

HOTEL PROPERTIES LIMITED

(Registration No. 198000348Z)

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED

DECEMBER 31, 2024

HOTEL PROPERTIES LIMITED

INTERIM FINANCIAL STATEMENTS

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SECTION 1 - CONDENSED INTERIM FINANCIAL STATEMENTS

A(i). Condensed Interim Consolidated Income Statement

	Note	GROUP \$'000			
		2H'2024	2H'2023	FY2024	FY2023
Revenue	4	345,631	323,088	692,928	642,120
Cost of sales	5	(284,151)	(254,688)	(549,192)	(495,422)
Gross profit		61,480	68,400	143,736	146,698
Other operating income	5	39,376	5,108	51,339	25,789
Administrative expenses		(41,900)	(39,520)	(78,821)	(73,334)
Other operating expenses	5	(11,074)	(7,255)	(17,102)	(18,494)
Finance costs		(55,453)	(52,031)	(105,634)	(98,348)
Share of results of associates and jointly controlled entities		(58,553)	(39,919)	(57,487)	(56,381)
Loss before income tax and fair value changes in investment properties		(66,124)	(65,217)	(63,969)	(74,070)
Net fair value gain in investment properties		96,632	645,005	96,632	645,005
Profit before income tax	5	30,508	579,788	32,663	570,935
Income tax expense	6	(20,424)	(7,760)	(26,039)	(16,020)
Profit after income tax		10,084	572,028	6,624	554,915
Attributable to:					
Shareholders of the Company		32,143	578,222	27,218	561,045
Non-controlling interests		(22,059)	(6,194)	(20,594)	(6,130)
		10,084	572,028	6,624	554,915
Earnings per ordinary share (Cents):					
- basic		5.47	110.24	3.86	106.27
- diluted		5.47	110.01	3.86	106.08

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.

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

	GROUP \$'000			
	2H'2024	2H'2023	FY2024	FY2023
Profit after income tax	10,084	572,028	6,624	554,915
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	215	43	215	43
Share of other comprehensive (loss) income of a jointly controlled entity	(1,905)	25,980	(9,878)	11,229
	(1,690)	26,023	(9,663)	11,272
<i>Items that may be reclassified subsequently to profit or loss</i>				
Exchange fluctuation and other reserves	18,274	(10,230)	19,448	(4,211)
Share of other comprehensive (loss) income of associates and jointly controlled entities	(11,461)	(7,617)	(79)	11,185
	6,813	(17,847)	19,369	6,974
Total comprehensive income	15,207	580,204	16,330	573,161
Attributable to:				
Shareholders of the Company	41,626	580,012	40,233	575,671
Non-controlling interests	(26,419)	192	(23,903)	(2,510)
	15,207	580,204	16,330	573,161

B. Condensed Interim Statements of Financial Position

	Note	GROUP \$'000		COMPANY \$'000	
		Dec 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023
ASSETS					
Current assets:					
Cash and bank balances		131,308	94,798	48,621	23,101
Trade and other receivables ^(a)		113,211	96,078	5,811	6,339
Amount due from associates and jointly controlled entities		57,620	55,845	-	-
Amount due from subsidiaries		-	-	150,024	215,689
Inventories		16,982	15,502	113	134
Completed properties held for sale		7,655	7,427	-	-
Total current assets		326,776	269,650	204,569	245,263
Non-current assets:					
Associates and jointly controlled entities ^(b)		753,216	691,318	5,410	5,671
Subsidiaries		-	-	1,831,139	1,683,714
Investments ^(c)	9	133,353	221,403	-	-
Property, plant and equipment	10	1,841,896	1,686,457	220,971	222,577
Investment properties	11	1,416,565	1,319,933	-	-
Deferred tax assets		3,296	2,580	-	-
Intangible assets		9,617	9,648	-	-
Total non-current assets		4,157,943	3,931,339	2,057,520	1,911,962
Total assets		4,484,719	4,200,989	2,262,089	2,157,225
LIABILITIES AND EQUITY					
Current liabilities:					
Short-term borrowings ^(d)	12	236,326	49,493	219,880	-
Trade and other payables ^(e)		175,150	157,765	17,509	19,975
Amount due to subsidiaries		-	-	7,191	585
Income tax payable		9,066	9,859	-	-
Total current liabilities		420,542	217,117	244,580	20,560
Non-current liabilities:					
Advances from subsidiaries		-	-	264,942	308,355
Long-term borrowings	12	1,539,236	1,464,199	698,777	782,542
Long-term lease liabilities		105,977	105,400	-	-
Deferred tax liabilities		18,982	16,839	547	446
Total non-current liabilities		1,664,195	1,586,438	964,266	1,091,343
Share capital and reserves:					
Share capital	13	735,265	726,780	735,265	726,780
Treasury shares		(1,746)	(1,746)	(1,746)	(1,746)
Reserves		1,431,142	1,428,822	160,924	161,074
Equity attributable to shareholders of the Company		2,164,661	2,153,856	894,443	886,108
Perpetual capital securities		158,800	159,214	158,800	159,214
		2,323,461	2,313,070	1,053,243	1,045,322
Non-controlling interests		76,521	84,364	-	-
Total equity		2,399,982	2,397,434	1,053,243	1,045,322
Total liabilities and equity		4,484,719	4,200,989	2,262,089	2,157,225

