

HOTEL PROPERTIES LIMITED

(Registration No. 198000348Z)

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED

DECEMBER 31, 2023

HOTEL PROPERTIES LIMITED

INTERIM FINANCIAL STATEMENTS

CONTENTS

	<u>PAGE</u>
Condensed Interim Consolidated Income Statement	1
Condensed Interim Consolidated Statement of Other Comprehensive Income	2
Condensed Interim Statements of Financial Position	3
Condensed Interim Statements of Changes in Equity	4 - 5
Condensed Interim Consolidated Statement of Cash Flows	6
Notes to the Condensed Interim Financial Statements	7 - 17
Other Information Required by Listing Rule Appendix 7.2	18 - 20



HOTEL PROPERTIES LIMITED

(REG. NO. 198000348Z)

**CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL YEAR ENDED
DECEMBER 31, 2023**

SECTION 1 - CONDENSED INTERIM FINANCIAL STATEMENTS

A(i). Condensed Interim Consolidated Income Statement

	Note	GROUP \$'000			
		2H'2023	2H'2022*	FY2023	FY2022*
Revenue	5	323,088	276,012	642,120	525,507
Cost of sales	6	(254,688)	(221,747)	(495,422)	(420,092)
Gross profit		68,400	54,265	146,698	105,415
Other operating income	6	5,108	5,207	25,789	8,020
Administrative expenses		(39,520)	(39,656)	(73,334)	(71,029)
Other operating expenses	6	(7,255)	(6,172)	(18,494)	(18,485)
Finance costs		(52,031)	(37,612)	(98,348)	(59,434)
Share of results of associates and jointly controlled entities		(39,919)	(17,974)	(56,381)	2,084
Loss before income tax and fair value changes in investment properties		(65,217)	(41,942)	(74,070)	(33,429)
Net fair value gain in investment properties		645,005	77,829	645,005	77,829
Profit before income tax	6	579,788	35,887	570,935	44,400
Income tax expense	7	(7,760)	(7,319)	(16,020)	(10,045)
Profit after income tax		572,028	28,568	554,915	34,355
Attributable to:					
Shareholders of the Company		578,222	38,251	561,045	40,175
Non-controlling interests		(6,194)	(9,683)	(6,130)	(5,820)
		572,028	28,568	554,915	34,355
Earnings per ordinary share (Cents):					
- basic		110.24	5.32	106.27	5.70
- diluted		110.01	5.32	106.08	5.69

Basic earnings per ordinary share is calculated based on the Group net profit attributable to ordinary shareholders after deducting provision for distribution to perpetual capital securities holders divided by the weighted average number of ordinary shares in issue (excluding treasury shares) during the period.

* Certain comparative figures have been restated. Please refer to Note 3 for further details.

A(ii). Condensed Interim Consolidated Statement of Other Comprehensive Income

	GROUP			
	\$'000			
	2H'2023	2H'2022*	FY2023	FY2022*
Profit after income tax	572,028	28,568	554,915	34,355
Other comprehensive income (loss) (net of tax):				
<i>Item that will not be reclassified subsequently to profit or loss</i>				
Remeasurement of defined benefit obligation	43	35	43	35
Share of other comprehensive income (loss) of a jointly controlled entity	25,980	1,972	11,229	(5,191)
	26,023	2,007	11,272	(5,156)
<i>Items that may be reclassified subsequently to profit or loss</i>				
Exchange fluctuation and other reserves	(10,230)	(15,676)	(4,211)	(34,517)
Share of other comprehensive income (loss) of associates and jointly controlled entities	(7,617)	(20,010)	11,185	(53,160)
	(17,847)	(35,686)	6,974	(87,677)
Total comprehensive income (loss)	580,204	(5,111)	573,161	(58,478)
Attributable to:				
Shareholders of the Company	580,012	7,617	575,671	(47,013)
Non-controlling interests	192	(12,728)	(2,510)	(11,465)
	580,204	(5,111)	573,161	(58,478)

* Certain comparative figures have been restated. Please refer to Note 3 for further details.

