

BANYAN TREE GROUP

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

Condensed Interim Financial Statements
For the six months and full year ended 31 December 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 31 December 2022

	Explanatory Notes	Group 6 months ended 31 Dec			Group 12 months ended 31 Dec		
		2022	2021	Incr/ (Decr) %	2022	2021	Incr/ (Decr) %
		(\$'000)	(\$'000)		(\$'000)	(\$'000)	
Revenue	1	152,704	164,761	-7%	271,328	221,228	23%
Other income	2	7,711	12,049	-36%	23,782	13,224	80%
Costs and expenses							
Cost of operating supplies		(9,480)	(5,446)	74%	(17,147)	(9,916)	73%
Cost of properties sold		(31,237)	(91,954)	-66%	(50,367)	(100,824)	-50%
Salaries and related expenses		(41,511)	(28,584)	45%	(73,432)	(50,602)	45%
Administrative expenses		(25,747)	(6,228)	313%	(50,277)	(28,691)	75%
Sales and marketing expenses		(9,216)	(3,977)	132%	(13,548)	(7,123)	90%
Other operating expenses		(28,189)	(13,807)	104%	(48,471)	(25,646)	89%
Reversal of impairment losses/(Impairment losses) on financial assets		206	(5,892)	nm	(167)	(7,111)	-98%
Total costs and expenses	3	(145,174)	(155,888)	-7%	(253,409)	(229,913)	10%
Profit before interests, taxes, depreciation and amortisation ("Operating Profit")	4	15,241	20,922	-27%	41,701	4,539	nm
Depreciation of property, plant and equipment and right-of-use assets		(9,606)	(10,116)	-5%	(19,086)	(21,845)	-13%
Amortisation expense		(459)	(439)	5%	(894)	(825)	8%
Profit/(Loss) from operations and other gains		5,176	10,367	-50%	21,721	(18,131)	nm
Finance income	5	6,588	2,399	175%	7,573	3,638	108%
Finance costs	6	(10,854)	(23,146)	-53%	(22,681)	(39,974)	-43%
Share of results of associates	7	(3,214)	858	nm	(5,328)	2,647	nm
(Loss)/Profit before taxation		(2,304)	(9,522)	-76%	1,285	(51,820)	nm
Income tax credit/(expense)	8	3,024	(6,115)	nm	(712)	(9,454)	-92%
Profit/(Loss) after taxation	9	720	(15,637)	nm	573	(61,274)	nm
Attributable to:							
Owners of the Company	10	253	(12,588)	nm	767	(55,192)	nm
Non-controlling interests		467	(3,049)	nm	(194)	(6,082)	-97%
Profit/(Loss) for the Period/Year		720	(15,637)	nm	573	(61,274)	nm

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Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Financial Period ended 31 December 2022 (Cont'd)

	Explanatory Notes	Group 6 months ended 31 Dec			Group 12 months ended 31 Dec		
		2022	2021	Incr/ (Decr) %	2022	2021	Incr/ (Decr) %
		(\$'000)	(\$'000)		(\$'000)	(\$'000)	
Profit/(Loss) for the Period/Year		720	(15,637)	<i>nm</i>	573	(61,274)	<i>nm</i>
Other comprehensive income:							
<u>Items that may be reclassified subsequently to profit or loss:</u>							
Realisation of currency translation reserves		1,623	28	<i>nm</i>	1,623	(139)	<i>nm</i>
Exchange differences arising from consolidation of foreign operations and net investment in foreign operations	11	(1,181)	(17,550)	-93%	(10,240)	(34,720)	-71%
<u>Items that will not be reclassified to profit or loss:</u>							
Adjustment on property revaluation reserve, net of deferred tax		5,180	115	<i>nm</i>	4,884	115	<i>nm</i>
Net fair value (loss)/gain on equity instruments at fair value through other comprehensive income		(7,503)	914	<i>nm</i>	(4,772)	914	<i>nm</i>
Actuarial gain arising from defined benefit plan, net of deferred tax		10	-	100%	10	-	100%
Total comprehensive expense for the Period/Year		(1,151)	(32,130)	-96%	(7,922)	(95,104)	-92%
Attributable to:							
Owners of the Company		(1,511)	(26,392)	-94%	(6,484)	(83,578)	-92%
Non-controlling interests		360	(5,738)	<i>nm</i>	(1,438)	(11,526)	-88%
		(1,151)	(32,130)	-96%	(7,922)	(95,104)	-92%

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

1. Revenue

Revenue decreased by S\$12.1 million from S\$164.8 million in 2H21 to S\$152.7 million in 2H22 due to absence of revenue from the sale of development land in Gold Coast, Australia in 2H21 of S\$76.2 million. Excluding the sale of development land, revenue would have increased by S\$64.1 million from better performance in all segments

Hotel Investments segment reported higher revenue as our hotels in Thailand reported a three-fold increase in revenue over the same period last year.

For the Fee-based segment, revenue S\$2.3 million higher due to re-opening of borders in second quarter of 2022 which resulted in improved performance from our managed hotels in Malaysia and Thailand coupled with continued strong performance from our Mexico hotels.

