

Hudson Investment Group Limited

Financial Services Guide and Independent Expert's Report

2 April 2026



Financial Services Guide

2 April 2026

RSM Corporate Australia Pty Ltd ABN 82 050 508 024 (“**RSM**” or “**we**” or “**us**” or “**our**” as appropriate) has been engaged to issue general financial product advice in the form of a report to be provided to you.

In the above circumstances we are required to issue to you, as a retail client, a Financial Services Guide (“**FSG**”). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensees.

This FSG includes information about:

- who we are and how we can be contacted;
- the financial services that we will be providing you under our Australian Financial Services Licence (“**AFSL**”), Licence No 255847;
- remuneration that we and/or our staff and any associates receive in connection with the financial services that we will be providing to you;
- any relevant associations or relationships we have; and
- our complaints handling procedures and how you may access them.

Financial services we will provide

For the purposes of our report and this FSG, the financial service we will be providing to you is the provision of general financial product advice in relation to securities.

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us. You will not have engaged us directly but will be provided with a copy of the report as a retail client because of your connection to the matters in respect of which we have been engaged to report.

Any report we produce is provided on our own behalf as a financial services licensee authorised to provide the financial product advice contained in the report.

General financial product advice

In our report we provide general financial product advice, not personal financial product advice, because it has been prepared without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

Benefits that we may receive

We charge various fees for providing different financial services. However, in respect of the financial service being provided to you by us, fees will be agreed, and paid by, the person who engages us to provide the report and such fees will be agreed on either a fixed fee or time cost basis. You will not pay to us any fees for our services; Hudson Investment Group Limited (“**HIGL**” or “**the Company**”) will pay our fees. These fees are disclosed in the Report.

Except for the fees referred to above, neither RSM Corporate Australia Pty Ltd, nor any of its directors, employees, or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the Report.

Remuneration or other benefits received by our employees

All our employees receive a salary.

Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

Associations and relationships

RSM Corporate Australia Pty Ltd is beneficially owned by the partners of RSM Australia, a large national firm of chartered accountants and business advisors. Our directors are partners of RSM Australia Partners.

From time to time, RSM Corporate Australia Pty Ltd, RSM Australia Partners, RSM Australia and/or RSM Australia related entities may provide professional services, including audit, tax and financial advisory services, to financial product issuers in the ordinary course of its business.

Complaints resolution

Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints should be directed to The Complaints Officer, RSM Corporate Australia Pty Ltd, PO Box R1253, Perth, WA, 6844.

If we receive a written complaint, we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than 45 days after receiving the written complaint, we will advise the complainant in writing of our determination. If a complaint is received in advance of a shareholder meeting or other key date where shareholders or investors may be making decisions which are influenced by our report, we will make all reasonable efforts to respond to complaints prior to that date.

Referral to external dispute resolution Proposed Transaction

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Australian Financial Complaints Authority (“**AFCA**”). AFCA is an independent dispute resolution ~~Proposed Transaction~~ that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about AFCA are available at the AFCA website www.afca.org.au. You may contact AFCA directly by email, telephone or in writing at the address set out below.

Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001
Toll Free: 1800 931 678
Email: info@afca.org.au

Time limits may apply to make a complaint to AFCA, so you should act promptly or consult the AFCA website to determine if or when the time limit relevant to your circumstances expires.

Contact details

You may contact us using the details set out at the top of our letterhead on page 4 of this report.

2 April 2026

The Directors
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Sydney NSW 2000

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Dear Directors,

Independent Expert's Report

Introduction

This Independent Expert's Report (the "**Report**" or "**IER**") has been prepared to accompany the Notice of Extraordinary General Meeting and Explanatory Statement ("**Notice**") to be provided to shareholders for an Extraordinary General Meeting of Hudson Investment Group Limited ("**HIGL**" or "**the Company**") to be held on or around 7 May 2026, at which shareholder approval will be sought for the sale of 100% of the issued ordinary shares in Hudson Bowen Hills Pty Ltd ("**HBH**") to Bowen Holdings Pty Ltd ("**Bowen Holdings**"), including all assets and liabilities as reflected in the latest financial accounts of HBH dated 30 June 2025, with effect from completion ("**Proposed Transaction**").

The purchase price to acquire 100% of the ordinary shares of HBH is \$5,800,000 ("**the Consideration**"), payable as follows:

- **Refundable Deposit:** \$290,000 (5% of the Consideration), payable upon HIGL Board approval of the Proposed Transaction (this deposit has been received).
- **Second Payment:** \$290,000 (5%), payable on shareholder approval of the Proposed Transaction.
- **Third Payment:** \$2,320,000 (40%), payable six (6) months after shareholder approval.
- **Final Payment:** \$2,900,000 (50%), payable twelve (12) months after shareholder approval.

Further details of the Proposed Transaction are set out in Section 1 of this report.

Purpose of the report

The Proposed Transaction constitutes a related party transaction as Mr Wei Huang, a director and major shareholder of HIGL, is also a director of both HBH and Bowen Holdings.

The Directors of the Company have requested that RSM Corporate Australia Pty Ltd ("**RSM**"), being independent and qualified for the purpose, express an opinion as to whether the Proposed Transaction (Resolution 1 in the Notice) is fair and reasonable to the shareholders of HIGL not associated with the Proposed Transaction ("**Non-Associated Shareholders**" or "**Shareholders**").

The ultimate decision whether to approve the Proposed Transaction should be based on each Shareholder's assessment of their circumstances, including their risk profile, liquidity preference, tax position and expectations as to value and future market conditions. If in doubt as to the action they should take with regard to the Proposed Transaction, or the matters dealt with in this Report, Shareholders should seek independent professional advice.

Summary of opinion

In our opinion, and for the reasons set out in Sections 7 and 8 of this report, the Proposed Transaction is **not fair but reasonable** for the Shareholders of HIGL.

Approach

In accordance with Chapter 2E of the Corporations Act 2001 (Cth) ("**Corporations Act**"), for a public company to give a financial benefit to a related party of the public company, the Company must obtain shareholder approval, or the giving of the benefit must fall within an exception set out in sections 210 to 216 of the Corporations Act.

THE POWER OF BEING UNDERSTOOD
ASSURANCE | TAX | CONSULTING

RSM Corporate Australia Pty Ltd is beneficially owned by the Directors of RSM Australia Pty Ltd. RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Corporate Australia Pty Ltd ABN 82 050 508 024 Australian Financial Services Licence No. 255847

The Company is, therefore, seeking shareholder approval of the Proposed Transaction for the purposes of Chapter 2E of the Corporations Act.

In our determination as to whether the Proposed Transaction is fair and reasonable to Non-Associated Shareholders, we have had regard to Australian Securities and Investments Commission ('ASIC') Regulatory Guide 111 *Content of expert reports* ("RG 111").

RG 111.57 states that a proposed related party transaction is "fair" if the value of the financial benefit to be provided by the entity to the related party is equal to or less than the value of the consideration being provided to the entity.

Therefore, consistent with the guidance set out in RG 111, we have considered whether the Proposed Transaction is "fair" to Non-Associated Shareholders by assessing and comparing:

- the Fair Value of a 100% equity interest in HBH; with
- the Fair Value of the Consideration.

Our assessment of Fair Value has been prepared on the following basis:

"the value that should be agreed in a hypothetical transaction between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller, acting at arm's length".

We have also considered whether the Proposed Transaction is "reasonable" to Non-Associated Shareholders by undertaking an analysis of the other factors relating to the Proposed Transaction which are likely to be relevant to the Non-Associated Shareholders in their decision of whether or not to approve the Proposed Transaction.

Fairness opinion

In assessing whether we consider the Proposed Transaction to be fair to Non-Associated Shareholders, we have valued 100% of the total issued equity of HBH prior to the Proposed Transaction (on a controlling basis) and compared it our assessment of the Fair Value of the Consideration.

Our assessment is set out in the table below.

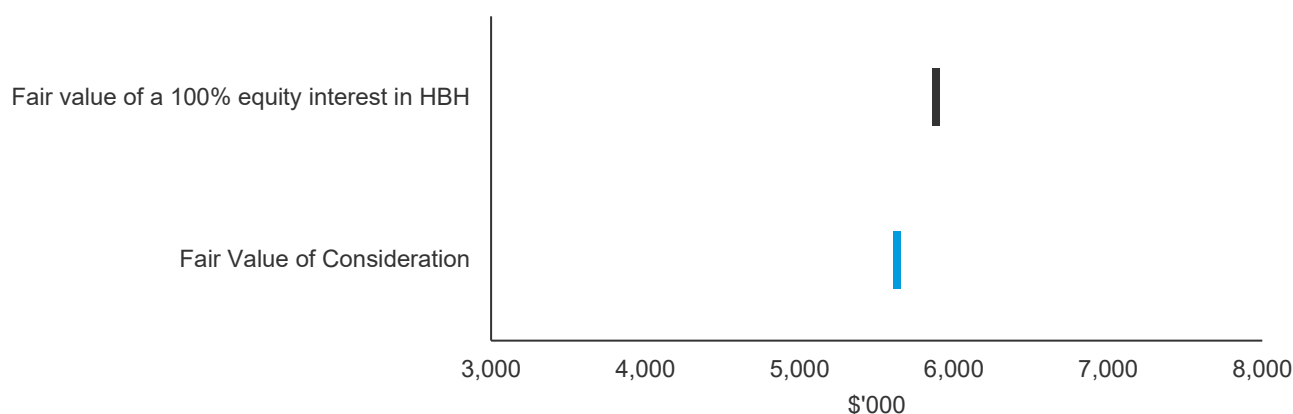
Table 1 Valuation summary

| Valuation summary | \$'000 |
|--|--------------|
| Fair value of a 100% equity interest in HBH | 5,860 |
| Fair Value of Consideration | 5,604 |

Source: RSM analysis

The above comparison is presented graphically below.