B. Condensed Interim Statements of Financial Position

	Note	GROUP \$'000		COMPANY \$'000	
		Dec 31, 2023	Dec 31, 2022*	Dec 31, 2023	Dec 31, 2022
ASSETS					
Current assets:					
Cash and bank balances		94,798	105,308	23,101	25,011
Held-for-trading investments ^(a)	10	-	2,490	-	-
Trade and other receivables ^(b)		96,078	79,903	6,339	3,490
Amount due from associates and jointly controlled entities ^(c)		55,845	49,137	-	-
Amount due from subsidiaries		-	-	215,689	231,723
Inventories		15,502	14,207	134	129
Assets classified as held for sale ^(a)		-	87,797	-	-
Completed properties held for sale		7,427	7,497	-	-
Total current assets		269,650	346,339	245,263	260,353
Non-current assets:					
Associates and jointly controlled entities ^(d)		691,318	878,089	5,671	5,980
Subsidiaries		-	-	1,683,714	1,728,387
Investments	10	221,403	249,601	-	-
Property, plant and equipment	11	1,686,457	1,615,989	222,577	216,573
Investment properties ^(e)	12	1,319,933	674,928	-	-
Long-term deposits ^(f)		-	24,922	-	24,922
Deferred tax assets		2,580	3,319	-	-
Intangible assets		9,648	9,703	-	-
Total non-current assets		3,931,339	3,456,551	1,911,962	1,975,862
Total assets		4,200,989	3,802,890	2,157,225	2,236,215
LIABILITIES AND EQUITY					
Current liabilities:					
Short-term borrowings ^(g)	13	49,493	215,145	-	-
Trade and other payables		157,765	157,713	19,975	19,108
Amount due to subsidiaries		-	-	585	653
Income tax payable		9,859	3,778	-	-
Total current liabilities		217,117	376,636	20,560	19,761
Non-current liabilities:					
Advances from subsidiaries		-	-	308,355	450,024
Long-term borrowings	13	1,464,199	1,368,210	782,542	716,120
Long-term lease liabilities		105,400	114,535	-	-
Deferred tax liabilities		16,839	15,164	446	380
Total non-current liabilities		1,586,438	1,497,909	1,091,343	1,166,524
Share capital and reserves:					
Share capital	14	726,780	726,780	726,780	726,780
Treasury shares		(1,746)	(1,746)	(1,746)	(1,746)
Reserves		1,428,822	888,237	161,074	165,682
Equity attributable to shareholders of the Company		2,153,856	1,613,271	886,108	890,716
Perpetual capital securities		159,214	159,214	159,214	159,214
		2,313,070	1,772,485	1,045,322	1,049,930
Non-controlling interests ^(h)		84,364	155,860	-	-
Total equity		2,397,434	1,928,345	1,045,322	1,049,930
Total liabilities and equity		4,200,989	3,802,890	2,157,225	2,236,215

Note:

- (a) Held-for-trading investments and Assets classified as held for sale decreased due to disposal.
- (b) The increase in Trade and other receivables is mainly attributable to reclassification of certain unquoted debt securities upon notification of redemption.
- (c) Amount due from associates and jointly controlled entities increased mainly due to advances of approximately \$6.5m to a jointly controlled entity in which certain directors are deemed to have interest and the joint venture partner contributed in proportion to its shareholding.
- (d) Associates and jointly controlled entities decreased mainly due to repayment and share of net loss, offset by further investments and advances during the year, including equity contribution and advances of approximately \$55.4 million to associates and jointly controlled entities in which certain directors are deemed to have interest and all joint venture partners contributed in proportion to their shareholding.
- (e) The increase in Investment Properties is attributable to fair value gain in properties upon revaluation as at December 31, 2023.
- (f) The decrease in Long-term deposits is due to the transfer to Property, plant and equipment.
- (g) Short-term borrowings decreased mainly due to reclassification to long-term borrowings upon refinancing and repayment during the year.
- (h) Non-controlling interests decreased mainly due to repayment of shareholders' advances in proportion to their shareholding interest.

* Certain comparative figures have been restated. Please refer to Note 3 for further details.

