



**Interim Financial Statements
for the six months period ended
30 June 2021**

HOTEL ROYAL LIMITED

Incorporated in the Republic of Singapore

Company Registration Number - 196800298G

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CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	<u>Notes</u>	<u>The Group</u>		<u>The Company</u>	
		<u>30 June 21</u>	<u>31 Dec 20</u>	<u>30 June 21</u>	<u>31 Dec 20</u>
		<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
ASSETS					
Current assets					
Cash and bank balances		11,423	16,202	3,284	4,648
Financial assets at fair value through profit or loss	4	3,726	3,406	1,245	1,006
Financial assets at fair value through other comprehensive income	5	8,901	8,447	1,652	1,766
Trade receivables	6	1,730	2,041	534	770
Other receivables, deposits and prepaid expenses	7	2,453	11,202	569	579
Inventories		993	1,043	271	285
Income tax recoverable		13	5	-	-
Total current assets		29,239	42,346	7,555	9,054
Non-current assets					
Subsidiaries		-	-	216,068	199,800
Other assets		922	530	72	84
Financial assets at fair value through other comprehensive income	5	18,372	17,841	15,330	15,252
Property, plant and equipment	8	672,399	614,389	247,055	247,778
Investment properties	9	108,729	107,705	22,314	22,490
Total non-current assets		800,422	740,465	500,839	485,404
Total assets		829,661	782,811	508,394	494,458
LIABILITIES AND EQUITY					
Current liabilities					
Bank loans	10	6,465	7,321	360	360
Trade payables		3,629	3,209	1,799	1,537
Other payables	11	3,887	5,278	2,583	2,830
Current income tax liabilities		881	1,885	565	1,099
Derivative financial instruments	12	196	196	-	-
Total current liabilities		15,058	17,889	5,307	5,826
Non-current liabilities					
Other payables	11	28	31	27,906	27,888
Retirement benefit obligations		499	497	-	-
Long-term bank loans	10	177,350	120,197	60,404	43,561
Deferred tax liabilities		19,972	20,379	787	787
Total non-current liabilities		197,849	141,104	89,097	72,236
Capital and reserves					
Share capital	13	150,665	150,665	150,665	150,665
Asset revaluation reserve		382,010	382,010	219,508	219,508
Employee benefit reserve		164	180	-	-
Fair value reserve		18,363	17,272	14,320	14,065
Translation reserve		918	4,341	-	-
Retained earnings		64,634	69,350	29,497	32,158
Total equity		616,754	623,818	413,990	416,396
Total liabilities and equity		829,661	782,811	508,394	494,458

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the six months period ended 30 June

	<u>Notes</u>	<u>The Group</u>		
		<u>First Half-Year Ended 30 June</u>		
		<u>2021</u>	<u>2020</u>	<u>+ / (-)</u>
		<u>\$'000</u>	<u>\$'000</u>	<u>%</u>
Revenue	14	11,401	17,421	(34.6)
Cost of sales		(9,582)	(11,234)	(14.7)
Gross profit		1,819	6,187	(70.6)
Other income				
- Bargain purchase gain arising from acquisition of business	22	8,413	-	nm
- Miscellaneous income	15	1,202	396	>100
Distribution and marketing expenses		(299)	(512)	(41.6)
Administrative expenses		(4,567)	(5,898)	(22.6)
Other expenses				
- Expenses relating to acquisition of business	22	(3,984)	-	nm
- Miscellaneous expenses		(2,816)	(1,197)	>100
Finance expenses	16	(1,915)	(1,665)	15.0
Loss before income taxation	17	(2,147)	(2,689)	(20.2)
Income tax expense	18	(75)	(320)	(76.6)
Loss for the financial period, attributable to the owners of the Company		(2,222)	(3,009)	(26.2)

nm : not meaningful

CONDENSED INTERIM CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
For the six months period ended 30 June

	<u>The Group</u>		
	<u>First Half-Year Ended 30 June</u>		
	<u>2021</u>	<u>2020</u>	<u>+ / (-)</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>%</u>
Loss for the period	(2,222)	(3,009)	(26.2)
Other comprehensive income (loss):			
<i>Items that may be reclassified to profit or loss in subsequent periods</i>			
Currency translation differences on consolidation of foreign entities (net)	(3,424)	(1,302)	>100
<i>Items that will not be reclassified to profit or loss in subsequent periods</i>			
Net fair value gain (loss) on investments in equity instruments designated as at fair value through other comprehensive income	1,118	(776)	nm
Re-measurement of defined benefit obligation	(16)	(11)	45.5
	<u>1,102</u>	<u>(787)</u>	<u>nm</u>
Other comprehensive loss for the period	(2,322)	(2,089)	11.2
Total comprehensive loss for the period attributable to owners of the Company	(4,544)	(5,098)	(10.9)

nm : not meaningful

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
For the six months period ended 30 June