Figure 1 Valuation summary



Source: RSM analysis

In our opinion, as the Fair Value of a 100% equity interest in HBH (on a controlling basis), representing the financial benefit to be provided to Bowen Holdings, is greater than the assessed Consideration payable, in accordance with the guidance set out in RG 111, and in the absence of any other relevant information, we consider the Proposed Transaction is **not fair** to Non-Associated Shareholders.

Our concluded Fair Value of HBH (controlling basis) of \$5.9m has been assessed on a net assets on a going concern basis (“**Net Assets**”) based on the reviewed financial statements of HBH for the half-year ended 30 June 2025 (adjusted for the assessed market value of the investment properties by CBRE). We consider the Net Assets basis provides the best representation of the Fair Value of HBH given that it reflects the Fair Value of HBH’s investment property assets as independently assessed by CBRE. CBRE did not specify a range in the assessed market value of the investment properties comprising 41-43 Brookes Street, Bowen Hills, Queensland and 47 Brookes Street, Bowen Hills, Queensland (collectively, “**Bowen Hills Properties**”), and accordingly, our assessed Fair Value of HBH using the Net Assets basis does not include a range of values.

Similarly, the proposed Consideration payable is not a range. Our assessment of the Fair Value of the Consideration has been discounted to present value to account for the time value of money and accordingly, has been assessed at \$5.6m, slightly less than the aggregate of the total payments of \$5.8m.

Reasonableness opinion

RG 111 establishes that an offer is reasonable if it is fair. It might also be reasonable if, despite not being fair, there are sufficient reasons for security holders to accept the offer in the absence of a higher bid before the offer closes.

As such, we have also considered the following factors in relation to the reasonableness aspects of the Proposed Transaction:

- the future prospects of HIGL if the Proposed Transaction does not proceed; and
- the potential advantages and disadvantages of the Proposed Transaction for the Non-Associated Shareholders, including the specific terms of the Proposed Transaction.

Future Prospects of HIGL if the Proposed Transaction Does Not Proceed

If the Proposed Transaction does not proceed, HBH will continue to operate as the subsidiary of HIGL.

If the Proposed Transaction is not approved, the Company will continue to seek opportunities to optimise cash flow, reduce operating costs, and pursue development opportunities for both the Bowen Hills Properties and the Company’s other investment properties located in New South Wales.

Advantages and disadvantages of approving the Proposed Transaction

In assessing whether Non-Associated Shareholders are likely to be better off if the Proposed Transaction is approved, than if it is not, we have also considered various advantages and disadvantages that are likely to accrue to Non-Associated Shareholders.

The key advantages of the Proposed Transaction are outlined below.

Table 2 Advantages of the Proposed Transaction

| Advantage | Details |
|---|--|
| Opportunity to monetise the non-core property investment | The Proposed Transaction provides Shareholders with the opportunity to realise the economic value of the Bowen Hills Properties, with funds received to be used to support HIGL’s core property investments located in NSW and strengthen the Company’s liquidity position. |
| Realisation of value in the form of cash | As the Consideration for the Proposed Transaction is wholly comprised of cash consideration (albeit in staged payments), the Consideration provides the Company with certainty of value and converts illiquid assets into staged cash inflows. Further, due to the deferred nature of the Consideration, HIGL will be protected from any decreases in property value over the next 12 months until the full consideration is received as HIGL will legally retain ownership during this period. |
| Reduction in financial and operational risks associated with the properties | Approval of the Proposed Transaction will reduce HIGL’s exposure to operational risks associated with the Bowen Hills Properties, for example, leasing, maintenance, and other compliance obligations. HIGL will also be relieved of any financial obligations in relation to loans secured against the Bowen Hills Properties. |
| No sales costs or lengthy sales process | Approval of the Proposed Transaction avoids incurring a potentially lengthy sales process and incurring third party sales costs should HIGL undertake a process to market and sell the Bowen Hills Properties to alternative third parties. |

Source: RSM analysis

The key disadvantages of the Proposed Transaction are set below.

Table 3 Disadvantages of the Proposed Transaction

| Disadvantage | Details |
|---|---|
| The Proposed Transaction is not fair | As set out in Section 7 of this Report, the Proposed Transaction is not fair. |
| Forego potential to benefit in any upside in future value of the Bowen Hills Properties | <p>If the Proposed Transaction is approved, HIGL will no longer own the Bowen Hills Properties and accordingly, will not benefit from any future increase in property values (if any).</p> <p>Conversely to the advantage set out above, due to the deferred nature of the Consideration, HIGL will also forego the benefit of any increases in property value over the next 12 months until the full consideration is received, even though HIGL will legally retain ownership during this period.</p> |
| Instalment risk | The Consideration is only payable in full 12 months after Shareholder approval is obtained for the Proposed Transaction and accordingly, Bowen Holdings (as the purchaser) must remain solvent for the Company to receive the Consideration in full, noting however that HIGL will retain ownership of HBH (and the Bowen Hills Properties) until the Consideration is paid in full. |

Source: RSM analysis

Alternative proposals to the Proposed Transaction

We are unaware of any alternative proposal at the current time which might provide a greater benefit to Non-Associated Shareholders at the date of this Report.

Conclusion on Reasonableness

In our opinion, the position of the Non-Associated Shareholders if the Proposed Transaction is approved is more advantageous than the position if the Proposed Transaction is not approved. Therefore, in the absence of any other relevant information and/or a superior offer, we consider that the Proposed Transaction is **reasonable** for the Non-Associated Shareholders of HIGL.

An individual Shareholder's opinion in relation to the Proposed Transaction may be influenced by his or her individual circumstances. If in doubt, Shareholders should consult an independent advisor.

General

This Report represents general financial product advice only and has been prepared without taking into consideration the individual circumstances of Shareholders.

The ultimate decision whether to approve the Proposed Transaction should be based on each Shareholder's assessment of their circumstances, including their risk profile, liquidity preference, tax position and expectations of future market conditions.

Shareholders should read and have regard to the contents of the Notice which has been prepared by the Directors and Management of HIGL.

Shareholders who are in doubt as to the action they should take with regard to the Proposed Transaction and the matters dealt with in this Report, should seek independent professional advice. This summary should be considered in conjunction with the detail contained in the following sections of this Report.

Yours faithfully,

RSM CORPORATE AUSTRALIA PTY LTD



Andrew Clifford
Partner – Corporate Finance



Albert Meintjes
Partner – Corporate Finance

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1. Summary of the Proposed Transaction

1.1 Overview

Bowen Holdings proposes to acquire a 100% equity interest in HBH from HIGL, including all assets and liabilities as reflected in the latest financial accounts dated 30 June 2025.

The key terms of the Proposed Transaction are summarised as follows.

1.2 Consideration

The Consideration for the Proposed Transaction is \$5,800,000, payable as follows:

- **Refundable Deposit:** AUD 290,000 (5%), payable upon execution of this SPA and HIGL Board approval. (this deposit has been received).
- **Second Payment:** AUD 290,000 (5%), payable on shareholder approval.
- **Third Payment:** AUD 2,320,000 (40%), payable 6 months after shareholder approval.
- **Final Payment:** AUD 2,900,000 (50%), payable 12 months after shareholder approval.

1.3 Key conditions of the Proposed Transaction

Completion of the Proposed Transaction is subject to and conditional upon a number of conditions precedent, including:

- execution of the Share Sale Agreement (“SSA”);
- receipt of all required shareholder and regulatory approvals; and
- compliance with Chapter 2E of the Corporations Act 2001.

1.4 Rationale for the Proposed Transaction

Management considers that the Proposed Transaction will enable HIGL to monetise a non-core property investment and improve the Company’s liquidity position.

1.5 Impact of Proposed Transaction on HIGL’s Capital Structure

HBH is a wholly owned subsidiary of HIGL. If the Proposed Transaction is approved, HIGL will transfer all HBH shares to Bowen Holdings at completion, and there will be no change in HIGL’s capital structure immediately post completion of the Proposed Transaction.

2. Scope of the Report

2.1 Purpose of this Report

In accordance with Chapter 2E of the Corporations Act, for a public company to give a financial benefit to a related party of the public company, the Company must obtain shareholder approval, or the giving of the benefit must fall within an exception set out in sections 210 to 216 of the Corporations Act.

Accordingly, HIGL is to hold an extraordinary general meeting of its Shareholders where it will seek approval for the Proposed Transaction in accordance with Chapter 2E and the Company has engaged RSM to prepare this Independent Expert's Report to accompany the Notice which sets out our opinion as to whether the Proposed Transaction is fair and reasonable to Non-Associated Shareholders of HIGL.

2.2 Basis of evaluation

The Corporations Act does not define the term "fair and reasonable". As such, in determining whether the Proposed Transaction is "fair" and "reasonable" we have given regard to the views expressed by the ASIC in RG 111 and RG 76 *Related party transactions* ("RG 76").

RG 111 provides ASIC's views on how an expert can help security holders make informed decisions about transactions. Specifically, it gives guidance to experts on how to evaluate whether or not a proposed transaction is "fair" and "reasonable".

RG 111 states that the expert's report should focus on:

- the issues facing the security holders for whom the report is being prepared: and
- the substance of the transaction rather than the legal mechanism used to achieve it.

RG 111.56 states that in relation to a related party transaction, the expert's assessment of fair and reasonable should not be applied as a composite test – that is, there should be a separate assessment of whether the transaction is "fair" and "reasonable" as in a control transaction.

RG 111.57 states that a proposed related party transaction is "fair" if the value of the financial benefit to be provided by the entity to the related party is equal to or less than the value of the consideration being provided to the entity.

Consistent with the guidance set out in RG 111, we have considered whether the Proposed Transaction is "fair" to Non-Associated Shareholders by assessing and comparing:

- the Fair Value of a 100% equity interest in HBH; with
- the Fair Value of the Consideration.

Our assessment of Fair Value has been prepared on the following basis:

"the value that should be agreed in a hypothetical transaction between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller, acting at arm's length".

We have also considered whether the Proposed Transaction is "reasonable" to Non-Associated Shareholders by undertaking an analysis of the other factors relating to the Proposed Transaction which are likely to be relevant to the Non-Associated Shareholders in their decision of whether or not to approve the Proposed Transaction.