Note:

- The increase in Trade and other receivables is mainly attributable to deposit placed for collective sale of Concorde Hotel and Shopping Mall.
- Associates and jointly controlled entities increased mainly due to further investments and advances during the year, including equity contribution and advances of approximately \$71.3 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, offset by repayment and share of net loss.
- The decrease in Investments is mainly due to disposal.
- Short-term borrowings increased mainly due to reclassification of long-term borrowings due within 12 months. This has resulted in a net current liabilities position as at December 31, 2024 which is temporary, as most of these borrowings are capable of being refinanced. Notwithstanding the net current liabilities position, the Group has available committed revolving credit facilities to meet its current obligations as and when they fall due.
- Trade and other payables increased mainly due to higher purchases and accruals for hotel operations.

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, 2023	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
Total comprehensive income (loss) for the year									
Profit (Loss) for the year	-	-	27,218	-	27,218	-	27,218	(20,594)	6,624
Other comprehensive income (loss) for the year	-	-	1,598	11,417	13,015	-	13,015	(3,309)	9,706
Total	-	-	28,816	11,417	40,233	-	40,233	(23,903)	16,330
Transactions with owners, recognised directly in equity									
Dividends	-	-	(31,366)	-	(31,366)	-	(31,366)	-	(31,366)
Net movement during the year	-	-	(2)	2,914	2,912	-	2,912	16,060	18,972
Issue of shares	8,485	-	-	(1,614)	6,871	-	6,871	-	6,871
Total	8,485	-	(31,368)	1,300	(21,583)	-	(21,583)	16,060	(5,523)
Issue of perpetual capital securities	-	-	-	-	-	158,800	158,800	-	158,800
Redemption of perpetual capital securities	-	-	(786)	-	(786)	(159,214)	(160,000)	-	(160,000)
Distribution to perpetual capital securities holders	-	-	(7,059)	-	(7,059)	-	(7,059)	-	(7,059)
Balance as at Dec 31, 2024	735,265	(1,746)	1,517,686	(86,544)	2,164,661	158,800	2,323,461	76,521	2,399,982

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

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

	Share capital \$'000	Treasury shares \$'000	Retained profits \$'000	Option reserve \$'000	Shareholders' equity \$'000	Perpetual capital securities \$'000	Total equity \$'000
COMPANY							
Balance as at Jan 1, 2023	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
Total comprehensive income for the year							
Profit for the year	-	-	40,675	-	40,675	-	40,675
Total	-	-	40,675	-	40,675	-	40,675
Transactions with owners, recognised directly in equity							
Dividends	-	-	(31,366)	-	(31,366)	-	(31,366)
Issue of shares	8,485	-	-	(1,614)	6,871	-	6,871
Total	8,485	-	(31,366)	(1,614)	(24,495)	-	(24,495)
Issue of perpetual capital securities	-	-	-	-	-	158,800	158,800
Redemption of perpetual capital securities	-	-	(786)	-	(786)	(159,214)	(160,000)
Distribution to perpetual capital securities holders	-	-	(7,059)	-	(7,059)	-	(7,059)
Balance as at Dec 31, 2024	735,265	(1,746)	151,850	9,074	894,443	158,800	1,053,243