Group	Share capital \$'000	Asset revaluation reserve \$'000	Employee benefit reserve \$'000	Fair value reserve \$'000	Translation reserve \$'000	Retained earnings \$'000	Total \$'000
Balance at 1 January 2020	150,665	424,469	155	16,536	3,789	92,755	688,369
<i>Total comprehensive income (loss) for the financial period</i>							
Loss for the period	-	-	-	-	-	(3,009)	(3,009)
Other comprehensive loss for the period	-	-	(11)	(698)	(1,302)	(78)	(2,089)
Total	-	-	(11)	(698)	(1,302)	(3,087)	(5,098)
<i>Transactions with owners recognised directly in equity</i>							
Dividends paid	-	-	-	-	-	-	-
Balance at 30 June 2020	150,665	424,469	144	15,838	2,487	89,668	683,271
Balance at 1 January 2021	150,665	382,010	180	17,272	4,341	69,350	623,818
<i>Total comprehensive income (loss) for the financial period</i>							
Loss for the period	-	-	-	-	-	(2,222)	(2,222)
Other comprehensive income (loss) for the period	-	-	(16)	1,091	(3,423)	26	(2,322)
Total	-	-	(16)	1,091	(3,423)	(2,196)	(4,544)
<i>Transactions with owners recognised directly in equity</i>							
Dividends paid	-	-	-	-	-	(2,520)	(2,520)
Balance at 30 June 2021	150,665	382,010	164	18,363	918	64,634	616,754

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Continued)
For the six months period ended 30 June

<u>Company</u>	<u>Share capital</u> <u>\$'000</u>	<u>Asset revaluation reserve</u> <u>\$'000</u>	<u>Fair value reserve</u> <u>\$'000</u>	<u>Retained earnings</u> <u>\$'000</u>	<u>Total</u> <u>\$'000</u>
Balance at 1 January 2020	150,665	244,108	14,082	40,916	449,771
<i>Total comprehensive income (loss) for the financial period</i>					
Profit for the period	-	-	-	541	541
Other comprehensive loss for the period	-	-	(130)	(78)	(208)
Total	-	-	(130)	463	333
<i>Transactions with owners recognised directly in equity</i>					
Dividends paid	-	-	-	-	-
Balance at 30 June 2020	150,665	244,108	13,952	41,379	450,104
Balance at 1 January 2021	150,665	219,508	14,065	32,158	416,396
<i>Total comprehensive income (loss) for the financial period</i>					
Loss for the period	-	-	-	(141)	(141)
Other comprehensive income for the period	-	-	255	-	255
Total	-	-	255	(141)	114
<i>Transactions with owners recognised directly in equity</i>					
Dividends paid	-	-	-	(2,520)	(2,520)
Balance at 30 June 2021	150,665	219,508	14,320	29,497	413,990

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
For the six months period ended 30 June

	<u>Notes</u>	<u>The Group</u>	
		<u>2021</u>	<u>2020</u>
		<u>\$'000</u>	<u>\$'000</u>
Cash flows from operating activities			
Loss before tax		(2,147)	(2,689)
Adjustments for:			
Dividend income		(117)	(150)
Interest income		(12)	(2)
Depreciation expense		3,602	3,999
Finance expenses		1,915	1,665
Loss on disposal and write-off of property, plant and equipment		-	9
Net fair value (gain) loss on financial assets at fair value through profit or loss		(68)	318
Allowance for doubtful receivables no longer required		(124)	-
Bargain purchase gain arising from acquisition of business	22	(8,413)	-
Operating (loss) profit before working capital changes		(5,364)	3,150
Changes in working capital:			
Inventories		51	47
Trade and other receivables		8,668	53
Financial assets at fair value through profit or loss		(254)	(341)
Trade and other payables		(975)	(1,829)
Cash generated from operations		2,126	1,080
Income tax paid		(1,030)	(206)
Net cash from operating activities		1,096	874
Cash flows from investing activities			
Dividend income received		118	150
Purchase of financial assets at fair value loss through other comprehensive income		(323)	(742)
Proceeds from disposal of investments		619	818
Interest income received		12	2
Purchase of property, plant and equipment		(1,421)	(2,994)
Arising from acquisition of business	22	(57,059)	-
Improvements to investment properties		(2,815)	(2,693)
Net cash used in investing activities		(60,869)	(5,459)

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
For the six months period ended 30 June (Continued)

	<u>The Group</u>	
	<u>2021</u>	<u>2020</u>
	<u>\$'000</u>	<u>\$'000</u>
Cash flows from financing activities		
Payment of dividends to members of the Company	(2,520)	-
Proceed from bank loan	72,847	4,659
Repayment of borrowings	(14,731)	(2,049)
Interest paid on borrowings and lease liabilities	(1,915)	(1,665)
Fixed deposits pledged to banks	16	10
	<hr/>	<hr/>
Net cash generated from financing activities	53,697	955
	<hr/>	<hr/>
Net decrease in cash and cash equivalents	(6,076)	(3,630)
Cash and cash equivalents at beginning of the period	15,149	19,850
Effects of currency translation on cash and cash equivalents	1,313	857
	<hr/>	<hr/>
Cash and cash equivalents at end of the period	10,386	17,077
	<hr/>	<hr/>

Cash and cash equivalents consist of

	<u>Group</u>	
	<u>As at 30 June</u>	
	<u>2021</u>	<u>2020</u>
	<u>\$'000</u>	<u>\$'000</u>
Cash on hand	107	98
Cash at bank	9,003	14,199
Fixed deposits	2,313	3,823
	<hr/>	<hr/>
	11,423	18,120
Less: Fixed deposits pledged	(1,037)	(1,043)
Total	<hr/>	<hr/>
	10,386	17,077
	<hr/>	<hr/>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Hotel Royal Limited (the “Company”) is incorporated and domiciled in Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange. These condensed interim financial statements as at and for the six months ended 30 June 2021 comprise the Company and its subsidiaries (collectively, the Group).

The principal activities of the Group are:

- (a) Owning and operating hotels and providing ancillary services (“hotel operation”);
- (b) Owning and letting out investment properties (“property investment”); and
- (c) Holding financial investments which comprise financial assets such as shares, bonds, funds and other financial products, to generate a stable stream of income through interest and dividends, and also for potential capital appreciation (“financial investment”)

2. BASIS OF PREPARATION

2.1 *Statement of compliance*

The condensed interim financial statements of the Group and the Company for the six months ended 30 June 2021 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 of the Group and the Company 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 annual financial statements for the year ended 31 December 2020.