In particular, we have considered the advantages and disadvantages of the Proposed Transaction in the event that the Proposed Transaction proceeds or does not proceed including:

- the future prospects of the Company if the Proposed Transaction does not proceed; and
- any other commercial advantages and disadvantages to the Non-Associated Shareholders as a consequence of the Proposed Transaction proceeding.

Our assessment of the Proposed Transaction is based on economic, market and other conditions prevailing at the date of this Report.

3. Profile of HBH and HIGL

3.1 Background of HIGL and HBH

HIGL is a public unlisted company (previously listed on the ASX and delisted effective 29 August 2025), focusing on industrial, residential and commercial property development in New South Wales and Queensland.

HIGL currently owns the following properties:

- Unit 2, 171-175 Sparks Road, Halloran, NSW (Western Side); and
- 59 Mountain Road, Halloran, NSW (Eastern side) (both collectively, the “**Warnervale Properties**”);
- 41-43 Brookes Street, Bowen Hills, Queensland; and
- 47 Brookes Street, Bowen Hills, Queensland (both collectively, the **Bowen Hills Properties**).

HBH is a wholly owned subsidiary of HIGL and operates as the investment holding company for the Bowen Hills Properties.

Bowen Hills Properties

The Bowen Hills Properties are located in the Brisbane CBD fringe suburb of Bowen Hills. In April 2021, potential residential development application for a 24-storey mixed use building was approved by the Minister of Economic Development Queensland.

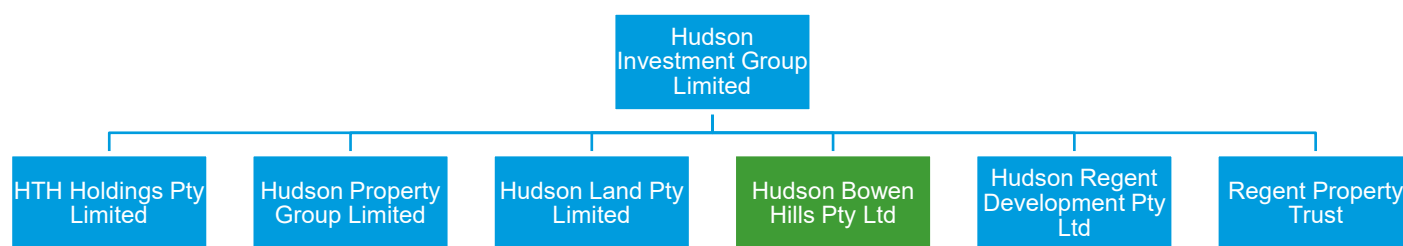
41-43 Brookes Street, Bowen Hills, Queensland comprises a 1,013 square metres ‘Emerging Community’ classified allotment situated on the western side of Brookes Street, Bowen Hills. The site is improved with a multi-strata complex comprising two adjacent units with a gross lettable area of 760 square metres. Unit 1 is situated along the northern boundary alignment and comprises 379 square metres of office accommodation arranged over two levels. Unit 2 is situated along the southern boundary alignment and comprises 381 square metres of office/warehouse accommodation arranged over two levels.

47 Brookes Street, Bowen Hills, Queensland comprises a 1,011 square metres ‘Emerging Community’ classified allotment situated on the western side of Brookes Street, Bowen Hills. The site is improved with a dated (circa 1980s) two-storey industrial building of rendered concrete block and metal roof construction with a gross lettable area of 804 square metres configured into four tenancies ranging in sizes from 50 to 424 square metres. The building is accessible via a commercial shop frontage to Brookes Street and a single container roller door at the rear of the building accessible via Exhibition Street.

3.2 Legal structure of HIGL

The current legal structure of HIGL and its wholly controlled entities are shown in the figure below.

Figure 2 HIGL legal structure



Source: HIGL financial statements

3.3 Directors and management

The directors and key management of HIGL and its controlled entities are summarised in the table below.

Table 4 HIGL Directors and key management personnel

| Name | Title | Experience |
|--------------|------------------------|--|
| John Farey | Non-executive chairman | John W Farey has over 45 years’ experience in financial services including merchant and investment banking. |
| Alan Beasley | Managing Director | Mr Beasley is a Non-Executive Director and former Director of a number of publicly listed and unlisted companies. Mr Beasley was educated at the University of New England (BEc) and Stanford Graduate Business School, USA. |

| | | |
|----------------------|--------------------------------|---|
| Wei Huang | Executive Director | Mr Wei Huang graduated with a Bachelor of Economics from Macquarie University and a Master of Commerce from the University of New South Wales. He is a member of CPA Australia and has experience in financial control, new business start-ups and development within the textile, retail, financial services, construction and mining sectors in Australia and internationally. |
| John Foley | Non-Executive Director | Mr Foley has wide-ranging experience in resources, industrial, manufacturing, legal, financial and investment related industries. |
| Warren Wen-Shih Choo | Non-Executive Director | Mr Choo currently serves as Director of Tridex Pte Ltd. Mr Choo has a background in engineering. |
| Pin Chua | Non-Executive Director | Mr Chua previously held positions as senior manager in corporate, investment and enterprise banking in Singapore, Malaysia, and Indonesia and has the experience, expertise, and knowledge to contribute to the Company. |
| Vincent Tan | Director – Controlled entities | Vincent Tan is a chartered accountant and has over the past 40 years worked in a range of industries, including insurance, securities trading, finance and property. Mr Tan has held senior management positions in a number of public and non-government organisations and has broad experience in corporate structuring. |
| Henry Kinstlinger | Joint Company Secretary | Henry Kinstlinger has, for the past thirty years, been actively involved in the financial and corporate management in several public companies and non-governmental organisations. He is currently the Company Secretary of ABX Group Limited. He is a corporate consultant with broad experience in investor and community relations and corporate and statutory compliance. |
| Mona Esapournoori | Joint Company Secretary | Mona Esapournoori holds a Bachelor of Law from Western Sydney University. She is admitted as a solicitor with the Law Society of New South Wales. |
| Francis Choy | Chief Financial Officer | Francis Choy has held a number of senior positions in corporate financial management roles throughout Australia and South East Asia. He has extensive experience in project finance, compliance, acquisition and investment appraisals. He has been involved in project finance, financial management of property development and telecommunication projects in South East Asia. He held senior financial roles for numerous public listed companies both in Hong Kong and Australia. |

Source: HIGL financial statements

3.4 HBH Financial information

The information in the following sections provides a summary of the financial performance of HBH (on a standalone basis) for the financial years ended 31 December 2022 (“FY22”), 31 December 2023 (“FY23”), 31 December 2024 (“FY24”), and 30 June 2025 (“HY25”) (collectively the “Historical Period”), extracted from the audited and reviewed financial statements of HBH.

3.5 Financial performance

The following table sets out a summary of the financial performance of HBH for the financial years FY22, FY23, FY24 and HY25.

Table 5 HBH historical financial performance

| Hudson Bowen Hills Pty Ltd | FY22 | FY23 | FY24 | HY25 |
|--|----------------|----------------|----------------|-----------------|
| Profit and Loss summary (\$'000) | <i>Audited</i> | <i>Audited</i> | <i>Audited</i> | <i>Reviewed</i> |
| Revenue | 477 | 470 | 464 | 229 |
| Operating expenses | (146) | (162) | (176) | (85) |
| Gross profit | 332 | 308 | 289 | 143 |
| <i>Gross profit margin (%)</i> | 69.5% | 65.5% | 62.2% | 62.7% |
| Corporate and administrative expenses | | | | |
| Other expenses | (1) | (3) | (2) | (0) |
| Director fees | - | (35) | - | - |
| Professional fees | - | (13) | (6) | - |
| Total corporate and administrative expenses | (1) | (51) | (7) | (0) |
| EBIT | 331 | 256 | 281 | 143 |
| <i>EBIT margin (%)</i> | 69.3% | 54.6% | 60.6% | 62.6% |
| Interest expense | (139) | (246) | (275) | (133) |
| Change in fair value of investment properties | - | - | (1,548) | - |
| Net profit/(loss) before income tax | 192 | 11 | (1,542) | 10 |

Source: HBH standalone audited and reviewed financial statements

We note the following in relation to HBH's historical financial performance:

- During the Historical Period, revenue was derived solely from property rental income. Total revenue decreased by 2% to \$470k in FY23 from \$477k in FY22 and declined by a further 1% to \$464k in FY24.
- Operating expenses comprised property outgoing expenses, rates, taxes and levies, and insurance costs.
- Other expenses primarily comprised communication expenses, corporate and administration expenses and bank fees.
- Professional fees relate to consulting and legal fees.
- HBH disclosed EBIT earnings of \$331k, \$256k, \$281k and \$143k for FY22, FY23, FY24 and HY25, respectively.
- HBH generated net profits before income tax of \$192k and \$11k for FY22 and FY23, respectively, a net loss after income tax of \$1.5m for FY24 and a net profit after income tax of \$10k for HY25.
- Net losses after income tax of \$1.5m for FY24 were primarily driven by change in fair value of investment properties of \$1.5m relating to the revaluation of the Bowen Hills Properties, with the fair value determined at \$9.1m as at 31 December 2024.

3.6 Financial position

The table below sets out a summary of the financial position of HBH as at 31 December 2022, 31 December 2023, 31 December 2024 and 30 June 2025.

