MONTHLY HIGHLIGHTS

STEADY PROGRESS · THOUGHTFUL DEDICATION · VISIONARY OUTLOOK

Foreword

Spring is in full bloom, and life is vibrant once again. In October, DDDI Group celebrates the one-year anniversary of our Monthly Newsletter—a milestone that stands as both a marker of progress and a testament to our continuous growth and achievements.

This month, several of our projects made significant strides across the approval, design, and construction stages, signaling that our development process is steadily advancing toward greater systematisation and professionalism. Through seminars, studies, and exchanges, our team continues to deepen its understanding of the entire value chain of property investment and development in South Australia.

At DDDI Group, research and practice advance hand in hand. Our paper was successfully selected for presentation at AUBEA 2025 International Conference, demonstrating the growing integration between academia and industry. Meanwhile, our seminar —"Comprehensive Strategies and Practices for Property Investment in South Australia"—concluded successfully, equipping investors with systematic thinking and forward-looking insights.

Highlights of This Issue:

◆ **Project Updates:**
Multiple projects approved; some now under construction and interior works progressing smoothly.
◆ **Academic Breakthrough:**
Paper accepted by AUBEA 2025, demonstrating our strength in research and innovation.
◆ **Seminar Review:**
Data-focused insights into investment logic, approvals, risk, finance, and taxation.

We will continue to drive practice through research and validate innovation through projects, ensuring that the principles of systematic investment and sustainable development run through every aspect of DDDI Group's growth.

Project Progress Update

This month, DDDI Group's projects progressed smoothly overall, with key milestones as follows:

◆ **Seminars and Industry Events**
In October, DDDI Group successfully hosted two themed seminars on property investment, development, and related services, which received highly positive feedback. Moving forward, we will continue to organise similar events to promote industry exchange and enhance our clients' systematic understanding of the property investment process.

◆ **One Project Successfully Obtained Planning Approval and Entered Construction Drawing Design Stage**
The Para Hills project has successfully received Planning Approval (PA) and is now proceeding with the construction drawing and detailed design phase. The team is working closely with design consultants and construction partners to further refine and optimise the plan.

◆ **A New Project Successfully Completed Land Settlement and Initiated Preliminary Planning Discussions**
Another new project located in the Para Hills area has successfully completed land settlement. The team has already held several rounds of discussions with the local council regarding the feasibility of the design proposal. The planning application is expected to be officially submitted next month.

◆ **One Project Successfully Obtained Development Approval (DA) and Entered Pre-Construction Stage**
The Gepps Cross project has successfully received both Building Rules Consent (BRC) and Development Approval (DA). The project is now in the pre-construction preparation phase, with the team coordinating closely with contractors and managing on-site setup. Construction is expected to commence soon.

◆ **Two Projects Awaiting Planning Approval Results**
Following multiple rounds of discussions and design revisions with the local council, the Clovelly Park and Keswick projects have submitted their final design documents and are currently awaiting Planning Approval (PA).

◆ **Several Projects in the Final Stage of Building Permit Approval**
Projects such as Old Reynella and Everard Park have completed their construction drawings and structural design documents. The team is actively communicating with the relevant authorities to finalise technical details and accelerate the Building Rules Consent (BRC) review process, ensuring that development approvals are granted as soon as possible.

◆ **One Project Entered the Final Construction and Interior Fit-Out Stage**
The Gilles Plains project has entered the final phase of construction, with interior fit-out and completion preparations now in full swing. The team is making the final push to ensure a smooth handover upon completion.

Good News | Paper Selected for Presentation at AUBEA 2025 International Conference

We are delighted to announce that our team's research paper has been officially accepted by the 48th Australasian Universities Building Education Association International Conference (AUBEA 2025).

The paper focuses on innovative approaches to addressing the housing crisis and rethinking pathways in property development. We hope that our findings will not only offer new insights and practical references for tackling Australia's current housing challenges, but also provide forward-looking strategies for developers across the industry.

We firmly believe that continuous research and innovation are the core driving forces behind sustainable enterprise growth. Moving forward, we will continue to deepen our research and contribute ideas and solutions that help advance the real estate and development sector.

See you in Canberra this November!
Stay tuned for more exciting updates in our next issue.

Feature Review | Seminar on Comprehensive Strategies and Practices for Property Investment in South Australia

Jointly organised by DDDI Group, Cyberate Project Management, Prime Path Mortgage, and L Partners, the seminar titled "Comprehensive Strategies and Practices for Property Investment in South Australia" was successfully held in Adelaide on September 30.