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 as set out in Note 2.4.

The condensed interim financial statements of the Group and the Company are presented in Singapore dollar which is the Company’s functional currency.

2.2 *Basis of measurement*

The interim financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below.

The interim financial statements have been prepared on a going concern basis, since the directors have verified that there are no financial, operating or other types of indicators that might cast significant doubt upon the Group’s ability to meet its obligations in the foreseeable future and particularly within the 12 months from the end of the reporting period.

2.3 *Uses of estimates and judgements*

In preparing the condensed interim financial statements of the Group and the Company, 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 31 December 2020.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Management is of the opinion that any instances of application of judgements are not expected to have significant effect on the amounts recognised in the financial statements (apart from those involving estimates which are dealt with below).

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

- Note 8 - Freehold hotel land at revalued amounts
- Note 8 - Impairment of leasehold land, hotel building and building improvements (“leasehold land and hotel buildings”) and investment properties
- Note 16 - acquisition of subsidiary: the fair value of the consideration transferred (including contingent consideration) and the fair value of the assets acquired and liabilities assumed, measured on a provisional basis

Measurement of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of SFRS(I) 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SFRS(I) 1-2 *Inventories* or value in use in SFRS(I) 1-36 *Impairment of Assets*.

In addition, for financial reporting purposes, 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. These levels are described below:

- Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date;
- 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
- Level 3 inputs are unobservable inputs for the asset or liability.

2.4 *Changes in accounting policies*

There has been no change in the accounting policies and methods of computation adopted by the Group for the current reporting period compared with the audited financial statements for the year ended 31 December 2020, except for the adoption of new or revised SFRS(I) and Interpretations of SFRS(I) (“INT SFRS(I)”) that are mandatory for the financial year beginning on or after 1 January 2021.

- Amendments to SFRS(I) 16 *Covid-19 – Related Rent Concessions*
- Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 4, SFRS(I) 16: *Interest Rate Benchmark Reform – Phase 2*

The management anticipates that the adoption of the above SFRS(I) and amendments to SFRS(I) in future periods will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption.

The Group has floating rate debt linked to SGD Swap Offered Rate and will be able to apply the practical expedient available under the Interest Rate Benchmark Reform – Phase 2 amendments to allow for modifications required by the reform as a direct consequence and made on an economically equivalent basis to be accounted for by updating the effective interest rate prospectively.

3. SEASONAL OPERATIONS

The Group's businesses are generally not affected significantly by seasonal or cyclical factors during the financial period. However, the Group's operations and performance will continue to vary from period to period, depending on the conditions of the hospitality and leisure industry in the countries in which the Group operates.

4. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL")

The Group designated the investments shown below as at FVTPL because these represent investments that offer the Group the opportunity for return through dividend income and fair value gains.

	<u>The Group</u>		<u>The Company</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Quoted bonds	3,717	3,396	1,237	997
Unquoted managed funds	9	10	8	9
	<u>3,726</u>	<u>3,406</u>	<u>1,245</u>	<u>1,006</u>

The investments above offer the Group the opportunity for return through dividend income and fair value gains. They have no fixed maturity or coupon rate. The fair values of these securities are based on closing quoted market prices on the last market day of the financial year.

Unquoted managed funds are measured at fair value through profit or loss in accordance with SFRS(I) 9 *Financial Instruments*, as they represent an identified portfolio of investments which the group manages together with an intention of profit taking when the opportunity arises.

Changes in the fair value of financial assets at fair value through profit or loss, amounting to net gain of \$66,000 (2020 : net loss of \$134,000) have been included in profit or loss for the year as part of "other income" (2020 : "other expenses").

5. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVTOCI")

The Group designated the investments shown below as equity investments as at FVTOCI because these equity investments represent investments that the Group intends to hold for the medium to long-term for strategic purposes.

	<u>The Group</u>		<u>The Company</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
<i>Current assets</i>				
Quoted equity shares	8,901	8,447	1,652	1,766
<i>Non-current assets</i>				
Quoted equity shares	3,678	3,147	636	558
Unquoted equity share	14,694	14,694	14,694	14,694
	<u>18,372</u>	<u>17,841</u>	<u>15,330</u>	<u>15,252</u>
Total	<u>27,273</u>	<u>26,288</u>	<u>16,982</u>	<u>17,018</u>

The investments above offer the Group the opportunity for return through dividend income and fair value gains.

The financial assets held at fair value through other comprehensive income presented as current assets are those held in investment accounts managed on behalf of the Group by professional fund

managers and subject to changes in components of investments within the portfolio. The financial assets held at fair value through other comprehensive income presented as non-current assets are those managed directly by the Group and are held for long term investments.

These investments in equity instruments are not held for trading. Instead, they are held for medium to long-term strategic purposes. Accordingly, management has elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

Financial assets at fair value through other comprehensive income consist of current and non-current portion.

Fair value measurement

The Group and the Company determines fair values of financial assets and financial liabilities in the following manner:

- (a) *Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)*

The carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values due to the relatively short-term maturity of these financial instruments.

- (b) *Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis*

The following financial assets are measured at fair value at the end of each reporting period. Fair values belong to the following levels in the fair value hierarchy.