Table 6 HBH historical financial position

| Hudson Bowen Hills Pty Ltd \$'000 | 31-Dec-22 <i>Audited</i> | 31-Dec-23 <i>Audited</i> | 31-Dec-24 <i>Audited</i> | 30-Jun-25 <i>Reviewed</i> |
|---------------------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------------|
| Current assets | | | | |
| Cash and cash equivalents | 31 | 31 | 2 | 5 |
| Trade and other receivables | (9) | - | - | - |
| Prepayments | 58 | 61 | 61 | 1 |
| Total current assets | 80 | 92 | 63 | 6 |
| Non current assets | | | | |
| Receivable - controlled entities | - | - | - | 25 |
| Investment properties | 10,592 | 10,648 | 9,100 | 9,140 |
| Total non current assets | 10,592 | 10,648 | 9,100 | 9,164 |
| Total assets | 10,672 | 10,740 | 9,163 | 9,170 |
| Current liabilities | | | | |
| Trade and other payables | (72) | (98) | (84) | (68) |
| GST payable | (3) | (12) | (3) | (3) |
| Financial liabilities | - | (4,200) | (4,200) | (4,200) |
| Total current liabilities | (75) | (4,310) | (4,287) | (4,271) |
| Non current liabilities | | | | |
| Payables - controlled entities | (5,836) | (5,858) | (5,846) | - |
| Financial liabilities | (4,200) | - | - | - |
| Total non current liabilities | (10,036) | (5,858) | (5,846) | - |
| Total liabilities | (10,111) | (10,168) | (10,133) | (4,271) |
| Net assets | 561 | 571 | (970) | 4,900 |
| Equity | | | | |
| Issued capital | 500 | 500 | 500 | 6,360 |
| Retained profits/(accumulated losses) | 61 | 71 | (1,470) | (1,460) |
| Total equity | 561 | 571 | (970) | 4,900 |

Source: HBH standalone audited and reviewed financial statements

We note the following in relation to HBH's financial position:

- HBH disclosed net assets of \$561k and \$571k as at 31 December 2022 and 31 December 2023, a net asset deficiency position of \$970k as at 31 December 2024, and net assets of \$4.9m as at 30 June 2025.
- HBH disclosed total assets of \$9.2m as at 30 June 2025, comprising investment properties of \$9.1m and receivables from controlled entities of \$25k.
- Investment properties of \$9.1m solely comprise the Bowen Hills Properties with the carrying value based on the independent valuation conducted by M3 Property Australia Pty Ltd at 26 October 2023, adjusted for capital expenditure spent since the valuation of the Bowen Hills Properties.
- The market value of the Bowen Hills Properties was independently valued on 24 February 2026 by CBRE at \$10,100,000.
- Current financial liabilities of \$4.2m as at 30 June 2025 relate to bank loans secured by first mortgages over the Bowen Hills Properties, which are repayable in 2026.
- The increase in net assets of \$4.9m as at 30 June 2025 compared to net assets deficiency of \$970k as at 31 December 2024 was primarily due to the conversion of related party loan payables to share capital during HY25.

The table below sets out a summary of HBH's working capital position over the Historical Period.

Table 7 HBH historical working capital

| Hudson Bowen Hills Pty Ltd | 31-Dec-22 | 31-Dec-23 | 31-Dec-24 | 30-Jun-25 |
|---------------------------------------|-------------|-------------|-------------|-------------|
| Net working capital (\$'000) | Audited | Audited | Audited | Reviewed |
| Trade and other receivables - current | (9) | - | - | - |
| Prepayments | 58 | 61 | 61 | 1 |
| Trade and other payables | (72) | (98) | (84) | (68) |
| GST payable | (3) | (12) | (3) | (3) |
| Net working capital | (26) | (49) | (26) | (69) |

Source: HBH standalone audited and reviewed financial statements

At 30 June 2025, HBH disclosed a net working capital deficiency balance of \$69k (31 December 2024: \$26k).

The table below sets out a summary of HBH's net debt over the Historical Period.

Table 8 HBH historical net debt

| Hudson Bowen Hills Pty Ltd | 31-Dec-22 | 31-Dec-23 | 31-Dec-24 | 30-Jun-25 |
|-------------------------------------|-----------------|-----------------|-----------------|----------------|
| Net debt (\$'000) | Audited | Audited | Audited | Reviewed |
| Cash and cash equivalents | 31 | 31 | 2 | 5 |
| Receivables - controlled entities | - | - | - | 25 |
| Financial liabilities - current | - | (4,200) | (4,200) | - |
| Payables - controlled entities | (5,836) | (5,858) | (5,846) | - |
| Financial liabilities - non-current | (4,200) | - | - | (4,200) |
| Net debt | (10,005) | (10,027) | (10,044) | (4,171) |

Source: HBH standalone audited and reviewed financial statements

In our assessment of net debt, we have included cash and cash equivalents, cash-like items and debt and debt-like items including external borrowings and payables to controlled entities.

Based on the above, HBH disclosed net debt of \$4.2m as at 30 June 2025 (31 December 2024: \$10.0m).

3.7 HIGL financial position

The table below sets out the consolidated financial position of HIGL as at 31 December 2022, 31 December 2023, 31 December 2024 and 30 June 2025, extracted from the audited and reviewed financial statements of the Company.

Table 9 HIGL historical financial position

| Hudson Investment Group Limited \$'000 | 31-Dec-22 <i>Audited</i> | 31-Dec-23 <i>Audited</i> | 31-Dec-24 <i>Audited</i> | 30-Jun-25 <i>Reviewed</i> |
|--|-----------------------------|-----------------------------|-----------------------------|------------------------------|
| Current assets | | | | |
| Cash and cash equivalents | 112 | 599 | 616 | 299 |
| Trade and other receivables | (23) | (129) | (129) | 2,322 |
| Prepayments | 132 | 290 | 137 | 166 |
| Total current assets | 221 | 760 | 624 | 2,787 |
| Non current assets | | | | |
| Investment properties | 34,474 | 35,821 | 31,314 | 31,358 |
| Total non current assets | 34,474 | 35,821 | 31,314 | 31,358 |
| Total assets | 34,695 | 36,581 | 31,938 | 34,145 |
| Current liabilities | | | | |
| Trade and other payables | (530) | (223) | (267) | (377) |
| Accrued payable and provision | (75) | (66) | (68) | (88) |
| Financial liabilities | (6,885) | (4,200) | (4,200) | (12,200) |
| Total current liabilities | (7,490) | (4,489) | (4,535) | (12,665) |
| Non current liabilities | | | | |
| Accrued payable and provision | (47) | (27) | (31) | (33) |
| Financial liabilities | (4,200) | (8,925) | (8,000) | - |
| Total non current liabilities | (4,247) | (8,952) | (8,031) | (33) |
| Total liabilities | (11,737) | (13,441) | (12,566) | (12,698) |
| Net assets | 22,958 | 23,140 | 19,372 | 21,447 |
| Equity | | | | |
| Issued capital | 63,397 | 63,397 | 63,397 | 63,397 |
| Reserves | 5,261 | 5,261 | 5,261 | 5,261 |
| Accumulated losses | (45,700) | (45,518) | (49,286) | (47,211) |
| Total equity attributable to equity holders of HIGL | 22,958 | 23,140 | 19,372 | 21,447 |

Source: HIGL consolidated audited and reviewed financial statements

We note the following in relation to the HIGL's consolidated financial position:

- As at 31 December 2024, the Company disclosed net assets of \$19.4m and the total comprehensive loss for FY24 included a provision for doubtful debt relating to \$2.4m receivable under vendor finance arrangements following the sale of a commercial real estate property located at 43 Regent Street, Woollongabba, Queensland ("**Regent St Property**").
- HIGL's audited financial statements for FY24 included a disclaimer of opinion in the independent auditor's report issued by K.S. Black & Co relating to HIGL's legal right to the above \$2.4m receivable amount.
- All funds relating to the sale of the Regent St Property were subsequently received in July 2025 and K.S. Black & Co issued an unmodified report on the reviewed consolidated financial statements of HIGL for HY25.
- The Company disclosed consolidated net assets of \$21.4m as at 30 June 2025. The increase in net assets at 30 June 2025 was due to total comprehensive income of \$2.1m recognised for FY25, due primarily to the \$2.4m reversal of the provision for doubtful debt previously recognised in FY24 relating to the vendor finance receivable from the sale of the Regent St Property as set out above.
- Over the Historical Period, HIGL's revenue primarily comprised rental income, with net comprehensive losses disclosed during FY22 and FY24, and a small net profit for FY23 (due primarily to an increase in fair value of investment properties recognised).
- Investment properties of \$31.4m comprised the Bowen Hills Properties (\$9.1m as referenced above) as well as the Warnervale Properties.

- Current financial liabilities of \$12.2m as at 30 June 2025 relate to bank loans secured by first mortgages over the Bowen Hills Properties (\$4.2m) and Warnervale Properties (\$8.0m) and fixed and floating charges over assets of HIGL.

The table below sets out a summary of HIGL's consolidated net debt over the Historical Period.

Table 10 HIGL historical net debt

| Hudson Investment Group Limited | 31-Dec-22 | 31-Dec-23 | 31-Dec-24 | 30-Jun-25 |
|---|-----------------|-----------------|-----------------|-----------------|
| Net debt (\$'000) | | <i>Audited</i> | <i>Audited</i> | <i>Reviewed</i> |
| Cash and cash equivalents | 112 | 599 | 616 | 299 |
| Financial liabilities - current | (6,885) | (4,200) | (4,200) | (12,200) |
| Financial liabilities - non-current | (4,200) | (8,925) | (8,000) | - |
| Accrued payable and provision - non-current | (47) | (27) | (31) | (33) |
| Net debt | (11,020) | (12,553) | (11,615) | (11,934) |

HIGL consolidated audited and reviewed financial statements and RSM analysis

Based on the above, HIGL disclosed net debt of \$11.9m as at 30 June 2025 (31 December 2024: \$11.6m), noting that all secured bank loans are classified as current as at 30 June 2025.

4. Valuation Approach

4.1 Valuation methodologies

RG 111 proposes that it is generally appropriate for an expert to consider using the following valuation methodologies:

- the discounted cash flow (“**DCF**”) method and the estimated realisable value of any surplus and non-operating assets and liabilities;
- the application of earnings multiples to the estimated future maintainable earnings added to the estimated realisable value of any surplus assets surplus and non-operating assets and liabilities;
- the amount which would be available for distribution on an orderly realisation of assets;
- the quoted price for listed securities; and
- any recent genuine offers received.

We consider that the valuation methodologies proposed by RG 111 can be split into three valuation methodology categories, as follows.

Market based methods

Market based methods estimate the fair value by considering the market value of a company’s securities or the market value of comparable companies. Market based methods include;

- the quoted price for listed securities; and
- industry specific methods.