C. Condensed Interim Statements of Changes in Equity

	Share capital \$'000	Treasury shares \$'000	Retained profits \$'000	Other reserves** \$'000	Share-holders' equity \$'000	Perpetual capital securities \$'000	Subtotal \$'000	Non-controlling interests \$'000	Total equity \$'000
GROUP									
Balance as at Jan 1, 2022	725,493	(1,746)	994,086	(25,544)	1,692,289	307,966	2,000,255	90,886	2,091,141
Total comprehensive income (loss) for the year									
Profit (Loss) for the year	-	-	40,175	-	40,175	-	40,175	(5,820)	34,355
Other comprehensive income (loss) for the year	-	-	(924)	(86,264)	(87,188)	-	(87,188)	(5,645)	(92,833)
Total	-	-	39,251	(86,264)	(47,013)	-	(47,013)	(11,465)	(58,478)
Transactions with owners, recognised directly in equity									
Dividends	-	-	(20,852)	-	(20,852)	-	(20,852)	-	(20,852)
Net movement during the year	-	-	(237)	(216)	(453)	-	(453)	76,439	75,986
Issue of shares	1,287	-	-	(240)	1,047	-	1,047	-	1,047
Total	1,287	-	(21,089)	(456)	(20,258)	-	(20,258)	76,439	56,181
Redemption of perpetual capital securities	-	-	(1,248)	-	(1,248)	(148,752)	(150,000)	-	(150,000)
Distribution to perpetual capital securities holders	-	-	(10,499)	-	(10,499)	-	(10,499)	-	(10,499)
Balance as at Dec 31, 2022 (restated)	726,780	(1,746)	1,000,501	(112,264)	1,613,271	159,214	1,772,485	155,860	1,928,345
Total comprehensive income (loss) for the year									
Profit (Loss) for the year	-	-	561,045	-	561,045	-	561,045	(6,130)	554,915
Other comprehensive income (loss) for the year	-	-	(361)	14,987	14,626	-	14,626	3,620	18,246
Total	-	-	560,684	14,987	575,671	-	575,671	(2,510)	573,161
Transactions with owners, recognised directly in equity									
Dividends	-	-	(26,065)	-	(26,065)	-	(26,065)	-	(26,065)
Net movement during the year	-	-	3	(1,984)	(1,981)	-	(1,981)	(68,986)	(70,967)
Total	-	-	(26,062)	(1,984)	(28,046)	-	(28,046)	(68,986)	(97,032)
Distribution to perpetual capital securities holders	-	-	(7,040)	-	(7,040)	-	(7,040)	-	(7,040)
Balance as at Dec 31, 2023	726,780	(1,746)	1,528,083	(99,261)	2,153,856	159,214	2,313,070	84,364	2,397,434

** Includes exchange fluctuation reserve, hedge reserve, option reserve and other capital reserve.

Certain comparative figures have been restated. Please refer to Note 3 for further details.

C. Condensed Interim Statements of Changes in Equity (cont'd)

	Share capital \$'000	Treasury shares \$'000	Retained profits \$'000	Other reserves^ \$'000	Share-holders' equity \$'000	Perpetual capital securities \$'000	Total equity \$'000
COMPANY							
Balance as at Jan 1, 2022	725,493	(1,746)	149,932	11,023	884,702	307,966	1,192,668
Total comprehensive income for the year							
Profit for the year	-	-	37,566	-	37,566	-	37,566
Total	-	-	37,566	-	37,566	-	37,566
Transactions with owners, recognised directly in equity							
Dividends	-	-	(20,852)	-	(20,852)	-	(20,852)
Net movement during the year	-	-	95	(95)	-	-	-
Issue of shares	1,287	-	-	(240)	1,047	-	1,047
Total	1,287	-	(20,757)	(335)	(19,805)	-	(19,805)
Redemption of perpetual capital securities	-	-	(1,248)	-	(1,248)	(148,752)	(150,000)
Distribution to perpetual capital securities holders	-	-	(10,499)	-	(10,499)	-	(10,499)
Balance as at Dec 31, 2022	726,780	(1,746)	154,994	10,688	890,716	159,214	1,049,930
Total comprehensive income for the year							
Profit for the year	-	-	28,497	-	28,497	-	28,497
Total	-	-	28,497	-	28,497	-	28,497
Transactions with owners, recognised directly in equity							
Dividends	-	-	(26,065)	-	(26,065)	-	(26,065)
Total	-	-	(26,065)	-	(26,065)	-	(26,065)
Distribution to perpetual capital securities holders	-	-	(7,040)	-	(7,040)	-	(7,040)
Balance as at Dec 31, 2023	726,780	(1,746)	150,386	10,688	886,108	159,214	1,045,322

^ Includes option reserve.

D. Condensed Interim Consolidated Statement of Cash Flows

	Note	Year ended Dec 31, 2023 \$'000	Year ended Dec 31, 2022 \$'000
Cash flows from operating activities:			
Profit before income tax and share of results of associates and jointly controlled entities		627,316	42,316
Adjustments for:			
Amortisation of intangible assets		52	55
Depreciation expense		78,002	76,499
Net fair value gain in investment properties		(645,005)	(77,829)
Net fair value loss in held-for-trading investments	6	55	75
Net fair value loss in investments	6	11,926	17,329
Net gain on disposal of property, plant and equipment	6	(15,086)	(187)
Finance costs		98,348	59,434
Interest income	6	(2,226)	(1,437)
Dividend income	6	(6,721)	(2,763)
Profit before working capital changes		146,661	113,492
Trade and other payables		(274)	42,614
Trade and other receivables		(9,521)	(6,990)
Held-for-trading investments		2,435	911
Inventories		(1,573)	(2,112)
Cash generated from operations		137,728	147,915
Dividend received		6,721	2,763
Income tax paid		(7,912)	(5,755)
Net cash from operating activities		136,537	144,923
Cash flows from (used in) investing activities:			
Additional property, plant and equipment		(139,208)	(132,308)
Net additional investments		(192)	(8,190)
Net deposits refunded from investments		-	1,709
Net repayment from (investment in) associates and jointly controlled entities		74,385	(230,344)
Proceeds from disposal of investment properties		87,797	-
Proceeds from disposal of property, plant and equipment		14,411	1,430
Net cash from (used in) investing activities		37,193	(367,703)
Cash flows (used in) from financing activities:			
Interest received		2,226	1,437
Finance costs paid		(93,771)	(53,310)
Repayment of lease liabilities		(2,386)	(9,687)
Dividend paid	8	(26,065)	(20,852)
Distribution to perpetual capital securities holders		(7,040)	(10,499)
Net receipts from non-controlling shareholders		8,483	76,796
Additional borrowings		296,022	642,062
Repayment of borrowings		(360,789)	(228,947)
Decrease (Increase) in deposits under pledge to bank		14,047	(13,196)
Redemption of perpetual capital securities		-	(150,000)
Proceeds from issue of shares		-	1,047
Net cash (used in) from financing activities		(169,273)	234,851
Net increase in cash and cash equivalents		4,457	12,071
Cash and cash equivalents at beginning of year		87,898	81,365
Effect of exchange rate changes on cash balances held in foreign currencies		(1,278)	(5,538)
Cash and cash equivalents at end of year		91,077	87,898