	<u>Level 1</u>		<u>Level 3</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
<u>The Group</u>				
Financial assets at fair value through profit or loss:				
- Quoted bonds	3,717	3,396	-	-
- Unquoted managed funds	-	-	9	10
<hr/>				
Financial assets at fair value through other comprehensive income:				
- Quoted equity shares	12,579	11,594	-	-
- Unquoted equity shares	-	-	14,694	14,694
<hr/>				
<u>The Company</u>				
Financial assets at fair value through profit or loss:				
- Quoted bonds	1,237	997	-	-
- Unquoted managed funds	-	-	8	9
<hr/>				
Financial assets at fair value through other comprehensive income:				
- Quoted equity shares	2,288	2,324	-	-
- Unquoted equity shares	-	-	14,694	14,694
<hr/>				

Fair values of investments classified as Level 1 of the fair value hierarchy are based on publicly available quoted prices. Level 3 investments are measured based on net assets of the unquoted funds as provided by the fund managers and measured based on adjusted net assets of the unquoted equity shares. There is no investment falling within Level 2 of the fair value hierarchy.

Reconciliation of Level 3 fair value measurement:

	Financial assets at FVTPL (Unquoted managed funds) \$'000	Financial assets at FVTOCI (Unquoted equity shares) \$'000	Total \$'000
<u>2021</u>			
<u>Group</u>			
Opening balance	10	14,694	14,704
Total gains or loss:			
- In profit or loss *	(1)	-	(1)
- In other comprehensive income	-	-	-
Closing balance	9	14,694	14,703
<u>Company</u>			
Opening balance	9	14,694	14,703
Total gains or loss:			
- In profit or loss *	(1)	-	(1)
- In other comprehensive income	-	-	-
Closing balance	8	14,694	14,702
	Financial assets at FVTPL (Unquoted managed funds) \$'000	Financial assets at FVTOCI (Unquoted equity shares) \$'000	Total \$'000
<u>2020</u>			
<u>Group</u>			
Opening balance	5	14,831	14,836
Total gains or loss:			
- In profit or loss *	5	-	5
- In other comprehensive income	-	(137)	(137)
Closing balance	10	14,694	14,704
<u>Company</u>			
Opening balance	1	14,831	14,832
Total gains or loss:			
- In profit or loss *	8	-	8
- In other comprehensive income	-	(137)	(137)
Closing balance	9	14,694	14,703

* Included as part of "other income" or "other expense" in profit or loss.

All gains and losses included in other comprehensive income relate to unlisted shares held at the end of the reporting period and are reported as changes of "fair value reserves".

6. TRADE RECEIVABLES

	<u>The Group</u>		<u>The Company</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Trade receivables	2,116	2,531	625	853
Related parties ⁽¹⁾	-	20	-	-
Total	2,116	2,551	625	853
Less: Loss allowance	(386)	(510)	(91)	(83)
	1,730	2,041	534	770

⁽¹⁾ Entities in which certain directors of the Company have equity interest, hold significant influence and are key management personnel of the entities.

7. OTHER RECEIVABLES, DEPOSITS AND PREPAID EXPENSES

	<u>The Group</u>		<u>The Company</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Outside parties	348	778	105	119
Refundable deposits	475	6,799	-	-
Prepaid expenses	1,257	3,019	91	87
Government grant receivables	373	606	373	373
	2,453	11,202	569	579

8. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2021, the Group acquired assets amounting to \$66,893,000 (30 June 2020: \$2,994,000) and disposed of assets amounting to \$6,000. (30 June 2020: \$36,000)

Valuation processes, techniques and inputs used in Level 3 fair value measurements

The Group engages external, independent and qualified valuers to determine the fair value of the Group's land and buildings classified as property, plant and equipment and investment properties ("Group's properties"), on an annual basis and whenever their carrying amounts are likely to differ materially from their revalued amounts, based on the properties' highest and best use. At the end of every half-year, management will assess whether fair values of the Group's properties remain appropriate and engage external, independent and qualified valuer when deemed necessary. The valuation techniques and key inputs that were used to determine the fair value which is categorised under Level 3 of the fair value hierarchy are described in Notes 14 and 15 of the Group's annual financial statements for the year ended 31 December 2020 and remained appropriate in determining the fair values of the property, plant and equipment and investment properties as at 30 June 2021.

No revaluation movements were recognised for the financial period ended 30 June 2021.

9 INVESTMENT PROPERTIES

The Group's investment properties consist of both commercial and industrial properties, held for long-term rental yields and capital appreciation and are not occupied by the Group. They are leased to third parties under operating leases.

	<u>The Group</u>	
	<u>30 June 2021</u>	<u>31 December 2020</u>
	<u>\$'000</u>	<u>\$'000</u>
<i>Cost</i>		
Beginning of financial year	131,793	120,515
Improvements	2,815	6,735
Currency translation differences	(1,666)	4,543
End of period	132,942	131,793
<i>Accumulated depreciation and impairment losses</i>		
Beginning of financial year	24,088	18,438
Depreciation charge for the period	408	1,212
Impairment loss	-	3,500
Currency translation differences	(283)	938
End of period	24,213	24,088
Net book value	108,729	107,705

	<u>The Company</u>	
	<u>30 June 2021</u>	<u>31 December 2020</u>
	<u>\$'000</u>	<u>\$'000</u>
<i>Cost</i>		
Beginning of financial year	25,961	25,999
Improvements	-	(38)
End of period	25,961	25,961
<i>Accumulated depreciation and impairment losses</i>		
Beginning of financial year	3,471	3,124
Depreciation charge for the period	176	347
End of period	3,647	3,471
Net book value	22,314	22,490

10 BANK LOANS

	<u>The Group</u>		<u>The Company</u>	
	<u>30 June</u>	<u>31 December</u>	<u>30 June</u>	<u>31 December</u>
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Amount repayable within one year or on demand				
Secured	6,465	7,321	360	360
Unsecured	-	-	-	-
Amount repayable after one year				
Secured	177,350	120,197	60,404	43,561
Unsecured	-	-	-	-

The bank borrowings are secured by mortgages on certain of the Company's and subsidiaries' freehold land and buildings and investment properties; and assignment of rental proceeds of certain subsidiaries' investment properties and a floating charge on certain Company's and subsidiaries' assets.

