

# BANYAN TREE GROUP

Banyan Tree Holdings Limited and its Subsidiaries  
Company Registration No. 200003108H

Condensed Interim Financial Statements  
For the six months ended 30 June 2022

# BANYAN TREE GROUP

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## Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Financial Period ended 30 June 2022

	Explanatory Notes	Group 6 months ended 30 Jun		
		2022 (S\$'000)	2021 (S\$'000)	Incr/ (Decr) %
<b>Revenue</b>	1	118,624	56,467	110%
Other income	2	16,071	1,175	nm
<b>Costs and expenses</b>				
Cost of operating supplies		(7,667)	(4,470)	72%
Cost of properties sold		(19,130)	(8,870)	116%
Salaries and related expenses		(31,921)	(22,018)	45%
Administrative expenses		(24,530)	(22,463)	9%
Sales and marketing expenses		(4,332)	(3,146)	38%
Other operating expenses		(20,282)	(11,839)	71%
Impairment loss on financial assets		(373)	(1,219)	-69%
<b>Total costs and expenses</b>	3	(108,235)	(74,025)	46%
<b>Profit/(Loss) before interests, taxes, depreciation and amortisation ("Operating Profit/(Loss)")</b>	4	26,460	(16,383)	nm
Depreciation of property, plant and equipment and right-of-use assets		(9,480)	(11,729)	-19%
Amortisation expense		(435)	(386)	13%
<b>Profit/(Loss) from operations and other gains</b>		16,545	(28,498)	nm
Finance income		985	1,239	-21%
Finance costs	5	(11,827)	(16,828)	-30%
Share of results of associates	6	(2,114)	1,789	nm
<b>Profit/(Loss) before taxation</b>		3,589	(42,298)	nm
Income tax expense	7	(3,736)	(3,339)	12%
<b>Loss after taxation</b>	8	(147)	(45,637)	-100%
<b>Attributable to:</b>				
Owners of the Company	9	514	(42,604)	nm
Non-controlling interests		(661)	(3,033)	-78%
<b>Loss for the Period</b>		(147)	(45,637)	-100%

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## Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Financial Period ended 30 June 2022 (Cont'd)

	Explanatory Notes	Group 6 months ended 30 Jun		
		2022 (S\$'000)	2021 (S\$'000)	Incr/ (Decr) %
<b>Loss for the Period</b>		(147)	(45,637)	-100%
<b>Other comprehensive income:</b>				
<b><u>Items that may be reclassified subsequently to profit or loss:</u></b>				
Realisation of currency translation reserves		-	(167)	-100%
Exchange differences arising from consolidation of foreign operations and net investment in foreign operations	10	(9,059)	(17,170)	-47%
Net change in fair value adjustment reserve, net of deferred tax		2,731	-	100%
<b><u>Items that will not be reclassified to profit or loss:</u></b>				
Adjustment on property revaluation reserve, net of deferred tax		(296)	-	100%
<b>Total comprehensive expense for the Period</b>		<b>(6,771)</b>	<b>(62,974)</b>	<b>-89%</b>
<b>Attributable to:</b>				
Owners of the Company		(4,973)	(57,186)	-91%
Non-controlling interests		(1,798)	(5,788)	-69%
		<b>(6,771)</b>	<b>(62,974)</b>	<b>-89%</b>

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## Explanatory Notes to the Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

### 1. Revenue

Revenue increased by S\$62.1 million from S\$56.5 million in 1H21 to S\$118.6 million in 1H22 due to higher revenue from all business segments.

Hotel Investments segment increased by S\$38.3 million to S\$60.8 million due to the opening of borders and resumption of international travel during the year. Revenue for our hotels in Thailand and Maldives was S\$29.0 and S\$8.7 million higher than 1H21, respectively.

For the Fee-based segment, revenue was S\$4.8 million higher due to strong performance from our managed hotels in Mexico and recovery of our hotels in Asia with the exception of China as the business operations were impacted by government imposed sporadic lockdowns caused by COVID-Zero policy in China.

For the Property Sales segment, revenue was S\$19.1 million higher due to higher number of units recognised including Skypark 1 condominiums which were substantially completed and handed over to buyers during the period. In 1H22, the Group recognised 65 units as compared to 11 units in 1H21. Further detail of these business segments is elaborated in Note 8 of Other Information Required by Listing Rule Appendix 7.2.

### 2. Other income

Other income increased by S\$14.9 million mainly due to fair value gain on expiry of derivatives for convertible bonds amounting to S\$15.4 million, as compared to the fair value loss of S\$10.4 million which was recorded as part of administrative expenses in prior periods.

### 3. Total costs and expenses

Total costs and expenses increased by S\$34.2 million from S\$74.0 million in 1H21 to S\$108.2 million in 1H22 with an increase in most expense categories due to improved business performance.

Cost of operating supplies increased by S\$3.2 million, which was in line with higher revenue from Hotel Investments segment.

Cost of properties sold increased by S\$10.3 million, which was in line with higher Property Sales revenue recognised during the period.

Salaries and related expenses increased by S\$9.9 million mainly due to the cessation of unpaid leave scheme at the start of the current period.

Administrative expenses increased by S\$2.0 million mainly due to higher foreign exchange losses of S\$4.6 million, rental paid to third party property owners of S\$2.8 million, legal & professional fees of S\$1.0 million and property taxes of S\$1.1 million which was partially cushioned by absence of fair value loss on convertible bonds of S\$10.4 million.

Sales and marketing expenses increased by S\$1.2 million mainly due to higher marketing expenses incurred for hotels and property sales.

Other operating expenses increased by S\$8.4 million mainly due to higher guest supplies, repair & maintenance, utilities, and commissions paid to travel agents.

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## Explanatory Notes to the Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income (Cont'd)

4. Profit/(Loss) before interests, taxes, depreciation and amortisation ("Operating Profit/(Loss)")

The Group recorded a 1H22 Operating Profit of S\$26.5 million versus 1H21 an Operating Loss of S\$16.4 million due to improved performance overall. If non-cash one-off items were excluded, relating to S\$15.4 million gain on expiry of derivatives for convertible bonds in 1H22 versus a fair value loss of S\$10.4 million and write-down of property development costs of S\$1.2 million in 1H21, Core Operating Profit<sup>1</sup> would have been S\$11.1 million for 1H22 as compared to a Core Operating Loss of S\$4.8 million in 1H21.

5. Finance costs

Finance costs decreased by S\$5.0 million due to the absence of fair value adjustment of imputed interest on long-term receivables amounting to S\$3.1 million in 1H21. Excluding the non-cash fair value adjustment, finance costs were S\$1.9 million lower due to repayment of loans from Shanghai Pudong Bank in 1H21.

6. Share of results of associates

The Group's share of associates' losses is S\$2.1 million as compared to profits of S\$1.8 million in 1H21. The losses were due to the impact of China's zero-COVID policy on domestic tourism and business travels.

7. Income tax expense

1H22 recorded tax expenses of S\$3.7 million mainly due to higher operating profits from all business segments as mentioned earlier.

8. Loss after taxation

Loss after taxation was S\$0.1 million in 1H22 compared to S\$45.6 million in 1H21. This was mainly due to higher Operating Profit as mentioned in note 4 above, lower depreciation and amortisation expense and lower net finance costs.

9. Profit/(Loss) attributable to owners of the Company

As a result of the foregoing, profit attributable to owners of the Company was S\$0.5 million in 1H22 as compared to a loss of S\$42.6 million in 1H21.

10. Exchange differences arising from consolidation of foreign operations and net investment in foreign operations

In 1H22, the exchange loss on translation of foreign operations' net assets was mainly due to depreciation of Thai baht, Sri Lanka rupee and Indonesia rupiah against Singapore dollar. In 1H21 the exchange loss on translation of foreign operations' net assets was mainly due to depreciation of Thai baht against Singapore dollar.

<sup>1</sup>Core Operating Profit = Operating Profit excluding one-off gains or losses. This is an alternative financial measurement and do not have a standardised meaning prescribed by International Financial Reporting Standards.

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## Condensed Interim Balance Sheets as at 30 June 2022

	Explanatory Notes	Group As at			Company As at		
		30-Jun-22 (S\$'000)	31-Dec-21 (S\$'000)	Incr/ (Decr) %	30-Jun-22 (S\$'000)	31-Dec-21 (S\$'000)	Incr/ (Decr) %
<b>Non-current assets</b>							
Property, plant and equipment	1	543,488	567,671	-4%	-	-	-
Right-of-use assets		17,971	17,718	1%	-	-	-
Investment properties		78,385	79,689	-2%	-	-	-
Intangible assets		38,070	36,723	4%	3,924	3,730	5%
Land use rights		2,335	2,647	-12%	-	-	-
Subsidiaries		-	-	-	557,829	562,806	-1%
Associates		108,041	111,135	-3%	869	869	0%
Long-term investments		31,741	29,010	9%	-	-	-
Deferred tax assets		22,425	21,042	7%	-	-	-
Prepaid island rental		17,542	17,557	0%	-	-	-
Prepayments		1,777	1,555	14%	-	-	-
Long-term receivables		15,930	20,418	-22%	-	-	-
Other receivables		4,058	4,511	-10%	-	-	-
Amounts due from related parties		2,460	2,042	20%	-	-	-
		884,223	911,718	-3%	562,622	567,405	-1%
<b>Current assets</b>							
Property development costs	2	203,895	211,391	-4%	-	-	-
Inventories		4,076	4,050	1%	-	-	-
Prepayments and other non-financial assets		15,253	11,220	36%	828	699	18%
Trade receivables		43,922	41,884	5%	5,040	5,347	-6%
Other receivables		13,782	13,245	4%	868	509	71%
Contract assets		833	1,666	-50%	-	-	-
Amounts due from subsidiaries		-	-	-	169,830	169,789	0%
Amounts due from associates		40,061	41,869	-4%	8,611	7,202	20%
Amounts due from related parties		413	52	nm	28	16	75%
Investments		74,126	74,159	0%	1,977	2,010	-2%
Cash and short-term deposits		123,331	112,326	10%	50,645	63,060	-20%
		519,692	511,862	2%	237,827	248,632	-4%
<b>Total assets</b>							
		1,403,915	1,423,580	-1%	800,449	816,037	-2%
<b>Current liabilities</b>							
Tax payable		10,869	11,524	-6%	11	-	100%
Other non-financial liabilities		12,941	13,321	-3%	1,458	1,051	39%
Interest-bearing loans and borrowings	3	139,635	153,576	-9%	57,734	58,825	-2%
Convertible bonds		43,163	42,473	2%	43,163	42,473	2%
Derivative liability conversion option in convertible bonds	4	-	16,193	-100%	-	16,193	-100%
Trade payables		19,386	21,825	-11%	-	-	-
Other payables		117,061	115,123	2%	66,368	70,411	-6%
Contract liabilities	5	82,954	69,286	20%	-	-	-
Lease liabilities		2,583	2,291	13%	-	-	-
Amounts due to subsidiaries		-	-	-	34,031	33,677	1%
Amounts due to associates		17,857	17,873	0%	-	-	-
Amounts due to related parties		486	648	-25%	13	13	0%
		446,935	464,133	-4%	202,778	222,643	-9%
<b>Net current assets</b>							
		72,757	47,729	52%	35,049	25,989	35%

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## Condensed Interim Balance Sheets as at 30 June 2022 (Cont'd)

	Explanatory Notes	Group As at			Company As at		
		30-Jun-22 (\$'000)	31-Dec-21 (\$'000)	Incr/ (Decr) %	30-Jun-22 (\$'000)	31-Dec-21 (\$'000)	Incr/ (Decr) %
<b>Non-current liabilities</b>							
Deferred tax liabilities		129,439	128,889	0%	-	-	-
Defined and other long-term employee benefits		5,195	5,210	0%	-	-	-
Deposits received		1,843	1,901	-3%	-	-	-
Other non-financial liabilities		18,392	16,847	9%	-	-	-
Interest-bearing loans and borrowings	3	230,638	233,173	-1%	31,264	33,548	-7%
Other payables		3,239	3,239	0%	-	-	-
Lease liabilities		33,811	32,103	5%	-	-	-
Amounts due to subsidiaries		-	-	-	134,209	133,852	0%
		422,557	421,362	0%	165,473	167,400	-1%
<b>Total liabilities</b>		869,492	885,495	-2%	368,251	390,043	-6%
<b>Net assets</b>		534,423	538,085	-1%	432,198	425,994	1%
<b>Equity attributable to owners of the Company</b>							
Share capital		250,668	247,578	1%	250,668	247,578	1%
Treasury shares		(623)	(706)	-12%	(623)	(706)	-12%
Reserves		236,341	241,378	-2%	182,153	179,122	2%
		486,386	488,250	0%	432,198	425,994	1%
Non-controlling interests		48,037	49,835	-4%	-	-	-
<b>Total equity</b>		534,423	538,085	-1%	432,198	425,994	1%



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## Explanatory Notes to the Condensed Interim Balance Sheets

### 1. Property, plant and equipment

Property, plant and equipment decreased by S\$24.2 million to S\$543.5 million as at 30 June 2022. The decrease was mainly due to downward currency translation adjustment on opening balance due to weakening of Thai baht and Indonesian rupiah against Singapore dollars and depreciation charged during the period, partially offset by purchases of essential furniture, fittings and equipment.