For the Property Sales segment, revenue was lower due to absence of the sale of our development property in Gold Coast and Brisbane, Australia in 2021. Excluding this sale, Revenue would have increase \$41.2 million mainly due to completion and handover of Skypark condominiums building 1 and 2 in Phuket.

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 decreased by S\$4.3 million from S\$12.0 million in 2H21 to S\$7.7 million in 2H22 mainly due to absence of fee recovery from a discontinued hotel project in Meydan, Dubai recorded in 2H21 but partially cushioned by fair value gain on investment properties.

3. Total costs and expenses

Total costs and expenses decreased by S\$10.7 million from S\$155.9 million in 2H21 to S\$145.2 million in 2H22 due to decrease in Cost of properties sold but offset by an increase in all other expense categories.

Cost of operating supplies increased by S\$4.0 million, which was in line with higher revenue from Hotel Investments segment.

Cost of properties sold decreased by S\$60.7 million, mainly due to absence of sale of development property in Gold Coast and Brisbane, Australia recorded in 2H21.

Salaries and related expenses increased by S\$12.9 million mainly due to the withdrawal of unpaid leave program at end of 2H21, absence of government grants and provision for bonus and incentives in 2H22.

Administrative expenses increased by S\$19.5 million mainly due to exchange losses of S\$7.4 million, higher rental expenses S\$2.2 million, higher property and land taxes S\$1.4 million and absence of fair value gain on Convertible Bonds of S\$7.7 million in 2H21.

Sales and marketing expenses increased by S\$5.2 million mainly due to higher marketing expenses incurred for hotels and property sales.

Other operating expenses increased by S\$14.4 million mainly due to higher utilities, operating supplies, commission paid to travel agents, travelling and repair & maintenance.

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

Operating Profit decreased by S\$5.7 million from S\$20.9 million in 2H21 to S\$15.2 million in 2H22. With the exclusion of non-cash adjustments and one-off items, Core Operating Profit¹ would have been S\$9.5 million or S\$0.6 million lower than 2H21 mainly due to absence of fee recovery from an abandoned project in 2H21 for S\$9.6 million and foreign exchange losses of S\$7.4 million but partially cushioned by strong improvement in Hotel investments segment.

¹Core 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 Singapore Financial Reporting Standards (International).

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

5. Finance income

Finance income increased by S\$4.2 million mainly due to interest income of \$5.4 million from receivables where fair value adjustment was made in prior years to accrete for the fair value.

6. Finance costs

Finance costs decreased by S\$12.3 million due to absence of interest expense from receivables where fair value adjustment was made in prior year for S\$10.1 million.

7. Share of results of associates

The Group's share of associates' losses is S\$3.2 million as compared to profits of S\$0.9 million in 2H21. The decrease was mainly due to higher share of losses in Indochina Fund and share of fair value adjustment on receivables as mentioned in Note 5 above.

8. Income tax expense

On tax expenses, 2H22 recorded tax credit of S\$3.0 million as compared to an expense of \$6.1 million in 2H21 due to recognition of deferred tax assets for loss-making companies which we expect to generate profits to utilise tax losses in future.

9. Profit/(Loss) after taxation

Profit after taxation was S\$0.7 million as compared to a loss of S\$15.6 million in 2H21. This was mainly due to higher finance income, lower finance costs and income tax credit but partially offset by lower operating profit and share of loss of associates as mentioned above.

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

As a result of the foregoing, profit attributable to owners of the Company increased by S\$12.9 million from loss of S\$12.6 million in 2H21 to profit of S\$0.3 million in 2H22.

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

In 2H22, the exchange loss on translation of foreign operations' net assets was mainly due to depreciation of US dollar against Singapore dollar. In 2H21, the exchange loss on translation of foreign operations' net assets was mainly due to the depreciation of Thai baht against Singapore dollar.

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Condensed Interim Balance Sheets as at 31 December 2022