Cash and cash equivalents at end of year

The cash and cash equivalents as at December 31, 2023, for the purposes of Consolidated Statement of Cash Flows, comprise of cash and bank balances less deposits under pledge to banks of \$3,721,000 (December 31, 2022: \$17,410,000).

E. Notes to the Condensed Interim Financial Statements

1. Corporate Information

Hotel Properties Limited ("The Company") is incorporated in Singapore and listed on the Singapore Exchange Securities Trading Limited. The principal business activities of the Group are those of hotel ownership, management and operation, property development and investment holding.

2. Basis of Preparation

The condensed interim financial statements as at and for the six months and full year ended December 31, 2023, have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last interim financial statements for the period ended June 30, 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards that are mandatory for financial years beginning on or after January 1, 2023. The adoption of these revised SFRS(I)s and amendments has no significant impact to the Group.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

2.1. Use of Judgements and Estimates

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended December 31, 2022.

3. Restatement of Comparative Information

The Group's jointly controlled entity in United Kingdom recorded a prior year adjustment of its profit and loss statement for the year ended December 31, 2022. The jointly controlled entity has an investment property located in United Kingdom. During the year, the jointly controlled entity reviewed the valuation basis relating to the investment property applied by the valuer and updated it to align with SFRS(I)-13, where the investment property should be valued on its own, without the consideration of it being valued as held within a corporate structure, which enjoys certain local tax benefits that should not be considered. As a result, certain line items have been adjusted in the Statement of Financial Position, Income Statement, Statement of Other Comprehensive Income, Statement of Changes in Equity and the related notes to the financial statements.

Details are described below:

Restated Statement of Financial Position as at December 31, 2022:

	GROUP		
	\$'000		
	Reported	Adjustment	Restated
ASSETS			
Associates and jointly controlled entities	912,674	(34,585)	878,089
Total non-current assets	3,491,136	(34,585)	3,456,551
Total assets	3,837,475	(34,585)	3,802,890
Share capital and reserves:			
Reserves	922,822	(34,585)	888,237
Equity attributable to shareholders of the Company	1,647,856	(34,585)	1,613,271
Total equity	1,962,930	(34,585)	1,928,345
Total liabilities and equity	3,837,475	(34,585)	3,802,890

3. Restatement of Comparative Information (cont'd)

Restated Consolidated Income Statement for the second half and full year ended December 31, 2022:

	GROUP 2H'2022 \$'000			GROUP FY2022 \$'000		
	Reported	Adjustment	Restated	Reported	Adjustment	Restated
Share of results of associates and jointly controlled entities	18,259	(36,233)	(17,974)	38,317	(36,233)	2,084
Loss before income tax and fair value changes in investment properties	(5,709)	(36,233)	(41,942)	2,804	(36,233)	(33,429)
Profit before income tax	72,120	(36,233)	35,887	80,633	(36,233)	44,400
Profit after income tax	64,801	(36,233)	28,568	70,588	(36,233)	34,355
Attributable to:						
Shareholders of the Company	74,484	(36,233)	38,251	76,408	(36,233)	40,175
Earnings per ordinary share (Cents):						
- basic	12.27	(6.95)	5.32	12.65	(6.95)	5.70
- diluted	12.27	(6.95)	5.32	12.64	(6.95)	5.69

Restated Consolidated Statement of Other Comprehensive Income for the second half and full year ended December 31, 2022:

	GROUP 2H'2022 \$'000			GROUP FY2022 \$'000		
	Reported	Adjustment	Restated	Reported	Adjustment	Restated
Profit after income tax	64,801	(36,233)	28,568	70,588	(36,233)	34,355
Other comprehensive income (loss) (net of tax):						
<i>Items that may be reclassified subsequently to profit or loss</i>						
Share of other comprehensive loss of associates and jointly controlled entities	(21,658)	1,648	(20,010)	(54,808)	1,648	(53,160)
Total comprehensive income (loss)	29,474	(34,585)	(5,111)	(23,893)	(34,585)	(58,478)
Attributable to:						
Shareholders of the Company	42,202	(34,585)	7,617	(12,428)	(34,585)	(47,013)

Restated Group Statement of Changes in Equity for the year ended December 31, 2022:

	GROUP FY2022 \$'000		
	Reported	Adjustment	Restated
Retained profits			
Profit (Loss) for the year	76,408	(36,233)	40,175
Balance as at Dec 31, 2022	1,036,734	(36,233)	1,000,501
Other reserves			
Other comprehensive income (loss) for the year	(87,912)	1,648	(86,264)
Balance as at Dec 31, 2022	(113,912)	1,648	(112,264)

4. Segment Information

The segment information of the Group is organised into the following reportable segments:

Hotels

These refer mainly to the operations of the hotels and the shopping galleries of the Group as well as the provision of hotel management services. Income is derived mainly from the rental of rooms and shop units, sale of food and beverage and management fee.

Properties

These refer to the rental and sale operations on residential properties and commercial units. Sales and profit from the condominium development projects in Singapore are recognised based on percentage of completion method, and those from overseas projects are recognised based on completion of construction method.

Others

These refer to distribution and retail operations, activities on quoted and unquoted investments and others.

Information by business segment

Second Half ended December 31, 2023

	Hotels \$'000	Properties \$'000	Others \$'000	Elimination \$'000	Consolidated \$'000
REVENUE					
External sales	311,129	11,956	3		323,088
Inter-segment sales	-	169	-	(169)	-
Total revenue	311,129	12,125	3	(169)	323,088
RESULTS					
Profit before interest and tax	25,052	(503)	1,154		25,703
Finance costs					(52,031)
Interest income					1,030
Share of results of associates and jointly controlled entities	(3,342)	(37,795)	1,218		(39,919)
Loss before fair value changes					(65,217)
Fair value changes in investment properties		645,005			645,005
Profit before income tax					579,788
Income tax expense					(7,760)
Non-controlling interests					6,194
Profit attributable to shareholders of the Company					578,222
Segment assets	1,732,283	1,374,458	304,562		3,411,303
Investment in equity accounted investees	244,583	500,727	1,853		747,163
Unallocated corporate assets					42,523
Consolidated total assets					4,200,989
Segment liabilities	250,691	8,240	356		259,287
Unallocated corporate liabilities					1,544,268
Consolidated total liabilities					1,803,555

4. Segment Information (cont'd)

Information by business segment (cont'd)

Second Half ended December 31, 2022 (Restated)

	Hotels \$'000	Properties \$'000	Others \$'000	Elimination \$'000	Consolidated \$'000
REVENUE					
External sales	264,552	11,457	3		276,012
Inter-segment sales	-	167	-	(167)	-
Total revenue	264,552	11,624	3	(167)	276,012
RESULTS					
Profit (Loss) before interest and tax	18,984	(2,121)	(4,047)		12,816
Finance costs					(37,612)
Interest income					828
Share of results of associates and jointly controlled entities	(1,125)	(17,118)	269		(17,974)
Loss before fair value changes					(41,942)
Fair value changes in investment properties		77,829			77,829
Profit before income tax					35,887
Income tax expense					(7,319)
Non-controlling interests					9,683
Profit attributable to shareholders of the Company					38,251
Segment assets	1,754,239	818,531	252,729		2,825,499
Investment in equity accounted investees	240,786	686,184	256		927,226
Unallocated corporate assets					50,165
Consolidated total assets					3,802,890
Segment liabilities	262,224	8,625	1,129		271,978
Unallocated corporate liabilities					1,602,567
Consolidated total liabilities					1,874,545

4. Segment Information (cont'd)

Information by business segment (cont'd)