The recent quoted price for listed securities method provides evidence of the fair value of a company’s securities where they are publicly traded in an informed and liquid market.

Industry specific methods usually involve the use of industry rules of thumb to estimate the fair value of a company and its securities. Generally, rules of thumb provide less persuasive evidence of the fair value of a company than other market-based valuation methods because they may not account for company specific risks and factors.

Income based methods

Income based methods estimate value by calculating the present value of a company’s estimated future stream of earnings or cash flows. Income based methods include:

- discounted cash flow;
- capitalisation of future maintainable earnings (“**CFME**”).

The DCF technique has a strong theoretical basis, valuing a business on the net present value of its future cash flows. It requires an analysis of future cash flows, the capital structure and costs of capital and an assessment of the residual value or the terminal value of the company’s cash flows at the end of the forecast period. This method of valuation is appropriate when valuing companies where future cash flow projections can be made with a reasonable degree of confidence.

CFME is generally considered a short form DCF, where an estimation of the Future Maintainable Earnings (“**FME**”) of the business, rather than a stream of cash flows is capitalised based on an appropriate capitalisation multiple. Multiples are derived from the analysis of transactions involving comparable target companies and the trading multiples of comparable listed companies. This methodology is commonly applied where earnings are stable and a FME stream can be established with a degree of confidence. Capitalisation multiples can be applied to either estimates of future maintainable operating cash flows, EBITDA, EBIT or net profit after tax (“**NPAT**”). The earnings from any surplus and non-operating assets and liabilities are excluded from the estimate of FME and the value of such assets and liabilities is separately added/subtracted to the value of the business in order to derive the total value of the company. The appropriate multiple to be applied is usually derived from an analysis of stock market trading multiples of comparable companies (which do not include a control premium) and the implied multiples paid in comparable transactions (which include a control premium).

Asset based methods

Asset based methodologies estimate the fair value of a company’s securities based on the realisable value of its identifiable net assets. Asset based methods include:

- orderly realisation of assets method;
- liquidation of assets method; and
- net assets on a going concern basis (Net Assets).

The value achievable in an orderly realisation of assets is estimated by determining the net realisable value of the assets of a company which would be distributed to security holders after payment of all liabilities, including realisation costs and taxation charges that arise, assuming the company is wound up in an orderly manner. This technique is particularly appropriate for businesses with relatively high asset values compared to earnings and cash flows.

The liquidation of assets method is similar to the orderly realisation of assets method except the liquidation method assumes that the assets are sold in a shorter time frame. The liquidation of assets method will result in a value that is lower than the orderly realisation of assets method and is appropriate for companies in financial distress or where a company is not valued on a going concern basis.

The net assets on a going concern method estimates the market values of the net assets of a company but unlike the orderly realisation of assets method it does not take into account realisation costs. Asset based methods are appropriate when companies are not profitable, a significant proportion of the company's assets are liquid, or for asset holding companies.

4.2 Selection of valuation methodologies

Valuation of HBH prior to the Proposed Transaction

We consider the most appropriate valuation methodology for valuing HBH to be the net assets on a going concern (Net Assets) methodology on the basis that HBH is an investment property holding company.

We have instructed CBRE Valuations Pty Limited ("**CBRE**") to provide an independent Market Value of the Bowen Hills Properties ("**CBRE Report**").

For the purposes of this Report, we have relied upon the assessed Market Value of the Bowen Hills Properties set out in the CBRE Report in our assessment of the Fair Value of HBH using the Net Assets method.

We make reference to the assessed Market Value of the Bowen Hills Properties as set out in the CBRE Report, as well as set out a summary of the valuation methods and key assumptions adopted by CBRE in Section 5 in this Report.

A summary letter of CBRE's valuation conclusions is set out in Appendix E. Shareholders will be provided access to the CBRE Report upon request to the Company. If Shareholders wish to be provided access to the CBRE Report, Shareholders should contact HIGL directly.

Valuation of the Consideration

The Consideration consists of an upfront component comprising the Refundable Deposit and Second Payment, and a deferred component comprising the Third Payment and Final Payment. The Third Payment and Final Payment are payable 6 and 12 months after obtaining Shareholder approval of the Proposed Transaction. Accordingly, we have discounted the Third and Final Payments to present value in our assessment of the Fair Value of the Consideration.

5. Valuation of HBH prior to the Proposed Transaction

5.1 Net Assets Basis

As stated in Section 4 of this Report, we adopted the Net Assets methodology to assess the Fair Value of 100% of issued equity of HBH prior to the Proposed Transaction.

Our assessment of the Fair Value of HBH's net assets is shown in the table below, based on the reviewed financial position of HBH as at 30 June 2025, adjusted for material transactions.

Table 11 Assessed Fair Value of HBH prior to the Proposed Transaction (controlling basis)

| Hudson Bowen Hills Pty Ltd Statement of financial position (\$'000) | 30-Jun-25 | Adjustments | Assessed Value prior to the Proposed Transaction |
|--|----------------|-------------|---|
| Current assets | | | |
| Cash and cash equivalents | 5 | - | 5 |
| Prepayments | 1 | - | 1 |
| Total current assets | 6 | - | 6 |
| Non current assets | | | |
| Trade and other receivables | 25 | - | 25 |
| Investment properties | 9,140 | 960 | 10,100 |
| Total non current assets | 9,164 | 960 | 10,125 |
| Total assets | 9,170 | 960 | 10,131 |
| Current liabilities | | | |
| Trade and other payables | (68) | - | (68) |
| GST payable | (3) | - | (3) |
| Financial liabilities | (4,200) | - | (4,200) |
| Total current liabilities | (4,271) | - | (4,271) |
| Total liabilities | (4,271) | - | (4,271) |
| Net assets | 4,900 | 960 | 5,860 |
| Assessed Fair Value of HBH (control basis) | | | 5,860 |

Source: Reviewed financial statements, CBRE Report and RSM analysis

Adjustment for the Market Value of Bowen Hills Properties

As at 30 June 2025, HBH disclosed total investment properties of \$9.1m.

CBRE has assessed the Market Value of the Bowen Hills Properties on a going concern basis as at 24 February 2026 as being \$10.1m. Based on our review of the potential deferred tax liabilities that could potentially crystallise at the date of this Report, we consider that no adjustment is necessary as the adjustment would not be material to our assessment of the Fair Value of HBH.

We summarise the valuation methodologies adopted by CBRE and the key assumptions contained in the CBRE Report:

- the definition of Market Value is aligned to the International Valuation Standards (“**IVS**”) definition, being “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.
- CBRE has utilised the Comparable Transactions Method where sales evidence is compared on a rate per square metre of site area. In using this approach, CBRE has adjusted recent comparable sales transactions for factors including location and strength of locality, access and level of exposure, zoning and development approval, physical attributes such as topography, elevation and views, and price bracket and strength of market sector.

We summarise the following key factors highlighted in the CBRE Report in the assessment of Market Value as follows:

- CBRE noted that, although economic activity continues to recover, growth in private demand has strengthened substantially more than expected, driven by both household spending and investment. This has contributed to rising house prices, with credit readily available to households and businesses, while the effects of earlier interest rate reductions have not yet fully flowed through to demand, prices, and wages.

- CBRE noted that Queensland has the third largest state population in Australia, with a population of 5.67 million at June 2025, and state population is forecast to grow by circa 1.5% per annum over the decade from 2023, approaching 6.5 million, according to the Federal Government's 2024 population statement. This higher population is expected to support increased demand for housing and rentals.
- CBRE also noted that the apartment development cycle in Brisbane was short and sharp, peaking earlier in comparison with southern markets, and was highly concentrated in the inner city.
- The SWOT analysis set out in the CBRE Report highlighted the following:
 - strengths included fringe city location close to the Brisbane CBD and is situated in proximity to most services, transport, amenity and entertainment precinct, and the Bowen Hills Properties have undergone a degree of redevelopment with modern developments, including higher density residential uses, commercial office activities, and street level centre activities that predominantly include specialty retailing, cafes and restaurants.
 - weaknesses included the lease to 'Emacen Projects Pty Ltd' which include a demolition clause which can only be effected after 8 April 2026, and requiring at least 6 months' notice, and development projects being highly sensitive to cost and/or time overruns which need to be monitored closely due to the slender profit margins achievable.
 - opportunities included the existing development approval granted in April 2021 for Material Change of Use for the construction of a 24-storey mixed-use commercial and hotel tower accommodating A-grade commercial office space, 128 hotel rooms/short term accommodation, a childcare centre, ground floor retail and space for community uses.
 - threats included the delivery of larger scale commercial multi-level projects within the market remains challenging and the future supply pipeline appears to be significantly restricted due to the continuation of elevated/escalated construction costs and builder pressures.
- CBRE noted that there are no side agreements that would have an adverse effect on the market value of the Bowen Hills Properties.

Conclusion on Fair Value

Based on our review of HBH's management accounts for the 11-month period ended 30 November 2025 ("YTD25"), we consider that other than the above adjustments, the balance sheet as at 30 June 2025 was materially consistent with the balance sheet as at 30 November 2025.

Based on the above, we have assessed the Fair Value of HBH to be \$5.9m prior to the Proposed Transaction.

The Net Assets methodology represents the value of a controlling interest. Accordingly, we consider no further premium is considered necessary to assess the value of HBH prior to the Proposed Transaction.

6. Valuation of the Consideration

The table below sets our assessment of the Fair Value of the Consideration.

Table 12 Assessed Fair Value of the Consideration

| Hudson Bowen Hills Pty Ltd Fair Value of Consideration (\$'000) | Refundable Deposit | Date of Shareholder Approval Second Payment | 6 months after Shareholder Approval Third Payment | 12 months after Shareholder Approval Final Payment |
|--|-----------------------|---|---|--|
| Consideration payable | 290 | 290 | 2,320 | 2,900 |
| Discount rate | 5.16% | | | |
| Discount period | - | - | 0.50 | 1.00 |
| Discount factor | 1.0000 | 1.0000 | 0.9752 | 0.9509 |
| Present value | 291 | 291 | 2,263 | 2,759 |
| Assessed Fair Value of Consideration | | | | 5,604 |

Source: SPA and RSM analysis

Source: SSA December 2025 and RSM analysis

As set out in Sections 1.2 and 4, the Refundable Deposit has been received by the Company and the Second Payment is payable upon obtaining Shareholder approval for the Proposed Transaction, and the Third and Final Payments are payable 6 and 12 months after Shareholder approval is obtained, respectively.

