segment revenue.

31. PARENT ENTITY FINANCIAL INFORMATION

The following information has been extracted from the books and records of the parent and has been prepared in accordance with the Accounting Standards.

(a) Summary Financial Information

	Parent Entity	
	2025	2024
	\$'000	\$'000
STATEMENT OF FINANCIAL POSITION		
Current assets	970	2,586
Non-Current assets	(6,796)	(8,105)
Total assets	(5,826)	(5,519)
Current liabilities	(2)	(1)
Total liabilities	(2)	(1)
Net assets / (liabilities)	(5,824)	(5,520)
Equity		
Contributed equity	12,093	12,093
Reserves	40	40
Accumulated losses	(17,957)	(17,653)
	(5,824)	(5,520)
STATEMENT OF COMPREHENSIVE INCOME		
Loss for the year	(304)	(250)
Total Comprehensive loss for the year	(304)	(250)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

31. PARENT ENTITY FINANCIAL INFORMATION (CONTINUED)

(b) Contractual Commitments

As at 30 June 2025 the parent entity did not have any contractual commitments.

(c) Guarantees and Contingent Liabilities

The parent entity has provided an unlimited guarantee and indemnity as security for the group's bank loans.

32. EVENTS OCCURRING AFTER BALANCE DATE

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

33. COMPANY DETAILS

The registered office of the company is:

- International Equities Corporation Ltd
Level 6, 348 St Kilda Road
Melbourne, VIC 3004

The principal places of business are:

- | | |
|--|---|
| <ul style="list-style-type: none">- International Equities Corporation Ltd
Level 6, 348 St Kilda Road
Melbourne, VIC 3004
www.internationalequities.com.au | <ul style="list-style-type: none">- Seasons Apartment Hotel Group Pty Ltd
Level 6, 348 St Kilda Road
Melbourne, VIC 3004
www.sahg.com.au |
| <ul style="list-style-type: none">- IEC (Management) Pty Ltd
Suite 100A, 640 Swanston Street
Carlton Victoria 3053 | <ul style="list-style-type: none">- Seasons International Management Pty Ltd
Level 6, 348 St Kilda Road
Melbourne, VIC 3004 |
| <ul style="list-style-type: none">- (IEC) Pacific Pty Ltd
Level 6, 348 St Kilda Road
Melbourne, VIC 3004 | <ul style="list-style-type: none">- Seasons Heritage Melbourne Pty Ltd
572 St Kilda Road
Melbourne, VIC 3004
www.seasonsheritagemelbourne.com.au |
| <ul style="list-style-type: none">- IEC Real Estate Pty Ltd
Suite 100A, 640 Swanston Street
Carlton Victoria 3053
www.iecrealestate.com.au | |
| <ul style="list-style-type: none">- IEC Properties Pty Ltd
Level 6, 348 St Kilda Road
Melbourne, VIC 3004 | |

SHAREHOLDERS' INFORMATION

Details of shareholding in the company as at 15th September 2025 are listed below. All shares are ordinary shares with equal voting rights.

(a) Distribution of shareholders

Size of holdings	Number of shareholders	% holders	Number of shares	% of issued capital
1 – 1,000	135	25.00	14,941	0.01
1,001 – 5,000	287	53.15	465,564	0.36
5,001 – 10,000	41	7.59	286,250	0.22
10,001 – 100,000	58	10.74	1,672,908	1.30
100,001 – and over	19	3.52	125,783,914	98.11
	540	100.00	128,223,577	100.00

(b) The number of shareholders with less than a marketable parcel of 2,500 shares was: 397

(c) The names of the substantial shareholders listed in the holding company's register are:

Shareholder	Number of Shares	%	Ranking
Renaissance Assets Pty Ltd	60,853,125	47.46	1
Amaya Investments Pty Ltd	21,862,500	17.05	2
Premium Properties (Aust) Pty Ltd	20,000,000	15.60	3
	102,715,625	80.11	