Year ended December 31, 2023

	Hotels \$'000	Properties \$'000	Others \$'000	Elimination \$'000	Consolidated \$'000
REVENUE					
External sales	618,060	24,054	6		642,120
Inter-segment sales	-	337	-	(337)	-
Total revenue	618,060	24,391	6	(337)	642,120
RESULTS					
Profit (Loss) before interest and tax	82,377	1,602	(5,546)		78,433
Finance costs					(98,348)
Interest income					2,226
Share of results of associates and jointly controlled entities	(5,043)	(52,484)	1,146		(56,381)
Loss before fair value changes					(74,070)
Fair value changes in investment properties		645,005			645,005
Profit before income tax					570,935
Income tax expense					(16,020)
Non-controlling interests					6,130
Profit attributable to shareholders of the Company					561,045
Assets					
Segment assets	1,732,283	1,374,458	304,562		3,411,303
Investment in equity accounted investees	244,583	500,727	1,853		747,163
Unallocated corporate assets					42,523
Consolidated total assets					4,200,989
Liabilities					
Segment liabilities	250,691	8,240	356		259,287
Unallocated corporate liabilities					1,544,268
Consolidated total liabilities					1,803,555

4. Segment Information (cont'd)

Information by business segment (cont'd)

Year ended December 31, 2022 (Restated)

	Hotels \$'000	Properties \$'000	Others \$'000	Elimination \$'000	Consolidated \$'000
REVENUE					
External sales	502,865	22,636	6		525,507
Inter-segment sales	-	335	-	(335)	-
Total revenue	502,865	22,971	6	(335)	525,507
RESULTS					
Profit (Loss) before interest and tax	37,539	(103)	(14,952)		22,484
Finance costs					(59,434)
Interest income					1,437
Share of results of associates and jointly controlled entities	21,286	(18,747)	(455)		2,084
Profit before fair value changes					(33,429)
Fair value changes in investment properties		77,829			77,829
Profit before income tax					44,400
Income tax expense					(10,045)
Non-controlling interests					5,820
Profit attributable to shareholders of the Company					40,175
Segment assets	1,754,239	818,531	252,729		2,825,499
Investment in equity accounted investees	240,786	686,184	256		927,226
Unallocated corporate assets					50,165
Consolidated total assets					3,802,890
Segment liabilities	262,224	8,625	1,129		271,978
Unallocated corporate liabilities					1,602,567
Consolidated total liabilities					1,874,545

5. Revenue

	GROUP \$'000			
	2H'2023	2H'2022	FY2023	FY2022
Hotel revenue	310,408	263,597	616,547	501,092
Rental income	11,614	11,165	23,376	21,967
Management fee	1,066	1,250	2,197	2,448
Total	323,088	276,012	642,120	525,507

Hotel room revenue is recognised at a point in time based on room occupancy while other hotel revenue are recognised at a point in time when the goods are delivered or the services are rendered to the customers.

Management fee income is recognised when services are rendered over the contractual period.

6. Profit Before Income Tax

The following items have been included in arriving at profit before income tax:

	GROUP \$'000			
	2H'2023	2H'2022	FY2023	FY2022
Dividend income*	4,836	1,811	6,721	2,763
Interest income*	1,030	828	2,226	1,437
Depreciation and amortisation**	(40,540)	(37,831)	(78,054)	(76,554)
Write-back of (Net allowance for) doubtful trade receivables*	(36)	(219)	77	(232)
Net fair value (loss) gain in held-for-trading investments*	-	45	(55)	(75)
Net fair value loss in investments*	(3,495)	(5,696)	(11,926)	(17,329)
Net foreign exchange (loss) gain*	(82)	1,027	(49)	985
Net adjustment for (under) over provision of tax in respect of prior years	(431)	29	(415)	1,490
Net gain (loss) on disposal of property, plant and equipment*	(1,043)	144	15,086	187

During the year ended December 31, 2022, the Group received wage support for local employees under the Jobs Support Scheme ("JSS") from the Singapore Government, and an amount of \$1.2 million (December 31, 2021: \$8.9 million) was recognised in profit or loss against staff costs.

Note:

* Included in Other operating income (expenses).

** Included in Cost of sales.

6.1. Related Party Transactions

Significant related party transactions during the year, other than those disclosed elsewhere in the financial statements, are as follows:

	GROUP \$'000			
	2H'2023	2H'2022	FY2023	FY2022
Transactions with companies in which certain directors are deemed to have interests:				
Management fee and other expense	(1,313)	(1,096)	(1,843)	(1,478)
Management fee income	565	707	1,365	1,621
Hotel revenue and rental income	4,096	4,955	6,895	8,101
Transactions with associates:				
Management fee income	345	359	676	651

7. Income Tax Expense

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

	GROUP \$'000			
	2H'2023	2H'2022	FY2023	FY2022
Current tax	(6,040)	(2,366)	(13,656)	(7,077)
Deferred tax	(1,289)	(4,982)	(1,949)	(4,458)
	(7,329)	(7,348)	(15,605)	(11,535)
(Under) Over provision of tax in respect of prior years	(431)	29	(415)	1,490
	(7,760)	(7,319)	(16,020)	(10,045)

8. Dividends

	GROUP \$'000	
	Year ended Dec 31, 2023	Year ended Dec 31, 2022
Ordinary dividends paid:		
First and final one-tier tax exempt dividend of 4 cents per share and a one-tier tax exempt special dividend of 1 cent per share (2022: First and final one-tier tax exempt dividend of 4 cents per share)	26,065	20,852

9. Net Asset Value

	Dec 31, 2023	Dec 31, 2022 (Restated)
Group	\$4.13	\$3.09
Company	\$1.70	\$1.71

Net asset value per ordinary share is calculated based on net assets excluding perpetual capital securities that is attributable to the ordinary shareholders divided by the number of issued shares (excluding treasury shares) of the Company.