We have discounted the Third and Final Payments to present value to account for the time value of money.

In determining an appropriate discount rate, we have taken into consideration that:

- Bowen Holdings (of which Mr Wei Huang is a director) is a special purpose vehicle company newly formed for the purposes of being the acquiring entity of HBH and has no trading operations (and accordingly, no material liabilities); and
- whilst the Third and Final Payments represent deferred consideration payments, HIGL will not transfer the shares in HBH to Bowen Holdings until the full Consideration is paid.

On the above basis, we have adopted the 3-year non-financial corporate BBB-rated bond yield of 5.16% as at 28 February 2026 (being the most current data available published by the RBA), reflecting the limited risk to HIGL associated with the timing of the transfer of HBH shares if the Proposed Transaction is approved.

Based on the above, we have assessed the Fair Value of the Consideration to be \$5.6m.

7. Is the Proposed Transaction Fair to the Non-Associated Shareholders?

In assessing the fairness of the Proposed Transaction, we have assessed the Fair Value of a 100% equity interest in HBH prior to the Proposed Transaction (on a controlling basis) representing the financial benefit to be provided by HIGL to Bowen Holdings and compared to our assessment of the Fair Value of the Consideration to be received by the Company.

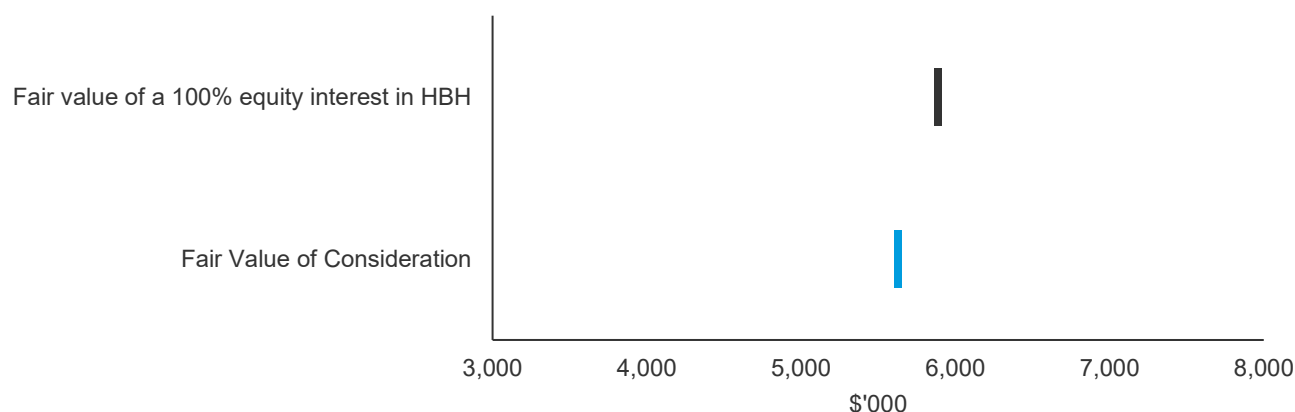
Table 13 Valuation summary

| Valuation summary | \$'000 |
|--|--------------|
| Fair Value of a 100% equity interest in HBH | 5,860 |
| Fair Value of Consideration | 5,604 |

Source: RSM analysis

The above comparison is presented graphically below.

Figure 3 Valuation summary



Source: RSM analysis

In our opinion, as the Fair Value of a 100% equity interest in HBH (on a controlling basis), representing the financial benefit to be provided to Bowen Holdings, is greater than the assessed Consideration payable, in accordance with the guidance set out in RG 111, and in the absence of any other relevant information, we consider the Proposed Transaction is **not fair** to the Non-Associated Shareholders.

Our concluded Fair Value of HBH (controlling basis) of \$5.9m has been assessed on a Net Assets basis based on the reviewed financial statements of HBH for HY25 (adjusted for the assessed market value for the investment properties by CBRE). We consider the Net Assets basis provides the best representation of the Fair Value of HBH given that it reflects the market value of the Bowen Hills Properties has been independently valued by CBRE. CBRE did not specify a range in the assessed market value of the Bowen Hills Properties, and accordingly, our assessed Fair Value of HBH using the Net Assets basis does not include a range of values.

Similarly, the proposed Consideration payable is not a range. Our assessment of the Fair Value of the Consideration has been discounted to present value to account for the time value of money and accordingly, has been assessed at \$5.6m, slightly less than the aggregate of the total payments of \$5.8m.

8. Is the Proposed Transaction Reasonable to Non-Associated Shareholders?

RG111 establishes that a Proposed Transaction is reasonable if it is fair. If a Proposed Transaction is not fair it may still be reasonable after considering the specific circumstances applicable to the Proposed Transaction. In our assessment of the reasonableness of the Proposed Transaction, we have given consideration to:

- the future prospects of HIGL if the Proposed Transaction does not proceed; and
- other commercial advantages and disadvantages to the Non-Associated Shareholders as a consequence of the Proposed Transaction proceeding.

8.1 Future Prospects of HIGL if the Proposed Transaction Does Not Proceed

If the Proposed Transaction is not accepted by sufficient HIGL Shareholders, the Proposed Transaction will not proceed and HBH will continue as a subsidiary of HIGL.

If the Proposed Transaction is not approved, the Company will continue to seek opportunities to optimise cash flow, reduce operating costs, and pursue development opportunities for both the Bowen Hills Properties and the Warnervale Properties.

8.2 Advantages of the Proposed Transaction

The key advantages and disadvantages of the Proposed Transaction are outlined below.

Table 14 Advantages of the Proposed Transaction

| Advantage | Details |
|---|--|
| Opportunity to monetise the non-core property investment | The Proposed Transaction provides Shareholders with the opportunity to realise the economic value of the Bowen Hills Properties, with funds received to be used to support HIGL's core property investments (Warnervale Properties) and strengthen the Company's liquidity position. |
| Realisation of value in the form of cash | As the Consideration for the Proposed Transaction is wholly comprised of cash consideration (albeit in staged payments), the Consideration provides the Company with certainty of value and converts illiquid assets into staged cash inflows. Further, due to the deferred nature of the Consideration, HIGL will be protected from any decreases in property value over the next 12 months until the full consideration is received as HIGL will legally retain ownership during this period. |
| Reduction in financial and operational risks associated with the properties | Approval of the Proposed Transaction will reduce HIGL's exposure to operational risks associated with the Bowen Hills Properties, for example, leasing, maintenance, and other compliance obligations. HIGL will also be relieved of any financial obligations in relation to loans secured against the Bowen Hills Properties. |
| No sales costs or lengthy sales process | Approval of the Proposed Transaction avoids incurring a potentially lengthy sales process and incurring third party sales costs should HIGL undertake a process to market and sell the Bowen Hills Properties to alternative third parties. |

Source: RSM analysis

8.3 Disadvantages of the Proposed Transaction

The key disadvantages of the Proposed Transaction are outlined below.

Table 15 Disadvantages of the Proposed Transaction

| Disadvantage | Details |
|---|---|
| The Proposed Transaction is not fair | As set out in Section 7 of this Report, the Proposed Transaction is not fair. |
| Forego potential to benefit in any upside in future value of the Bowen Hills Properties | <p>If the Proposed Transaction is approved, HIGL will no longer own the Bowen Hills Properties and accordingly, will not benefit from any future increase in property values (if any).</p> <p>Conversely to the advantage set out above, due to the deferred nature of the Consideration, HIGL will also forego the benefit of increases in property value over the next 12 months until the full consideration is received, even though HIGL will legally retain ownership during this period.</p> |
| Instalment risk | The Consideration is only payable in full 12 months after Shareholder approval is obtained for the Proposed Transaction and accordingly, Bowen Holdings (as the purchaser) must remain solvent for the Company to receive the Consideration in full, noting however that HIGL will retain ownership of HBH (and the Bowen Hills Properties) until the Consideration is paid in full. |

Source: RSM Analysis

8.4 Alternative proposals to the Proposed Transaction

We are unaware of any alternative proposal at the current time which might provide a greater benefit to Non-Associated Shareholders at the date of this Report.

8.5 Conclusion on Reasonableness

In our opinion, the position of the Non-Associated Shareholders if the Proposed Transaction is approved is more advantageous than the position if the Proposed Transaction is not approved. Therefore, in the absence of any other relevant information and/or a superior offer, we consider that the Proposed Transaction is **reasonable** for the Non-Associated Shareholders of HIGL.

An individual shareholder's decision in relation to the Proposed Transaction may be influenced by his or her individual circumstances. If in doubt, shareholders should consult an independent advisor.

Appendices

A. Declarations and Disclaimers

Declarations and Disclosures

RSM Corporate Australia Pty Ltd holds Australian Financial Services Licence 255847 issued by ASIC pursuant to which they are licensed to prepare reports for the purpose of advising clients in relation to proposed or actual mergers, acquisitions, takeovers, corporate reconstructions or share issues.

Qualifications

Our report has been prepared in accordance with professional standard APES 225 “Valuation Services” issued by the Accounting Professional & Ethical Standards Board.

RSM Corporate Australia Pty Ltd is beneficially owned by the partners of RSM Australia Pty Ltd (RSM), a large national firm of chartered accountants and business advisors.

Andrew Clifford and Albert Meintjes are directors of RSM Corporate Australia Pty Ltd. Both Andrew Clifford and Albert Meintjes are Chartered Accountants with extensive experience in the field of corporate valuations and the provision of independent expert’s reports for transactions involving publicly listed and unlisted companies in Australia.

