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## CHAIRMAN'S STATEMENT

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### Financial Review

I am pleased to report that for the year ended December 31, 2000, the Group turnover increased by 31.5% from \$310.1 million to \$407.7 million. This is largely attributable to the recognition of sale of condominium units at Cuscaden Residence which was successfully launched in 1999. Improvement in the hotel business also contributed to the increase in turnover.

The Group recorded a net profit after tax of \$43.1 million for the year ended December 31, 2000. The sale of land rights in the Canary Riverside development contributed significantly to the profits for the year.

### Recent Developments

During the year, the hotel division of the Group enjoyed significant growth in both occupancy as well as room rate. The Group has increased its effective equity interest in one of its most profitable resort, Four Seasons Resort Bali at Jimbaran from 45% to 65%. This has also contributed to an increase in the Group's share of its profits.

The beachfront hotel in Pattaya, Thailand which the Group recently acquired is currently undergoing a major refurbishment to be transformed into another Hard Rock Hotel. When completed, it will be the second Hard Rock Hotel in the Group following the Hard Rock Hotel in Bali.

The Group is poised to expand its investments when opportunities arise.



The Group has recently entered into a conditional sale and purchase agreement to acquire a property (currently known as YMCA Collins International House) located in the central business district in Bangkok, Thailand. The property will be closed for renovation upon the completion of the acquisition. It is the Group's intention to re-brand and re-position the property as a luxury hotel.

### Prospects

The Board is obliged to take a cautious view with regard to the Group's prospects in the year 2001. On the property front, Cuscaden Residence will continue to contribute significantly to the profit of the Group. The hotel sector should at least maintain the results achieved in the year under review, in which this sector's results were the most successful in the Group's history. However, the other sectors of the Group's business are likely to encounter difficult conditions, in view of the current global economic climate and political developments in the region.

Nevertheless, following the various divestments made in prior years, the Group is poised to expand its investments when opportunities arise.

### Dividend

The Board recommends a first and final dividend of 2.5% less income tax at 24.5% for the year ended December 31, 2000.

Finally, on behalf of the Board, I would like to acknowledge the dedication of our management and staff and also thank the Group's shareholders, customers, bankers and business associates for their valuable support.

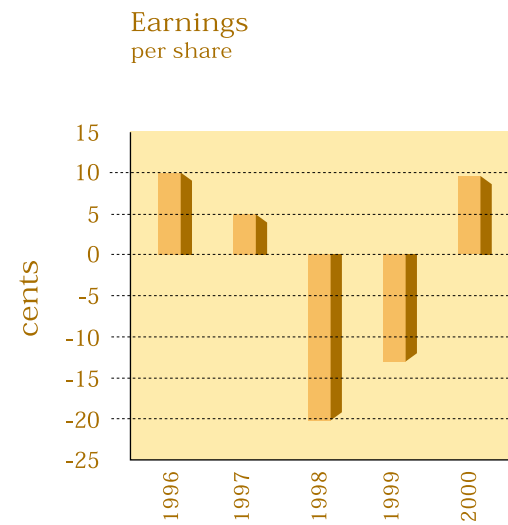
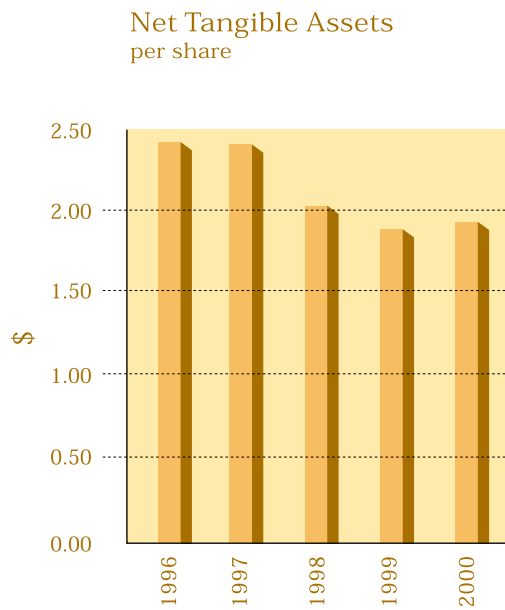
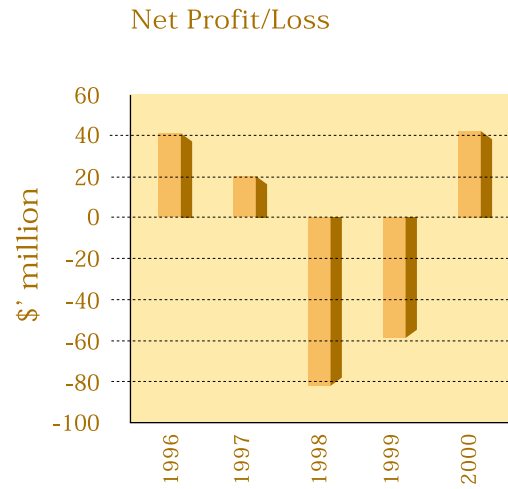
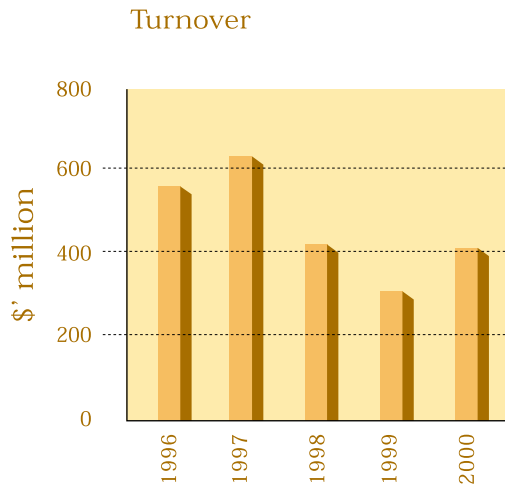


PETER Y. S. FU

Chairman

March 30, 2001

## FINANCIAL HIGHLIGHTS



BUSINESS  
REVIEW



We are committed to create a memorable experience for our guests by indulging and pampering them with high standards of service.