(d) Top 20 shareholders

Renaissance Assets Pty Ltd	60,853,125	47.46	1
Amaya Investments Pty Ltd	21,862,500	17.05	2
Premium Properties (Aust) Pty Ltd	20,000,000	15.60	3
Eastland Equity Bhd	15,312,500	11.94	4
San Tiong Ng	3,317,551	2.59	5
Kin Weng Chang	1,177,000	0.92	6
Dawn Ventures Co Pte Ltd	557,875	0.44	7
GA & AM Leaver Investments Pty Ltd	481,727	0.38	8
Dennis Jun Tow	368,144	0.29	9
Khee Kwong Loo	343,750	0.27	10
Tat Hong (Australia) Pty Ltd	286,655	0.22	11
San Tiong Ng	209,652	0.16	12
Ngiap Yang Jee	192,500	0.15	13
Choon Mok Koh	181,250	0.14	14
Sun Oh Ng	156,250	0.12	15
Guan Koon Ng	131,250	0.10	16
SAC Nominees Pty Ltd (Ng Family A/C)	128,875	0.10	17
Poo Yong Ng	117,500	0.09	18
Sun Ho Ng	114,560	0.09	19
Chong Hock Ng	100,000	0.08	20
	125,892,664	98.19	

CONSOLIDATED ENTITY DISCLOSURE STATEMENT AS AT 30 JUNE 2025

	Entity Type	Country of incorporation	% Share Capital Held		Tax Residency
			2025	2024	
Parent entity:					
International Equities Corporation Ltd	Body Corporate	Australia	N/A	N/A	Australian
Controlled entities:					
(IEC) Pacific Pty Ltd	Body Corporate	Australia	100	100	Australian
IEC (Management) Pty Ltd	Body Corporate	Australia	100	100	Australian
IEC Real Estate Pty Ltd	Body Corporate	Australia	100	100	Australian
Renaissance Australia Pty Ltd	Body Corporate	Australia	100	100	Australian
Seasons Heritage Melbourne Pty Ltd	Body Corporate	Australia	100	100	Australian
IEC Properties Pty Ltd	Body Corporate	Australia	100	100	Australian
Seasons Apartment Hotel Group Pty Ltd	Body Corporate	Australia	100	100	Australian
Seasons International Management Pty Ltd	Body Corporate	Australia	100	100	Australian
Seasons Darling Harbour Pty Ltd	Body Corporate	Australia	100	100	Australian
Seasons Harbour Plaza Pty Ltd	Body Corporate	Australia	100	100	Australian

CORPORATE GOVERNANCE STATEMENT

Unless disclosed below, all the best practise recommendations of the ASX Corporate Governance Council's principles and recommendations ("ASX Guidelines") have been applied for the entire financial year ended 30 June 2025.

Information, documents, policies, statements and charters are held by the Company's secretary.

1. Lay solid foundations for management and oversight

The Board

Responsible for:

- oversight of the company, including its control and accountability systems
- ratifying the appointment/removal of the executive directors, chief executive officer, chief financial officer and the company secretary
- approval of management's development of corporate strategies and performance objectives
- reviewing and ratifying system of risk management and internal compliance and control, codes of conduct and legal compliance
- monitoring senior management's performance and implementation of strategy, and ensuring appropriate resources are available
- approving and monitoring the progress of major capital expenditure, capital management and acquisitions and divestitures
- approving and monitoring financial and other reporting
- assessing the competencies of board members, review board succession plans, evaluate board performance and recommend appointment and removal of directors
- setting executive remuneration policy
- appointment and removal of external auditor.

The Chairperson

Responsible for:

- leading the board in its duties to the company
- ensuring the processes and procedures are in place to evaluate the performance of the board and its individual directors
- facilitating effective discussions at board meetings
- ensuring effective and timely communication with shareholders.

The Management Team

The executive directors are responsible for the effective and efficient operation and administration of the group including bringing material matters to the attention of the board.