10. Financial Assets Measured at Fair Value

	GROUP \$'000	
	Dec 31, 2023	Dec 31, 2022
Financial assets measured at FVTPL	221,403	252,091

10.1. Financial Value Measurement

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- b) Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- c) Level 3 inputs are unobservable inputs for the asset or liability.

The table below analyses financial instrument carried at fair value, by valuation method.

	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Group - Dec 31, 2023				
<i>Financial assets</i>				
Investments	221,403	99,730	-	*121,673
Group - Dec 31, 2022				
<i>Financial assets</i>				
Held-for-trading investments	2,490	2,490	-	-
Investments	249,601	114,075	14,486	*121,040

*The key unobservable input used to determine this fair value is the net asset value. The higher the net asset value, the higher the fair value of the investments.

10. Financial Assets Measured at Fair Value (cont'd)

10.1. Financial Value Measurement (cont'd)

Reconciliation of level 3 fair value measurements:

	GROUP \$'000	
	Dec 31, 2023	Dec 31, 2022
<i>Unquoted investments:</i>		
Opening balance	121,040	109,589
Total net gains or (losses)		
- In profit or loss	441	6,994
Net purchases	192	4,457
Closing balance	121,673	121,040

Financial liabilities

As at December 31, 2023, the carrying amount of certain notes payable and other long-term liabilities which bear fixed interest rates was \$648,260,000 and their fair value was \$609,434,000 (December 31, 2022: \$523,672,000 and \$466,758,000 respectively).

11. Property, Plant and Equipment

During the year ended December 31, 2023, the Group acquired assets amounting to \$139,208,000 (December 31, 2022: \$132,308,000) and disposed of assets with net book value amounting to \$10,835,000 (December 31, 2022: \$1,243,000). This disposal included the sale of existing land and building leases with right-of-use assets amounting to \$9,054,000 and lease liabilities amounting to \$11,510,000.

As at December 31, 2023, commitments for purchase of property, plant and equipment contracted but not provided for amounted to \$19,468,000 (December 31, 2022: \$34,865,000).

12. Investment Properties

12.1. Valuation

The fair value of the investment properties at December 31, 2023, which represents their highest and best use, has been determined on the basis of valuation carried out at the year end date by independent valuers having an appropriate recognised professional qualification based on direct comparison method (2022: income capitalisation approach and direct comparison method) that reflects prevailing property market conditions and redevelopment opportunities as at this date.

The Group considers certain unobservable inputs used by the independent valuers in determining the fair value measurement of the Group's investment properties as sensitive to the fair value measurement. A change in these inputs will have a corresponding change in the fair valuation.

13. Borrowings

Aggregate Amount of Group's Borrowings and Debt Securities

Amount repayable in one year or less, or on demand

As at Dec 31, 2023		As at Dec 31, 2022	
Secured	Unsecured	Secured	Unsecured
\$49,493,000	-	\$215,145,000	-

Amount repayable after one year

As at Dec 31, 2023		As at Dec 31, 2022	
Secured	Unsecured	Secured	Unsecured
\$816,578,000	\$647,621,000	\$845,458,000	\$522,752,000

Details of any collateral

The above are secured by legal mortgages on properties of the Company and some subsidiaries, fixed and floating charges on assets of the Company and some subsidiaries and pledge of shares of certain subsidiaries.

14. Share Capital

14.1. Details of Any Changes in Company's Issued Share Capital

The Company did not issue any new shares since the end of the previous period reported on.

As at December 31, 2023, the number of outstanding share options under the Company's Share Option Scheme was 18,375,000 (as at December 31, 2022: 18,375,000).

As at December 31, 2023, the Company held 515,300 (as at December 31, 2022: 515,300) treasury shares which represents 0.1% (as at December 31, 2022: 0.1%) of the total number of issued shares (excluding treasury shares).

14.2. Total Number of Issued Shares

	Dec 31, 2023	Dec 31, 2022
Total number of issued shares	521,815,251	521,815,251
Treasury shares	(515,300)	(515,300)
Total number of issued shares excluding treasury shares	521,299,951	521,299,951

14.3. Statement Showing All Sales, Transfers, Cancellation and/or Use of Treasury Shares

Not applicable. There were no sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

14.4. Statement Showing All Sales, Transfers, Cancellation and/or Use of Subsidiary Holdings

Not applicable. There is no subsidiary holdings as at the end of the current financial period reported on.