Hotel Properties Limited Group's Hotel Division witnessed a 18.5% growth in turnover during the financial year.

In Singapore, the higher tourist arrival has boosted both the occupancy and room rates of the Group's hotels – Hilton Singapore, Four Seasons Singapore and Le Meridien Singapore. In particular, the award winning Four Seasons Singapore, with its ever-popular Chinese restaurant, Jiang-Nan Chun and the new One-Ninety Restaurant, serving world cuisine with flavours and preparations drawn from many countries, has generated better returns as compared to previous year.

In Bali, the construction of 8 additional villas at Four Seasons Resort Bali at Sayan has been completed, making a total of 54 beautifully-appointed suites and villas which offers one of the most impressive views of the sacred Ayung River Valley. Not forgetting the other Four Seasons Resort Bali at Jimbaran Bay with 147 villas terrace down the hillside amidst hewn stone paths and luxuriant gardens to Jimbaran Bay.

Also in Bali, the 418-room Hard Rock Hotel Bali brings us into a completely different world of rock n' roll featuring a 110,000 square feet swimming pool complete with a sand island and private cabanas. Opening later this year, the new Hard Rock Hotel, Pattaya in Thailand, is sure to become an instant hit with Hard Rock fans.

Another award winning hotel in the Group is Four Seasons Resort Maldives at Kuda Huraa. All the 106 bungalows in this resort are beautifully appointed in harmony with the island's natural foliage and the clear blue sea, creating the perfect holiday setting.

The other hotels in the Group's stable include Le Meridien Port Vila Resort & Casino at Vanuatu, Concorde Hotel Gold Coast, Concorde Hotel Kuala Lumpur, Concorde Hotel Shah Alam, Nawarat Hotel in Yangon, Trans Asia Hotel in Sri Lanka and the recently opened Four Seasons Hotel at Canary Wharf, London.

HOTEL



The Group has gained a reputation for building quality residential properties.



With the track record of successful development of Four Seasons Park, Nassim Jade and Scotts 28, the Group has gained a reputation for building quality residential properties. Consistent with the Group's successes in project launches, all 150 units of Cuscaden residence, currently under development, have been sold. Progress billings of up to 45% have been collected and the project is expected to be completed by 2002.

In London, the Group owns a block of serviced apartmets in Canary Wharf, known as Circus Apartments, which commenced business in September 2000. These apartments provide an independent lifestyle while at the same time having the convenience of hotel amenities. A business centre is located on the premises and guests have free membership to an exclusive Fitness Club and Spa.

The Group also has 37.5% interest in the Canary Riverside development comprising 322 stylish apartments, 8 bars and restaurants, Four Seasons Hotel and a health club and spa. More than 80% of the apartments have been sold.

PROPERTY





The Group is known for bringing premium brands into Asia.



The Group is known for bringing premium brands into Asia. In 1983, the Group introduced Singapore to the Rolls Royce of ice-cream, Häagen Dazs. Today, the Group has a chain of 20 Häagen Dazs shops in Singapore and Malaysia. Although competition has been keen, Häagen Dazs, with its 100% natural ingredients is still one of the leading superpremium frozen dessert.

The Group holds the Hard Rock Cafe franchise in Asia with the exception of Japan. Besides the signature dishes such as Pig sandwiches, Buffalo wings, BBQ Pork ribs and its famous burgers, Hard Rock Cafe is also known for its collection of music industry memorabilia and the merchandise. Currently, the Group operates 12 cafes in Singapore, Bangkok, Kuala Lumpur, Jakarta, Bali, Taipei, Beijing, Shanghai, Makati, Guangzhou, Seoul and Kowloon.

The retail division of the Group operates 18 free-standing boutiques in Hong Kong and Taiwan offering the full merchandise range of Donna Karan/DKNY.

LIFESTYLE



## CORPORATE INFORMATION

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### Board of Directors

Chairman

Peter Y. S. Fu

Managing Director

Ong Beng Seng

Members

Christopher Lim Tien Lock

Joseph Grimberg

Gordon Seow Li Ming

Michael S. Dobbs-Higginson

Arthur Tan Keng Hock

Leslie Mah Kim Loong

David Fu Kuo Chen

(Alternate director to Peter Y. S. Fu)

### Audit Committee

Chairman

Arthur Tan Keng Hock

Members

Joseph Grimberg

Gordon Seow Li Ming

Christopher Lim Tien Lock

### Secretaries

Boon Suan Lee

Chuang Sheue Ling

### Principal Bankers

OCBC Bank

DBS Bank

Overseas Union Bank

United Overseas Bank

### Auditors

Deloitte & Touche

Certified Public Accountants, Singapore

### Registrar

Lim Associates (Pte) Ltd

10 Collyer Quay

#19-08 Ocean Building

Singapore 049315

Telephone: 536 5355

### Registered Office

50 Cuscaden Road

#08-01 HPL House

Singapore 249724

Telephone: 734 5250

SUMMARY  
FINANCIALS

HOTEL PROPERTIES LIMITED  
(incorporated in the Republic of Singapore)

SUMMARY FINANCIAL REPORT

**IMPORTANT NOTE**

The summary financial report set out on pages 14 to 25 contain only a summary of the information in the directors' report and financial statements of the Company's Full Financial Report. They do not contain sufficient information to allow for a full understanding of the financial results and state of affairs of the Company and the Group.