	Notes	Group As at			Company As at		
		31-Dec-22 (S\$'000)	31-Dec-21 (S\$'000)	Incr/ (Decr) %	31-Dec-22 (S\$'000)	31-Dec-21 (S\$'000)	Incr/ (Decr) %
Non-current assets							
Property, plant and equipment	1	555,621	567,671	-2%	-	-	-
Right-of-use assets		17,187	17,718	-3%	-	-	-
Investment properties	2	85,262	79,689	7%	-	-	-
Intangible assets		38,031	36,723	4%	3,881	3,730	4%
Land use rights		2,731	2,647	3%	-	-	-
Subsidiaries		-	-	-	502,259	562,806	-11%
Associates	3	102,669	111,135	-8%	869	869	0%
Joint ventures		51	-	100%	-	-	-
Long-term investments		24,238	29,010	-16%	-	-	-
Deferred tax assets	4	29,368	21,042	40%	-	-	-
Prepaid island rental		16,554	17,557	-6%	-	-	-
Prepayments		1,600	1,555	3%	-	-	-
Long-term receivables		17,052	20,418	-16%	-	-	-
Other receivables		2,490	4,511	-45%	-	-	-
Amounts due from related parties		269	2,042	-87%	-	-	-
		893,123	911,718	-2%	507,009	567,405	-11%
Current assets							
Property development costs	5	186,255	211,391	-12%	-	-	-
Inventories		4,463	4,050	10%	-	-	-
Prepayments and other non-financial assets		14,546	11,220	30%	403	699	-42%
Trade receivables		47,854	41,884	14%	112	5,347	-98%
Other receivables		14,406	13,245	9%	1,045	509	105%
Contract assets		1,557	1,666	-7%	-	-	-
Amounts due from subsidiaries		-	-	-	171,582	169,789	1%
Amounts due from associates	3	30,072	41,869	-28%	10,334	7,202	43%
Amounts due from related parties		96	52	85%	18	16	13%
Investments		72,149	74,159	-3%	-	2,010	-100%
Cash and short-term deposits		92,795	112,326	-17%	29,673	63,060	-53%
		464,193	511,862	-9%	213,167	248,632	-14%
Total assets							
		1,357,316	1,423,580	-5%	720,176	816,037	-12%
Current liabilities							
Tax payable		9,134	11,524	-21%	-	-	-
Other non-financial liabilities		13,134	13,321	-1%	1,726	1,051	64%
Interest-bearing loans and borrowings	6	104,237	153,576	-32%	42,095	58,825	-28%
Convertible bonds	7	-	42,473	-100%	-	42,473	-100%
Derivative liability conversion option in convertible bonds	7	-	16,193	-100%	-	16,193	-100%
Trade payables		24,468	21,825	12%	-	-	-
Other payables		128,777	115,123	12%	6,696	70,411	-90%
Contract liabilities	8	95,038	69,286	37%	-	-	-
Lease liabilities		2,705	2,291	18%	-	-	-
Amounts due to subsidiaries		-	-	-	54,200	33,677	61%
Amounts due to associates		17,912	17,873	0%	-	-	-
Amounts due to related parties		990	648	53%	13	13	0%
		396,395	464,133	-15%	104,730	222,643	-53%
Net current assets							
		67,798	47,729	42%	108,437	25,989	317%

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Condensed Interim Balance Sheets as at 31 December 2022 (Cont'd)

	Group			Company		
	As at			As at		
	31-Dec-22	31-Dec-21	Incr/ (Decr) %	31-Dec-22	31-Dec-21	Incr/ (Decr) %
	(S\$'000)	(S\$'000)		(S\$'000)	(S\$'000)	
Non-current liabilities						
Deferred tax liabilities	131,752	128,889	2%	-	-	-
Defined and other long-term employee benefits	5,016	5,210	-4%	-	-	-
Deposits received	1,874	1,901	-1%	-	-	-
Other non-financial liabilities	20,958	16,847	24%	-	-	-
Interest-bearing loans and borrowings	233,107	233,173	0%	42,778	33,548	28%
Other payables	3,574	3,239	10%	-	-	-
Lease liabilities	31,495	32,103	-2%	-	-	-
Amounts due to subsidiaries	-	-	-	194,952	133,852	46%
	427,776	421,362	2%	237,730	167,400	42%
Total liabilities	824,171	885,495	-7%	342,460	390,043	-12%
Net assets	533,145	538,085	-1%	377,716	425,994	-11%
Equity attributable to owners of the Company						
Share capital	250,668	247,578	1%	250,668	247,578	1%
Treasury shares	(623)	(706)	-12%	(623)	(706)	-12%
Reserves	234,453	241,378	-3%	127,671	179,122	-29%
	484,498	488,250	-1%	377,716	425,994	-11%
Non-controlling interests	48,647	49,835	-2%	-	-	-
Total equity	533,145	538,085	-1%	377,716	425,994	-11%

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Explanatory Notes to the Condensed Interim Balance Sheets

1. Property, plant and equipment

Property, plant and equipment decreased by S\$12.1 million to S\$555.6 million as at 31 December 2022. The decrease was mainly due to downward currency translation adjustment on opening balance due to weakening of Thai baht against Singapore dollars but partially cushioned by revaluation gain on Banyan Tree House.

2. Investment properties

Investment properties increased by S\$5.6 million mainly due to fair value gains on our investment properties in Thailand and Singapore but partially offset by downward currency translation on opening balance due to weakening of Thai Baht against Singapore dollars.

3. Associates and Amount due from associates

Long-term associates balance decreased by S\$8.5 million due to share of losses and and short-term amount due from associates decreased by S\$11.8 million due to collections from associates.

4. Deferred tax assets

Deferred tax assets increased by S\$8.3 million due to recognition of deferred tax assets for subsidiaries which we expect to generate profits to utilise tax losses in future.

5. Property development costs

Property development costs decreased by S\$25.1 million to S\$186.3 million as at 31 December 2022 mainly due to transfers to cost of properties sold following Property Sales recognition during the year and translation loss on opening balance due to weakening of Thai baht against Singapore dollar.