### 2. Property development costs

Property development costs decreased by S\$7.5 million to S\$203.9 million as at 30 June 2022. The decrease was mainly due to downward currency translation adjustment on opening balance due to weakening of Thai baht and Indonesian rupiah against Singapore dollar coupled with transfers to cost of properties sold following Property Sales recognition during the period.

### 3. Current and non-current interest-bearing loans and borrowings

Current interest-bearing loans and borrowings decreased by S\$13.9 million mainly due to the re-financing and deferment from current to non-current for Aareal Bank Loan of \$15.3 million. Current portion of interest-bearing loans and borrowings include property construction loan of S\$45 million repayable upon property sales and revolving credit facilities (RCFs) of S\$36 million. All RCFs were rolled-over in 1H22. There is no indication that these facilities would not continue to be rolled over. Total interest-bearing loans and borrowings decreased by S\$16.5 million mainly due to scheduled repayment and downward currency translation adjustment on opening balance due to weakening of Thai baht against Singapore dollars.

### 4. Derivative liability conversion option in Convertible Bonds

Derivative liability conversion option in Convertible Bonds decreased to zero as the conversion option expired on 27 June 2022.

### 5. Contract liabilities

Contract liabilities increased by S\$13.7 million to S\$83.0 million mainly due to deposits received from property buyers in the current year.

# BANYAN TREE GROUP

## Condensed Interim Consolidated Cash Flow Statement for the Financial Period ended 30 June 2022

	Group	
	6 months ended 30 Jun	
	2022 (S\$'000)	2021 (S\$'000)
<b>Cash flows from operating activities</b>		
Profit/(Loss) before taxation	3,589	(42,298)
Adjustments for:		
Share of results of associates	2,114	(1,789)
Depreciation of property, plant and equipment and right-of-use assets	9,480	11,729
Loss/(Gain) on disposal of property, plant and equipment	10	(640)
Allowance for impairment loss on property, plant and equipment, net	169	-
Allowance for impairment loss on right-of-use assets	-	117
Write off of property, plant and equipment	24	-
Finance income	(985)	(1,239)
Finance costs	11,826	16,828
Amortisation expense	435	386
Write-back of loss allowance on financial assets	(370)	(355)
Provision for loss allowance on financial assets	743	1,574
Write-down of property development costs	-	1,222
Allowance for inventory obsolescence	96	263
Provision for employee benefits	210	115
Provision for share-based payment expenses	34	(45)
Gain on disposal of investments in subsidiaries	-	(167)
(Gain on expiry of derivatives)/Fair value loss on derivatives	(15,384)	10,444
Currency realignment	(2,382)	(488)
Operating Profit/(Loss) before working capital changes	9,609	(4,343)
(Increase)/Decrease in inventories	(174)	409
Decrease in property development costs	3,819	17,661
Decrease in contract assets, trade and other receivables	3,927	12,140
Decrease/(Increase) in amounts due from related parties	1,872	(2,121)
Increase/(Decrease) in contract liabilities, trade and other payables	20,188	(738)
	29,632	27,351
<b>Cash flows generated from operating activities</b>	39,241	23,008
Interest received	985	1,905
Interest paid	(10,752)	(12,774)
Tax paid	(2,306)	(1,369)
Payment of employee benefits	(83)	(250)
Payment of cash-settled share grants	(15)	(34)
<b>Net cash flows generated from operating activities</b>	27,070	10,486
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(3,743)	(2,794)
Proceeds from disposal of property, plant and equipment	150	980
Dividend income from associate	769	-
Subsequent expenditure on investment properties	(78)	-
Additions to intangible assets	(237)	-
<b>Net cash flows used in investing activities</b>	(3,139)	(1,814)
<b>Cash flows from financing activities</b>		
Proceeds from bank loans	4,546	56,462
Repayment of bank loans	(14,900)	(44,462)
Payment of principal portion of lease liabilities	(832)	(565)
<b>Net cash flows (used in)/generated from financing activities</b>	(11,186)	11,435
Net increase in cash and short-term deposits	12,745	20,107
Net foreign exchange difference	(1,740)	(1,101)
Cash and short-term deposits at beginning of financial period	112,326	51,287
<b>Cash and short-term deposits at end of the financial period</b>	123,331	70,293
Cash and cash equivalents	115,860	65,895
Restricted cash	7,471	4,398
<b>Total cash and short-term deposits as shown above</b>	123,331	70,293

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## **Explanatory Notes to the Condensed Interim Consolidated Cash Flow Statement**

The Group's cash and short-term deposits increased by S\$53.0 million or 75% from S\$70.3 million as at 30 June 2021 to S\$123.3 million as at 30 June 2022.

### **1H22**

For the six months ended 30 June 2022, net cash flows generated from operating activities was S\$27.1 million. This was mainly due to Profit before taxation of S\$3.6 million, adjustments for non-cash items of S\$6.0 million and working capital changes of S\$29.6 million partially offset by interest paid of \$10.8 million and tax paid of S\$2.3 million.

Net cash flows used in investing activities was S\$3.1 million, mainly due to essential purchases of furniture, fittings and equipment by the Group's resorts for their operations of S\$3.7 million partially offset by dividend income from Thai Wah Public Company Limited.

Net cash flows used in financing activities amounted to S\$11.2 million, mainly due to scheduled repayments of bank borrowings of S\$14.9 million, which was partially cushioned by refinancing and additional bank borrowings of S\$4.5 million. In addition, there was payment of lease liabilities of S\$0.8 million mainly relating to our Maldives islands and Thailand.

# BANYAN TREE GROUP

## Condensed Interim Statements of Changes in Equity for the Financial Period ended 30 June 2022

GROUP	Share capital (S\$'000)	Treasury shares (S\$'000)	Share-based payment reserve (S\$'000)	Legal reserve (S\$'000)	Property revaluation reserve (S\$'000)	Currency translation reserve (S\$'000)	Other reserves* (S\$'000)	Accumulated profits (S\$'000)	Equity attributable to owners of the Company (S\$'000)	Non-controlling interests (S\$'000)	Total equity (S\$'000)
<b>Balance as at 1 January 2022</b>	<b>247,578</b>	<b>(706)</b>	<b>7,914</b>	<b>8,384</b>	<b>205,223</b>	<b>(58,662)</b>	<b>21,470</b>	<b>57,049</b>	<b>488,250</b>	<b>49,835</b>	<b>538,085</b>
Loss after taxation	-	-	-	-	-	-	-	514	514	(661)	(147)
Other comprehensive income for the Period	-	-	-	-	(296)	(7,922)	2,731	-	(5,487)	(1,137)	(6,624)
<b>Total comprehensive loss for the Period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(296)</b>	<b>(7,922)</b>	<b>2,731</b>	<b>514</b>	<b>(4,973)</b>	<b>(1,798)</b>	<b>(6,771)</b>
<b><u>Contributions by and distributions to owners</u></b>											
Treasury shares reissued pursuant to Share-based Incentive Plan	-	83	(44)	-	-	-	(39)	-	-	-	-
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	19	-	-	-	-	-	19	-	19
Issue of new shares	3,090	-	-	-	-	-	-	-	3,090	-	3,090
<b>Total transactions with owners in their capacity as owners</b>	<b>3,090</b>	<b>83</b>	<b>(25)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(39)</b>	<b>-</b>	<b>3,109</b>	<b>-</b>	<b>3,109</b>
<b><u>Other changes in equity</u></b>											
Transfer to accumulated profits upon disposal of asset	-	-	-	-	(1,009)	-	-	1,009	-	-	-
<b>Total other changes in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,009)</b>	<b>-</b>	<b>-</b>	<b>1,009</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance as at 30 June 2022</b>	<b>250,668</b>	<b>(623)</b>	<b>7,889</b>	<b>8,384</b>	<b>203,918</b>	<b>(66,584)</b>	<b>24,162</b>	<b>58,572</b>	<b>486,386</b>	<b>48,037</b>	<b>534,423</b>

\* Other reserves are made up of merger deficit, capital reserve, fair value adjustment reserve, premium paid on acquisition of non-controlling interests and gain or loss on reissuance of treasury shares.

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## Condensed Interim Statements of Changes in Equity for the Financial Period ended 30 June 2022 (Cont'd)

GROUP	Share capital (S\$'000)	Treasury shares (S\$'000)	Share-based payment reserve (S\$'000)	Legal reserve (S\$'000)	Property revaluation reserve (S\$'000)	Currency translation reserve (S\$'000)	Other reserves* (S\$'000)	Accumulated profits (S\$'000)	Equity attributable to owners of the Company (S\$'000)	Non-controlling interests (S\$'000)	Total equity (S\$'000)
Balance as at 1 January 2021	241,750	(758)	7,973	8,280	206,123	(29,243)	20,571	111,543	566,239	61,361	627,600
Loss after taxation	-	-	-	-	-	-	-	(42,604)	(42,604)	(3,033)	(45,637)
Other comprehensive income for the Period	-	-	-	-	-	(14,582)	-	-	(14,582)	(2,755)	(17,337)
<b>Total comprehensive loss for the Period</b>	-	-	-	-	-	<b>(14,582)</b>	-	<b>(42,604)</b>	<b>(57,186)</b>	<b>(5,788)</b>	<b>(62,974)</b>
<b><u>Contributions by and distributions to owners</u></b>											
Treasury shares reissued pursuant to Share-based Incentive Plan	-	52	(33)	-	-	-	(19)	-	-	-	-
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	(58)	-	-	-	-	-	(58)	-	(58)
Issue of new shares	3,040	-	-	-	-	-	-	-	3,040	-	3,040
<b>Total transactions with owners in their capacity as owners</b>	<b>3,040</b>	<b>52</b>	<b>(91)</b>	-	-	-	<b>(19)</b>	-	<b>2,982</b>	-	<b>2,982</b>
<b><u>Other changes in equity</u></b>											
Transfer to accumulated profits upon disposal of asset	-	-	-	-	(555)	-	-	555	-	-	-
<b>Total other changes in equity</b>	-	-	-	-	<b>(555)</b>	-	-	<b>555</b>	-	-	-
Balance as at 30 June 2021	244,790	(706)	7,882	8,280	205,568	(43,825)	20,552	69,494	512,035	55,573	567,608

\* Other reserves are made up of merger deficit, capital reserve, fair value adjustment reserve, premium paid on acquisition of non-controlling interests and gain or loss on reissuance of treasury shares.