Reliance on this Report

This report has been prepared solely for the purpose of assisting Shareholders of HIGL in considering the Proposed Transaction. We do not assume any responsibility or liability to any party as a result of reliance on the Report for any other purpose.

Reliance on Information

The statements and opinions contained in the Report are given in good faith. In the preparation of this report, we have relied upon information provided by the directors and management of HIGL, and we have no reason to believe that this information was inaccurate, misleading or incomplete. RSM Corporate Australia Pty Ltd does not imply, nor should it be construed that it has carried out any form of audit or verification on the information and records supplied to us.

The opinion of RSM Corporate Australia Pty Ltd is based on economic, market and other conditions prevailing at the date of the Report. Such conditions can change significantly over relatively short periods of time.

In addition, we have considered publicly available information which we believe to be reliable. We have not, however, sought to independently verify any of the publicly available information which we have utilised for the purposes of the Report.

We assume no responsibility or liability for any loss suffered by any party as a result of our reliance on information supplied to us.

Disclosure of Interest

At the date of the Report, none of RSM Corporate Australia Pty Ltd, RSM, Andrew Clifford, Albert Meintjes, nor any other member, director, partner or employee of RSM Corporate Australia Pty Ltd and RSM has any interest in the outcome of the Proposed Transaction, except that RSM Corporate Australia Pty Ltd are expected to receive a fee of \$27,500 (excluding goods and services tax (“GST”)) based on time occupied at normal professional rates for the preparation of the Report. The fees are payable regardless of whether HIGL receives Shareholder approval for the Proposed Transaction.

Consents

RSM Corporate Australia Pty Ltd consents to the inclusion of the Report in the form and context in which it is included with the Proposed Transaction Booklet to be issued to Shareholders. Other than the Report, neither of RSM Corporate Australia Pty Ltd or RSM Australia Pty Ltd has been involved in the preparation of the Notice. Accordingly, we take no responsibility for the content of the Notice.

B. Sources of Information

In preparing the Report, we have relied upon the following principal sources of information:

- Draft and final copies of the Notice of Extraordinary General Meeting and Explanatory Memorandum;
- Share Sale Agreement;
- Independent Valuation Report of the Bowen Hills Properties as at 24 February 2026 prepared by CBRE;
- HIGL consolidated audited and reviewed financial statements for FY22, FY23, FY24 and HY25;
- HIGL consolidated management accounts for YTD25;
- HBH audited and reviewed financial statements for FY22, FY23, FY24 and HY25;
- HBH management accounts for YTD25;
- S&P Capital IQ database;
- IBISWorld;
- Reserve Bank of Australia (RBA); and
- Information provided to us throughout correspondence with the Directors and Management of HIGL.

C. Glossary of Terms and Abbreviations

| Term or Abbreviation | Definition |
|----------------------------|--|
| \$ or A\$ | Australian dollars |
| Act or Corporations Act | Corporations Act 2001 (Cth) |
| AFCA | Australian Financial Complaints Authority |
| AFSL | Australian Financial Services Licence |
| APES | Accounting Professional & Ethical Standards |
| ASIC | Australian Securities and Investments Commission |
| ASX | Australian Securities Exchange |
| b | Billion |
| Bowen Holdings | Bowen Holdings Pty Limited |
| Bowen Hills Properties | Properties located at 41-43, 47 Brookes Street, Bowen Hills, Queensland |
| CBRE | CBRE Valuations Pty Limited |
| CBRE Report | An independent valuation report by CBRE for the assessment of Market Value of the Bowen Hills Properties dated 24 February 2026 |
| CFME | Capitalisation of future maintainable earnings |
| Controlling Interest Basis | As assessment of the Fair Value of an equity interest, which assumes the holder or holders have control of the entity in which the equity is held. |
| Consideration | Proposed cash consideration for the acquisition of a 100% of the ordinary shares of HBH totalling aggregate payments of \$5,800,000, which comprises a Refundable Deposit, Second Payment, Third Payment and Final Payment calculated in accordance with, and subject to, the terms of the Proposed Transaction. |
| DCF | Discounted Cash Flow |
| EBIT | Earnings before interest and tax |
| EBITDA | Earnings before interest, tax, depreciation and amortisation |
| Enterprise Value or EV | The market value of a business on a cash free and debt free basis |
| Equity Value | The owner's interest in a company after the addition of all non-operating or surplus assets and the deduction of all non-operating or excess liabilities from the Enterprise Value. |
| FME | Future Maintainable Earnings |
| FSG | Financial Services Guide |
| FYXX | Financial year ended 31 December 20XX |
| GST | Goods and services tax |
| HBH | Hudson Bowen Hills Pty Ltd |
| HIGL or Company | Hudson Investment Group Limited |
| Historical Period, the | FY22, FY23, FY24 and HY25 |
| IVS | International Valuation Standards |
| k | Thousands |
| LTM | Last twelve months |
| m | Millions |

| Term or Abbreviation | Definition |
|---|--|
| Management, or Mgmt. | The management of HIGL |
| Market Value or Fair Value | The amount at which an asset could be exchanged between a knowledgeable and willing but not anxious seller and a knowledgeable and willing but not anxious buyer, both acting at arm's length. |
| Non-Associated Shareholders or Shareholders | HIGL shareholders not associated with the Proposed Transaction |
| Notice | Notice of Extraordinary General Meeting and Explanatory Statement accompanying this Report |
| NPAT | Net profit after tax |
| Proposed Transaction | The proposed transaction by Bowen Holdings to acquire all issued ordinary shares in HBH as set out in Resolution 1 of the Notice |
| RBA | Reserve Bank of Australia |
| Regent St Property | The property located at 43 Regent Street, Woolloongabba, Queensland, formerly owned by HIGL |
| Report or IER | This Independent Expert's Report prepared by RSM Corporate Australia Pty Ltd |
| RG 111 | ASIC Regulatory Guide 111 Content of expert reports |
| RG 112 | ASIC Regulatory Guide 112 Independence of experts |
| RG 76 | ASIC Regulatory Guide 76 Related party transactions |
| RSM Control Premium Study | RSM study on 605 takeovers and schemes of arrangement involving companies listed on ASX over the 15.5 years ended 31 December 2020 |
| RSM, we, us or our | RSM Corporate Australia Pty Ltd |
| S&P Capital IQ | An entity of Standard and Poor's which is a third-party provider of company and other financial information |
| SSA | Share Sale Agreement executed on 21 January 2026 pertaining to the Proposed Transaction |
| Warnervale Properties | Unit 2, 171-175 Sparks Road, Halloran, NSW (Western Side) and 59 Mountain Road, Halloran, NSW (Eastern side) |

D. Industry Overview

In evaluating the industry in which HBH operates, we have had regard to the *Industrial and other property operators* industry in Australia (“the Industry”).

General overview

Industry operators primarily lease industrial and other commercial property (excluding office and retail property). Industry revenue has proven highly sensitive to changes in interest rates. Following a steep contraction when rates rose in 2022–23, recent monetary stability and lower inflation have helped renew investor confidence, but continued uncertainty tempers growth.

Key industry performance drivers

The key drivers that influence the Industry include:

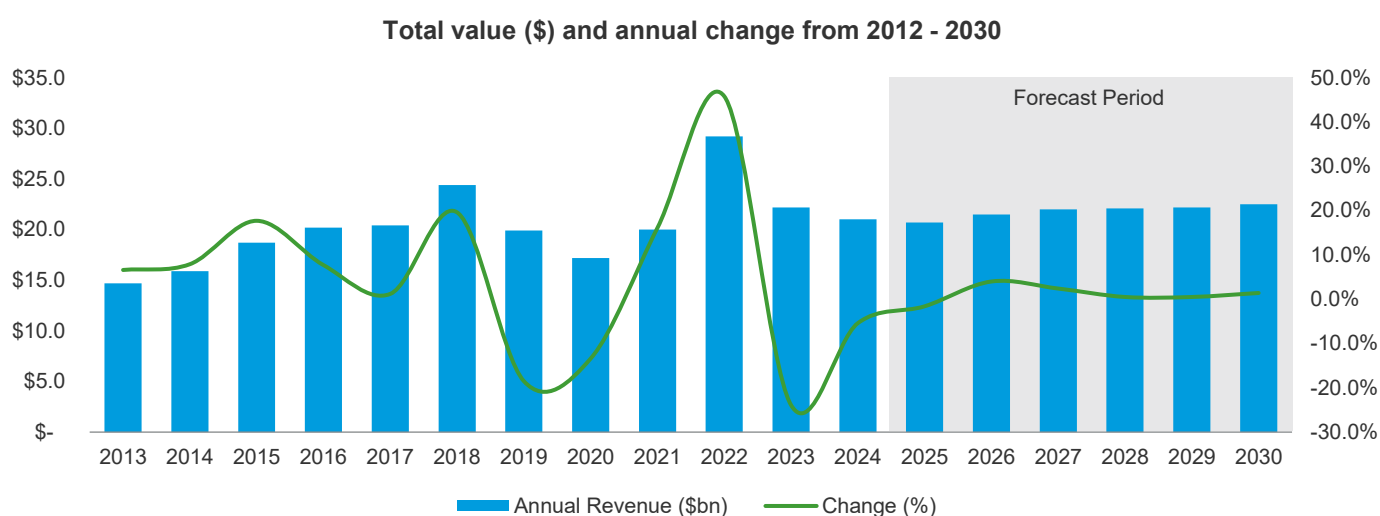
- **Easing inflation and steady interest rates are boosting investor confidence and supporting industrial property development** – Despite continued global market volatility spurred on by geopolitical tension, investors will seek safer, long-term investments. Real estate in Australia has long been an attractive investment;
- **Vital downstream markets will shift gears, redirecting where the industry derives revenue** – Specialist developers and construction firms are increasingly delivering turnkey, build-to-own facilities for large occupiers, capturing value through development and asset management fees;
- **Larger industry property operators are deploying computerised property management systems** – The adoption of property management software across the industrial property sector is alleviating wage costs by automating routine administrative tasks, ranging from rent collection to lease management and limiting the need for clerical staffing; and
- **Property operators will look to capitalise on growth opportunities as the economy recovers** – The value of new warehouse construction will lift over the next few years, stimulating sales and leasing of A-grade properties, especially in locations close to population or production hubs.