11. OTHER PAYABLES

	<u>The Group</u>		<u>The Company</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Outside parties	3,382	4,414	96	97
Subsidiaries	-	-	27,906	27,888
Deferred grant income	533	895	331	577
Financial guarantee contract liabilities	-	-	2,156	2,156
Total	3,915	5,309	30,489	30,718
Less: Amount payable within 12 months (shown under current liabilities)	(3,887)	(5,278)	(2,583)	(2,830)
Amount payable after 12 months	28	31	27,906	27,888

12 DERIVATIVE FINANCIAL INSTRUMENTS

The Group uses interest rate swaps to manage its exposure to interest rate movements on its bank borrowing by swapping a proportion of those borrowings from floating rates to fixed rates. A notional principal amount of \$10m had its floating rate swapped to a fixed rate of 1.94% on 4 February 2019 for a period of 3 years.

13(i) SHARE CAPITAL

	<u>The Group and the Company</u>			
	<u>30 June</u>	<u>31 Dec</u>	<u>30 June</u>	<u>31 Dec</u>
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	<u>Number of ordinary shares</u>		<u>S\$'000</u>	<u>S\$'000</u>
	<u>'000</u>			
Issued and paid up capital:				
Balance at beginning and end of period	<u>100,800</u>	<u>100,800</u>	<u>150,665</u>	<u>150,665</u>

There was no change in the share capital since the end of the previous period reported on.

Use of the Rights Issue's Proceeds

As at the date of this report, the status of the utilisation of the proceeds raised from the Company's Renounceable Non-Underwritten Rights Issue are as follows: -

	S'000
Total rights issue proceeds	50,227
Less Utilisation:	
3Q 2018 – repayment of outstanding loans	44,700
3Q 2018 – capital expenditure	542
2Q 2019 – dividend payment	2,400
2Q 2021 – dividend payment	2,520
2Q 2021 – working capital (repairs and maintenance)	65
Balance unutilised as at 30 June 2021	-

Rights issue proceed had been fully utilised as at 30 June 2021.

13(ii) TREASURY SHARES

There are no treasury shares.

13(iii) A STATEMENT SHOWING ALL SALES, TRANSFERERS, CANCELLATION AND /OR USE OF SUBSIDIARY HOLDINGS AS AT THE END OF THE CURRENT FINANCIAL PERIOD REPORTED ON

Not applicable. The Company did not have any such subsidiary holdings during and as at the end of the current financial period reported on.

14 REVENUE

Revenue comprises the following:

	Group	
	First Half-Year Ended 30 June	
	2021	2020
	\$'000	\$'000
Room revenue	5,089	9,972
Food and beverage revenue	937	1,737
Spa revenue	12	176
Rental income from:		
Investment properties	3,733	3,732
Within premises	721	936
Car park revenue	643	539
Interest income from outside parties	12	2
Dividend income from:		
Quoted equity investments (gross)	117	150
Others	137	177
Total	11,401	17,421

15. OTHER INCOME – MISCELLANEOUS

	<u>The Group</u>	
	<u>2021</u>	<u>2020</u>
	<u>\$'000</u>	<u>\$'000</u>
Fair value gain on financial assets at FVTPL	68	-
Foreign exchange adjustment gain	192	259
Government grants	36	-
Other income	906	137
	<u>1,202</u>	<u>396</u>

16. FINANCE COSTS

	<u>The Group</u>	
	<u>2021</u>	<u>2020</u>
	<u>\$'000</u>	<u>\$'000</u>
Interest expense on bank loans	<u>1,915</u>	<u>1,665</u>

17. LOSS BEFORE INCOME TAX

Loss before income tax is arrived at after charging / (crediting):

	<u>Group</u>		
	<u>First Half-Year Ended 30 June</u>		
	<u>2021</u>	<u>2020</u>	<u>+ / (-)</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>
Net foreign exchange adjustment loss (gain)	1,923	(259)	nm
Depreciation	3,602	3,999	(9.9)
Interest on borrowings	1,915	1,665	15.0
Dividend income	(117)	(150)	(22.0)
Net fair value (gain) loss on financial assets at fair value through profit or loss	(68)	318	n.m.
Interest income	(12)	(2)	>100
Loss on disposal of property, plant and equipment	-	9	(100)

18. 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 statement of profit or loss are:

	<u>The Group</u>	
	<u>2021</u>	<u>2020</u>
	<u>\$'000</u>	<u>\$'000</u>
Current tax	40	218
Withholding tax	-	55
Deferred tax	35	47
Total income tax expense	<u>75</u>	<u>320</u>

19. EARNINGS PER ORDINARY SHARE (EPS)

	<u>Group</u>	
	<u>First Half-Year Ended 30 June</u>	
	<u>2021</u>	<u>2020</u>
EPS (based on consolidated (loss) profit after taxation)		
- on weighted average number of shares	(2.20) cents	(2.99) cents
- on a fully diluted basis	(2.20) cents	(2.99) cents

Basic earnings per share is calculated based on the Group's loss for first half-year ended 30 June 2021 of \$2.222 million (2020: S\$3.009 million) after income tax expense divided by 100.8 million (2020: 100.8 million) ordinary shares.