# BANYAN TREE GROUP

## Condensed Interim Statements of Changes in Equity for the Financial Period ended 30 June 2022 (Cont'd)

COMPANY	Share capital (S\$'000)	Treasury shares (S\$'000)	Share-based payment reserve (S\$'000)	Other reserves* (S\$'000)	Accumulated profits (S\$'000)	Total equity (S\$'000)
<b>Balance as at 1 January 2022</b>	247,578	(706)	7,914	4,562	166,646	425,994
Total comprehensive profit for the Period	-	-	-	-	3,095	3,095
<b><u>Contributions by and distributions to owners</u></b>						
Treasury shares reissued pursuant to Share-based Incentive Plan	-	83	(44)	(39)	-	-
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	19	-	-	19
Issue of new shares	3,090	-	-	-	-	3,090
<b>Total transactions with owners in their capacity as owners</b>	<b>3,090</b>	<b>83</b>	<b>(25)</b>	<b>(39)</b>	<b>-</b>	<b>3,109</b>
<b>Balance as at 30 June 2022</b>	<b>250,668</b>	<b>(623)</b>	<b>7,889</b>	<b>4,523</b>	<b>169,741</b>	<b>432,198</b>

COMPANY	Share capital (S\$'000)	Treasury shares (S\$'000)	Share-based payment reserve (S\$'000)	Other reserves* (S\$'000)	Accumulated profits (S\$'000)	Total equity (S\$'000)
<b>Balance as at 1 January 2021</b>	241,750	(758)	7,973	4,581	205,171	458,717
Total comprehensive loss for the Period	-	-	-	-	(26,202)	(26,202)
<b><u>Contributions by and distributions to owners</u></b>						
Treasury shares reissued pursuant to Share-based Incentive Plan	-	52	(33)	(19)	-	-
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	(58)	-	-	(58)
Issue of new shares	3,040	-	-	-	-	3,040
<b>Total transactions with owners in their capacity as owners</b>	<b>3,040</b>	<b>52</b>	<b>(91)</b>	<b>(19)</b>	<b>-</b>	<b>2,982</b>
<b>Balance as at 30 June 2021</b>	<b>244,790</b>	<b>(706)</b>	<b>7,882</b>	<b>4,562</b>	<b>178,969</b>	<b>435,497</b>

\* Other reserves are made up of capital reserve and gain or loss on reissuance of treasury shares.

# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements

These notes form an integral part of the Interim Financial Statements. These unaudited interim financial statements as at and for the six-month period ended 30 June 2022 relate to the company and its subsidiaries (the "Group").

### 1. Corporate information

Banyan Tree Holdings Limited (the "Company") is a limited liability company, which is incorporated and domiciled in the Republic of Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST).

The registered office of the Company is located at 211 Upper Bukit Timah Road, Singapore 588182.

The principal activities of the Company are those of investment holding and the provision of project design and management services. There have been no significant changes in the nature of these activities during the year.

### 2. Summary of significant accounting policies

#### 2.1 Basis of preparation

The condensed interim consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company for the six months ended 30 June 2022 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 annual financial statements for the year ended 31 December 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)"), except for the adoption of new and amended standards as set out in Note 2.2.

The condensed interim financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies.

The condensed interim financial statements are presented in Singapore Dollars (SGD or \$) and all values in the tables are rounded to the nearest thousand (\$'000), except when otherwise indicated.

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Group will be able to meet its liabilities as and when they fall due within the next twelve months.

#### 2.2 Changes in accounting policies

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

The accounting policies adopted by the Group in the preparation of the condensed interim consolidated financial statements are consistent with those followed in the preparation of the Group's Annual Report for the financial year ended 31 December 2021.

#### 2.3 Significant accounting estimates and judgments

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions concerning the future. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

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 2021.

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 2. Summary of significant accounting policies (cont'd)

#### 2.3 Significant accounting estimates and judgments (cont'd)

##### **Impact of COVID-19 on the Group**

The Group has considered the impact of COVID-19 in preparing its financial statements for the financial period. The critical accounting estimates and key judgement areas of the Group have required additional consideration and analysis due to the impact of COVID-19. Other than adjusting events that provide evidence of conditions that existed at the end of the financial year, the impact of events that arise after the reporting period will be accounted for in future reporting periods. The impact of COVID-19 increases the level of judgement required across a number of key areas for the Group, in particular the recognition and measurement of the assets as at 30 June 2022 and projected cash flows in the next 12 months. The COVID-19 assumptions and considerations for the critical accounting estimates and key judgement areas of the Group relating to recognition and measurement of the assets as at 30 June 2022 are outlined in further detail in Note 19(c)(ii) Level 3 fair value measurements policies and procedures.

##### **Key sources of estimation uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

##### (i) *Impairment of intangible assets*

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Goodwill and other indefinite life intangibles are tested for impairment annually and at other times when such indicators exist. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable.

When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. Further details of the key assumptions applied in the impairment assessment of goodwill and trademarks are given in Note 10 to the financial statements.

##### (ii) *Depreciation of property, plant and equipment*

The cost of property, plant and equipment is depreciated on a straight-line basis over their useful lives. Management estimates the useful lives of these property, plant and equipment to be within 3 to 50 years. Changes in the expected level of usage and technological developments could impact the economic useful lives of these assets, therefore future depreciation charges could be revised.

##### (iii) *Loss allowance for trade and non-trade receivables*

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired. For the current financial year, the Group also assessed and made changes to loss rates applied as a result of the impact of COVID-19 on trade and non-trade receivables. Factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments are objective evidence of impairment. In determining whether there is objective evidence of impairment, the Group considers whether there is observable data indicating that there have been significant changes in the debtor's payment ability or whether there have been significant changes with adverse effects in the economic conditions in which the debtor operates in.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics.



# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 2. Summary of significant accounting policies (cont'd)

#### 2.3 Significant accounting estimates and judgments (cont'd)

##### **Key sources of estimation uncertainty (cont'd)**

##### (iii) *Loss allowance for trade and non-trade receivables (cont'd)*

The Group uses the general and simplified approaches to calculate the allowance for expected credit losses ("ECLs") for its trade and non-trade receivables. Under the general approach, the Group would assess if there is any significant increase in credit risk of the debtors, by evaluating qualitative and quantitative factors that are indicative of the risk of default (including but not limited to the latest available financial results, repayment history, economic environment and cash flow projections, if available, and applying the loss rates). The loss allowance is measured on the 12-month expected credit loss basis, if it is assessed that there has not been a significant increase in credit risk of the debtors since initial recognition.

For the simplified approach, the Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the estimated future repayments, historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast of economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

##### (iv) *Deferred tax assets*

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based on the likely timing and level of future taxable profits together with future tax planning strategies.

Where taxable profits are expected in the foreseeable future, deferred tax assets are recognised on the unused tax losses.

##### (v) *Revaluation of freehold and investment properties*

The Group carries its freehold and investment properties at fair value, with changes in fair values being recognised in other comprehensive income and profit or loss respectively.

The Group engaged professional independent property valuers to determine the fair values for its freehold properties and investment properties in Singapore, Thailand, Sri Lanka and Morocco on a regular basis. The fair value is determined using recognised valuation techniques which require the use of estimates such as market comparables, future cash flows and discount rates applicable to these assets. These estimates are based on local market conditions existing at each valuation date. The professional independent property valuers have considered available information as at 31 December 2021 relating to COVID-19 and have made necessary adjustments due to the COVID-19 pandemic on the valuation. The valuation reports also highlighted that given the unprecedented set of circumstances on which to base a judgement, less certainty, and a higher degree of caution, should be attached to their valuations than would normally be the case.

The carrying amount, key assumptions and valuation techniques used to determine the fair value of the freehold and investment properties of the Group are stated in Note 8 and Note 9.

# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 2. Summary of significant accounting policies (cont'd)

#### 2.3 Significant accounting estimates and judgments (cont'd)

##### Key sources of estimation uncertainty (cont'd)

(vi) *Fair value of financial instruments*

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses its judgment to select the appropriate valuation model and make assumptions that are mainly based on market conditions existing at the end of each reporting period. The inputs to this model are derived from market data where possible, but where not feasible, a degree of judgment is required in establishing fair values.

### 3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

### 4. Segment and revenue information

The Group is organised into the following main business segments:

- (a) *Hotel investments*
- (b) *Property sales*
- (c) *Fee-based segment*

These operating segments are reported in a manner consistent with internal reporting provided to Board of Directors who are responsible for allocating resources and assessing performance of the operating segments.

#### 4.1 Reportable segments

	<b>Hotel invest- ments</b>	<b>Property sales</b>	<b>Fee- based segment</b>	<b>Head Office</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Period ended</b>					
<b>30 June 2022</b>					
<b>Revenue:</b>					
Segment revenue					
Sales	60,858	36,555	28,979	–	126,392
Inter-segment sales	(83)	–	(7,685)	–	(7,768)
<hr/>					
Sales to external customers	60,775	36,555	21,294	–	118,624
<hr/>					

# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 4.1 Reportable segments (cont'd)

	Hotel invest- ments \$'000	Property sales \$'000	Fee- based segment \$'000	Head Office \$'000	Total \$'000
<b>Period ended 30 June 2022</b>					
<b>Results:</b>					
Segment results	(6,487)	9,188	5,898	(8,125)	474
Unallocated income					16,071
Profit from operations and other gains					16,545
Finance income	8	837	99	41	985
Finance costs	(4,787)	(543)	(403)	(6,094)	(11,827)
Share of results of associates	4	–	–	(2,118)	(2,114)
Profit before taxation					3,589
Income tax expense					(3,736)
Loss for the financial period					(147)
<b>Other segment information:</b>					
Capital expenditure	3,411	124	146	62	3,743
Depreciation of property, plant and equipment and right-of-use assets	8,296	577	539	68	9,480
Amortisation expense	377	15	–	43	435
Other non-cash items	38	(156)	130	361	373
<b>Period ended 30 June 2022</b>					
<b>Assets and liabilities:</b>					
Segment assets	472,187	364,791	252,199	184,272	1,273,449
Associates	–	–	247	107,794	108,041
Deferred tax assets	3,543	17,507	809	566	22,425
Total assets					1,403,915
Segment liabilities	87,657	84,351	47,101	96,639	315,748
Interest-bearing loans and borrowings	229,190	48,379	3,705	88,999	370,273
Convertible Bonds	–	–	–	43,163	43,163
Current and deferred tax liabilities	31,828	83,048	20,011	5,421	140,308
Total liabilities					869,492

# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 4.1 Reportable segments (cont'd)

	Hotel invest- ments \$'000	Property sales \$'000	Fee- based segment \$'000	Head Office \$'000	Total \$'000
<b>Period ended</b>					
<b>30 June 2021</b>					
<b>Revenue:</b>					
Segment revenue					
Sales	22,596	17,433	17,730	–	57,759
Inter-segment sales	(74)	–	(1,218)	–	(1,292)
	<hr/>				
Sales to external customers	22,522	17,433	16,512	–	56,467
	<hr/>				
<b>Results:</b>					
Segment results	(19,588)	3,428	2,025	(15,538)	(29,673)
	<hr/>				
Unallocated income					1,175
	<hr/>				
Loss from operations and other gains					(28,498)
Finance income	5	1,072	146	16	1,239
Finance costs	(5,742)	(1,062)	(407)	(9,617)	(16,828)
Share of results of associates	(16)	–	–	1,805	1,789
	<hr/>				
Loss before taxation					(42,298)
Income tax expense					(3,339)
	<hr/>				
Loss for the financial period					(45,637)
	<hr/>				
<b>Other segment information:</b>					
Capital expenditure	2,486	–	86	222	2,794
Depreciation of property, plant and equipment and right-of-use assets	9,925	688	879	237	11,729
Amortisation expense	341	3	–	42	386
Other non-cash items	253	358	34	574	1,219
	<hr/>				

# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 4.1 Reportable segments (cont'd)