The chief executive officer has the responsibility for the communication and execution of company's policies and the achievement of policy outcomes. The chief financial officer is responsible for financial management and timely financial reporting.

Senior management are provided every resource towards enabling smooth day – to – day operations of the company.

Prior to appointment as directors the company undertakes reference checks including education, employment, criminal history and bankruptcy. As a condition of appointment the director must not be a disqualified person. Information on directors is outlined on pages 8 - 12

All directors, management and employees are provided with either a letter of appointment and/or an employment contract outlining their remuneration, job description, expectation and company policies. Performance is then benchmarked against these. Performance evaluation of all directors and management team are outlined in the remuneration report on pages 9 - 12. Performance evaluation was conducted in the manner prescribed for the financial year ended 30th June 2025.

The company secretary will be the secretary of the board and as directed by the Chairperson. Copies of matters reserved for the board, those delegated to senior executives and the board charters are held by the company's secretary.

The Board has a diversity policy which is discussed further under the heading "Act ethically and responsibly" below.

2. Structure the board to add value

The constitution provides for a minimum of three and a maximum of nine directors. The board currently has four directors, two non-executive and two executive directors. Both non-executive directors are independent.

Whilst the company does not have a majority of non-executive directors, as recommended by ASX Corporate Governance Council best practice recommendation 2.1, it is proposed that the board be increased by another two independent non-executive directors, to comply with the recommendations of the ASX Corporate Governance Council's guidelines.

At this stage of development of the Company, the Board considers it neither appropriate nor cost effective for there to be a majority of independent directors, together with an Independent Chairman who is also not the CEO.

The chairman currently is an executive director and CEO.

The skills, experience and expertise relevant to the position of each director who is in office at the date of the annual report and their term of office are detailed in the directors' report on pages 7. Length of service as director of the Company is on page 7.

The names of independent directors of the company are;

- AG Menezes
- AK Ambalavanar

An independent director is a non-executive director and:

- is not a substantial shareholder of the company or an officer of, or otherwise associated directly with, a substantial shareholder of the company
- within the last 3 years has not been employed in an executive capacity by the company or another group member, or been a director after ceasing to hold any such employment
- within the last 3 years has not been a principal of a material professional adviser or a material consultant to the company or another group member, or an employee materially associated with the service provided
- is not a material supplier or customer of the company or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer
- has no material contractual relationship with the company or another group member other than as a director of the company
- has not served on the board for a period which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the company
- is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the company.

In determining whether a non – executive director is independent, the director must meet the following materiality thresholds:-

- less than 10% of company shares are held by the director and any entity or individual directly or indirectly associated with the director
- no sales are made to or purchases made from any entity or individual directly or indirectly associated with the director and
- none of the directors' income or the income of an individual or entity directly or indirectly associated with the director is derived from a contract with any member of the economic entity other than income derived as a director of the entity.

Independent directors are to provide to the board all relevant information required for the board to regularly assess their independence. Both qualitative and quantitative information are assessed regularly for these purposes. Both directors remain independent for the financial year ended 30th June 2025.

Independent directors have the right to consult independent professional advice in the furtherance of their duties as directors at the company's expense. Independent professional advice is sought at the company's cost.

A separate nomination committee is not considered necessary due to the small size of the board, with such role assumed by the main board. In their evaluation process, the board will consider skills, experience, stakeholder perspectives and independence of candidates for appointments to the board. Written approval must be obtained from the chair prior to incurring any expense on behalf of the company.

3. Act ethically and responsibly

Code of Ethics and Conduct, Statement of Values

The board acknowledges and emphasises the importance of all directors and employees maintaining the highest standards of corporate governance practice and ethical standards. These form the core values of the Company.

The following is a guide for directors and senior executives as to:

- the key practices necessary to maintain confidence in the company's integrity
- the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.
- compliance with the law
- act in the best interest of the Company
- observe the ethical principles of fairness, honesty and truthfulness

Whistleblower Policy is available on the Company's website. A policy on Anti-bribery and Corruption has not been developed at this time as all material decisions and contracts are strictly entered into by the board.