Diluted earnings per ordinary share are the same as basic earnings per ordinary shares as there were no dilutive potential ordinary shares.

20. NET ASSET VALUE

	<u>Group</u>		<u>Company</u>	
	<u>30 June 2021</u>	<u>31 Dec 2020</u>	<u>30 June 2021</u>	<u>31 Dec 2020</u>
	NAV per share based on issued number of shares as at the end of the respective period	6.12	6.19	4.11

The NAV per share as at 30 June 2021 and 31 December 2020 were calculated based on the number of shares in issue of 100.8 million ordinary shares.

21. OPERATING SEGMENTS

The Group is primarily engaged in the following operations:

- Owning and operating hotels and providing ancillary services ("hotel operation")
- Owning and letting out investment properties ("property investment")
- Holding financial investments which comprise financial assets such as shares, bonds, funds and other financial products, to generate a stable stream of income through interest and dividends, and also for potential capital appreciation ("financial investment")

**I. Revenue
for six months period ended 30 June**

	<u>External</u>		<u>Inter-segment</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Hotel operation						
Singapore	4,343	7,015	-	-	4,343	7,015
Malaysia	2,226	2,202	-	-	2,226	2,202
Thailand	498	3,970	-	-	498	3,970
	<u>7,067</u>	<u>13,187</u>	<u>-</u>	<u>-</u>	<u>7,067</u>	<u>13,187</u>

Property investment						
Singapore	512	549	57	53	569	602
New Zealand	3,301	3,124	-	-	3,301	3,124
Malaysia	391	409	-	-	391	409
	<u>4,204</u>	<u>4,082</u>	<u>57</u>	<u>53</u>	<u>4,261</u>	<u>4,135</u>
Financial Investment	130	152	117	228	247	380
Total	<u>11,401</u>	<u>17,421</u>	<u>174</u>	<u>281</u>	<u>11,575</u>	<u>17,702</u>

**II. Net loss
for six months period ended 30 June**

	Net (loss) profit for the period	
	<u>2021</u>	<u>2020</u>
	<u>\$'000</u>	<u>\$'000</u>
Hotel operation		
Singapore	(1,983)	(439)
Malaysia	1,902	(1,794)
Thailand	(2,160)	(36)
	<u>(2,241)</u>	<u>(2,269)</u>
Property investment		
Singapore	306	339
New Zealand	1,088	539
Malaysia	391	355
	<u>1,785</u>	<u>1,233</u>
Financial Investment		
	<u>224</u>	<u>12</u>
Total	(232)	(1,024)
Finance cost	<u>(1,915)</u>	<u>(1,665)</u>
Loss before income tax	(2,147)	(2,689)
Income tax expense	<u>(75)</u>	<u>(320)</u>
Loss after income tax	<u>(2,222)</u>	<u>(3,009)</u>

**III. Segment assets and liabilities
for the six months period ended 30 June**

	Segment assets		Segment liabilities	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Hotel operation				
Singapore	477,366	515,200	3,477	3,205
Malaysia	112,639	66,239	1,935	2,008
Thailand	93,449	114,559	1,025	2,580
	<u>683,454</u>	<u>695,998</u>	<u>6,437</u>	<u>7,793</u>

Property investment				
Singapore	25,411	25,923	101	151
New Zealand	75,240	68,883	1,693	1,792
Malaysia	11,745	11,004	-	-
	<u>112,396</u>	<u>105,810</u>	<u>1,794</u>	<u>1,943</u>
Financial Investment	31,485	28,382	8	20
Total	<u>827,335</u>	<u>830,190</u>	<u>8,239</u>	<u>9,756</u>
Unallocated items	<u>2,326</u>	<u>3,846</u>	<u>204,668</u>	<u>141,008</u>
Consolidated total	<u>829,661</u>	<u>834,036</u>	<u>212,907</u>	<u>150,764</u>

**IV. Other segment information
for the six months period ended 30 June**

	Depreciation		Additions to non-current assets	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Hotel operation				
Singapore	1,424	1,474	395	918
Malaysia	991	1,028	66,498	786
Thailand	779	881	-	1,290
	<u>3,194</u>	<u>3,383</u>	<u>66,893</u>	<u>2,994</u>
Property investment				
Singapore	205	222	-	-
New Zealand	203	306	2,815	2,693
Malaysia	-	88	-	-
	<u>408</u>	<u>616</u>	<u>2,815</u>	<u>2,693</u>
Consolidated total	<u>3,602</u>	<u>3,999</u>	<u>69,708</u>	<u>5,687</u>

**V. Geographical information
for the six months period ended 30 June**

	Revenue from external customers		Non-current assets	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Singapore	4,985	7,716	479,142	523,384
Malaysia	2,617	2,611	154,849	91,184
New Zealand	3,300	3,124	73,427	66,921
Thailand	499	3,970	93,004	111,488
	<u>11,401</u>	<u>17,421</u>	<u>800,422</u>	<u>792,977</u>

22. ACQUISITION OF BUSINESS

On 15 March 2019, the Group's wholly-owned subsidiary, Every Room a Home Sdn Bhd., entered into a Sale and Purchase Agreement ("Agreement") to acquire The Royale Chulan Bukit Bintang Hotel and its business from a third party, for a cash consideration of approximately S\$ 65 million (RM 197m). The acquisition is an opportunity for the Group to expand its hotel operations in the region. In addition, Royale Chulan Bukit Bintang Hotel, located in one of the prime tourist and hotel belts of Kuala Lumpur city centre, offers potential capital appreciation in future.