	Hotel invest- ments \$'000	Property sales \$'000	Fee- based segment \$'000	Head Office \$'000	Total \$'000
<b>Year ended</b>					
<b>31 December 2021</b>					
<b>Assets and liabilities:</b>					
Segment assets	491,256	343,975	258,978	197,194	1,291,403
Associates	–	–	230	110,905	111,135
Deferred tax assets	3,212	16,316	1,146	368	21,042
Total assets					1,423,580
Segment liabilities	86,829	69,354	46,244	113,433	315,860
Interest-bearing loans and borrowings	230,081	55,114	4,147	97,407	386,749
Convertible Bonds	–	–	–	42,473	42,473
Current and deferred tax liabilities	32,335	81,683	20,912	5,483	140,413
Total liabilities					885,495

### 4.2 Disaggregation of revenue

Revenue of the Group represents revenue from operation and management of hotels, property sales and fee-based segment after eliminating intercompany transactions. The amount of each significant category of revenue recognised during the period is as follows:

Segments	Hotel investments		Property sales		Fee-based segment		Total revenue	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000

#### 6 months ended 30 June:

##### Primary geographical markets

Singapore	–	–	–	–	262	190	262	190
South East Asia	35,127	5,905	36,555	17,433	8,912	7,576	80,594	30,914
Indian Oceania	25,259	16,601	–	–	158	53	25,417	16,654
Middle East North East Asia	–	–	–	–	1,416	815	1,416	815
Rest of the world	–	–	–	–	4,433	5,522	4,433	5,522
	389	16	–	–	6,113	2,356	6,502	2,372
	60,775	22,522	36,555	17,433	21,294	16,512	118,624	56,467

# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 4.2 Disaggregation of revenue (cont'd)

Segments	Hotel investments		Property sales		Fee-based segment		Total revenue	
	2022	2021	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000

#### 6 months ended 30 June:

#### Major product or service lines

Hotel investments	60,775	22,522	–	–	–	–	60,775	22,522
Property sales	–	–	36,555	17,433	–	–	36,555	17,433
Management services	–	–	–	–	15,386	11,450	15,386	11,450
Spa operation	–	–	–	–	1,217	1,169	1,217	1,169
Project and design services	–	–	–	–	2,121	1,274	2,121	1,274
Merchandise sales	–	–	–	–	1,791	2,009	1,791	2,009
Rental income	–	–	–	–	779	610	779	610
	<b>60,775</b>	<b>22,522</b>	<b>36,555</b>	<b>17,433</b>	<b>21,294</b>	<b>16,512</b>	<b>118,624</b>	<b>56,467</b>

#### Timing of transfer of goods or services

At a point in time	60,775	22,522	36,555	17,433	2,483	2,778	99,813	42,733
Over time	–	–	–	–	18,811	13,734	18,811	13,734
	<b>60,775</b>	<b>22,522</b>	<b>36,555</b>	<b>17,433</b>	<b>21,294</b>	<b>16,512</b>	<b>118,624</b>	<b>56,467</b>

# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2022 and 31 December 2021:

	Carrying amount						Fair value			
	Financial assets at amortised cost \$'000	Financial assets at FVOCI \$'000	Financial assets at Fair value through Profit or loss \$'000	Financial liabilities at amortised cost \$'000	Financial liabilities at Fair value through Profit or loss \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Group</b>										
<b>30 June 2022</b>										
<b>Non-current assets</b>										
Long-term investments	–	31,741	–	–	–	31,741	2	–	31,739	31,741
Long-term receivables	15,930	–	–	–	–	15,930	–	–	–	–
Other receivables	4,058	–	–	–	–	4,058	–	–	–	–
Amounts due from related parties – Long term	2,460	–	–	–	–	2,460	–	–	–	–
	22,448	31,741	–	–	–	54,189	2	–	31,739	31,741
<b>Current assets</b>										
Trade receivables	43,922	–	–	–	–	43,922	–	–	–	–
Other receivables	13,782	–	–	–	–	13,782	–	–	–	–
Amounts due from associates	40,061	–	–	–	–	40,061	–	–	–	–
Amounts due from related parties	413	–	–	–	–	413	–	–	–	–
Investments	–	72,149	1,977	–	–	74,126	–	1,977	72,149	74,126
Cash and short-term deposits	123,331	–	–	–	–	123,331	–	–	–	–
	221,509	72,149	1,977	–	–	295,635	–	1,977	72,149	74,126
<b>Total assets</b>	<b>243,957</b>	<b>103,890</b>	<b>1,977</b>	<b>–</b>	<b>–</b>	<b>349,824</b>	<b>2</b>	<b>1,977</b>	<b>103,888</b>	<b>105,867</b>

# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 5. Financial assets and financial liabilities (cont'd)

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2022 and 31 December 2021: (cont'd)

	Carrying amount						Fair value			
	Financial assets at amortised cost \$'000	Financial assets at FVOCI \$'000	Financial assets at Fair value through Profit or loss \$'000	Financial liabilities at amortised cost \$'000	Financial liabilities at Fair value through Profit or loss \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Group</b>										
<b>30 June 2022</b>										
<b>Current liabilities</b>										
Interest-bearing loans and borrowings	–	–	–	139,635	–	139,635	–	–	–	–
Convertible bonds	–	–	–	43,163	–	43,163	–	–	–	–
Trade payables	–	–	–	19,386	–	19,386	–	–	–	–
Other payables	–	–	–	117,061	–	117,061	–	–	–	–
Lease liabilities	–	–	–	2,583	–	2,583	–	–	–	–
Amounts due to associates	–	–	–	17,857	–	17,857	–	–	–	–
Amounts due to related parties	–	–	–	486	–	486	–	–	–	–
	–	–	–	340,171	–	340,171	–	–	–	–
<b>Non-current liabilities</b>										
Deposits received	–	–	–	1,843	–	1,843	–	–	–	–
Interest-bearing loans and borrowings	–	–	–	230,638	–	230,638	–	–	–	–
Other payables	–	–	–	3,239	–	3,239	–	–	–	–
Lease liabilities	–	–	–	33,811	–	33,811	–	–	–	–
	–	–	–	269,531	–	269,531	–	–	–	–
<b>Total liabilities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>609,702</b>	<b>–</b>	<b>609,702</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>



# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 5. Financial assets and financial liabilities (cont'd)

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2022 and 31 December 2021: (cont'd)

	Carrying amount						Fair value			
	Financial assets at amortised cost \$'000	Financial assets at FVOCI \$'000	Financial assets at Fair value through Profit or loss \$'000	Financial liabilities at amortised cost \$'000	Financial liabilities at Fair value through Profit or loss \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Group</b>										
<b>31 December 2021</b>										
<b>Non-current assets</b>										
Long-term investments	–	29,010	–	–	–	29,010	2	–	29,008	29,010
Long-term receivables	20,418	–	–	–	–	20,418	–	–	–	–
Other receivables	4,511	–	–	–	–	4,511	–	–	–	–
Amounts due from related parties – Long term	2,042	–	–	–	–	2,042	–	–	–	–
	26,971	29,010	–	–	–	55,981	2	–	29,008	29,010
<b>Current assets</b>										
Trade receivables	41,884	–	–	–	–	41,884	–	–	–	–
Other receivables	13,245	–	–	–	–	13,245	–	–	–	–
Amounts due from associates	41,869	–	–	–	–	41,869	–	–	–	–
Amounts due from related parties	52	–	–	–	–	52	–	–	–	–
Investments	–	72,149	2,010	–	–	74,159	–	2,010	72,149	74,159
Cash and short-term deposits	112,326	–	–	–	–	112,326	–	–	–	–
	209,376	72,149	2,010	–	–	283,535	–	2,010	72,149	74,159
<b>Total assets</b>	<b>236,347</b>	<b>101,159</b>	<b>2,010</b>	<b>–</b>	<b>–</b>	<b>339,516</b>	<b>2</b>	<b>2,010</b>	<b>101,157</b>	<b>103,169</b>

# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 5. Financial assets and financial liabilities (cont'd)

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2022 and 31 December 2021: (cont'd)

	Carrying amount						Fair value			
	Financial assets at amortised cost \$'000	Financial assets at FVOCI \$'000	Financial assets at Fair value through Profit or loss \$'000	Financial liabilities at amortised cost \$'000	Financial liabilities at Fair value through Profit or loss \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Group</b>										
<b>31 December 2021</b>										
<b>Current liabilities</b>										
Interest-bearing loans and borrowings	–	–	–	153,576	–	153,576	–	–	–	–
Convertible bonds	–	–	–	42,473	–	42,473	–	–	–	–
Derivative liability conversion option in convertible bonds	–	–	–	–	16,193	16,193	–	–	16,193	16,193
Trade payables	–	–	–	21,825	–	21,825	–	–	–	–
Other payables	–	–	–	115,123	–	115,123	–	–	–	–
Lease liabilities	–	–	–	2,291	–	2,291	–	–	–	–
Amounts due to associates	–	–	–	17,873	–	17,873	–	–	–	–
Amounts due to related parties	–	–	–	648	–	648	–	–	–	–
	–	–	–	353,809	16,193	370,002	–	–	16,193	16,193
<b>Non-current liabilities</b>										
Interest-bearing loans and borrowings	–	–	–	233,173	–	233,173	–	–	–	–
Other payables	–	–	–	3,239	–	3,239	–	–	–	–
Lease liabilities	–	–	–	32,103	–	32,103	–	–	–	–
	–	–	–	268,515	–	268,515	–	–	–	–
<b>Total liabilities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>622,324</b>	<b>16,193</b>	<b>638,517</b>	<b>–</b>	<b>–</b>	<b>16,193</b>	<b>16,193</b>

# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 5. Financial assets and financial liabilities (cont'd)

Set out below is an overview of the financial assets and financial liabilities of the Company as at 30 June 2022 and 31 December 2021: (cont'd)

	Carrying amount				Total \$'000	Fair value			
	Financial assets at amortised cost \$'000	Financial assets at Fair value through Profit or loss \$'000	Financial liabilities at amortised cost \$'000	Financial liabilities at Fair value through Profit or loss \$'000		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Company</b>									
<b>30 June 2022</b>									
<b>Non-current assets</b>									
Subsidiaries	1,261	–	–	–	1,261	–	–	–	–
	1,261	–	–	–	1,261	–	–	–	–
<b>Current assets</b>									
Trade receivables	5,040	–	–	–	5,040	–	–	–	–
Other receivables	868	–	–	–	868	–	–	–	–
Amounts due from subsidiaries	169,830	–	–	–	169,830	–	–	–	–
Amounts due from associates	8,611	–	–	–	8,611	–	–	–	–
Amounts due from related parties	28	–	–	–	28	–	–	–	–
Investments	–	1,977	–	–	1,977	–	1,977	–	1,977
Cash and short-term deposits	50,645	–	–	–	50,645	–	–	–	–
	235,022	1,977	–	–	236,999	–	1,977	–	1,977
<b>Total assets</b>	<b>236,283</b>	<b>1,977</b>	<b>–</b>	<b>–</b>	<b>238,260</b>	<b>–</b>	<b>1,977</b>	<b>–</b>	<b>1,977</b>

# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 5. Financial assets and financial liabilities (cont'd)

Set out below is an overview of the financial assets and financial liabilities of the Company as at 30 June 2022 and 31 December 2021: (cont'd)

	Carrying amount				Total \$'000	Fair value			
	Financial assets at amortised cost \$'000	Financial assets at Fair value through Profit or loss \$'000	Financial liabilities at amortised cost \$'000	Financial liabilities at Fair value through Profit or loss \$'000		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Company</b>									
<b>30 June 2022</b>									
<b>Current liabilities</b>									
Interest-bearing loans and borrowings	-	-	57,734	-	57,734	-	-	-	-
Convertible bonds	-	-	43,163	-	43,163	-	-	-	-
Other payables	-	-	66,368	-	66,368	-	-	-	-
Amounts due to subsidiaries	-	-	34,031	-	34,031	-	-	-	-
Amounts due to related parties	-	-	13	-	13	-	-	-	-
	-	-	201,309	-	201,309	-	-	-	-
<b>Non-current liabilities</b>									
Interest-bearing loans and borrowings	-	-	31,264	-	31,264	-	-	-	-
Amounts due to subsidiaries	-	-	134,209	-	134,209	-	-	-	-
	-	-	165,473	-	165,473	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>366,782</b>	<b>-</b>	<b>366,782</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 5. Financial assets and financial liabilities (cont'd)