CORPORATE GOVERNANCE STATEMENT (Continued)

All directors and senior executives must act with high standards of honesty, integrity and fairness. Emphasis is to be made to the following:

- *Conflicts of interest* - proper disclosure of such situations so that action can be taken to protect parties affected e.g. exclusion from participating in relevant decision making processes
- *Corporate opportunities* - not to take advantage of property, information or position for personal gain or to compete with the company
- *Confidentiality* - not to make use of non-public confidential information for personal gain or in a manner detrimental to the company except where authorised or legally mandated
- *Fair dealing* - by all employees with the company's customers, suppliers, competitors and other stakeholders
- *Protection of and proper use of company's assets* - protecting and ensuring efficient use of assets for legitimate business purposes
- *Compliance with laws and regulations* - ensure strict compliance and promotion of compliance with the content and spirit of all laws, rules, regulations and this guide
- *Encouraging the reporting of unlawful / unethical behaviour* - ensure active promotion of ethical behaviour and protection for those who report violations in good faith.

Gender Diversity

The Board recognises the benefits of diversity at boards in senior management and within the organisation generally and recognises the organisational strengths and opportunity for innovation that diversity brings to an organisation.

The guidelines include a recommendation that ASX listed entities:

- establish a policy concerning diversity, including measurable objectives and an annual assessment of progress, and disclose the policy or a summary of the policy;
- disclose measurable objectives and the progress towards achieving them in each annual report; and
- disclose the proportion of women on the board, in senior management and employed throughout the organisation in each annual report.

The guidance on Principle 3 has also been changed to:

- include a new Box 3.2 which contains suggestions for the content of a diversity policy;
- suggest boards determine which committee should review and report to the board on diversity;
- recommend that boards should provide greater transparency of the processes used in searching for and selecting new directors; and
- suggests boards disclose the mix of skills and diversity they are looking for in the membership of the board.

The Company has established a diversity policy which set out the beliefs, goals and strategies of the Company and makes reference to all the characteristics that makes individuals different from each other. The policy sets out the positive steps taken to ensure that current and prospective employees are not discriminated against, either directly or indirectly on such characteristics as gender, age, disability, marital status, sexual orientation, religion, ethnicity or any other area of potential difference. The Company is committed to gender diversity at all levels of the organisation. Gender equality is a key component of the Company's diversity strategy. The implementation of this policy aims to reflect both the circumstances of the Company and the industry in which it operates.

The Company's diversity policy includes a requirement that:

- the Board establish measurable objectives for achieving gender diversity; and
- the Board assess annually the objectives set for achieving gender diversity; and
- the Board assess annually the progress made towards achieving the objectives set.

In accordance with this policy and ASX corporate governance principles, the Board has established the following objectives in relation to gender diversity. The aim is to achieve these objectives over the coming 3 to 5 years as Director and senior executive positions become vacant and appropriately skilled candidates are available.

However, at this stage, due to the limited size of the Company, the Board has not established measurable objectives for achieving gender diversity

Representation of female employees in the organisation workforce is as follows. Senior Executive Positions include Key Management Personnel.

	Actual at 30 June 2025		Company Objective		Progress towards meeting objective	
	Number	Percentage	Number	Percentage	Number	Percentage
Whole organisation	6	50%	6	50%	-	-
Senior Executive Positions	2	16%	3	25%	-	-
Board Members	-	-	1	25%	-	-

Policy on Dealing in Company Securities

The law prohibits insider trading and the Corporations Act and the ASX Listing Rules require disclosure of any trading undertaken by directors or their related entities in the company's securities.

This prohibition also covers the procurement of others to trade by directors who may have sensitive, commercial and confidential information by virtue of their office in the company. Guidelines for trading in company securities are:

- applicable to all directors of the company and related entities, the company secretary and staff members who are likely to be in possession of information concerning the company's financial position, strategies or operations.
- such "designated officers" as described above are required to provide notification to the company secretary and chairman of the company of intended trading except for dividend reinvestment plans and the like.
- they are also required to provide subsequent confirmation of the trading that has occurred.