For further information, the full financial statements, the auditors' report on those financial statements and the directors' report in the Full Financial Report should be consulted. Shareholders may request for a copy of the Full Financial Report at no cost. Please use the Request Slip at the end of this Summary Financial Report.

All amounts are stated in Singapore Dollars unless otherwise stated.

**SUMMARY DIRECTORS' REPORT**

**1 DIRECTORS**

The directors of the Company in office at the date of this report are:

Peter Y. S. Fu  
Ong Beng Seng  
Christopher Lim Tien Lock  
Joseph Grimberg  
Gordon Seow Li Ming  
Michael S. Dobbs-Higginson  
Arthur Tan Keng Hock  
Leslie Mah Kim Loong  
David Fu Kuo Chen (Alternate director to Peter Y. S. Fu)

**2 PRINCIPAL ACTIVITIES**

The principal activities of the Company are those of a hotelier and an investment holding company. The principal activities of the subsidiaries are those of hoteliers, hotel management companies, property developers, property lessors, food and fashion distributors and retailers and investment holding companies.

There have been no significant changes in the nature of these activities during the financial year.

**3 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES**

Neither at the end of the financial year nor at anytime during the financial year did there subsist any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate except as disclosed in paragraph 6(d) below.

## HOTEL PROPERTIES LIMITED

### 4 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures of the Company and related corporations as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act except as follows:

Name of director and company in which interests are held	As at January 1, 2000	As at December 31, 2000
<b>The Company</b>		
– Shares of \$1 each		
Peter Y. S. Fu	80,189,800 *	89,608,800 *
Ong Beng Seng	84,539,800 **	93,958,800 **
<b>The Subsidiaries</b>		
– Crossgate Investments Limited		
Shares of US\$1 each		
Ong Beng Seng	10,000 *	10,000 *
– Elegant Hotel Pty Ltd		
Shares of A\$1 each		
Ong Beng Seng	–	100 *
– HPL Resorts (Maldives) Pvt Ltd		
Shares of Maldivian Rufiyaa 1,000 each		
Ong Beng Seng	10,000 *	10,000 *
– HPL-21 Holdings Pte Ltd		
Shares of \$1 each		
Ong Beng Seng	2,000,000 *	20,000,000 *

\* Held by other persons or bodies corporate in which the director has interest by virtue of Section 7 of the Singapore Companies Act.

\*\* As at December 31, 2000, 90,958,800 (as at January 1, 2000, 81,539,800) shares are held by other persons or bodies corporate in which the director has interest by virtue of Section 7 of the Singapore Companies Act.

By virtue of Section 7 of the Singapore Companies Act, Messrs Peter Y. S. Fu and Ong Beng Seng are deemed to have an interest in the other related corporations of the Company.

There have been no changes in the above directors' interests as at January 21, 2001.

## 5 DIRECTORS' RECEIPT AND ENTITLEMENT TO CONTRACTUAL BENEFITS

Since the beginning of the financial year, no director has received or become entitled to receive a benefit which is required to be disclosed under Section 201(8) of the Singapore Companies Act by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest except as disclosed in the Full Financial Report and that:

- a) Messrs Peter Y. S. Fu, Ong Beng Seng and David Fu Kuo Chen are regarded to be interested in rental contracts at commercial rates in respect of certain shop and office units of the Group.
- b) Messrs Peter Y. S. Fu and Ong Beng Seng are deemed to be interested in transactions and arrangements entered into between a subsidiary and a company in which they have substantial financial interest for the provision of management services to operate a hotel.
- c) Mr Ong Beng Seng is deemed to be interested in transactions and arrangements entered into between a subsidiary and a company in which he has substantial financial interest for the provision of management services to operate certain serviced apartments.

## 6 SHARE OPTIONS

At the end of the financial year, the Company has two share option schemes – the Hotel Properties Limited Executives' Share Option Scheme ("Scheme 1990") which was approved by the shareholders on November 19, 1990 and another known as Hotel Properties Limited Share Option Scheme 2000 ("Scheme 2000") which was approved by the shareholders on June 23, 2000.

Both the above Schemes are administered by the Share Option Committee whose members are:

Peter Y. S. Fu

Ong Beng Seng

Christopher Lim Tien Lock

### a) Share Options Granted

On November 13, 2000, options were granted pursuant to the Scheme 2000 to 16 executives of the Company to subscribe for 1,855,000 and 250,000 ordinary shares of \$1 each in the Company at the subscription price of \$1.30 and \$1.21 per ordinary share ("Offering Price") respectively. The subscription prices were set at a discount to the market price of the shares.

The options may be exercised during the period from November 13, 2002 to November 12, 2010, both dates inclusive, by notice in writing accompanied by a remittance for the full amount of the Offering Price (subject to adjustments under certain circumstances).



# HOTEL PROPERTIES LIMITED

## 6 SHARE OPTIONS (cont'd)

The employees to whom the options have been granted have no right to participate by virtue of the options in any share issue of any other company.

No other options to take up unissued shares of the Company or any corporation in the Group was granted during the financial year.

### b) Share Options Exercised

During the financial year, the Company issued 160,000 and 50,000 new ordinary shares of \$1 each at a price of \$1 and \$1.10 per ordinary share respectively for cash following the exercise of options by executives of the Company granted in conjunction with the Scheme 1990.

Other than the above, there were no shares of the Company or any corporation in the Group issued by virtue of the exercise of an option to take up unissued shares.