Set out below is an overview of the financial assets and financial liabilities of the Company as at 30 June 2022 and 31 December 2021: (cont'd)

	Carrying amount				Total \$'000	Fair value			
	Financial assets at amortised cost \$'000	Financial assets at Fair value through Profit or loss \$'000	Financial liabilities at amortised cost \$'000	Financial liabilities at Fair value through Profit or loss \$'000		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Company</b>									
<b>31 December 2021</b>									
<b>Non-current assets</b>									
Subsidiaries	1,238	–	–	–	1,238	–	–	–	–
	1,238	–	–	–	1,238	–	–	–	–
<b>Current assets</b>									
Trade receivables	5,347	–	–	–	5,347	–	–	–	–
Other receivables	509	–	–	–	509	–	–	–	–
Amounts due from subsidiaries	169,789	–	–	–	169,789	–	–	–	–
Amounts due from associates	7,202	–	–	–	7,202	–	–	–	–
Amounts due from related parties	16	–	–	–	16	–	–	–	–
Investments	–	2,010	–	–	2,010	–	2,010	–	2,010
Cash and short-term deposits	63,060	–	–	–	63,060	–	–	–	–
	245,923	2,010	–	–	247,933	–	2,010	–	2,010
<b>Total assets</b>	<b>247,161</b>	<b>2,010</b>	<b>–</b>	<b>–</b>	<b>249,171</b>	<b>–</b>	<b>2,010</b>	<b>–</b>	<b>2,010</b>

# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 5. Financial assets and financial liabilities (cont'd)

Set out below is an overview of the financial assets and financial liabilities of the Company as at 30 June 2022 and 31 December 2021: (cont'd)

	Carrying amount				Total \$'000	Fair value			
	Financial assets at amortised cost \$'000	Financial assets at Fair value through Profit or loss \$'000	Financial liabilities at amortised cost \$'000	Financial liabilities at Fair value through Profit or loss \$'000		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Company</b>									
<b>31 December 2021</b>									
<b>Current liabilities</b>									
Interest-bearing loans and borrowings	–	–	58,825	–	58,825	–	–	–	–
Convertible bonds	–	–	42,473	–	42,473	–	–	–	–
Derivative liability conversion option in convertible bonds	–	–	–	16,193	16,193	–	–	16,193	16,193
Other payables	–	–	70,411	–	70,411	–	–	–	–
Amounts due to subsidiaries	–	–	33,677	–	33,677	–	–	–	–
Amounts due to related parties	–	–	13	–	13	–	–	–	–
	–	–	205,399	16,193	221,592	–	–	16,193	16,193
<b>Non-current liabilities</b>									
Interest-bearing loans and borrowings	–	–	33,548	–	33,548	–	–	–	–
Amounts due to subsidiaries	–	–	133,852	–	133,852	–	–	–	–
	–	–	167,400	–	167,400	–	–	–	–
<b>Total liabilities</b>	<b>–</b>	<b>–</b>	<b>372,799</b>	<b>16,193</b>	<b>388,992</b>	<b>–</b>	<b>–</b>	<b>16,193</b>	<b>16,193</b>

# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 6. Profit/(Loss) from operations and other gains

#### 6.1 Profit/(Loss) from operations and other gains

Profit/(Loss) from operations is stated after charging/(crediting):

	Group	
	6 months ended 30 June 2022	6 months ended 30 June 2021
	\$'000	\$'000
Allowance for inventory obsolescence	96	263
Loss/(Gain) on disposal of property, plant and equipment, net	10	(640)
(Gain on expiry of derivatives)/Fair value loss on derivatives	(15,384)	10,444
Write-down of property development costs	–	1,222
Allowance for impairment loss on property, plant and equipment, net	169	–
Allowance for impairment loss on right-of-use assets	–	117
Gain on disposal of investments in subsidiaries	–	(167)
Impairment losses on financial assets:		
- Long-term receivables	–	123
- Amount due from associates	389	8
- Trade receivables	(192)	1,045
- Other receivables	183	–
- Amount due from related parties	(7)	43
Provision for employee benefits	210	115
Provision for share-based payment expenses	34	(45)
Exchange loss/(gain)	4,125	(520)

#### 6.2 Related party transactions

Other than that disclosed in the financial statements, the Group had the following significant related party transactions on terms agreed during the financial period:

	Group	
	6 months ended 30 June 2022	6 months ended 30 June 2021
	\$'000	\$'000
(a) Associates:		
- Management and service fee income	20	1
- China Licensing fee	1,348	5,187
- Others	115	–
(b) Related parties		
- Management and service fee income	10	–
- Rental income	112	81
- Reservation fee income	2	–
- Others	12	8

# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 7. Income tax expense

#### *Major components of income tax expense*

Major components of income taxes for the financial periods ended 30 June 2022 and 2021 are:

	Group	
	6 months ended 30 June 2022	6 months ended 30 June 2021
	\$'000	\$'000
<b>Consolidated income statement:</b>		
<b><i>Current income tax</i></b>		
Current income taxation	950	926
Under provision in respect of prior years	326	144
	1,276	1,070
<b><i>Deferred income tax</i></b>		
Origination and reversal in temporary differences	1,475	(412)
Write-off of previously recognised deferred tax assets	318	1,858
	1,793	1,446
<b><i>Withholding tax expense</i></b>		
Current year provision	667	794
Under provision in respect of prior years	–	29
	667	823
Income tax expense recognised in profit or loss	3,736	3,339

### 8. Property, plant and equipment

During the six months ended 30 June 2022, the Group acquired assets amounting to \$3,743,000 (30 June 2021: \$2,794,000) and disposed assets amounting to \$160,000 (30 June 2021: \$340,000).

The Group's policy is for freehold land and building to be re-measured at fair value at least once every 3 years.

As at 30 June 2022, the Group has engaged a professional independent property valuer to determine the fair value of a freehold land in Sri Lanka as at 30 June 2022. The fair value of the freehold land is determined based on similar valuation approach, significant inputs and key assumptions used in the valuation as at 31 December 2021.

For freehold land and buildings in Singapore, Thailand and Morocco, management has conducted a fair value assessment as at 30 June 2022, taking into consideration the operating performance of the properties during the period and movement in key market data such as recent market transaction prices, and assessed whether there is any significant impact to the valuation of freehold land and buildings. Based on the assessment, management is of the view that the fair value of the Group's freehold land and buildings in Singapore, Thailand and Morocco have not materially changed from 31 December 2021.

The fair valuation of freehold land and building are categorised under Level 3 of the fair value measurement hierarchy. Level 3 fair value has been derived using the market value approach. The significant input into the market value approach is yield adjustment from 0.5% to 82.3% (31 December 2021: 0.5% to 82.3%)

Significant increases/(decreases) in yield adjustments in isolation would result in a significantly higher/(lower) fair value measurement.



# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 9. Investment properties

	Group	
	30 June 2022 \$'000	31 December 2021 \$'000
<b>Balance sheet:</b>		
At 1 January	79,689	62,065
Additions	78	–
Transfer from property, plant and equipment, net	–	22,156
Net gain from fair value adjustments recognised in profit or loss	–	1,060
Net exchange differences	(1,382)	(5,592)
	78,385	79,689
At 30 June/31 December	78,385	79,689

#### Valuation of investment properties

The Group's policy is for investment properties to be measured at fair value for which the Group completes property valuations at least annually by professional independent property valuers at the end of the year.

As at 30 June 2022, management has performed fair value assessment for the Group's investment properties in Thailand and Singapore, taking into consideration the operating performance of the properties during the period and movement in key market data such as recent market transaction prices, and assessed whether there is any significant impact to the valuation of the investment properties. Based on the assessment, management is of the view that the fair value of the Group's investment properties in Thailand and Singapore have not materially changed from 31 December 2021.

The fair valuation of investment properties is categorised under Level 3 of the fair value measurement hierarchy. Level 3 fair value has been derived using the market value approach. The significant input into the market value approach is yield adjustment from 2.5% to 41.8% (31 December 2021: 2.5% to 41.8%)

Significant increases/(decreases) in yield adjustments in isolation would result in a significantly higher/(lower) fair value measurement.

### 10. Intangible assets

	Goodwill \$'000	Trademarks \$'000	Club membership \$'000	Other intangible assets \$'000	Total \$'000
<b>Group</b>					
<b>Cost:</b>					
At 1 January 2021	2,603	24,300	4,230	15,672	46,805
Additions	–	–	–	2,968	2,968
Write off	–	–	–	(609)	(609)
Net exchange differences	–	–	–	(1,153)	(1,153)
	2,603	24,300	4,230	16,878	48,011
At 31 December 2021 and 1 January 2022	2,603	24,300	4,230	16,878	48,011
Additions	–	–	237	3,112	3,349
Net exchange differences	–	–	–	(400)	(400)
	2,603	24,300	4,467	19,590	50,960
At 30 June 2022	2,603	24,300	4,467	19,590	50,960

# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 10. Intangible assets (cont'd)

	Goodwill \$'000	Trademarks \$'000	Club membership \$'000	Other intangible assets \$'000	Total \$'000
<b>Group</b>					
<b>Accumulated amortisation and impairment losses:</b>					
At 1 January 2021	–	–	415	11,192	11,607
Amortisation	–	–	85	867	952
Write off	–	–	–	(609)	(609)
Net exchange differences	–	–	–	(662)	(662)
At 31 December 2021 and 1 January 2022	–	–	500	10,788	11,288
Amortisation	–	–	43	1,760	1,803
Net exchange differences	–	–	–	(201)	(201)
At 30 June 2022	–	–	543	12,347	12,890
<b>Net carrying amount:</b>					
At 31 December 2021	2,603	24,300	3,730	6,090	36,723
At 30 June 2022	2,603	24,300	3,924	7,243	38,070

### Other intangible assets

Other intangible assets include sales commission incurred that are directly attributable to securing property sales contracts. The sales commission will be amortised as the Group recognises the related revenue.

	Club membership \$'000
<b>Company</b>	
<b>Cost:</b>	
At 1 January 2021, 31 December 2021 and 1 January 2022	4,230
Additions	237
At 30 June 2022	4,467
<b>Accumulated amortisation and impairment losses:</b>	
At 1 January 2021	415
Amortisation	85
At 31 December 2021 and 1 January 2022	500
Amortisation	43
At 30 June 2022	543
<b>Net carrying amount:</b>	
At 31 December 2021	3,730
At 30 June 2022	3,924

# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 10. Intangible assets (cont'd)

#### Impairment testing of goodwill and trademark

Goodwill that have an indefinite useful life are not subject to amortisation and are tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. No impairment indicators were identified as at 30 June 2022 based on the CGU's business performance. The Group performed its annual impairment test in December 2021. The key assumptions used to determine the recoverable amount for the CGU were disclosed in the annual consolidated financial statements for the year ended 31 December 2021.

### 11. Long-term investments

	Group	
	30 June 2022	31 December 2021
	\$'000	\$'000

#### *At fair value through other comprehensive income*

Equity securities (quoted)	2	2
Equity securities (unquoted)	31,739	29,008
	31,741	29,010

As at 30 June 2022, the Group has carried out an assessment on the fair value of the investment in equity securities (unquoted) and taken into considerations the changes to underlying factors that would have impacts to the fair value, such as discount rate and growth rate, as compared to 31 December 2021. There are no significant changes that could materially affect the fair value of the investment in equity securities (unquoted) as at 30 June 2022. The fair valuation of equity securities (unquoted) is categorised under Level 3 of the fair value measurement hierarchy.