A supplemental agreement was signed on 29 December 2020 whereby the vendor reduced the purchase price by 10% (from RM197m to RM177.3m) and contributed RM3m to repair mechanical and electrical equipment of the Hotel. This was to account for the Covid-19 situation in Malaysia.

The Group incurred acquisition related costs of \$3.984 million relating to legal fees, stamp duty and due diligence costs and these have been classified as 'other' expenses in the interim consolidated statement of profit or loss.

The fair value of the net identifiable assets acquired in the transaction are as follow: -

	Carrying amount before acquisition	Fair value adjustments	Fair value
	\$'000	\$'000	\$'000
Net identifiable assets acquired:			
Land	29,601	3,790	33,391
Building	27,458	4,623	32,081
Total consideration	57,059	8,413	65,472
Bargain purchase gain arising from acquisition of business			(8,413)
Total consideration, satisfied by cash			<u>57,059</u>
Net cash outflow arising on acquisitions:			
Cash consideration paid			<u>57,059</u>

Management is of view, after assessment, that the gain represented a bargain purchase on acquisition, which was primarily due to the fact that the price was negotiated with the seller during the current Covid-19's economic downturn in Malaysia.

The initial accounting for the acquisition of ERAH (acquiree) has only been provisionally determined at the balance sheet date as at 30 June 2021.

The hotel ceased operation on 22 February 2021 so that it can embark on an extensive upgrading of the hotel.

In 1H 2021, the acquired business did not contribute to the Group's revenue and incurred a nett loss before income tax of \$0.583m (RM1.8m) for the period between the date of acquisition and the end of this reporting period.

If the acquisition had been completed on 1 January 2021, the acquired business will not contribute to the Group's revenue as the hotel will cease operation on that day and net loss before income tax will be \$0.827m (RM 2.552m) for the period between 1 January and the end of this reporting period.

23. SUBSEQUENT EVENTS

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

1. AUDIT

The condensed consolidated statement of financial position of Hotel Royal Limited and its subsidiaries as at 30 June 2021 and the related condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity, statement of changes in equity of the Company and condensed consolidated statement of cash flows for the six months period then ended and certain explanatory notes have not been audited or reviewed by the Company's auditor.

2. REVIEW OF GROUP PERFORMANCE

a) Condensed Interim Statement of Profit or Loss

i. REVENUE

Revenue comprises the following:

	<u>Group</u>		
	<u>First Half-Year Ended 30 June</u>		
	<u>2021</u>	<u>2020</u>	<u>+ / (-)</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>%</u>
Room revenue	5,089	9,972	(49.0)
Food and beverage revenue	937	1,737	(46.1)
Spa revenue	12	176	(93.2)
Rental income from:			
Investment properties	3,733	3,732	0.02
Within premises	721	936	(23.0)
Car park revenue	643	539	19.3
Interest income from outside parties	12	2	>100
Dividend income from:			
Quoted equity investments (gross)	117	150	(22.0)
Others	137	177	22.6
Total	11,401	17,421	(34.6)

Room revenue

Group room revenue decreased by 49.0% for 1H 2021 as compared to corresponding period in 2020 mainly due to lower room occupancy and lower room rates due to Covid-19 which had impacted global travel.

Food and beverage revenue

The decrease in food and beverage revenue by 46.1% for 1H 2021 as compared to 1H 2020 was mainly due to lower breakfast sales.

Rental income from within premises

The 23.0% decrease in rental income from within premises for half-year ended 30 June 2021 as compared to half-year ended 30 June 2020 was mainly due to rental rebates granted to tenants due to Covid-19 and some non-renewal of tenancies.

ii. Cost of Sales

The decrease in cost of sales for first half-year ended 30 June 2021 as compared to corresponding period in 2020 was mainly due to lower operation costs in the Group's hotels, in line with lower revenue.

iii. Other income - miscellaneous

The increase in other income for 1H 2021 compared to 1H 2020 was mainly due to miscellaneous income from Grand Complex and fair value gain on financial assets at fair value through profit or loss, offset by lower foreign exchange gain.

iv. Distribution and marketing expense

The decrease in distribution costs for 1H 2021 compared to the same period in 2020 was mainly due to lower sales and marketing expenses from travel agents and online reservation portals in the Group's hotels.

v. Administrative expenses

The decrease in administrative expenses for 1H 2021 as compared to corresponding period in 2020 was mainly due to lower overhead expenses such as repair and maintenance, utilities and payroll costs in the Group's hotels. The Group had been taking steps to reduce expenses and defer non-urgent repair and maintenance when possible.

vi. Other expenses - miscellaneous

Other expenses comprise mainly foreign exchange loss, fair value loss on financial assets at fair value through profit or loss and miscellaneous other expenses.