### c) Unissued Shares Under Option

At the end of the financial year, there were no unissued shares of the Company or any corporation in the Group under option except as follows:

Date of grant	Balance at 1/1/00 or date of grant if later	Number of Share Options			Subscription price	Date of expiry
		Exercised	Expired/ Cancelled	Balance at 31/12/00		
Pursuant to Scheme 1990						
13/04/1995	850,000	–	850,000	–	\$2.336	12/04/2000
02/05/1995	100,000	–	100,000	–	\$2.58	01/05/2000
22/09/1995	1,000,000	–	1,000,000	–	\$2.19	21/09/2000
11/10/1996	1,475,000	–	–	1,475,000	\$2.257	10/10/2001
30/04/1997	1,681,000	–	–	1,681,000	\$2.283	29/04/2002
29/04/1998	1,040,000	160,000	–	880,000	\$1.00	28/04/2003
23/04/1999	1,235,000	50,000	–	1,185,000	\$1.10	22/04/2004
Sub-total	7,381,000	210,000	1,950,000	5,221,000		
Pursuant to Scheme 2000						
13/11/2000	1,855,000	–	–	1,855,000	\$1.30	12/11/2010
13/11/2000	250,000	–	–	250,000	\$1.21	12/11/2010
Sub-total	2,105,000	–	–	2,105,000		
Total	9,486,000	210,000	1,950,000	7,326,000		

## 6 SHARE OPTIONS (cont'd)

- d) The information on directors participating in Schemes 1990 and 2000 and employees who received 5 per cent or more of the total number of options available under the Schemes 1990 and 2000 are as follows:

Name of director / employee	Options granted during the financial year	Aggregate options granted since commencement of Schemes 1990 and 2000 to the end of the financial year	Aggregate options exercised since commencement of Schemes 1990 and 2000 to the end of the financial year	Aggregate options outstanding at the end of the financial year
<b>Pursuant to Scheme 1990</b>				
<b>Director</b>				
Christopher Lim Tien Lock	Nil	2,056,331	1,022,000	534,000 (excludes 500,331 options which have expired)
<b>Participant</b>				
Robert Foo Siang Mong	Nil	2,036,662	944,000	492,000 (excludes 600,662 options which have expired)
Stephen Lau Buong Lik	Nil	1,797,331	722,331	825,000 (excludes 250,000 options which have expired)
Wilson Cheah	Nil	1,301,798	453,399	435,000 (excludes 413,399 options which have expired)
<b>Pursuant to Scheme 2000</b>				
<b>Director</b>				
Christopher Lim Tien Lock	500,000	500,000	Nil	500,000

## 7 AUDIT COMMITTEE

The members of the Audit Committee at the date of this report are as follows:

Arthur Tan Keng Hock (Chairman)  
Joseph Grimberg  
Gordon Seow Li Ming  
Christopher Lim Tien Lock

**8 UNUSUAL ITEMS DURING AND AFTER YEAR END DATE**

In the opinion of the directors of the Company, except as disclosed in the notes to the financial statements in the Full Financial Report, no item, transaction or event of a material and unusual nature has arisen during the financial year or in the interval between the end of the financial year and the date of this report which would affect substantially the results of the operations of the Company and of the Group for the financial year in which this report is made, or render any items in the financial statements of the Company and the Group for the current financial year misleading, and/or affect the ability of the Company and the Group in meeting their obligations as and when they fall due.

The summary financial statements set out on pages 22 to 25 were approved by the Board of Directors and were signed on its behalf by:



Peter Y. S. Fu  
Chairman



Ong Beng Seng  
Managing Director

Singapore  
March 21, 2001

## HOTEL PROPERTIES LIMITED

### AUDITORS' STATEMENT

#### TO THE MEMBERS OF HOTEL PROPERTIES LIMITED

We have audited the financial statements of Hotel Properties Limited and of the Group for the year ended December 31, 2000 in accordance with the Singapore Standards on Auditing. In our report dated March 21, 2001, we expressed an unqualified opinion on the financial statements.

The accompanying summary financial statements were derived from the above-mentioned financial statements. In our opinion, the summary financial statements are consistent, in all material respects, with the financial statements from which they were derived.

For a better understanding of the Company's and Group's financial position and results of operations for the year and of the scope of our audit, the summary financial statements should be read in conjunction with the above-mentioned financial statements and our audit report thereon. Our audit report on the above mentioned financial statements reads as follows:

#### "AUDITORS' REPORT TO THE MEMBERS OF HOTEL PROPERTIES LIMITED

We have audited the balance sheets of Hotel Properties Limited and of the Group as at December 31, 2000, the profit and loss statements and statements of changes in equity of the Company and of the Group and the consolidated cash flow statement of the Group for the year then ended set out on pages # to #. These financial statements are the responsibility of the Company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- a) the financial statements and consolidated financial statements are properly drawn up in accordance with the provisions of the Singapore Companies Act and Singapore Statements of Accounting Standard and so as to give a true and fair view of:
  - i) the state of affairs of the Company and of the Group as at December 31, 2000 and of the results and equity changes of the Company and of the Group and cash flows of the Group for the year then ended; and
  - ii) the other matters required by Section 201 of the Act to be dealt with in the financial statements and consolidated financial statements;
- b) the accounting and other records and the registers required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

## HOTEL PROPERTIES LIMITED

We have considered the financial statements and auditors' reports of the subsidiaries and of the hotel operations of Hilton Singapore, Four Seasons Hotel Singapore and Le Meridien Singapour, of which we have not acted as auditors, being financial statements that have been included in the consolidated financial statements. The names of these subsidiaries are disclosed in Note ## to the financial statements.

We are satisfied that the financial statements of the subsidiaries and the hotel operations of Hilton Singapore, Four Seasons Hotel Singapore and Le Meridien Singapore that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purpose of the preparation of the consolidated financial statements and we have received satisfactory information and explanations as required by us for that purpose.