6. Current and non-current interest-bearing loans and borrowings

Current interest-bearing loans and borrowings decreased by S\$49.3 million mainly due to re-financing and deferment from current to non-current of term loans from Maybank and Aareal bank and scheduled repayments during the year. Current portion of interest-bearing loans and borrowings included short-term loan and RCF of S\$77.0 million. All RCF were rolled-over in 2H22. There is no indication that these facilities would not continue to be rolled-over.

7. Convertible Bonds and Derivative liability conversion option in Convertible Bonds

Convertible Bonds and Derivative liability conversion option in Convertible Bonds were fully redeemed on maturity in August 2022.

8. Contract liabilities

Contract liabilities increased by S\$25.7 million to S\$95.0 million mainly due to deposits received from property sales buyers and property sales royalties billed to developers.

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Condensed Interim Consolidated Cash Flow Statement for the Financial Period ended 31 December 2022

	Group		Group	
	6 months ended 31 Dec		12 months ended 31 Dec	
	2022 (S\$'000)	2021 (S\$'000)	2022 (S\$'000)	2021 (S\$'000)
Cash flows from operating activities				
(Loss)/Profit before taxation	(2,304)	(9,522)	1,285	(51,820)
Adjustments for:				
Share of results of associates	3,214	(858)	5,328	(2,647)
Depreciation of property, plant and equipment and right-of-use assets	9,606	10,116	19,086	21,845
Loss/(Gain) on disposal of property, plant and equipment	116	82	126	(558)
Allowance for impairment loss on property, plant and equipment, net (Write-back of)/allowance for impairment loss on right-of-use assets	746	433	915	433
Write off of property, plant and equipment	-	(30)	-	87
Finance income	311	156	335	156
Finance costs	(6,588)	(2,399)	(7,573)	(3,638)
Amortisation expense	10,855	23,146	22,681	39,974
Write-back of loss allowance on financial assets	459	439	894	825
Provision for loss allowance on financial assets	(416)	(495)	(786)	(850)
Write-down of property development costs (Write-back of)/allowance for inventory obsolescence	210	6,387	953	7,961
Provision for employee benefits	393	374	393	1,596
Provision for share-based payment expenses	(4)	(105)	92	158
Gain on disposal of investments in subsidiaries	410	332	620	447
(Gain on expiry of derivatives)/Fair value loss on derivatives	85	209	119	164
Net fair value gain on investment properties	-	-	-	(167)
Currency realignment	-	(7,736)	(15,384)	2,708
Operating Profit before working capital changes	(6,887)	(1,060)	(6,887)	(1,060)
(Increase)/Decrease in inventories	2,808	1,910	426	1,422
Decrease in property development costs	13,014	21,379	22,623	17,036
(Increase)/Decrease in contract assets, trade and other receivables	(440)	130	(614)	539
Decrease in amounts due from related parties	14,308	66,903	18,127	84,564
Increase in contract liabilities, trade and other payables	(9,951)	(1,747)	(6,024)	10,393
	25,781	4,892	27,653	2,771
	33,285	27,167	53,473	26,429
	62,983	97,345	92,615	124,696
Cash flows generated from operating activities	75,997	118,724	115,238	141,732
Interest received	1,222	1,757	2,207	3,662
Interest paid	(9,294)	(9,089)	(20,046)	(21,863)
Tax paid	(3,525)	(1,311)	(5,831)	(2,680)
Payment of employee benefits	(582)	(1,161)	(665)	(1,411)
Payment of cash-settled share grants	-	-	(15)	(34)
Net cash flows generated from operating activities	63,818	108,920	90,888	119,406
Cash flows from investing activities				
Purchase of property, plant and equipment	(14,995)	(3,957)	(18,738)	(6,751)
Proceeds from disposal of property, plant and equipment	281	47	431	1,027
Increase in investment in joint venture	(53)	-	(53)	-
Dividend income from associate	-	494	769	494
Subsequent expenditure on investment properties	-	-	(78)	-
Additions to intangible assets	-	-	(237)	-
Net cash flows used in investing activities	(14,767)	(3,416)	(17,906)	(5,230)
Cash flows from financing activities				
Proceeds from bank loans	1,413	12,924	5,959	69,386
Repayment of bank loans	(33,903)	(71,994)	(48,803)	(116,456)
Redemption of convertible bonds	(43,760)	-	(43,760)	-
Payment of principal portion of lease liabilities	(3,296)	(2,669)	(4,128)	(3,234)
Payment of dividends				
- by subsidiaries to loan stockholders	(200)	(213)	(200)	(213)
Net cash flows used in financing activities	(79,746)	(61,952)	(90,932)	(50,517)
Net (decrease)/increase in cash and short-term deposits	(30,695)	43,552	(17,950)	63,659
Net foreign exchange difference	159	(1,519)	(1,581)	(2,620)
Cash and short-term deposits at beginning of financial period/year	123,331	70,293	112,326	51,287
Cash and short-term deposits at end of the financial period/year	92,795	112,326	92,795	112,326
Cash and cash equivalents			90,052	109,353
Restricted cash			2,743	2,973
Total cash and short-term deposits as shown above			92,795	112,326

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Explanatory Notes to the Condensed Interim Consolidated Cash Flow Statement

The Group's cash and cash equivalents decreased by S\$19.5 million or 17% from S\$112.3 million as at 31 December 2021 to S\$92.8 million as at 31 December 2022.