Reference is to be made to the guide to black-out periods, or non-trading periods, where no dealing is permitted, as issued by the ASX, a copy of which may be obtained from the company secretary.

An obligation exist for Directors to be independent in judgement and ensure all reasonable steps are taken to ensure due care is taken by the board in making sound decisions.

4. Safeguard integrity in corporate reporting

The executive directors, chief executive office and chief financial officer are to provide letters of assurance to the Board, in respect of each half year and full year financial report, stating that the company's financial report presents a true and fair view, in all material respects, of the company's financial position and financial performance in accordance with accounting standards and the requirements of the Corporations Act 2001.

An independence declaration is received from the external auditor in respect of the annual and half year financial reports stating that there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 and any applicable code of professional conduct. The provision of non audit services by the audit firm is monitored by the Board so as to ensure that the auditors' independence is not compromised by the provision of such non audit services.

The company does not have a formally constituted audit committee as the Board does not consider it is warranted given the size of the company.

The full Board is responsible for the nomination of the external auditors and for reviewing the adequacy of existing external audit arrangements, including the scope and quality of the audit. In relation to the rotation of the external audit engagement partner, the board is currently reviewing the recent changes announced in the CLERP 9 Act and will formulate a policy which complies with the requirements of that Act.

Whilst the company does not have a formally constituted audit committee, the Board reviews the performance of the external auditors on an annual basis and a representative of the board meets with them at least three times a year to review:

- the proposed scope and timing of audit visits.
- the results and findings of the audit, the adequacy of accounting and internal controls, and to obtain feedback on implementation of recommendations made.
- the draft financial statements and audit review reports at year end and at half year.
- attendance and responses at the Annual General Meeting

The board monitors the need to form an audit committee on a periodic basis. Where required, external auditors and/or professional advisers are appointed to review any unaudited periodic corporate reports for release to the market.

CORPORATE GOVERNANCE STATEMENT (Continued)

5. Make timely and balanced disclosure

In ensuring compliance with ASX listing rule 3.1 on continuous disclosure requirements, the company has adopted the following procedures:

Directors

- to promptly advise the company secretary of any matters requiring disclosure
- to authorise final form of announcement to the market

Company secretary

- to liaise with ASIC and ASX on disclosure matters and provide announcements duly
- to monitor the press and share price continuously
- to consult with the board on matters for announcements
- All policies are with the Company's secretary

The directors and company secretary are to ensure that compliance are adhered to rigidly as failure could lead to civil or criminal liabilities for the company and its directors and officers. They must exercise due care and diligence in the information disclosed with regard to its timeliness, content, clarity, completeness and objectivity.

6. Respect the rights of security holders

The company recognises the importance of effective communication with shareholders and providing them with timely and balanced information. Hence in addition to the traditional means of communication (post, notices of meetings, meetings, annual reports and ASX announcements) the company has set up of a website which enables access to all relevant announcements made to the market, including notices of meeting, published financial data and other information concerning the company and its activities.

As a policy the external auditor will be requested to attend annual general meetings of the company and be available to answer shareholder questions.

Shareholders are strongly encouraged to attend and participate in the Annual General Meetings of International Equities Corporation Ltd to lodge questions to be responded by the Board and/or the CEO, and are able to appoint proxies. All resolutions at general meetings are decided by poll. If requested, shareholders can receive all notifications directly by email.

The company advocates and promotes responsible conduct in the way its business is operated and recognises its legal, social and ethical commitments to stakeholders, regulators and the community at large. The guideline to conduct, as promoted in Principle 3, applies equally to all staff, executives and directors.

The company's policy on compliance and fair dealing is placed in the highest priority and promoted with vigour to staff at all levels. External professional advice is used where necessary. Areas of compliance include trade practices and fair dealing laws, consumer protection, privacy laws, employment laws, occupational health and safety, equal opportunity, superannuation, environment and pollution controls.