D. Condensed Interim Consolidated Statement of Cash Flows

	Note	Year ended Dec 31, 2024 \$'000	Year ended Dec 31, 2023 \$'000
Cash flows from operating activities:			
Profit before income tax and share of results of associates and jointly controlled entities		90,150	627,316
Adjustments for:			
Amortisation of intangible assets		53	52
Depreciation expense		86,745	78,002
Net fair value gain in investment properties		(96,632)	(645,005)
Net fair value loss in held-for-trading investments	5	-	55
Net fair value loss in investments	5	1,525	11,926
Net loss (gain) on disposal of property, plant and equipment	5	550	(15,086)
Finance costs		105,634	98,348
Interest income	5	(3,041)	(2,226)
Dividend income	5	(4,567)	(6,721)
Profit before working capital changes		180,417	146,661
Trade and other payables		11,957	(274)
Trade and other receivables		(23,530)	(9,521)
Held-for-trading investments		-	2,435
Inventories		(1,019)	(1,573)
Cash generated from operations		167,825	137,728
Dividend received		4,567	6,721
Income tax paid		(24,928)	(7,912)
Net cash from operating activities		147,464	136,537
Cash flows (used in) from investing activities:			
Additional property, plant and equipment and right-of-use asset		(213,351)	(139,208)
Net repayment from (additional) investments		569	(192)
Net (investment in) repayment from associates and jointly controlled entities		(117,010)	74,385
Proceeds from disposal of investment properties		-	87,797
Proceeds from disposal of investments		86,678	-
Proceeds from disposal of property, plant and equipment		534	14,411
Net cash (used in) from investing activities		(242,580)	37,193
Cash flows from (used in) financing activities:			
Interest received		3,041	2,226
Finance costs paid		(98,368)	(93,771)
Repayment of lease liabilities		(2,434)	(2,386)
Dividend paid	7	(31,366)	(26,065)
Distribution to perpetual capital securities holders		(7,059)	(7,040)
Net receipts from non-controlling shareholders		12,406	8,483
Additional borrowings ^(a)		508,729	296,022
Repayment of borrowings ^(a)		(261,323)	(360,789)
Decrease in deposits under pledge to bank		3,276	14,047
Redemption of perpetual capital securities		(160,000)	-
Net proceeds from issue of perpetual capital securities		158,800	-
Proceeds from issue of shares		6,871	-
Net cash from (used in) financing activities		132,573	(169,273)
Net increase in cash and cash equivalents		37,457	4,457
Cash and cash equivalents at beginning of year		91,077	87,898
Effect of exchange rate changes on cash balances held in foreign currencies		126	(1,278)
Cash and cash equivalents at end of year		128,660	91,077

Note:

- (a) Net additional borrowings were utilised mainly for investing activities during the year under review, contributing to an increase in total borrowings in the Group Statement of Financial Position as well as an increase in Finance costs in the Consolidated Income Statement.

Cash and cash equivalents at end of year

The cash and cash equivalents as at December 31, 2024, for the purposes of Consolidated Statement of Cash Flows, comprise of cash and bank balances less deposits under pledge to banks of \$2,648,000 (December 31, 2023: \$3,721,000).

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, 2024, 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, 2024.

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, 2024. 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, 2023.

3. 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.

3. Segment Information (cont'd)

Information by business segment

Second Half ended December 31, 2024

	Hotels \$'000	Properties \$'000	Others \$'000	Elimination \$'000	Consolidated \$'000
REVENUE					
External sales	333,953	11,675	3		345,631
Inter-segment sales	-	174	-	(174)	-
Total revenue	333,953	11,849	3	(174)	345,631
RESULTS					
Profit (Loss) before interest and tax	14,841	38,389	(5,883)		47,347
Finance costs					(55,453)
Interest income					535
Share of results of associates and jointly controlled entities	(563)	(57,521)	(469)		(58,553)
Loss before fair value changes					(66,124)
Fair value changes in investment properties		96,632			96,632
Profit before income tax					30,508
Income tax expense					(20,424)
Non-controlling interests					22,059
Profit attributable to shareholders of the Company					32,143
Segment assets	1,992,767	1,489,978	133,654		3,616,399
Investment in equity accounted investees	254,772	550,644	5,420		810,836
Unallocated corporate assets					57,484
Consolidated total assets					4,484,719
Segment liabilities	272,049	8,440	352		280,841
Unallocated corporate liabilities					1,803,896
Consolidated total liabilities					2,084,737

3. Segment Information (cont'd)

Information by business segment (cont'd)

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 (Loss) 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	1,799,976	1,374,458	236,869		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	254,292	8,240	356		262,888
Unallocated corporate liabilities					1,540,667
Consolidated total liabilities					1,803,555

3. Segment Information (cont'd)

Information by business segment (cont'd)