2H22

For the six months ended 31 December 2022, net cash flows generated from operating activities was S\$63.8 million. This was mainly due to adjustments for non-cash items of S\$15.3 million and increase in working capital of S\$63.0 million but partially offset by loss before taxation of S\$2.3 million, net interest paid of S\$8.1 million and tax paid of S\$3.5 million.

Net cash flows used in investing activities was S\$14.8 million, mainly due to purchases of furniture, fittings and equipment by the Group's resorts for their operations of S\$15.0 million.

Net cash flows used in financing activities amounted to S\$79.7 million, mainly due to repayments of bank borrowings of S\$33.9 million, redemption of Convertible Bonds of S\$43.8 million upon maturity in August 2022 and payment of lease liabilities of S\$3.3 million mainly relating to our Maldives islands. This was partially cushioned by additional bank borrowings of S\$1.4 million.

FY22

For the full year ended 31 December 2022, net cash flows generated from operating activities was S\$90.9 million. This was mainly due to adjustments for non-cash items of S\$21.3 million and increase in working capital of S\$92.6 million but partially offset by net interest paid of S\$17.8 million and tax paid of S\$5.8 million.

Net cash flows used in investing activities was S\$17.9 million, mainly due to purchases of furniture, fittings and equipment by the Group's resorts for their operations.

Net cash flows used in financing activities amounted to S\$90.9 million, mainly due to repayments of bank borrowings of S\$48.8 million and redemption of Convertible Bonds upon maturity in August 2022, which was partially cushioned by additional bank borrowings of S\$6.0 million. In addition, there was payment of lease liabilities of S\$4.1 million mainly relating to our Maldives islands.

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Condensed Interim Statements of Changes in Equity for the Financial Period ended 31 December 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)
Balance as at 1 January 2022	247,578	(706)	7,914	8,384	205,223	(58,662)	21,470	57,049	488,250	49,835	538,085
Profit after taxation	-	-	-	-	-	-	-	767	767	(194)	573
Other comprehensive loss for the Period	-	-	-	-	4,884	(7,425)	(4,720)	10	(7,251)	(1,244)	(8,495)
Total comprehensive loss for the Period	-	-	-	-	4,884	(7,425)	(4,720)	777	(6,484)	(1,438)	(7,922)
<u>Contributions by and distributions to owners</u>											
Treasury shares reissued pursuant to Share-based Incentive Plan	-	83	(44)	-	-	-	(39)	-	-	-	-
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	92	-	-	-	-	-	92	-	92
Issue of new shares	3,090	-	-	-	-	-	-	-	3,090	-	3,090
Total contributions by and distributions to owners	3,090	83	48	-	-	-	(39)	-	3,182	-	3,182
<u>Changes in ownership interests in subsidiary</u>											
Acquisition of non-controlling interests	-	-	-	-	-	-	(250)	-	(250)	250	-
Total changes in ownership interests in subsidiary	-	-	-	-	-	-	(250)	-	(250)	250	-
Total transactions with owners in their capacity as owners	3,090	83	48	-	-	-	(289)	-	2,932	250	3,182
<u>Other changes in equity</u>											
Dividends paid to loan stockholders of a subsidiary	-	-	-	-	-	-	-	(200)	(200)	-	(200)
Transfer to accumulated profits upon disposal of asset	-	-	-	-	(1,864)	-	-	1,864	-	-	-
Transfer to legal reserve	-	-	-	4	-	-	-	(4)	-	-	-
Total other changes in equity	-	-	-	4	(1,864)	-	-	1,660	(200)	-	(200)
Balance as at 31 December 2022	250,668	(623)	7,962	8,388	208,243	(66,087)	16,461	59,486	484,498	48,647	533,145

* 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 31 December 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	-	-	-	-	-	-	-	(55,192)	(55,192)	(6,082)	(61,274)
Other comprehensive loss for the Period	-	-	-	-	115	(29,419)	918	-	(28,386)	(5,444)	(33,830)
Total comprehensive loss for the Period	-	-	-	-	115	(29,419)	918	(55,192)	(83,578)	(11,526)	(95,104)
<u>Contributions by and distributions to owners</u>											
Treasury shares reissued pursuant to Share-based Incentive Plan	-	52	(33)	-	-	-	(19)	-	-	-	-
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	(26)	-	-	-	-	-	(26)	-	(26)
Issue of new shares	5,828	-	-	-	-	-	-	-	5,828	-	5,828
Total transactions with owners in their capacity as owners	5,828	52	(59)	-	-	-	(19)	-	5,802	-	5,802
<u>Other changes in equity</u>											
Dividends paid to loan stockholders of a subsidiary	-	-	-	-	-	-	-	(213)	(213)	-	(213)
Transfer to accumulated profits upon disposal of asset	-	-	-	-	(1,015)	-	-	1,015	-	-	-
Transfer to legal reserve	-	-	-	104	-	-	-	(104)	-	-	-
Total other changes in equity	-	-	-	104	(1,015)	-	-	698	(213)	-	(213)
Balance as at 31 December 2021	247,578	(706)	7,914	8,384	205,223	(58,662)	21,470	57,049	488,250	49,835	538,085