Significant increases/(decreases) in discount rate in isolation would result in a significant lower/(higher) fair value measurement.

Significant increases/(decreases) in growth rate in isolation would result in a significant higher/(lower) fair value measurement.

### 12. Investments

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
<b><i>At fair value through other comprehensive income</i></b>				
Equity securities (unquoted)	72,149	72,149	–	–
<b><i>At fair value through profit or loss</i></b>				
Equity fund (quoted)	1,977	2,010	1,977	2,010
	74,126	74,159	1,977	2,010

A subsidiary of the Group entered into an agreement with the holding company of BTAC with effect from 31 December 2021 where it was contractually agreed that the RCPS issued to the subsidiary will be redeemed on or before 31 December 2022.

The Group has invested in an equity fund of \$2,000,000 on 25 November 2020. For the financial period ended 30 June 2022, there is a fair value loss adjustment of \$33,000 (31 December 2021: Gain of \$4,000) recorded in profit or loss.

The fair value measurement of equity fund is categorised in Level 2 of the fair value hierarchy.

# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 13. Interest-bearing loans and borrowings

	Maturity	Group		Company	
		30 June 2022 \$'000	31 December 2021 \$'000	30 June 2022 \$'000	31 December 2021 \$'000
<b>Financial liabilities at amortised cost</b>					
<b>Current liabilities</b>					
Secured bank loans	2022/2023	83,401	96,192	10,560	10,560
Unsecured bank loans	2022/2023	56,234	57,384	47,174	48,265
		<u>139,635</u>	<u>153,576</u>	<u>57,734</u>	<u>58,825</u>
<b>Non-current liabilities</b>					
Secured bank loans	2023-2038	224,480	223,511	29,106	30,886
Unsecured bank loans	2023-2025	6,158	9,662	2,158	2,662
		<u>230,638</u>	<u>233,173</u>	<u>31,264</u>	<u>33,548</u>
<b>Total</b>		<u>370,273</u>	<u>386,749</u>	<u>88,998</u>	<u>92,373</u>

The secured bank loans of the Group are secured by assets with the following net book values:

	Group	
	30 June 2022 \$'000	31 December 2021 \$'000
Freehold land and buildings	367,900	379,817
Investment properties	55,640	56,361
Leasehold buildings	13,308	13,304
Property development costs	38,369	42,844
Unquoted shares	4,173	4,136
Prepaid island rental	15,329	15,386
Investment in associates	3,407	3,479
Long-term restricted deposit pledged	1,488	1,524
Other assets	6,039	3,014
	<u>505,653</u>	<u>519,865</u>

The secured bank loans of the Company amounting to \$39,667,000 (31 December 2021: \$41,446,000) are secured by freehold land and buildings, and investment properties of the Group's subsidiaries.

# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 14. Convertible bonds

	Group and Company	
	30 June 2022 \$'000	31 December 2021 \$'000
At 1 January	42,473	41,318
Accretion of interest	2,971	5,286
Conversion of convertible bonds into ordinary shares	(2,281)	(4,131)
	<u>43,163</u>	<u>42,473</u>

### 15. Derivative liability conversion option in convertible bonds

	Group and Company	
	30 June 2022 \$'000	31 December 2021 \$'000
At 1 January	16,193	15,182
(Gain on expiry of derivatives)/Fair value loss on derivatives	(15,384)	2,708
Conversion of convertible bonds into ordinary shares	(809)	(1,697)
	<u>-</u>	<u>16,193</u>

The derivative liability conversion option relates to the conversion option of the Convertible Bonds that is recognised at its fair value, determined by applying the Binomial Tree model and the key changes to the inputs of the valuation method for 31 December 2021, relates to the share price \$0.320 and expected volatility of 28%.

The Bondholders' conversion rights under the Convertible Bonds have lapsed on 27 June 2022. Any Convertible Bond which has not been converted into shares of the Company shall be redeemed on 6 Aug 2022 ("Maturity Date").

The fair value measurement is categorised in Level 3 of the fair value hierarchy.

### 16. Leases

During the six months ended 30 June 2022, the Group has capitalised \$678,000 of long term leases into right-of-use assets (31 December 2021: \$317,000).

### 17. Share capital

	Group and Company			
	30 June 2022		31 December 2021	
	No. of shares	\$'000	No. of shares	\$'000
<b>Issued and fully paid up</b>				
At 1 January	858,810,492	247,578	842,284,980	241,750
New issue during the period/year	9,123,016	3,090	16,525,512	5,828
	<u>867,933,508</u>	<u>250,668</u>	<u>858,810,492</u>	<u>247,578</u>

# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 17. Share capital (cont'd)

The holders of ordinary shares (except for treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares (except for treasury shares) carry one vote per share without restrictions. The ordinary shares of the Company have no par value.

During the financial period ended 30 June 2022, there were 9,123,016 (31 December 2021: 16,525,512) new shares being issued from conversion of \$3,090,000 (31 December 2021: \$5,828,000) of Convertible Bonds at \$0.25 per share.

### 18. Commitments and contingencies

#### (a) Capital commitments

Capital expenditure contracted for as at the end of the reporting period but not recognised in the financial statements are as follows:

	Group	
	30 June 2022 \$'000	31 December 2021 \$'000
Capital commitments in respect of property, plant and equipment	3,565	3,836
Capital commitments in respect of property development costs	51,211	60,372
	54,776	64,208

#### (b) Contingent liabilities

##### Guarantees

As at the end of the reporting period, the Company had issued the following outstanding guarantees:

	Company	
	30 June 2022 \$'000	31 December 2021 \$'000
Guarantees issued for banking facilities to subsidiaries	29,477	32,902

### 19. Fair value of assets and liabilities

#### (a) Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 - Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - Unobservable inputs for the asset or liability.

# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 19. Fair value of assets and liabilities (cont'd)

#### (a) *Fair value hierarchy (cont'd)*

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

#### (b) *Level 2 fair value measurements*

The following is a description of the valuation techniques and inputs used in the fair value measurement for assets and liabilities that are categorised within Level 2 of the fair value hierarchy:

##### *Investment securities at fair value through profit or loss*

The valuation of investment securities measured at fair value through profit or loss is determined using quoted market prices in less active markets or quoted prices for similar assets/liabilities at the end of the reporting period.

# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 19. Fair value of assets and liabilities (cont'd)

#### (c) Level 3 fair value measurements

##### (i) Movements in Level 3 assets and liabilities measured at fair value

The following table presents the reconciliation for all assets and liabilities measured at fair value based on significant unobservable inputs (Level 3):

Fair value measurements using significant unobservable inputs (Level 3)																			
Property, plant and equipment										Investment properties						Financial assets at FVOCI	Financial liabilities at fair value through profit or loss		
Freehold land						Freehold buildings				Freehold land			Freehold buildings			Equity shares (unquoted)	Derivative liability conversion option in convertible bonds	Total	
Singapore	Morocco	Thailand, Phuket	Thailand, Bangkok	Northern Thailand	Sri Lanka	Singapore	Morocco	Thailand, Phuket	Thailand, Bangkok	Singapore	Thailand, Phuket	Northern Thailand	Singapore	Thailand, Phuket	Thailand, Bangkok	\$'000	\$'000	\$'000	
Group																			
30 June 2022	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Opening balance	26,666	4,616	262,720	39,680	1,134	4,832	2,360	5,679	105,690	43,505	21,750	12,202	6,975	2,650	680	35,432	29,008	(16,193)	589,386
Total gains or losses for the period																			
- Included in profit or loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,384	15,384
- Included in other comprehensive income	-	-	-	-	-	(296)	-	-	-	-	-	-	-	-	-	-	2,731	-	2,435
Purchases, issues, sales and settlements																			
- Purchases	-	-	-	-	-	-	-	-	190	194	-	-	-	78	-	-	-	-	462
- Write off	-	-	-	-	-	-	-	-	(2)	-	-	-	-	-	-	-	-	-	(2)
- Transfer in/(out)	-	-	(2,456)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,456)
Conversion of convertible bonds into ordinary shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	809	809
Depreciation	-	-	(1)	-	-	-	(62)	(74)	(2,542)	(1,047)	-	-	-	-	-	-	-	-	(3,726)
Exchange differences	-	(331)	(6,487)	(992)	(28)	(2,159)	-	(283)	(2,577)	(1,059)	-	(305)	(174)	-	(17)	(886)	-	-	(15,298)
Closing balance	26,666	4,285	253,776	38,688	1,106	2,377	2,298	5,322	100,759	41,593	21,750	11,897	6,801	2,728	663	34,546	31,739	-	586,994



# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 19. Fair value of assets and liabilities (cont'd)

#### (c) Level 3 fair value measurements (cont'd)

##### (i) Movements in Level 3 assets and liabilities measured at fair value (cont'd)

The following table presents the reconciliation for all assets and liabilities measured at fair value based on significant unobservable inputs (Level 3): (cont'd)

Fair value measurements using significant unobservable inputs (Level 3)																				
Property, plant and equipment											Investment properties						Financial assets at FVOCI	Financial liabilities at fair value through profit or loss		
Freehold land						Freehold buildings					Freehold land			Freehold buildings			Equity shares (unquoted)	Derivative liability conversion option in convertible bonds	Total	
Singapore	Morocco	Thailand, Phuket	Thailand, Bangkok	Northern Thailand	Sri Lanka	Singapore	Morocco	Thailand, Phuket	Thailand, Bangkok	Sri Lanka	Singapore	Thailand, Phuket	Northern Thailand	Singapore	Thailand, Phuket	Thailand, Bangkok	\$'000	\$'000	\$'000	
Opening balance	47,856	4,914	289,695	43,648	–	5,073	4,520	6,189	120,848	50,870	259	–	13,422	8,920	–	748	38,975	28,094	(15,182)	648,849
Total gains or losses for the period																				
- Included in profit or loss	–	(95)	–	–	–	–	–	(97)	–	–	(241)	560	–	–	500	–	–	–	(2,708)	(2,081)
- Included in other comprehensive income	–	–	–	–	–	(3)	118	–	–	–	–	–	–	–	–	–	–	914	–	1,029
Purchases, issues, sales and settlements																				
- Purchases	–	–	30	–	–	–	–	–	496	–	–	–	–	–	–	–	–	–	–	526
- Sales	–	–	–	–	–	–	–	–	(307)	–	–	–	–	–	–	–	–	–	–	(307)
- Transfer in/(out)	(21,190)	–	(694)	–	1,184	–	(2,150)	–	2,240	–	–	21,190	–	(1,184)	2,150	–	–	–	–	1,546
Conversion of convertible bonds into ordinary shares	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	1,697	1,697
Depreciation	–	–	(2)	–	–	–	(128)	(155)	(5,073)	(2,175)	(7)	–	–	–	–	–	–	–	–	(7,540)
Exchange differences	–	(203)	(26,309)	(3,968)	(50)	(238)	–	(258)	(12,514)	(5,190)	(11)	–	(1,220)	(761)	–	(68)	(3,543)	–	–	(54,333)
Closing balance	26,666	4,616	262,720	39,680	1,134	4,832	2,360	5,679	105,690	43,505	–	21,750	12,202	6,975	2,650	680	35,432	29,008	(16,193)	589,386

# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 19. Fair value of assets and liabilities (cont'd)

#### (c) Level 3 fair value measurements (cont'd)

##### (i) Movements in Level 3 assets and liabilities measured at fair value (cont'd)

The following table presents the reconciliation for all assets and liabilities measured at fair value based on significant unobservable inputs (Level 3): (cont'd)