The factors leading to the current performance of the Industry include:

- **Interest rate volatility alters industrial property operators' revenue trajectory** – Revenue performance in Australia's industrial property sector is closely and inversely linked to Reserve Bank cash rate movements;
- **Alternative industrial segments reshape the revenue landscape** – Revenue performance in Australia's industrial property sector is closely and inversely linked to Reserve Bank cash rate movements;
- **The warehousing segment faces growing pressure from rising demand for specialist industrial assets** – Warehousing remains a core revenue generator, but its share of total industrial revenue is declining as investor and tenant priorities shift towards specialised, high-tech assets; and
- **A fragmented market structure limits growth paths for smaller operators** – The Industrial and Other Property Operators industry is dominated by small, owner-operated firms with lean staffing or no staffing at all and tightly held portfolios, restricting their capacity for portfolio expansion and cross-market exposure.

Outlook

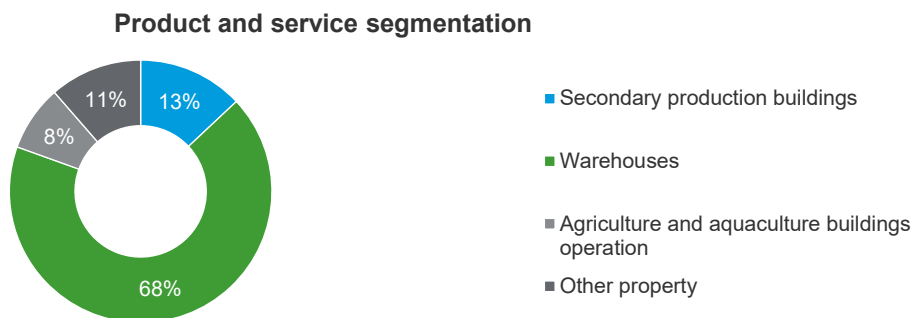
The chart below sets out total revenue and annual change from 2012 to 2030:



Source: IBISWorld - L6712c Industrial and Other Property Operators in Australia, August 2025

Product and service segmentation

The chart below sets out the market share of industrial and other property operators industry market:



Source: IBISWorld - L6712c Industrial and Other Property Operators in Australia, August 2025

Industry Characteristics

The Industrial and Other Property Operators industry in Australia is characterised by a moderate and increasing trend of barriers to entry due to zoning regulations, as they dictate permissible land uses and restrict industrial property development and the requirement of substantial upfront capital to enter the market. The Industry is also characterised as having a high and steady trend of competition and low level of innovation. IBISWorld has characterised the Industry as being in the growth stage of its life cycle.

E. Summary of Independent Property Valuation prepared by CBRE Valuations Pty Limited¹

¹ In accordance with RG 111.102, to avoid the inclusion of extraneous information, and to ensure that our report is clear and concise, we have not included a full copy of the independent valuations in the Report. However, should Shareholders require a full copy of CBRE's independent valuation, this can be obtained from the Company on request, free of charge.

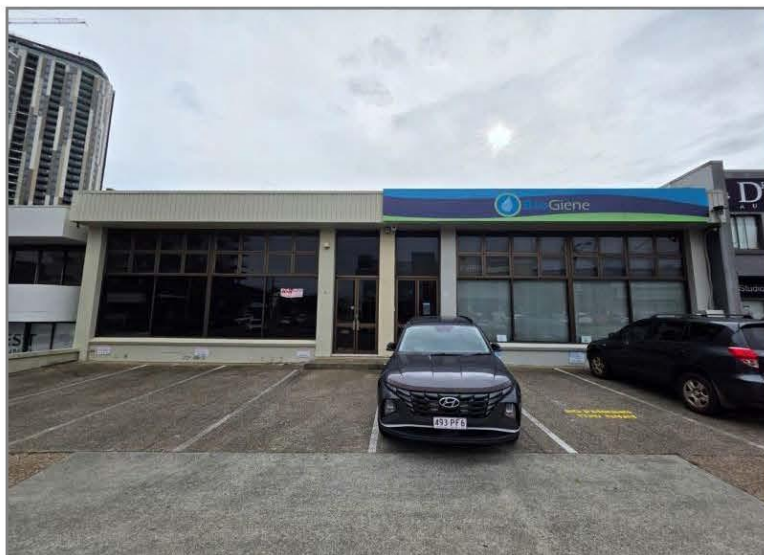
Valuation Report

Mixed-Use Development Site

43-47 Brookes Street, Bowen Hills QLD 4006

Valuation Date 24 February 2026

Reliant Party RSM Corporate Australia Pty Ltd



43 Brookes Street Frontage



47 Brookes Street Frontage



Aerial Map (Source: Landchecker 2025, Indicative outline only)



1 Executive Summary

INSTRUCTIONS | RELIANCE

| | |
|---|---|
| Instructing Party | Andrew Clifford of RSM Corporate Australia Pty Ltd. |
| Instruction Date | 10 February 2026 |
| Reliant Party/Purpose | RSM Corporate Australia Pty Ltd for the purpose of assisting RPM in the preparation of an Independent Expert Report on behalf of Hudson Investment Group Ltd only. |
| Limitation of Liability (Condition of Reliance) | To the fullest extent permitted by law, the total aggregate liability of CBRE under or in relation to this valuation, however caused, and whether arising under contract, tort (including negligence) or otherwise, is limited to the prescribed liability caps in the Terms of Engagement. |
| Reliance Period | Reliance on our Valuation Report is extended to the Reliant Party for a maximum period of 90 days from the date of valuation (refer to the Valuation Synopsis for further qualifications). Reliance is strictly not extended to any of the shareholders, unitholders, investors or beneficiaries of Hudson Investment Group. CBRE do, however, acknowledge and accept that RSM will attach the summary letter to the Independent Experts Report and make the full report available to shareholders of Hudson Investment Group on request. |
| Interest Valued | Freehold (100%). |
| Basis of Valuation | Market Value - In One Line - Subject to Highest and Best Use. |

PROPERTY PARTICULARS

| | | |
|---------------------------------------|--|--|
| Brief Description of Property 'As Is' | 43 Brookes Street: Comprises a 1,013 square metre 'Emerging Community' classified allotment situated on the western side of Brookes Street, Bowen Hills. The site is improved with a multi-strata complex comprising two adjacent units with a gross lettable area of 760 square metres. Unit 1 is situated along the northern boundary alignment and comprises 379 square metres of office accommodation arranged over two levels. Unit 2 is situated along the southern boundary alignment and comprise 381 square metres of office/warehouse accommodation arranged over two levels. | |
| | 47 Brookes Street: Comprises a 1,011 square metre 'Emerging Community' classified allotment situated on the western side of Brookes Street, Bowen Hills. The site is improved with a dated (circa 1980s) two-storey industrial building of rendered concrete block and metal roof construction with a gross lettable area of 804 square metres configured into 4 tenancies ranging in sizes from 50 to 424 square metres. The building is accessible via a commercial shop frontage to Brookes Street and a single container roller door at the rear of the building accessible via Exhibition Street. | |
| | The improvements are considered to provide nominal added value to the property as a development site, with the ability to generate holding income until redevelopment. We have been advised by the owner that the property is fully leased to 6 tenants with a net annual income of \$326,524 (reflecting a gross annual income of \$470,074 and an annual outgoing of \$143,550). All leases include demolition clauses. | |
| Highest and Best Use | With consideration to the underlying town planning provisions applicable to the subject site at the date of valuation, including the current development approval, the highest and best use for the subject site is considered to be for mixed-use development. | |
| Title Details | Lot 1 & 2 on GTP 1074, Title Reference 16474089, 16474090 and Lot 1 on RP 167860, Title Reference 15960096. | |
| Registered Ownership | Hudson Bowen Hills Pty Ltd. | |
| Site Area (sqm) | 2,024 sqm | |
| Lettable Area (sqm) | 1,564 sqm | |
| Zoning | Emerging Community. | |
| Planning Scheme | Brisbane City Plan 2014. | |
| Property Comments | Current Use | Commercial office and warehouse. |
| | Current Permits | Permits exist – refer to body of report. |
| | Highest & Best Use | Mixed-use development. |
| | Maximum/Allowable Height Limit | 24 storeys. |

| ASSESSMENT | |
|--|---|
| This valuation is exclusive of GST. | |
| Valuation Method | Comparable Transactions - Land |
| Date of Inspection | 24 February 2026 |
| Date of Valuation | 24 February 2026 |
| MARKET VALUE (100% Interest) | Market Value - In One Line - Subject to Highest and Best Use \$10,100,000 (Ten Million, One Hundred Thousand Dollars) |
| Principal Valuer |  <p>William Poole AAPI, MRICS Registered Valuer No. 3416 Certified Practising Valuer Director Valuation & Advisory Services Property Inspection - Yes Job Involvement - Valuation & Analysis</p> |
| Counter-signatory |  <p>David Clarke AAPI Director Quality & Risk Management (QLD Commercial) Property Inspection - No Job Involvement - Counter-signatory in capacity of Quality Assurance** The opinion of value has been arrived at by the Principal Valuer/s.</p> |
| Conditional Terms (Important) | <p>** The counter-signatory (acting as a supervising member) has reviewed the Valuation Report (and questioned the Principal Valuer where appropriate); and is satisfied there is a reasonable basis for the valuation process and methodology adopted.</p> <p>This summary must not be acted on in isolation and must not be read independently of the valuation report in its entirety. This valuation and summary are subject to all content, assumptions, disclaimers, qualifications and recommendations in the report. The report is prepared for the use of and reliance by the Reliant Party only and limited only to the Purpose specifically stated. No responsibility is accepted or assumed to any third party for the whole or any part of the report.</p> <p>Liability limited by a scheme approved under Professional Standards Legislation.</p> |

CBRE Valuations Pty Limited | ABN 15 008 912 641 | Valuation & Advisory Services
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