* 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 31 December 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)
Balance as at 1 January 2022	247,578	(706)	7,914	4,562	166,646	425,994
Total comprehensive loss for the Period	-	-	-	-	(51,460)	(51,460)
<u>Contributions by and distributions to owners</u>						
Treasury shares reissued pursuant to Share-based Incentive Plan	-	83	(44)	(39)	-	-
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	92	-	-	92
Issue of new shares	3,090	-	-	-	-	3,090
Total transactions with owners in their capacity as owners	3,090	83	48	(39)	-	3,182
Balance as at 31 December 2022	250,668	(623)	7,962	4,523	115,186	377,716

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)
Balance as at 1 January 2021	241,750	(758)	7,973	4,581	205,171	458,717
Total comprehensive loss for the Period	-	-	-	-	(38,525)	(38,525)
<u>Contributions by and distributions to owners</u>						
Treasury shares reissued pursuant to Share-based Incentive Plan	-	52	(33)	(19)	-	-
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	(26)	-	-	(26)
Issue of new shares	5,828	-	-	-	-	5,828
Total transactions with owners in their capacity as owners	5,828	52	(59)	(19)	-	5,802
Balance as at 31 December 2021	247,578	(706)	7,914	4,562	166,646	425,994

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

BANYAN TREE GROUP

Notes to the Unaudited 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 and twelve-month period ended 31 December 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 31 December 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 interim financial statements for the period ended 30 June 2022.

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.

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

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

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.

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.

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

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

2.3 Significant accounting estimates and judgments (cont'd)

Key sources of estimation uncertainty (cont'd)

(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) *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. 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.

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.

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

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

2.3 Significant accounting estimates and judgments (cont'd)

Key sources of estimation uncertainty (cont'd)

(ii) Loss allowance for trade and non-trade receivables (cont'd)

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.

(iii) 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, taking into consideration any significant changes to economic and market conditions. 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 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.

(iv) 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.

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

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

	Hotel invest- ments \$'000	Property sales \$'000	Fee- based segment \$'000	Head Office \$'000	Total \$'000
1 July 2022 to 31 December 2022					
Revenue:					
Segment revenue					
Sales	73,808	54,284	34,360	–	162,452
Inter-segment sales	(87)	–	(9,661)	–	(9,748)
<hr/>					
Sales to external customers	73,721	54,284	24,699	–	152,704
<hr/>					
Results:					
Segment results	(6,719)	10,252	5,162	(11,230)	(2,535)
<hr/>					
Unallocated income					7,711
<hr/>					
Profit from operations and other gains					5,176
Finance income	16	755	5,468	349	6,588
Finance costs	(5,457)	(479)	(280)	(4,638)	(10,854)
Share of results of associates	–	–	–	(3,214)	(3,214)
<hr/>					
Loss before taxation					(2,304)
Income tax credit					3,024
<hr/>					
Profit for the financial period					720
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BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

4.1 Reportable segments (cont'd)

	Hotel invest- ments \$'000	Property sales \$'000	Fee- based segment \$'000	Head Office \$'000	Total \$'000
1 July 2022 to 31 December 2022					
Other segment information:					
Capital expenditure	14,707	153	134	1	14,995
Depreciation of property, plant and equipment and right-of-use assets	8,354	558	598	96	9,606
Amortisation expense	401	15	–	43	459
Other non-cash items	70	126	(247)	1,478	1,427
<hr/>					
	Hotel invest- ments \$'000	Property sales \$'000	Fee- based segment \$'000	Head Office \$'000	Total \$'000
1 July 2021 to 31 December 2021					
Revenue:					
Segment revenue					
Sales	37,050	105,355	30,254	–	172,659
Inter-segment sales	(82)	–	(7,816)	–	(7,898)
<hr/>					
Sales to external customers	36,968	105,355	22,438	–	164,761
<hr/>					
Results:					
Segment results	(18,456)	7,644	7,179	1,951	(1,682)
<hr/>					
Unallocated income					12,049
<hr/>					
Profit from operations and other gains					10,367
Finance income	27	925	467	980	2,399
Finance costs	(5,293)	(415)	(546)	(16,892)	(23,146)
Share of results of associates	(19)	–	–	877	858
<hr/>					
Loss before taxation					(9,522)
Income tax expense					(6,115)
<hr/>					
Loss for the financial period					(15,637)
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BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

4.1 Reportable segments (cont'd)

	Hotel invest- ments \$'000	Property sales \$'000	Fee- based segment \$'000	Head Office \$'000	Total \$'000
1 July 2021 to 31 December 2021					
Other segment information:					
Capital expenditure	3,886	8	52	12	3,958
Depreciation of property, plant and equipment and right-of-use assets	8,862	579	593	82	10,116
Amortisation expense	381	15	–	43	439
Other non-cash items	95	941	581	1,839	3,456