The increase in other expenses for 1H 2021 as compared to 1H in 2020 was mainly due to higher foreign exchange loss, offset by lower fair value loss on financial assets at fair value through profit or loss and miscellaneous other expenses.

vii. Other expenses – acquisition of business

The expenses relating to acquisition of the business of Royale Chulan Bukit Bintang Hotel of about \$3.984m (RM12.3 million) consists of legal fees, stamp duty and due diligence costs.

viii. Finance costs

The increase in finance costs for 1H 2021 as compared to the corresponding period in 2020 was mainly due to interest on increased bank drawdown from Malaysia subsidiaries.

ix. Income tax expense

The decrease in income tax expense for 1H 2021 as compared to the same period in 2020 was mainly due to lower income tax expenses as there were lower taxable income in the Group's hotels and properties.

x. **Net (loss) profit of segment performance for the six months period ended 30 June**

	Net (loss) profit	
	<u>2021</u>	<u>2020</u>
	<u>\$'000</u>	<u>\$'000</u>
Hotel operation	(2,241)	(2,269)
Property investment	1,785	1,233
Financial Investment	224	12
Total	<u>(232)</u>	<u>(1,024)</u>
Finance cost	(1,915)	(1,665)
Loss before income tax	(2,147)	(2,689)
Income tax expense	(75)	(320)
Loss after income tax	<u>(2,222)</u>	<u>(3,009)</u>

The hotel operation segment suffered a net loss of \$2.241 million in 1H 2021 (1H 2020: net loss of S\$2.269 million). This was mainly due to lower performances in the Singapore and Thailand hotels, offset by better performances in Malaysia hotels.

The performance for the property investment segment increased by 44% or \$0.522 million from net profit of S\$1.233 million in 1H 2020 to net profit of S\$1.785 million in 1H 2021. This was mainly due to improved performances from investment properties in New Zealand, Malaysia and Singapore.

The financial investment segment's performance improved by \$0.212 million from net profit of S\$0.012 million in 1H 2020 to net profit of S\$0.224 million in 1H 2021. This was mainly due to fair value gain on financial assets.

Condensed Interim Statement of Financial Position

Total assets (Group) as at 30 June 2021 were \$829.66 million, increased by \$46.85 million from S\$782.81 million as at 31 December 2020.

The increment was mainly due to the acquisition of Hotel Royale Chulan Bukit Bintang.

Total liabilities (Group) as at 30 June 2021 were \$212.91 million, increased by \$53.92 million from \$158.99 million as at 31 December 2020.

The increment was mainly due to the increase in financing required for the acquisition of Hotel Royale Chulan Bukit Bintang.

(b) **Condensed Interim Statement of Cash Flows**

The decline in net cash from operating activities in the 1st half of 2021 as compared to the corresponding period in 2020 was mainly due to the operating profit registered during the current financial period arising from bargain purchase gain from acquisition of business.

Net cash used in investing activities was mainly relative to capital expenditure incurred for the acquisition of Hotel Royale Chulan Bukit Bintang.

Net cash used in financing activities was for the financing of the acquisition of Hotel Royale Chulan Bukit Bintang, as well as repayment of partial bank loan and the servicing of interest payments.

3. **VARIANCE FROM A FORECAST OR PROSPECT STATEMENT**

Not applicable.

4. OUTLOOK

The first half of 2021 was a great challenge caused by the on-going Covid-19 pandemic. The hospitality industry was not spared especially the efforts by the various countries to kick-start the air travel and opening of the borders were impeded by the resurgence of the more transmittable Delta variant, which resulted in the governments reinforcing lockdowns and other enhanced public health measures. International tourist arrivals recorded a mere 118,660 for the first half of 2021, according to the reports from Singapore Tourism Board. The situation was not much better in Malaysia and Thailand too.

Singapore Covid-19 taskforce is targeting to immunize 80% of its population by the end of Q3 2021, follow by easing some of the public health measures. On-going negotiations are taking place with the low-risk countries to facilitate the international arrivals for the vaccinated passengers without having to serve the mandatory Stay-Home-Notice. However, the pace of the recovery depends on the effective control of the virus by the corresponding countries.

While the route to recovery may be uneven, the Group expects a modest increase in demand for hotel accommodation in Q4 2021, in line with gradual easing of border control in Singapore and other low-risk countries. Australia has just announced their set target of establishing the Air-Travel-Bubble with Singapore by Q4 2021. In addition, the Singapore Rediscover Vouchers has extended from 30 June 2021 to 31 December 2021. The demand for local staycation will be high during the school holidays in November and December.

The recovery of business in Malaysia and Thailand may not be as expeditious comparing to Singapore. It depends on their effectiveness in containing and controlling the spread of the virus and the pace of their vaccination program.

The Group's managed fund portfolio should see modest improvement along the way as the global economic condition starts to recover. Despite the gradual improvement in economic condition, geo-political factor such as the relationship between China and the U.S may result in unforeseen disruptions.

In addition, fluctuations in exchange rates of currencies such as the New Zealand dollar, United States dollar, Malaysian ringgit and Thai baht against Singapore dollar, will continue to affect the Group's performance.

5. DIVIDENDS

(a) Current Financial Period Reported On

No interim dividend is recommended for the current first half-year ended 30 June 2021.

(b) Corresponding Period of the Immediately Preceding Financial Year

No interim dividend was recommended for the corresponding period of the immediately preceding financial year.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

(e) Dividend Declaration

The Group's practice is to consider declaring dividend on an annual basis. Therefore, there was no interim dividend declared for the first half-year ended 30 June 2021.

6. INTERESTED PERSON TRANSACTIONS

There were no interested person transactions of S\$100,000 or more for the period under review. The Group does not have a general mandate from its shareholders for interested person transactions.

7. CONFIRMATION OF UNDERTAKINGS FROM DIRECTORS AND EXECUTIVE OFFICERS

The Company has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

8. NEGATIVE ASSURANCE CONFIRMATION ON INTERIM FINANCIAL RESULTS UNDER SGX LISTING RULE 705(5) OF THE LISTING MANUAL

The directors confirm that, to the best of their knowledge, nothing has come to attention of the Board of Directors which may render the unaudited interim financial results for the first half-year ended 30 June 2021 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Sin Chee Mei
Company Secretary

13 August 2021