The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and in respect of subsidiaries incorporated in Singapore did not include any comment made under Section 207(3) of the Act."

Dele, Du & Joseph

Certified Public Accountants

Partner - Po'ad Bin Shaik Abu Bakar Mattar  
Singapore  
March 21, 2001

Note:

# The page numbers are as stated in the Auditors' Report dated March 21,2001 included in Hotel Properties Limited's Annual Report for the financial year ended December 31, 2000.

## The note number is as stated in the financial statements of the Group and the Company.



## HOTEL PROPERTIES LIMITED

## SUMMARY BALANCE SHEETS

December 31, 2000

	Group		Company	
	2000	1999	2000	1999
	\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash	107,402	119,568	6,496	20,468
Short-term investments	5,392	599	–	–
Trade receivables	30,662	63,403	1,569	1,010
Other receivables and prepayments	32,092	28,212	1,489	1,028
Inventories	11,779	12,303	301	279
Completed properties held for sale	12,610	13,283	–	–
Total current assets	199,937	237,368	9,855	22,785
<b>Non-current assets:</b>				
Associates	170,224	189,929	14,682	54,672
Subsidiaries	–	–	705,530	594,972
Options money paid	–	15,898	–	–
Other long-term investments	15,089	27,497	–	–
Property, plant and equipment	944,364	807,824	239,757	242,819
Investment properties	271,475	215,449	–	–
Development properties	82,407	54,045	–	–
Expenditure carried forward	9,653	10,290	2,683	589
Total non-current assets	1,493,212	1,320,932	962,652	893,052
<b>Total assets</b>	<b>1,693,149</b>	<b>1,558,300</b>	<b>972,507</b>	<b>915,837</b>

## HOTEL PROPERTIES LIMITED

	Group		Company	
	2000	1999	2000	1999
	\$'000	\$'000	\$'000	\$'000
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities:</b>				
Bank loans	47,070	49,659	–	–
Trade payables	43,566	42,739	14,720	12,928
Other payables	26,501	20,432	–	–
Income tax payable	6,049	6,777	892	–
Proposed dividend	8,546	6,743	8,546	6,743
Total current liabilities	131,732	126,350	24,158	19,671
<b>Non-current liabilities:</b>				
Bonds and debentures	100,087	100,083	100,000	100,000
Long-term bank loans	508,378	408,308	119,044	103,625
Advances from subsidiaries	–	–	45,874	601
Retention creditors	2,445	–	–	–
Other long-term payables	3,250	–	–	–
Deferred income tax	19,787	11,031	2,911	3,730
Total non-current liabilities	633,947	519,422	267,829	207,956
<b>Minority interests</b>	66,994	68,585	–	–
<b>Share capital and reserves:</b>				
Issued capital	452,769	452,559	452,769	452,559
Other reserves	283,489	301,684	224,222	226,896
Retained profits	124,218	89,700	3,529	8,755
Total share capital and reserves	860,476	843,943	680,520	688,210
<b>Total liabilities and equity</b>	<b>1,693,149</b>	<b>1,558,300</b>	<b>972,507</b>	<b>915,837</b>

## HOTEL PROPERTIES LIMITED

## SUMMARY PROFIT AND LOSS STATEMENTS

Year ended December 31, 2000

	Group		Company	
	2000	1999	2000	1999
	\$'000	\$'000	\$'000	\$'000
<b>Revenue</b>	<b>407,744</b>	<b>310,065</b>	<b>48,364</b>	<b>44,137</b>
<b>Cost of sales</b>	<b>(278,925)</b>	<b>(218,306)</b>	<b>(35,603)</b>	<b>(32,466)</b>
<b>Gross profit</b>	<b>128,819</b>	<b>91,759</b>	<b>12,761</b>	<b>11,671</b>
Other operating income	7,775	6,658	25,872	108,804
Distribution costs	(4,592)	(2,180)	–	–
Administrative expenses	(41,927)	(38,417)	(9,468)	(8,760)
Other operating expenses	(2,718)	(3,102)	(2,690)	(429)
<b>Profit from operations</b>	<b>87,357</b>	<b>54,718</b>	<b>26,475</b>	<b>111,286</b>
Finance costs	(34,025)	(32,172)	(15,252)	(12,814)
Other non-operating expenses	(4,462)	(1,641)	(23)	(66,588)
Share of results of associates	18,796	(68,018)	–	–
<b>Profit(Loss) before income tax</b>	<b>67,666</b>	<b>(47,113)</b>	<b>11,200</b>	<b>31,884</b>
Income tax	(22,307)	(8,932)	(7,880)	(27,603)
<b>Profit(Loss) after income tax</b>	<b>45,359</b>	<b>(56,045)</b>	<b>3,320</b>	<b>4,281</b>
Minority interests	(2,295)	(1,190)	–	–
<b>Net profit (loss) attributable to shareholders</b>	<b>43,064</b>	<b>(57,235)</b>	<b>3,320</b>	<b>4,281</b>
Retained profits at beginning of year	89,700	153,983	8,755	11,522
Profits available for appropriation	132,764	96,748	12,075	15,803
Under-provision of dividend in prior year	–	(305)	–	(305)
Proposed dividend	(8,546)	(6,743)	(8,546)	(6,743)
<b>Retained profits at end of year</b>	<b>124,218</b>	<b>89,700</b>	<b>3,529</b>	<b>8,755</b>
Directors' fees and remuneration:				
– Company's directors	1,297	1,583	1,187	1,250
– Subsidiaries' directors	758	980	–	–
Earnings per share (Cents):				
– basic	9.51	(13.12)		
– fully diluted	9.50	(13.12)		
Gross dividend per share (Cents)	2.50	2.00		