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

4.1 Reportable segments (cont'd)

	Hotel invest- ments \$'000	Property sales \$'000	Fee- based segment \$'000	Head Office \$'000	Total \$'000
1 January 2022 to 31 December 2022					
Revenue:					
Segment revenue					
Sales	134,666	90,839	63,339	–	288,844
Inter-segment sales	(170)	–	(17,346)	–	(17,516)
	<hr/>				
Sales to external customers	134,496	90,839	45,993	–	271,328
	<hr/>				
Results:					
Segment results	(13,206)	19,440	11,060	(19,355)	(2,061)
	<hr/>				
Unallocated income					23,782
	<hr/>				
Profit from operations and other gains					21,721
Finance income	24	1,592	5,567	390	7,573
Finance costs	(10,244)	(1,022)	(683)	(10,732)	(22,681)
Share of results of associates	4	–	–	(5,332)	(5,328)
	<hr/>				
Profit before taxation					1,285
Income tax expense					(712)
	<hr/>				
Profit for the financial period					573
	<hr/>				
Other segment information:					
Capital expenditure	18,118	277	280	63	18,738
Depreciation of property, plant and equipment and right-of-use assets	16,650	1,135	1,137	164	19,086
Amortisation expense	778	30	–	86	894
Other non-cash items	108	(30)	(117)	1,839	1,800
	<hr/>				

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

4.1 Reportable segments (cont'd)

	Hotel invest- ments \$'000	Property sales \$'000	Fee- based segment \$'000	Head Office \$'000	Total \$'000
Year ended					
31 December 2022					
Assets and liabilities:					
Segment assets	476,885	337,560	261,904	148,879	1,225,228
Associates	–	–	–	102,669	102,669
Joint ventures	–	–	–	51	51
Deferred tax assets	8,149	19,763	793	663	29,368
Total assets					1,357,316
Segment liabilities	104,257	85,523	57,991	98,170	345,941
Interest-bearing loans and borrowings	228,974	21,235	2,262	84,873	337,344
Current and deferred tax liabilities	31,437	83,426	21,527	4,496	140,886
Total liabilities					824,171
1 January 2021 to					
31 December 2021					
Revenue:					
Segment revenue					
Sales	59,646	122,788	47,984	–	230,418
Inter-segment sales	(156)	–	(9,034)	–	(9,190)
Sales to external customers	59,490	122,788	38,950	–	221,228
Results:					
Segment results	(38,044)	11,072	9,204	(13,587)	(31,355)
Unallocated income					13,224
Loss from operations and other gains					(18,131)
Finance income	32	1,997	613	996	3,638
Finance costs	(11,035)	(1,477)	(953)	(26,509)	(39,974)
Share of results of associates	(35)	–	–	2,682	2,647
Loss before taxation					(51,820)
Income tax expense					(9,454)
Loss for the financial period					(61,274)

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

4.1 Reportable segments (cont'd)

	Hotel invest- ments \$'000	Property sales and others \$'000	Fee- based segment \$'000	Head Office \$'000	Total \$'000
1 January 2021 to 31 December 2021					
Other segment information:					
Capital expenditure	6,372	8	138	234	6,752
Depreciation of property, plant and equipment and right-of-use assets	18,787	1,267	1,472	319	21,845
Amortisation expense	722	18	–	85	825
Other non-cash items	348	1,299	615	2,413	4,675
<hr/>					
Year ended 31 December 2021					
Assets and liabilities:					
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					<hr/> 1,423,580 <hr/>
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					<hr/> 885,495 <hr/>

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

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/year is as follows:

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 31 December:

Primary geographical markets

Singapore	–	–	–	–	20	279	20	279
South East Asia	52,989	16,333	54,284	13,061	13,333	7,597	120,606	36,991
Indian Oceania	19,952	20,544	–	–	177	104	20,129	20,648
Middle East	–	–	–	–	–	822	–	822
North East Asia	–	–	–	–	5,756	5,240	5,756	5,240
Rest of the world	780	91	–	92,294	5,413	8,396	6,193	100,781
	<u>73,721</u>	<u>36,968</u>	<u>54,284</u>	<u>105,355</u>	<u>24,699</u>	<u>22,438</u>	<u>152,704</u>	<u>164,761</u>

Major product or service lines

Hotel investments	73,721	36,968	–	–	–	–	73,721	36,968
Property sales	–	–	54,284	105,355	–	–	54,284	105,355
Management services	–	–	–	–	18,570	16,397	18,570	16,397
Spa operation	–	–	–	–	1,610	1,469	1,610	1,469
Project and design services	–	–	–	–	2,148	2,176	2,148	2,176
Merchandise sales	–	–	–	–	1,703	1,828	1,703	1,828
Rental income	–	–	–	–	668	568	668	568
	<u>73,721</u>	<u>36,968</u>	<u>54,284</u>	<u>105,355</u>	<u>24,699</u>	<u>22,438</u>	<u>152,704</u>	<u>164,761</u>

Timing of transfer of goods or services

At a point in time	33,345	15,740	54,284	105,355	2,321	3,028	89,950	124,123
Over time	40,376	21,228	–	–	22,378	19,410	62,754	40,638
	<u>73,721</u>	<u>36,968</u>	<u>54,284</u>	<u>105,355</u>	<u>24,699</u>	<u>22,438</u>	<u>152,704</u>	<u>164,761</u>