As a public corporation, the company encourages practices in public and social accountability on areas of legitimacy, fairness and ethics. The company continually strive to demonstrate this through management by example, encouraging accessibility and communication between staff and management, continuous education through updates and notices, use of suggestion boxes, having regular staff meetings and other management tools. The company also supports a number of community and charity organisations through participation in events and donations.

7. Recognise and manage risk

The board considers identification and management of key risks associated with the business as vital to maximise shareholder wealth.

The company does not have a formally constituted committee as the Board does not consider it is warranted given the size of the company.

The board collectively assess the business and financial risks periodically on new and current ventures being undertaken by the company, covering all aspects of the business from the operational level through to strategic level risks. Through their skills and experience in the property and financial industries, they are able to make management decisions to minimise risks in the highly volatile fields of activities the company operates in.

Compliance and control systems are continually being monitored, reviewed and upgraded, assisted by external auditors and professional advisers, which lend towards maintaining the integrity of the company's financial and external reporting, in lieu of not having a formal internal audit committee.

The executive directors are to provide a statement to the board to the effect that:

- the integrity of the financial statements is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the board
- the company's risk management and internal compliance and control system is operating efficiently and effectively in all material aspects. The effectiveness of these risk management and internal compliance and control system is monitored and reviewed regularly.

The review was conducted and met for the financial year ended 30th June 2025. Additionally, the company is not exposed to any material economic, environmental and social sustainability risk. These have been mitigated through compliance reviews by banks, local authorities and external consultants.

8. Remunerate fairly and responsibly

The performance of the board is measured from financial achievements and results of the company after each financial year. The board as a whole discusses and analyses its own performance during the year and where appropriate offers suggestions for change or improvement. The board works closely with management in reviewing budgets and evaluating investment opportunities for the company throughout each year.

New directors undertake an induction programme which gives them a better understanding of:

- the company's financial, strategic, operational and risk management position
- their rights, duties and responsibilities as directors

Directors are also periodically given updates and information relevant to the operation of the company and the industry generally as part of continuing education to enhance their skills and knowledge. They can also have access to any company and management information, the company secretary and also independent professional advice, if necessary, on company issues at company expense.

The company secretary monitors the implementation of board policies and procedures and coordinates the completion and despatch of board agenda and briefing materials. The company secretary is accountable to the board on all governance matters.

A separate remuneration committee is not considered necessary due to the small size of the board, with such role assumed by the main board.

Board members and senior executives receive fees for services and have no share qualification or entitlement.

In line with the company's constitution, directors shall be paid such sum as may from time to time be determined by the company in general meeting, to be divided among the directors in such proportions as they shall from time to time agree or in default of agreement equally.

Executive directors and senior executives are paid an annual cash salary, benchmarked against a board approved market position, which do not include a commission on or percentage of operating revenue. Payment of cash bonuses and any annual increment to salary are dependent upon meeting performance objectives which comprise both financial and non-financial components.

Directors and senior executives shall be entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as directors.

If any of the directors being willing shall be called to perform extra services on behalf of the company, the directors may remunerate such director in accordance with such services or exertions, and such remuneration may be in addition to his normal remuneration.

The amount of remuneration for all directors and the five highest paid executives includes all monetary and non-monetary components. These are detailed in Note 4 to the financial report. All remuneration paid to executives is valued at the cost to the company and expensed.

The updated guidelines include a recommendation (8.2) that ASX listed entities should establish a remuneration committee comprised of a majority of independent directors with at least three members and chaired by an independent director. In addition, for S&P/ASX300 companies, the proposed Listing Rule amendments will require these companies to have an independent director. In addition, for S&P/ASX300 companies, the proposed Listing Rule amendments will require these companies to have a Remuneration Committee comprised solely of non-executive directors (see section below on Listing Rule amendments); and The guidance on Recommendation 8.1 includes that the remuneration committee should review remuneration by gender.