SECTION 2 - OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

1. Audit Statement

The condensed consolidated statement of financial position of the Group as at December 31, 2023, and the related condensed consolidated income statement and statement of other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six months and full year then ended and the notes to the condensed interim financial statements have not been audited or reviewed.

2. Review of Performance

For the year ended December 31, 2023, the Group recorded a revenue of \$642.1 million, which is 22.2% higher than the \$525.5 million recorded last year. Gross profit also increased by 39.2% from \$105.4 million for FY2022 to \$146.7 million for the year under review. The increase was mainly attributable to better performance by the Group's hotels and resorts in general, in line with the continued recovery in international travel.

The Group generated an operating profit before share of results of associates and jointly controlled entities, depreciation, amortisation, fair value changes and finance cost of \$146.7 million for the year under review, which is 29.2% higher than the \$113.5 million recorded last year. Proceeds from disposal of 7 shop units in Ming Arcade of \$87.8 million was also fully collected upon completion in May 2023.

For the year ended December 31, 2023, the Group recorded a mark-to-market fair value loss of \$11.9 million on long term investments compared to \$17.3 million last year. Finance cost increased from \$59.4 million last year to \$98.3 million for the year under review due mainly to higher interest rates.

The Group's share of results of associates and jointly controlled entities turned from a profit of \$2.1 million to a loss of \$56.4 million for the year ended December 31, 2023 mainly due to Fair Value and impairment losses suffered by our properties in London due to higher capitalisation rates in line with the current market conditions there. On the other hand, our Singapore investment properties grossed a fair value gain of \$645 million based on independent valuation as at December 31, 2023.

After accounting for income tax and non-controlling interest, Group net profit attributable to shareholders for the year ended December 31, 2023 was \$561.0 million compared to \$40.2 million last year.

3. Variance from Previous Forecast or Prospect Statement

Not applicable.

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

The growth in international travel is expected to continue according to the forecast by the United Nations World Tourism Organization. Although there is no indication of rate cuts by the Federal Reserve Board, with the easing of inflation, most are expecting interest rates to have peaked. Challenges however remain, with continuing geopolitical tensions and slowing down of global economic growth.

The Group has received the Grant of Provisional Permission for the redevelopment of the Forum, voco Orchard Singapore and HPL House into a mixed development comprising hotel, retail, office and residential components, and is working on further detailed plans. In London, Bankside Yards is going into the next phase of development, being the residential tower of over 200 units. Pre-marketing to potential purchasers will commence during the first half of 2024.

5. Dividend

(a) Current Financial Period Reported On

The Board of Directors has recommended a first and final one-tier tax exempt cash dividend of 4 cents per ordinary share, and a one-tier tax exempt special dividend of 2 cents per ordinary share, in respect of the current financial year reported on. Payment of the said dividend is subject to the approval of shareholders at the forthcoming Annual General Meeting.

(b) Corresponding Period of the Immediately Preceding Financial Year

The Company declared a first and final one-tier tax exempt cash dividend of 4 cents per ordinary share, and a one-tier tax exempt special dividend of 1 cent per ordinary share, in respect of the immediately preceding financial year.

(c) Date payable

Will be announced at a later date.

(d) Books closure date

Notice will be given at a later date of the date of closure of the transfer books and register of members.

6. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision

Not applicable.

7. Interested Person Transactions ("IPT")

The Group has not obtained a general mandate from shareholders for IPTs.

8. Review of Performance by Business Segments

Please refer to Section 2 paragraph 2 above.

9. Breakdown of Sales and Operating Profit (Loss)

	Latest Financial Year \$'000 Group	Previous Financial Year \$'000 Group	% increase/(decrease) Group
(a) Sales reported for first half year	319,032	249,495	27.87
(b) Operating (loss) profit after tax before deducting non-controlling interests reported for first half year**	(17,113)	5,787	(395.71)
(c) Sales reported for second half year	323,088	276,012	17.06
(d) Operating (loss) profit after tax before deducting non-controlling interests reported for second half year**	(72,977)	(49,261)	48.14

** excludes net fair value gain in investment properties.

10. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) of the Listing Manual

There are currently no persons occupying managerial positions in the Company or any of its principal subsidiaries who are relatives of a director or chief executive officer or substantial shareholder of the Company.

11. Confirmation pursuant to Rule 720(1) of the Listing Manual

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

BY ORDER OF THE BOARD

Joanna Lim Lan Sim
Company Secretary
February 27, 2024