Fair value measurements using significant unobservable inputs (Level 3)																
Property, plant and equipment										Investment properties				Financial assets at FVOCI	Financial liabilities at fair value through profit or loss	Total
Freehold land					Freehold buildings					Freehold land		Freehold buildings		Equity shares (Unquoted)	Derivative liability conversion option in convertible bonds	
Group	Singapore	Morocco	Thailand, Phuket	Thailand, Bangkok	Sri Lanka	Singapore	Morocco	Thailand, Phuket	Thailand, Bangkok	Thailand, Phuket	Northern Thailand	Thailand, Phuket	Thailand, Bangkok			Total
30 June 2022	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total gains or losses for the period included in profit or loss:																
- Gain on expiry of derivative liability conversion option in convertible bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,384	15,384
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,384	15,384
Other comprehensive loss:																
- Net deficit on revaluation of land and buildings	-	-	-	-	(296)	-	-	-	-	-	-	-	-	-	-	(296)
- Net gain from fair value adjustment of equity shares	-	-	-	-	-	-	-	-	-	-	-	-	-	2,731	-	2,731
	-	-	-	-	(296)	-	-	-	-	-	-	-	-	2,731	-	2,435

# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 19. Fair value of assets and liabilities (cont'd)

#### (c) Level 3 fair value measurements (cont'd)

##### (i) Movements in Level 3 assets and liabilities measured at fair value (cont'd)

The following table presents the reconciliation for all assets and liabilities measured at fair value based on significant unobservable inputs (Level 3): (cont'd)

Fair value measurements using significant unobservable inputs (Level 3)										
Group	Property, plant and equipment					Investment properties		Financial assets at FVOCI	Financial liabilities at fair value through profit or loss	Total
	Freehold land		Freehold buildings			Freehold land	Freehold buildings	Equity shares (Unquoted)	Derivative liability conversion option in convertible bonds	
	Morocco \$'000	Sri Lanka \$'000	Singapore \$'000	Morocco \$'000	Sri Lanka \$'000	Singapore \$'000	Singapore \$'000			
31 December 2021										
Total gains or losses for the period included in profit or loss:										
- Net gain from fair value adjustment of investment properties	-	-	-	-	-	560	500	-	-	1,060
- Net loss from fair value adjustment of derivative liability conversion option in convertible bonds	-	-	-	-	-	-	-	-	(2,708)	(2,708)
- Impairment loss	(95)	-	-	(97)	(241)	-	-	-	-	(433)
	(95)	-	-	(97)	(241)	560	500	-	(2,708)	(2,081)
Other comprehensive loss:										
- Net surplus/(deficit) on revaluation of land and buildings	-	(3)	118	-	-	-	-	-	-	115
- Net gain from fair value adjustment of equity shares	-	-	-	-	-	-	-	914	-	914
	-	(3)	118	-	-	-	-	914	-	1,029

# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 19. Fair value of assets and liabilities (cont'd)

#### (c) **Level 3 fair value measurements (cont'd)**

##### (ii) *Valuation policies and procedures*

The President and Chief Executive Officer ("CEO"), who is assisted by Senior Vice President, Group Finance and Corporate Affairs (collectively referred to as the "CEO office"), oversees the Group's financial reporting valuation process and is responsible for setting and documenting the Group's valuation policies and procedures. In this regard, the CEO office reports to the Group's Audit and Risk Committee.

For all significant financial reporting valuations using valuation models and significant unobservable inputs, it is the Group's policy to engage professional independent property valuers who possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies and SFRS(I) 13 fair value measurement guidance to perform the valuation.

For valuations performed by professional independent property valuers, the appropriateness of the valuation methodologies and assumptions adopted are reviewed along with the appropriateness and reliability of the inputs (including those developed internally by the Group) used in the valuations.

In selecting the appropriate valuation models and inputs to be adopted for each valuation that uses significant non-observable inputs, professional independent property valuers are requested to calibrate the valuation models and inputs to actual market transactions (which may include transactions entered into by the Group with third parties as appropriate) that are relevant to the valuation if such information is reasonably available. For valuations that are sensitive to the unobservable inputs used, professional independent property valuers are required to the extent practicable to use a minimum of two valuation approaches to allow for cross-checks.

Significant changes in fair value measurements from period to period are evaluated for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent sources, or internal sources if necessary and appropriate.

As a result of the COVID-19 pandemic, assessing fair value as at the reporting date involved considering uncertainties around the underlying assumptions and inputs to fair value given the forward-looking nature of these assumptions. The COVID-19 pandemic has also created unprecedented economic uncertainty, in particular the absence of a significant level of market transactions which are ordinarily a key source of evidence for assessing the fair value of investment properties. As such, the 30 June 2022 valuation process has been adjusted for the current financial year compared to the process that would typically be followed and adopted in more normalised market conditions. In view of uncertainties and lack of market transactions brought upon by COVID-19.

# BANYAN TREE GROUP

## Notes to the Condensed Interim Financial Statements (Cont'd)

### 19. Fair value of assets and liabilities (cont'd)

(d) **Assets and liabilities not carried at fair value but for which fair value is disclosed**

	Fair value measurements at the end of the reporting period using			
	Group		Company	
	Quoted prices in active markets for identical assets (Level 1) \$'000	Carrying amount \$'000	Quoted prices in active markets for identical assets (Level 1) \$'000	Carrying amount \$'000
<b>June 2022</b>				
<b>Assets</b>				
Associates	21,879	30,100	–	–
<b>December 2021</b>				
<b>Assets</b>				
Associates	19,613	30,735	–	–

(e) **Assets and liabilities not carried at fair value and whose carrying amounts are reasonable approximation of fair values**

Management has determined that the carrying amounts of cash and short-term deposits, current trade and other receivables, current amounts due to and from subsidiaries, associates and related parties, and current trade and other payables, based on their carrying amounts, reasonably approximate their fair values because these are short-term in nature or are repriced frequently.

Long-term receivables, convertible bonds and interest-bearing loans and borrowings carry interest which approximates market interest rate. Accordingly, their carrying amounts approximate their fair values.

(f) **Financial instruments that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair values**

Fair value information has not been disclosed for the Group's financial instruments not carried at fair value and whose carrying amounts are not reasonable approximation of fair values, because the fair values cannot be measured reliably.

The loans due from subsidiaries and non-current amounts due from subsidiaries, associates and related parties (classified within non-current assets) have no repayment terms and are repayable only when the cash flows of the borrowers permit. The non-current deposits classified within non-current assets have no terms of maturity. Accordingly, management is of the view that the fair values of these loans and deposits cannot be determined reliably as the timing of the future cash flows arising from the loans and deposits cannot be estimated reliably.

# BANYAN TREE GROUP

## Other Information Required by Listing Rule Appendix 7.2 for the Half Year ended 30 June 2022

- 1(i) **Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

During the first half year, there were 9,123,016 new shares being issued (1H21: 9,131,112), resulting in an increase in the number of issued shares excluding treasury shares from 857,580,292 since the end of the previous reporting period, ie. as at 31 December 2021, to 866,847,808 shares as at 30 June 2022.

As at 30 June 2022, there are 1,085,700 (1H21: 1,230,200) shares held as treasury shares against the total number of issued shares excluding treasury shares of 866,847,808 (1H21: 850,185,892).

As at 30 June 2022, no new shares (1H21: 191,559,320) of the Company may be issued upon the conversion of the convertible bonds as described in the Company's announcements dated 3 August 2020 and 5 August 2020. The right to exercise Bondholders' conversion rights under the Convertible Bonds is suspended since the closed period which has commenced on 27 June 2022, being 25 Trading Days prior to and including the Interest Record Date of 1 August 2022.

### Issuance of shares from vesting of share awards

During the first half year, no share awards (1H21: Nil) were vested under the Performance Share Plan and 144,500 share awards (1H21: 91,300) were vested under the Restricted Share Plan for initial awards issued for FY2021.

### Grant and cancellation of share awards

#### Performance Share Plan

During the first half year, 465,000 share awards were granted (1H21: 210,000) and 180,000 shares were cancelled (1H21: 135,000) under the Banyan Tree Performance Share Plan. As at 30 June 2022, initial awards for 885,000 shares (As at 30 June 2021: 600,000) have been granted under the plan which will vest upon meeting specified performance conditions.

#### Restricted Share Plan

During the first half year, 510,000 share awards were granted (1H21: 318,750) and no shares were cancelled (1H21: 109,100) under the Banyan Tree Restricted Share Plan. As at 30 June 2022, initial awards for 799,000 shares (As at 30 June 2021: 518,750) have been granted under the plan which will vest upon meeting specified performance conditions.

- 1(ii) **To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	30-Jun-22 No. of shares	31-Dec-21 No. of shares
Number of issued shares excluding Treasury shares	866,847,808	857,580,292

- 1(iii) **A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

	30-Jun-22 No. of shares	31-Dec-21 No. of shares
At 1 January	1,230,200	1,321,500
Reissued pursuant to Share-based Incentive Plan	(144,500)	(91,300)
	1,085,700	1,230,200

# BANYAN TREE GROUP

## Other Information Required by Listing Rule Appendix 7.2 for the Half Year ended 30 June 2022 (Cont'd)

**2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Group auditors.

**3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)**

Not applicable.

**4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and method of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 December 2021.

**5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, the effect of, the change.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with those of the audited financial statements for the year ended 31 December 2021, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 January 2022. The adoption of the standards and interpretations does not have material impact to the financial statements in the period of initial application.

**6 Earnings per ordinary share of the group for the current financial period reported and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:**

**(a) Based on the weighted average number of ordinary shares on issue; and**

**(b) On a fully diluted basis (detailing any adjustments made to the earnings).**

	6 months ended 30 Jun	
	2022	2021
a) Based on the weighted average number of ordinary shares on issue (cents)	0.06	(5.04)
b) On fully diluted basis (cents)	0.05	(5.04)

(i) The basic earnings per ordinary share for the 6 months period and the same period last year have been calculated based on the weighted average number of 861,444,683 and 844,640,638 ordinary shares respectively.

(ii) The diluted earnings per ordinary share for the 6 months period ended 30 June 2022 have been calculated based on the weighted average number of 1,037,235,051 ordinary shares.

For the 6 months period ended 30 June 2021, contingently issuable shares under the Banyan Tree Performance Share Plan and Convertible Bonds had been excluded from the calculation of diluted earnings per share as their effects would be anti-dilutive (i.e. loss per share would have been reduced in the event that dilutive potential shares issued are converted into ordinary shares). Thus, the dilutive earnings per share was the same as the basic earnings per share for the 6 months period ended 30 June 2021.

# BANYAN TREE GROUP

## Other Information Required by Listing Rule Appendix 7.2 for the Half Year ended 30 June 2022 (Cont'd)

7 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-

(a) current financial period reported on; and

(b) immediately preceding financial year.

	Group As at		Company As at	
	30-Jun-22	31-Dec-21	30-Jun-22	31-Dec-21
Net asset value per ordinary share based on issued share capital* at the end of the Period (S\$)	0.56	0.57	0.50	0.50

\* Ordinary shares in issue as at 30 June 2022 and 31 December 2021 are 866,847,808 and 857,580,292 shares respectively.