## HOTEL PROPERTIES LIMITED

### RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions and the transactions with such related parties during the year are detailed below:

	Group		Company	
	2000	1999	2000	1999
	\$'000	\$'000	\$'000	\$'000

Transactions with companies in which certain directors are deemed to have interests:

Management fee expense	40	–	–	–
Management fee income	(490)	(349)	–	–
Rental income	(4,085)	(4,567)	(1,352)	(2,322)

Transactions with associates:

Management fee income	(900)	(127)	(267)	(254)
Interest income	(3,110)	(2,327)	–	–

### MATERIAL CHANGES IN ACCOUNTING POLICIES

During the financial year, the Company and the Group have opted for early adoption of the Revised Singapore Statement of Accounting Standard 8 – “Net Profit or Loss for the Period, Fundamental Errors and Changes in Accounting Policies”. This Standard, which will only come into effect for financial statements covering periods beginning on or after July 1, 2000, has, among other things, made the definition of the extraordinary items more restrictive. As a result, the items considered and reported as extraordinary by the Company and the Group in the previous year ended December 31, 1999 have been reclassified as part of the ordinary activities of the Company and the Group for that year.

The 1999 extraordinary items were reclassified are as follows:

	Group	Company
	\$'000	\$'000
Gain on sale of shares in an associate (a)	3,095	–
Share of provision for impairment in value of under-performing long-term investment (b)	(68,204)	–
Share of provision written back (net) (b)	243	–
Other (a)	(1,541)	3
Provision for impairment in value of interest in a subsidiary (a)	–	(67,546)
Net	(66,407)	(67,543)

(a) These have been reclassified to other non-operating expenses in the comparative figures of the current financial year's profit and loss statements.

(b) These have been reclassified to share of results of associates in the comparative figures of the current financial year's profit and loss statements.

Other than the above-mentioned, there were no material changes in accounting policies of the Company and the Group.

### COMPARATIVES

Certain comparative figures have been reclassified to conform with the current financial year's presentation.

## HOTEL PROPERTIES LIMITED

## STATISTICS OF SHAREHOLDINGS

as at 21 March, 2001

## DISTRIBUTION OF SHAREHOLDINGS

Size of holdings	No. of Shareholders	%	No. of Shares	%
1 – 1,000	1,669	27.84	1,606,048	0.35
1,001 – 10,000	3,752	62.57	15,238,391	3.37
10,001 – 1,000,000	551	9.19	27,573,289	6.09
1,000,001 and above	24	0.40	408,406,682	90.19
Total	5,996	100.00	452,824,410	100.00

## TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	Oversea-Chinese Bank Nominees Pte Ltd	130,447,150	28.81
2	United Overseas Bank Nominees Pte Ltd	100,714,297	22.24
3	Citibank Nominees Singapore Pte Ltd	43,002,100	9.50
4	DBS Nominees Pte Ltd	33,850,399	7.48
5	Amex Nominees (S) Pte Ltd	16,880,000	3.73
6	ABN Amro Nominees Singapore Pte Ltd	15,175,110	3.35
7	Vickers Ballas & Co Pte Ltd	11,612,000	2.56
8	Raffles Nominees Pte Ltd	10,013,708	2.21
9	HSBC (Singapore) Nominees Pte Ltd	9,797,994	2.16
10	Kim Eng Securities Pte Ltd	9,021,000	1.99
11	Overseas Union Bank Nominees Pte Ltd	3,840,500	0.85
12	OCBC Securities Private Ltd	3,164,000	0.70
13	DBS Securities Singapore Pte Ltd	3,111,000	0.69
14	Hotel Malaysia Limited	2,500,000	0.55
15	Indosuez Singapore Nominees Pte Ltd	2,179,000	0.48
16	Reef Holdings Pte Ltd	2,000,000	0.44
17	Estate of Jacob Ballas, Deceased	1,900,000	0.42
18	UOB Kay Hian Pte Ltd	1,628,000	0.36
19	DB Nominees (S) Pte Ltd	1,433,674	0.32
20	Keppel Bank Nominees Pte Ltd	1,420,250	0.31
Total		403,690,182	89.15

# HOTEL PROPERTIES LIMITED

## SUBSTANTIAL SHAREHOLDERS

as at 21 March, 2001

as shown in the Company's Register of Substantial Shareholders

Substantial Shareholder	Direct/Beneficial Interest No of Shares	%	Deemed Interest No of Shares	%
Coldharbour Limited	66,289,800	14.64	–	
Como Holdings Inc	67,139,800	14.83	–	
Born Free Investments Limited	33,144,900	7.32	–	
Peter Fu Yun Siak	–		89,608,800 (1)	19.79
Ong Beng Seng	3,000,000	0.66	90,958,800 (2)	20.09
Peter Fu Chong Cheng	–		54,463,900 (3)	12.03
FCC Holdings Pte Ltd	88,230,000	19.48	–	–
First Capital Corporation Limited	–		■ 88,230,000	19.48
Guoco Investment Pte Ltd	–		■ 88,230,000	19.48
Guoco Group Limited	–		■ 88,230,000	19.48
Guoline Overseas Limited	–		■ 88,230,000	19.48
Guoline Capital Assets Limited	–		■ 88,230,000	19.48
Hong Leong Company (Malaysia) Bhd	–		■ 88,230,000	19.48
HL Holdings Sdn Bhd	–		■ 88,230,000	19.48
Mr Quek Leng Chan	–		■ 88,230,000	19.48
Hong Leong Investment Holdings Pte Ltd	–		● 89,211,000	19.70