Focusing on the core themes of "Property Portfolio × Development Approvals × Loan Leverage × Investment Taxation", the event provided a systematic analysis of the overall logic and practical pathways of property investment. Led by multiple industry experts, the seminar combined real-world case studies with professional experience, offering attendees in-depth strategic perspectives and actionable insights.

Topic 1: From Experience to Data — A Holistic and Systematic Perspective on Property Investment
Speaker: Dr. William Jiang | Director & Data Scientist, DDDI Group

Dr. Jiang emphasised that the essence of property investment lies not only in location and capital appreciation, but more importantly in the sustainability of cash flow and the investor's capacity for risk management.

"Every investment property should aim to achieve a healthy cash flow; only with stable holding can long-term appreciation naturally follow." Dr. Jiang

He further explained that a healthy cash flow is the foundation for stable holding. A property generating positive or balanced cash flow does not continuously drain the investor's savings, thereby reducing financial stress and the risk of default. This allows investors to hold assets steadily over the long term, without being forced to sell during market downturns.

Conversely, stable holding is the key to capital appreciation. The value growth of real estate requires time to unfold — only by enduring market cycles and smoothing short-term volatility can investors truly benefit from urban development, population growth, and inflation-driven asset appreciation.

Dr. Jiang illustrated with real examples how to comprehensively assess property price, loan-to-value ratio, interest rate, council rates, and other associated costs, while comparing the returns of whole-rental and room-rental models.

In one of his own investment cases, even with a 90 % loan ratio, the property generated a net income of about AUD 30–40 per fortnight under whole rental, and around AUD 100 per fortnight under room rental. Properties with positive cash flow, he noted, also tend to enjoy greater bargaining power upon sale.

He further remarked that under the current high-interest-rate environment, achieving a fully positive cash flow may be challenging in the short term. However, careful planning of cash reserves and rental strategies remains essential for maintaining stable holdings.

Dr. Jiang also suggested that investors may include short-term rental models such as Airbnb in their income assessments — but must closely monitor local zoning and short-term rental regulations to ensure compliance. Whether in cash-flow planning or property management, investors are encouraged to consult with Cyberate Project Management for tailored strategies.

"Time is an investor's best friend — only through long-term holding can one truly witness the power of compounding and growth,"

Dr. Jiang

Topic 2: Big Data Insights — Factors Influencing Development Approvals and Investment Opportunities in South Australia
Speaker: Percy Zhang | ICT Business Analyst, DDDI Group

Approaching from a data analytics perspective, Percy demonstrated how to leverage publicly available datasets to uncover insights into various local councils' approval tendencies and project characteristics. Combining this data-driven analysis with team experience, he illustrated how approval success rates and timelines can be effectively predicted.

"When approval timelines are controllable, cash flow risks become controllable too."
Percy

Through data modelling of key variables within the approval process, developers and investors can better forecast project feasibility, optimise submission strategies, and identify potential risks early.

This data-driven decision-making approach is becoming a new trend in analysing development approvals in South Australia. Particularly with the continuous advancement of the ePlanning system and state-level planning reforms, the value of predictive analytics is increasingly evident. Supported by DDDI Group's strong big data and AI capabilities, Cyberate Project Management, a DDDI subsidiary, has emerged as a leader in this field.

Topic 3: From Risk to Return — Practical Insights on Leveraging Finance to Build Wealth
Speaker: Bruce Chen | Director & Loan Manager, Prime Path Mortgage

Drawing on his extensive experience in banking and credit, Bruce highlighted that the key to sound mortgage decision-making lies in quantitative thinking — "Investment is about numbers, not feelings."

He introduced a framework where Risk = Uncertainty × Impact, and proposed the concept of Return ÷ Risk = Value Ratio, illustrating how investors can balance and optimise their portfolios accordingly.

On the topic of leverage management, Bruce emphasised:
- Leverage is a double-edged sword — the key is to manage cash flow effectively through Offset Accounts.
- When cash flow is positive, surplus funds should be directed to the offset account linked to the investment property loan to maximise financial efficiency.
- When cash flow is under pressure, investors can adjust principal and interest repayment structures dynamically to maintain liquidity and safeguard capital.
- For advanced investors, strategies such as Interest Only Advance (IOA) — paying 12 months of interest upfront and allocating it across two financial years — can help achieve both tax efficiency and cash flow stability.