Year ended December 31, 2024

	Hotels \$'000	Properties \$'000	Others \$'000	Elimination \$'000	Consolidated \$'000
REVENUE					
External sales	669,621	23,301	6		692,928
Inter-segment sales	-	347	-	(347)	-
Total revenue	669,621	23,648	6	(347)	692,928
RESULTS					
Profit before interest and tax	53,318	39,962	2,831		96,111
Finance costs					(105,634)
Interest income					3,041
Share of results of associates and jointly controlled entities	(1,897)	(54,312)	(1,278)		(57,487)
Loss before fair value changes					(63,969)
Fair value changes in investment properties		96,632			96,632
Profit before income tax					32,663
Income tax expense					(26,039)
Non-controlling interests					20,594
Profit attributable to shareholders of the Company					27,218
Segment assets	1,992,767	1,489,978	133,654		3,616,399
Investment in equity accounted investees	254,772	550,644	5,420		810,836
Unallocated corporate assets					57,484
Consolidated total assets					4,484,719
Segment liabilities	272,049	8,440	352		280,841
Unallocated corporate liabilities					1,803,896
Consolidated total liabilities					2,084,737

3. 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
Segment assets	1,799,976	1,374,458	236,869		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	254,292	8,240	356		262,888
Unallocated corporate liabilities					1,540,667
Consolidated total liabilities					1,803,555

4. Revenue

	GROUP \$'000			
	2H'2024	2H'2023	FY2024	FY2023
Hotel revenue	332,882	310,408	667,626	616,547
Rental income	11,314	11,614	22,587	23,376
Management fee	1,435	1,066	2,715	2,197
Total	345,631	323,088	692,928	642,120

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.

5. Profit Before Income Tax

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

	GROUP \$'000			
	2H'2024	2H'2023	FY2024	FY2023
Dividend income*	1,340	4,836	4,567	6,721
Interest income*	535	1,030	3,041	2,226
Depreciation and amortisation**	(45,095)	(40,540)	(86,798)	(78,054)
(Net allowance for) Write-back of doubtful trade receivables*	(167)	(36)	(395)	77
Net fair value loss in held-for-trading investments*	-	-	-	(55)
Net fair value loss in investments*	(7,038)	(3,495)	(1,525)	(11,926)
Net foreign exchange loss*	(665)	(82)	(334)	(49)
Net adjustment for over (under) provision of tax in respect of prior years	(891)	(431)	687	(415)
Net (loss) gain on disposal of property, plant and equipment*	(521)	(1,043)	(550)	15,086
Pre-opening expenses incurred for new hotels*	(2,685)	(2,660)	(8,255)	(2,660)
Insurance proceeds*	4,538	-	4,538	-

Note:

* Included in Other operating income (expenses).

** Included in Cost of sales.

5.1. 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'2024	2H'2023	FY2024	FY2023
Transactions with companies in which certain directors are deemed to have interests:				
Management fee and other expense	(1,004)	(1,313)	(1,963)	(1,843)
Interest expense	(2,305)	-	(2,305)	-
Management fee income	700	565	1,619	1,365
Hotel revenue and rental income	3,447	4,096	6,033	6,895
Transactions with associates:				
Management fee income	456	345	817	676

6. 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'2024	2H'2023	FY2024	FY2023
Current tax	(18,535)	(6,040)	(26,026)	(13,656)
Deferred tax	(998)	(1,289)	(700)	(1,949)
	(19,533)	(7,329)	(26,726)	(15,605)
Over (Under) provision of tax in respect of prior years	(891)	(431)	687	(415)
	(20,424)	(7,760)	(26,039)	(16,020)

7. Dividends

	GROUP \$'000	
	Year ended Dec 31, 2024	Year ended Dec 31, 2023
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 2 cents per share		
(2023: 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)	31,366	26,065

8. Net Asset Value

	Dec 31, 2024	Dec 31, 2023
Group	\$4.14	\$4.13
Company	\$1.71	\$1.70

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.

9. Financial Assets Measured at Fair Value

	GROUP \$'000	
	Dec 31, 2024	Dec 31, 2023
Financial assets measured at FVTPL	133,353	221,403

9.1. 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, 2024				
<i>Financial assets</i>				
Investments	133,353	23,247	-	*110,106
Group - Dec 31, 2023				
<i>Financial assets</i>				
Investments	221,403	99,730	-	*121,673

*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.