### Notes:

- (1) Mr Peter Fu Yun Siak is deemed to have an interest in the shares held by Coldharbour Limited, Jermaine Limited, Holmshaw Services Limited, Oakville N.V. by virtue of the provisions under Section 7 of the Companies Act, Cap 50.
  - (2) Mr Ong Beng Seng is deemed to have an interest in the shares held by Como Holdings Inc, Reef Holdings Pte Ltd, Holmshaw Services Limited, Oakville N.V. by virtue of the provisions under Section 7 of the Companies Act, Cap 50 and in the shares held by his spouse.
  - (3) Mr Peter Fu Chong Cheng is deemed to have an interest in the shares held by Born Free Investments Limited, Holmshaw Services Limited, Oakville N.V. by virtue of the provisions under Section 7 of the Companies Act, Cap 50.
- First Capital Corporation Ltd ("FCC"), Guoco Investment Pte Ltd, Guoco Group Limited, Guoline Overseas Limited, Guoline Capital Assets Limited, Hong Leong Company (Malaysia) Bhd ("HLCMB"), HL Holdings Sdn Bhd and Mr Quek Leng Chan are deemed to have an interest in the 88,230,000 shares held by FCC Holdings Pte Ltd by virtue of the provisions under Section 7 of the Companies Act, Cap 50.
  - Hong Leong Investment Holdings Pte Ltd ("HLIH") is deemed to have an interest in the following shares (i) 88,230,000 shares held by FCC Holdings Pte Ltd and (ii) 981,000 shares held by Golden Rajah Restaurant (Private) Limited ("GRR") by virtue of the provisions under Section 7 of the Companies Act, Cap 50 through (i) HLIH's deemed interest in FCC held through HLCMB's intermediate companies; and (ii) HLIH's deemed interest in GRR held through HLIH's intermediate companies, respectively .



## HOTEL PROPERTIES LIMITED

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Twenty-First Annual General Meeting of the Company will be held at the 2nd Floor Crescent Ballroom, Four Seasons Hotel Singapore, 190 Orchard Boulevard, Singapore 248646 on Wednesday, 23 May 2001 at 4.00 p.m. to transact the following businesses:

#### ORDINARY BUSINESS

- |    |  |                     |
|----|--|---------------------|
| 1. | To receive and consider the directors' report and accounts for the year ended 31 December 2000 and the auditor's report thereon. | <b>Resolution 1</b> |
| 2. | To declare a first and final dividend of 2.5% less tax of 24.5% for the year ended 31 December 2000.                             | <b>Resolution 2</b> |
| 3. | To approve the proposed Directors' fees of \$240,000 for the year ended 31 December 2000. (1999: \$240,000)                      | <b>Resolution 3</b> |
| 4. | To re-appoint Auditors for the ensuing year and to authorise the Directors to fix their remuneration.                            | <b>Resolution 4</b> |
| 5. | To transact any other business which may properly be transacted at an Annual General Meeting.                                    |                     |

#### SPECIAL BUSINESS

- |     |   |                     |
|-----|---|---------------------|
| 6.  | To re-appoint Mr Peter Fu Yun Siak pursuant to Section 153 of the Companies Act, Cap 50.  | <b>Resolution 5</b> |
| 7.  | To re-elect Mr Leslie Mah Kim Loong pursuant to Article 80 of the Articles of Association.  | <b>Resolution 6</b> |
| 8.  | To re-elect Mr Christopher Lim Tien Lock pursuant to Article 80 of the Articles of Association  | <b>Resolution 7</b> |
| 9.  | To consider and, if thought fit, to pass the following resolutions as ordinary resolutions:   |                     |
| (a) | That authority be and is hereby given to the Directors of the Company pursuant to Section 161 of the Companies Act, Cap. 50., to issue shares of the Company at any time to such persons, upon such terms and conditions and for such purposes as the directors of the Company may in their absolute discretion deem fit, within the maximum limits prescribed by the Listing Manual of the Singapore Exchange Securities Trading Limited from time to time, such authority shall continue in force until the conclusion of the Annual General Meeting commencing next after this date. | <b>Resolution 8</b> |
| (b) | That pursuant to Section 161 of the Companies Act, Cap 50., the directors be and are hereby authorised to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options under the Hotel Properties Limited Executives' Share Option Scheme 1990 ("the Scheme 1990") provided always that the aggregate number of shares to be issued pursuant to the Scheme 1990 shall not exceed five per centum (5%) of the issued share capital of the Company from time to time.                        | <b>Resolution 9</b> |

HOTEL PROPERTIES LIMITED

- (c) That the directors of the Company be and are hereby authorised to offer and grant options over ordinary shares in the Company in accordance with the regulations of the Hotel Properties Limited Share Option Scheme 2000 ("the Scheme 2000") and pursuant to Section 161 of the Companies Act, Cap 50., the directors be and are hereby authorised to issue and allot ordinary shares upon the exercise of any such options and to do all such acts and things as may be necessary or expedient to carry the same into effect provided that the total number of shares allotted and issued under the Scheme 2000 is limited to fifteen (15) per cent of the total issued share capital of the Company or such other limit as may be specified in the Listing Manual of the Singapore Exchange Securities Trading Limited from time to time. **Resolution 10**
- (d) That approval be and is hereby given, for purposes of Chapter 9A of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX"), for the Company, its subsidiaries, related companies or associated companies (the "HPL Group") or any of them to enter into any of the transactions falling within the categories of Related Party Transactions as set out in the Company's circular to Shareholders dated 5 June 1998 (the "Circular") with those classes of Related Parties as defined and disclosed in the Circular provided that such transactions comply with the guidelines and review procedures set out in the Circular, such approval (the "Shareholders' General Mandate") shall, unless revoked or varied by the Company in General Meeting, continue in force until the next Annual General Meeting of the Company; and the directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the Shareholders' General Mandate and/or this Resolution. **Resolution 11**

**NOTICE IS HEREBY GIVEN** that the Transfer Books and Register of Members of the Company will be closed from 4 June 2001 to 5 June 2001 (both dates inclusive), for the preparation of dividend warrants.