Bruce also advised investors to regularly conduct property revaluations and optimise loan structures, while avoiding cross-collateralisation to reduce exposure to cascading financial risks.

Topic 4: Tax Strategies for Investment Properties — Is Tax a Cost or a Return?
Speaker: Victor | Tax Agent, L Partners

From a tax planning perspective, Victor analysed the underlying logic of tax deductions for investment properties:

- 🔹 Loan interest, management fees, and maintenance expenses related to investment properties can be claimed as tax deductions, effectively reducing taxable income.
- 🔹 In certain circumstances, constructing a negative cash flow portfolio — when combined with tax deduction benefits — can actually optimise overall post-tax returns.
- 🔹 When using a trust structure, the applicable tax rate varies according to the distribution of income among beneficiaries, providing greater flexibility.
- 🔹 Under Australian law, companies and individuals are legally separate entities; therefore, corporate debts cannot be used to offset an individual's taxable income.

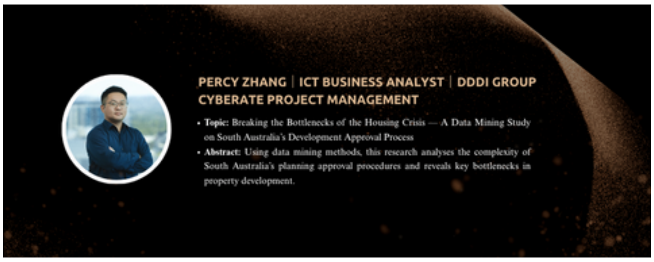
Regarding interest rate trends, Victor noted that "current cash rates are within a historically normal range." Future policies of the Reserve Bank of Australia (RBA) will continue to balance inflation control and economic resilience, suggesting that investors should adopt a medium- to long-term perspective in their financing and tax planning.

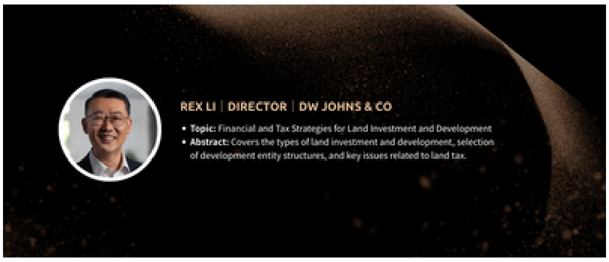
For young investors with sufficient capital, Victor recommended considering Self-Managed Super Funds (SMSFs) for property investment — provided that regulatory and financial thresholds are met. However, he stressed the importance of portfolio diversification to avoid the risks associated with over-concentration in a single asset class.

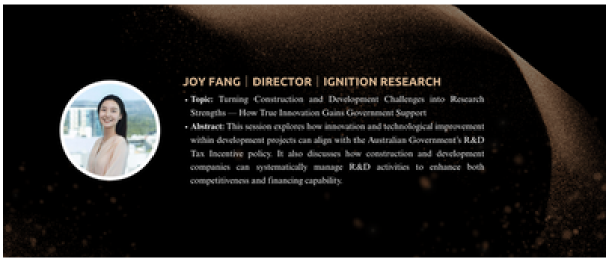
Event Summary

This seminar provided investors with a systematic knowledge framework and practical strategies, empowering them to better identify opportunities and manage risks in South Australia's property market.

From data analytics and financing structures to tax planning, the cross-disciplinary sharing reinforced the importance of rationality and systematic thinking in property investment.







Major Announcement

The "South Australia Property Development Outlook Forum" Is Coming Soon

Jointly organised by Cyberate Project Management, Ignition Research, Lynch Meyer Lawyers, and DW Johns & Co, the "South Australia Property Development Outlook Forum" will be grandly held on the afternoon of October 29, 2025.

Focusing on the core themes of "Development Policy × Legal Affairs × Finance & Taxation × Innovation Research × Project Management", the forum will bring together leading cross-disciplinary experts from across South Australia to discuss efficiency enhancement and future trends in property development.

This closed-door forum is by invitation only, aiming to foster in-depth dialogue among industry, policy, and research sectors, and to bring new insights and collaboration opportunities to South Australia's property development industry.

Time:
Wednesday, 29 October 2025 | 2:00 PM – 5:00 PM

Venue:
Rydges South Park Adelaide
1 South Terrace, Adelaide SA 5000

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