8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

### A) REVENUE

	Group			
	6 months ended 30 Jun		2022 vs 2021	
	2022 (S\$'000)	2021 (S\$'000)	Incr/(Decr) (S\$'000)	%
Hotel Investments	60,775	22,522	38,253	170%
Property Sales	36,555	17,433	19,122	110%
- Hotel Residences	24,230	13,198	11,032	84%
- Laguna Property Sales	12,325	4,235	8,090	191%
Fee-based Segment	21,294	16,512	4,782	29%
- Hotel/Fund/Club Management	13,087	9,914	3,173	32%
- Spa/Gallery Operations	3,008	3,178	(170)	-5%
- Design and Others	5,199	3,420	1,779	52%
<b>Revenue</b>	<b>118,624</b>	<b>56,467</b>	<b>62,157</b>	<b>110%</b>



# BANYAN TREE GROUP

## Other Information Required by Listing Rule Appendix 7.2 for the Half Year ended 30 June 2022 (Cont'd)

### B) PROFITABILITY

	Group			
	6 months ended 30 Jun		2022 vs 2021	
	2022 (S\$'000)	2021 (S\$'000)	Incr/(Decr) (S\$'000)	%
Hotel Investments	2,258	(9,240)	11,498	nm
Property Sales	9,751	4,076	5,675	139%
- Hotel Residences	8,899	4,201	4,698	112%
- Laguna Property Sales	852	(125)	977	nm
Fee-based Segment	6,416	2,894	3,522	122%
- Hotel/Fund/Club Management	6,427	3,110	3,317	107%
- Spa/Gallery Operations	(586)	1,174	(1,760)	nm
- Design and Others	575	(1,390)	1,965	nm
Head Office Expenses	(8,036)	(15,288)	(7,252)	-47%
Other Income (net)	16,071	1,175	14,896	nm
<b>Operating Profit/(Loss) (EBITDA)</b>	<b>26,460</b>	<b>(16,383)</b>	<b>42,843</b>	<b>nm</b>
<b>Profit/(Loss) attributable to owners of the Company (PATMI)</b>	<b>514</b>	<b>(42,604)</b>	<b>43,118</b>	<b>nm</b>

### C) BUSINESS SEGMENTS REVIEW

#### i) Hotel Investments segment

Hotel Investments segment achieved revenue of S\$60.8 million in 1H22, an increase of 170% or S\$38.3 million compared to S\$22.5 million in 1H21. The increase in revenue was mainly from Thailand (S\$29.0 million) due to continued pick up in international arrivals since re-opening in July 2021. Maldives reported revenue of S\$25.3 million which was S\$8.7 million higher than 1H21. For 1H22, Thailand reported occupancy of 46% which was 34 percentage points higher than the same period last year. For Maldives, occupancy was at 70% vs 51% in 1H21.

Operating Profit was S\$2.3 million as compared to an operating loss of S\$9.2 million for the same period last year largely due to improvement in business performance.

#### ii) Property Sales segment

Revenue from the Property Sales segment increased by S\$19.1 million or twofold to S\$36.6 million in 1H22 due to higher number of units recognised partly contributed by Skypark 1 condominiums which were substantially completed and handed over to buyers during the period. For 1H22, a total of 65 units from various projects were recognised as compared to 11 units in 1H21.

Operating Profit increased by S\$5.7 million or twofold to S\$9.8 million in 1H22.

# BANYAN TREE GROUP

## Other Information Required by Listing Rule Appendix 7.2 for the Half Year ended 30 June 2022 (Cont'd)

### C) BUSINESS SEGMENTS REVIEW (Cont'd)

#### iii) Fee-based segment

Revenue from the Fee-based segment increased by S\$4.8 million or 29% to S\$21.3 million in 1H22. This was mainly due to higher management fees from our hotel portfolio across markets in Americas including Mexico and Asia including South Korea and Malaysia where international travels have resumed as well as higher fee contribution from our project and design services segment. Lower management and design fees were evident from our hotels in China as a result of COVID-19 lockdowns in various Chinese cities in 1H22.

Operating profit increased by S\$3.5 million to S\$6.4 million in 1H22.

If management fees of those resorts which the Group has a majority interest in were not eliminated (namely in Thailand and Maldives) on consolidation, Operating Profit for Fee-based segment would have been S\$8.6 million in 1H22 as compared to S\$3.7 million in 1H21.

#### iv) Head Office

Head office expenses decreased by S\$7.3 million to S\$8.0 million in 1H22 mainly due to absence of one-off fair value loss on Convertible Bonds of S\$10.4 million recorded in 1H21. Excluding the one-off loss, head office expenses for 1H22 would have increased by S\$3.1 million mainly due to higher foreign exchange losses, legal fees and staff costs.

#### v) Operating Profit/(Loss)

If non-cash one-off items relating to S\$15.4 million gain on expiry of derivatives for convertible bonds in 1H22 and fair value loss on convertible bonds of S\$10.4 million in 1H21 were excluded, Core Operating Profit would have been S\$11.1 million for 1H22 as compared to a core operating loss of S\$4.8 million in 1H21.

#### vi) Cash flow, working capital, assets or liabilities of the Group

The Group's liquidity position has improved as it recorded an increase in net current assets to S\$72.8 million as at 30 June 2022. In the same period, cash had increased by S\$11.0 million to S\$123.3 million.

As at 30 June 2022, the Group has current loans and borrowings of S\$140 million of which S\$81 million relates to RCFs which would be rolled over periodically based on past history with its relationship banks and another S\$27 million relates to short term funding for its Property Sales business segment which would be repayable from proceeds of unit completion and handover to contracted buyers. Amount of RCF has decreased by S\$10 million or 11% as compared to same period in prior year. The balance of S\$32 million relates to term loans repayable within the next 12 months. The Group will continue to engage its relationship banks to extend or term out loan maturity profiles and pursue collection of amounts due from associates to improve its liquidity position.

As announced on 7 August 2020, the Group raised S\$50.4 million Convertible Bonds issue which was successfully completed and fully subscribed. As at 30 June 2022, proceeds were used for operating activities (S\$5.0 million), scheduled repayment of bank loans (S\$44.2 million) and professional fees and related expenses in connection with rights issue (S\$1.2 million). Amount due for redemption in August 2022 to be met by internal cash would be at S\$43.8 million.

In addition to the above measures to roll over and term out its loans, the Group has cash balance of S\$123.3 million, trade receivables and current amount due from associates totaling S\$84.0 million, available to meet its current loans, borrowings and Convertible Bonds.

### 9 Where a forecast, or prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

There were no forecast made in FY21's results commentary or business update on 10 June 2022.

## Other Information Required by Listing Rule Appendix 7.2 for the Half Year ended 30 June 2022 (Cont'd)

- 10 **A commentary at the date of 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.**

### Market Conditions and Business Trends

Tourism continues to recover at a strong pace as restrictions ease and confidence returns. According to the latest UNWTO<sup>1</sup> World Tourism Barometer, international tourism saw a 182% year-on-year increase in 1Q22 with destinations worldwide welcoming an estimated 117 million international arrivals compared to 41 million in 1Q21. Of the extra 76 million international arrivals in 1Q22, about 60% were recorded in March, showing that the recovery is gathering pace. In the first quarter of 2022, Asia and the Pacific recorded a 64% increase in international travellers over 2021 but levels were still below 2019 numbers as several destinations including China remained closed to non-essential travel. Despite these positive tourism recovery prospects, the economic environment is at the same time being faced with geo-political and macro-economic risks. The military conflict in Ukraine could pose a downside risk which had led to higher oil prices and overall inflation as well as disruption to international supply chains, which could translate to higher transport and accommodation costs for the tourism sector. Interest rates particularly in developed markets are also rising. Due to the foregoing, the Group would continue to adopt a prudent and cautious approach in managing its business operations.

The Group's owned hotels in Thailand recovered strongly since borders were first re-opened in July 2021. For 1H22, RevPAR for Thailand hotels were 7 times higher as compared to 1H21. Forward bookings for 3Q22 are almost 3 times higher than same period last year. Our hotels in Maldives are already operating at Pre COVID-19 RevPAR levels and forward bookings are also up by 46% versus same period last year.

For Fee-based segment, our managed hotels in Asia (outside China) are showing 4 times increase in forward bookings due to lifted travel restrictions. Project and design services segment will perform in line with expected progress in new hotel under development.

On Property Sales segment, total sales value tripled to S\$95.9 million in 1H22 as compared to the same period last year. As at 30 June 2022, unrecognised revenue was S\$171.7 million as compared to S\$112.3 million as at 30 June 2021. The Group expects to recognise S\$55.4 million or 32% of the revenue in the second half of 2022.

### New Openings

In 1H22, the Group opened and took over the management of 4 new properties in Japan, Thailand and Indonesia; signed 6 Hotel Management Agreements, 1 Strategic Partnership agreement, 1 Franchise agreement and 1 Residence and Spa Management agreement. Barring no further delay arising from the impact of COVID-19 pandemic and economic risks, the Group expects to open 14 new hotels and 2 rebranded hotels in the next 12 months representing 25% increase in total key count.

1. Angsana Chengdu Wenjiang, China
2. Angsana Ho Tram, Vietnam
3. Angsana Quan Lan, Halong Bay, Vietnam
4. Angsana Quzhou, Zhejiang, China
5. Angsana Saranam Wellbeing Resort, Bali, Indonesia
6. Banyan Tree AlUla, Saudi Arabia
7. Banyan Tree Emei Mountain, Sichuan, China
8. Banyan Tree Quzhou, Zhejiang, China
9. Dhawa Ho Tram, Vietnam
10. Dhawa Jinan Daming Lake, Shandong, China
11. Dhawa Xi'an Chanba, Shaanxi, China
12. Garrya Xianju, Zhejiang, China
13. Homm Huzhou Xisai Shan, Zhejiang, China
14. Homm Sukhumvit 34, Bangkok, Thailand
15. Dhawa Ihuru<sup>2</sup>, Maldives
16. Garrya Tongsai Bay<sup>3</sup>, Koh Samui, Thailand

<sup>1</sup>UNWTO = The World Tourism Organization

<sup>2</sup>Conversion from Angsana Ihuru

<sup>3</sup>Currently operate under white label

# BANYAN TREE GROUP

## Other Information Required by Listing Rule Appendix 7.2 for the Half Year ended 30 June 2022 (Cont'd)

**11 If a decision regarding dividend has been made:-**

**(a) Current financial period reported on. State the amount per share.**

*Any dividend declared for the current financial period reported on? No*

**(b) Corresponding period of the immediately preceding financial year. State the amount per share.**

*Any dividend declared for the corresponding period of the immediately preceding financial year? No.*

**(c) Whether the dividend is before tax, net of tax, or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable.

**(d) Date payable**

Not applicable.

**(e) Books disclosure date**

Not applicable.

**12 If no dividend has been declared (recommended), a statement to that effect.**

No dividend has been declared in the current financial period.

# BANYAN TREE GROUP

## Other Information Required by Listing Rule Appendix 7.2 for the Half Year ended 30 June 2022 (Cont'd)

### 13 Interested Persons Transactions for the Half Year ended 30 June 2022

	Interested Person Transactions	Nature of relationship	Aggregate value of all interested person transactions for 1st half year (excluding transactions less than S\$100,000 and transactions conducted under Shareholders' Mandate) in S\$'000	Aggregate value of all interested person transactions conducted under Shareholders' Mandate for 1st half year (excluding transactions less than S\$100,000) in S\$'000
<b>[A]</b>	<b>Transactions with the Tropical Resorts Limited Group ("TRG")</b>	An associate of the Company's controlling shareholder*		
a	Provision of Resort Management and Related Services to TRG		-	121
b (i)	Reimbursement of Expenses - to TRG		-	177
b (ii)	Reimbursement of Expenses - from TRG		-	382
<b>[B]</b>	<b>Transactions with Lumayan Indah Sdn Bhd</b>	An associate of the Company's controlling shareholder*		
a	Provision of Hotel/Resort Management and Related Services to Banyan Tree Kuala Lumpur		262	-
	<b>Total</b>		<b>262</b>	<b>680</b>

\* The term "controlling shareholder" shall have the meaning ascribed to it in the SGX-ST Listing Manual.

### 14 Confirmation that the issuer has procured undertakings from all its directors and executive officers

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) of the Listing Manual.

### 15 Confirmation by Directors pursuant to Rule 705(5) of the Listing Manual

The Directors of Banyan Tree Holdings Limited (the "Company") confirm that taking into account the matters announced and publicly disclosed by the Company prior to the date of this confirmation and the prevailing accounting policies adopted by the Company in accordance with the Singapore Financial Reporting Standards, to the best of their knowledge, nothing has come to their attention which may render the first half year financial results false or misleading in any material respect.

### BY ORDER OF THE BOARD

Moy Keen Choy  
Company Secretary  
09 August 2022