Duly completed transfers received by the Company's Registrar, Lim Associates (Pte) Ltd of 10 Collyer Quay #19-08 Ocean Building Singapore 049315, up to the close of business at 5 p.m. on 1 June 2001 will be registered to determine shareholders' entitlement to the proposed dividend. The dividend, if approved, will be paid on 18 June 2001 to shareholders registered in the books of the Company on 1 June 2001.

In respect of shares in securities accounts with the Central Depository (Pte) Limited ("CDP"), the said first and final dividend will be paid by the Company to CDP which will in turn distribute the dividend entitlements to holders of shares in accordance with its practice.

By Order of the Board



Chuang Sheue Ling  
Company Secretary  
20 April 2001  
Singapore

HOTEL PROPERTIES LIMITED

- (c) That the directors of the Company be and are hereby authorised to offer and grant options over ordinary shares in the Company in accordance with the regulations of the Hotel Properties Limited Share Option Scheme 2000 ("the Scheme 2000") and pursuant to Section 161 of the Companies Act, Cap 50., the directors be and are hereby authorised to issue and allot ordinary shares upon the exercise of any such options and to do all such acts and things as may be necessary or expedient to carry the same into effect provided that the total number of shares allotted and issued under the Scheme 2000 is limited to fifteen (15) per cent of the total issued share capital of the Company or such other limit as may be specified in the Listing Manual of the Singapore Exchange Securities Trading Limited from time to time.
10. That approval be and is hereby given, for purposes of Chapter 9A of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX"), for the Company, its subsidiaries, related companies or associated companies (the "HPL Group") or any of them to enter into any of the transactions falling within the categories of Related Party Transactions as set out in the Company's circular to Shareholders dated 5 June 1998 (the "Circular") with those classes of Related Parties as defined and disclosed in the Circular provided that such transactions comply with the guidelines and review procedures set out in the Circular, such approval (the "Shareholders' General Mandate") shall, unless revoked or varied by the Company in General Meeting, continue in force until the next Annual General Meeting of the Company; and the directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the Shareholders' General Mandate and/or this Resolution.

**NOTICE IS HEREBY GIVEN** that the Transfer Books and Register of Members of the Company will be closed from 4 June 2001 to 5 June 2001 (both dates inclusive), for the preparation of dividend warrants.

Duly completed transfers received by the Company's Registrar, Lim Associates (Pte) Ltd of 10 Collyer Quay #19-08 Ocean Building Singapore 049315, up to the close of business at 5 p.m. on 3 June 2001 will be registered to determine shareholders' entitlement to the proposed dividend. The dividend, if approved, will be paid on 18 June 2001 to shareholders registered in the books of the Company on 3 June 2001.

In respect of shares in securities accounts with the Central Depository (Pte) Limited ("CDP"), the said first and final dividend will be paid by the Company to CDP which will in turn distribute the dividend entitlements to holders of shares in accordance with its practice.

By Order of the Board

Chuang Sheue Ling  
Company Secretary  
20 April 2001  
Singapore

HOTEL PROPERTIES LIMITED

**PROXY FORM**  
Annual General Meeting

**Important**

1. For investors who have used their CPF monies to buy Hotel Properties Limited shares, this Annual Report is sent to them at the request of their CPF Approved Nominees solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We \_\_\_\_\_ (Name)  
of \_\_\_\_\_ (Address)  
being a member/members of HOTEL PROPERTIES LIMITED hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

or failing whom, the Chairman of the Meeting, as my/our proxy/proxies to vote for me/us on my/our behalf, at the Twenty-first Annual General Meeting of the Company to be held on Wednesday, 23 May 2001 at 4.00 p.m. and at any adjournment thereof.

I/We have indicated with a "✓" in the appropriate box below how I/we wish my/our proxy/proxies to vote. If no specific direction as to voting is given, my/our proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Meeting.

No.	Resolutions relating to:	For	Against
1.	Directors' Reports and Accounts		
2.	First and Final Dividend of 2.5% less tax at 24.5%		
3.	Directors' Fees		
4.	Re-appointment of Auditors		
5.	Re-election of Director (Mr Peter Y. S. Fu)		
6.	Re-election of Director (Mr Leslie Mah Kim Loong)		
7.	Re-election of Director (Mr Christopher Lim Tien Lock)		
8.	Authority to issue shares pursuant to Section 161 of Companies Act, Cap. 50.		
9.	Authority to issue shares pursuant to Hotel Properties Limited Executives' Share Option Scheme 1990		
10.	Authority to issue shares pursuant to Hotel Properties Limited Share Option Scheme 2000		
11.	Shareholders' General Mandate for related party transactions		

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2001.

Total No. of Shares Held	
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\_\_\_\_\_  
Signature(s) of individual Member(s) /  
Common Seal of Corporate Member

## NOTES

1. A member entitled to attend and vote at the Meeting is entitled to appoint one or two proxies to attend and vote in his stead.
2. Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy.
3. A proxy need not be a member of the Company.
4. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act, Cap. 50 of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the member has shares entered against his name in the Depository Register and registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all shares held by the member.
5. The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 50 Cuscaden Road, #08-01 HPL House Singapore 249724 not less than 48 hours before the time set for the Meeting.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
7. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

## GENERAL

The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of shares entered in the Depository Register, the Company may reject a Proxy Form if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.