Reconciliation of level 3 fair value measurements:

	GROUP \$'000	
	Dec 31, 2024	Dec 31, 2023
<i>Unquoted investments:</i>		
Opening balance	121,673	121,040
Total net gains or (losses)		
- In profit or loss	(10,998)	441
Net (repayment) purchases	(569)	192
Closing balance	110,106	121,673

Financial liabilities

As at December 31, 2024, the carrying amount of certain notes payable and other long-term liabilities which bear fixed interest rates was \$837,613,000 and their fair value was \$823,022,000 (December 31, 2023: \$648,260,000 and \$609,434,000 respectively).

10. Property, Plant and Equipment

During the year ended December 31, 2024, the Group acquired assets amounting to \$213,351,000 (December 31, 2023: \$139,208,000) and disposed of assets with net book value amounting to \$1,084,000 (December 31, 2023: \$10,835,000).

As at December 31, 2023, commitments for purchase of property, plant and equipment contracted but not provided for amounted to \$36,013,000 (December 31, 2023: \$19,468,000).

11. Investment Properties

Valuation

The fair value of the investment properties at December 31, 2024, 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 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.

12. Borrowings

Aggregate Amount of Group's Borrowings and Debt Securities

Amount repayable in one year or less, or on demand

As at Dec 31, 2024		As at Dec 31, 2023	
Secured	Unsecured	Secured	Unsecured
\$16,446,000	219,880,000	\$49,493,000	-

Amount repayable after one year

As at Dec 31, 2024		As at Dec 31, 2023	
Secured	Unsecured	Secured	Unsecured
\$921,890,000	\$617,346,000	\$816,578,000	\$647,621,000

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.

13. Share Capital

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

The Company issued 400,000 new ordinary shares for the current half year under review upon exercise of subscription rights by senior executives of the Company granted in conjunction with the Hotel Properties Limited Share Option Scheme 2010.

The newly issued shares rank pari passu in all respects with the existing shares of the Company.

As at December 31, 2024, the number of outstanding share options under the Company's Share Option Scheme was 14,625,000 (as at December 31, 2023: 18,375,000).

As at December 31, 2024, the Company held 515,300 (as at December 31, 2023: 515,300) treasury shares which represents 0.1% (as at December 31, 2023: 0.1%) of the total number of issued shares (excluding treasury shares).

13.2. Total Number of Issued Shares

	Dec 31, 2024	Dec 31, 2023
Total number of issued shares	523,965,251	521,815,251
Treasury shares	(515,300)	(515,300)
Total number of issued shares excluding treasury shares	523,449,951	521,299,951

13.3. 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.

13.4. 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, 2024, 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, 2024, the Group recorded a revenue of \$692.9 million, which is 7.9% higher than the \$642.1 million recorded last year mainly attributable to the opening of Six Senses Kanuhura in late 2023 and Four Seasons Hotel Osaka in August 2024. With the completion of Brillia Tower Dojima residential apartments in Osaka, which the Group has a 25% share via a partnership arrangement, a distribution of \$38.7 million was received and recorded as Other operating income.

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 \$180.4 million for the year under review, which is 23.0% higher than the \$146.7 million recorded last year.

For the year ended December 31, 2024, the Group recorded a mark-to-market fair value loss of \$1.5 million on long-term investments compared to \$11.9 million last year. Finance cost increased from \$98.3 million last year to \$105.6 million for the year under review due mainly to higher borrowings and interest rates.

The Group continues to share losses from associates and jointly controlled entities totaling \$57.5 million compared to \$56.4 million last year mainly due to higher finance costs and fair value loss suffered by our properties in London due to higher capitalisation rates. For Singapore investment properties, the Group recorded a fair value gain of \$96.6 million for the year ended December 31, 2024 compared to \$645.0 million last year.

After accounting for income tax and non-controlling interest, Group net profit attributable to shareholders for the year ended December 31, 2024, was \$27.2 million compared to \$561.0 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.

According to the United Nations World Tourism Organisation, international tourism has recovered to pre-pandemic levels and is forecasted to continue to grow at a stabilised rate of 3% to 5%. The United States and other major economies have also started to cut interest rates in the second half of 2024. Further cuts are expected going forward, although the pace and quantum of such cuts remain uncertain. The Group stands to benefit from the general downward trend of interest rates. However, continuing geopolitical tensions and the escalating global trade tensions may lead to softening of world economic conditions.

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 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 2 cents 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	347,297	319,032	8.86
(b) Operating (loss) profit after tax before deducting non-controlling interests reported for first half year	(3,460)	(17,113)	(79.78)
(c) Sales reported for second half year	345,631	323,088	6.98
(d) Operating (loss) profit after tax before deducting non-controlling interests reported for second half year**	(86,548)	(72,977)	18.60

** 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, 2025