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

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

12 months ended 31 December:

Primary geographical markets

Singapore	–	–	–	–	282	469	282	469
South East Asia	88,116	22,238	90,839	30,494	22,245	15,173	201,200	67,905
Indian Ocean	45,211	37,145	–	–	335	157	45,546	37,302
Middle East	–	–	–	–	1,416	1,637	1,416	1,637
North East Asia	–	–	–	–	10,189	10,762	10,189	10,762
Rest of the world	1,169	107	–	92,294	11,526	10,752	12,695	103,153
	134,496	59,490	90,839	122,788	45,993	38,950	271,328	221,228

Major product or service lines

Hotel investments	134,496	59,490	–	–	–	–	134,496	59,490
Property sales	–	–	90,839	122,788	–	–	90,839	122,788
Management services	–	–	–	–	33,956	27,847	33,956	27,847
Spa operation	–	–	–	–	2,827	2,638	2,827	2,638
Project and design services	–	–	–	–	4,269	3,450	4,269	3,450
Merchandise sales	–	–	–	–	3,494	3,837	3,494	3,837
Rental income	–	–	–	–	1,447	1,178	1,447	1,178
	134,496	59,490	90,839	122,788	45,993	38,950	271,328	221,228

Timing of transfer of goods or services

At a point in time	59,952	25,861	90,839	122,788	4,804	5,806	155,595	154,445
Over time	74,544	33,629	–	–	41,189	33,144	115,733	66,773
	134,496	59,490	90,839	122,788	45,993	38,950	271,328	221,228

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

4.3 Breakdown of sales

	12 months ended 31 December 2022 \$'000	The Group 12 months ended 31 December 2021 \$'000	Change %
a) Sales reported for first half year	118,624	56,467	110
b) Operating loss after tax before deducting non-controlling interests reported for first half year	(147)	(45,637)	nm
c) Sales reported for second half year	152,704	164,761	(7)
d) Operating profit/(loss) after tax before deducting non-controlling interests reported for second half year	720	(15,637)	nm

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 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
Group										
31 December 2022										
Non-current assets										
Long-term investments	–	24,238	–	–	–	24,238	2	–	24,236	24,238
Long-term receivables	17,052	–	–	–	–	17,052	–	–	–	–
Other receivables	2,490	–	–	–	–	2,490	–	–	–	–
Amount due from related parties – Long term	269	–	–	–	–	269	–	–	–	–
	19,811	24,238	–	–	–	44,049	2	–	24,236	24,238
Current assets										
Trade receivables	47,854	–	–	–	–	47,854	–	–	–	–
Other receivables	14,406	–	–	–	–	14,406	–	–	–	–
Amounts due from associates	30,072	–	–	–	–	30,072	–	–	–	–
Amounts due from related parties	96	–	–	–	–	96	–	–	–	–
Investments	–	72,149	–	–	–	72,149	–	72,149	–	72,149
Cash and short-term deposits	92,795	–	–	–	–	92,795	–	–	–	–
	185,223	72,149	–	–	–	257,372	–	72,149	–	72,149
Total assets	205,034	96,387	–	–	–	301,421	2	72,149	24,236	96,387

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

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 31 December 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
Group										
31 December 2022										
Current liabilities										
Interest-bearing loans and borrowings	–	–	–	104,237	–	104,237	–	–	–	–
Trade payables	–	–	–	24,468	–	24,468	–	–	–	–
Other payables	–	–	–	128,777	–	128,777	–	–	–	–
Lease liabilities	–	–	–	2,705	–	2,705	–	–	–	–
Amounts due to associates	–	–	–	17,912	–	17,912	–	–	–	–
Amounts due to related parties	–	–	–	990	–	990	–	–	–	–
	–	–	–	279,089	–	279,089	–	–	–	–
Non-current liabilities										
Deposits received	–	–	–	1,874	–	1,874	–	–	–	–
Interest-bearing loans and borrowings	–	–	–	233,107	–	233,107	–	–	–	–
Other payables	–	–	–	3,574	–	3,574	–	–	–	–
Lease liabilities	–	–	–	31,495	–	31,495	–	–	–	–
	–	–	–	270,050	–	270,050	–	–	–	–
Total liabilities	–	–	–	549,139	–	549,139	–	–	–	–

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

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 31 December 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
Group										
31 December 2021										
Non-current assets										
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	–	–	–	–
Amount due from related parties – Long term	2,042	–	–	–	–	2,042	–	–	–	–
	26,971	29,010	–	–	–	55,981	2	–	29,008	29,010
Current assets										
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	–	74,159	–	74,159
Cash and short-term deposits	112,326	–	–	–	–	112,326	–	–	–	–
	209,376	72,149	2,010	–	–	283,535	–	74,159	–	74,159
Total assets	236,347	101,159	2,010	–	–	339,516	2	74,159	29,008	103,169

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

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 31 December 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
Group										
31 December 2021										
Current liabilities										
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
Non-current liabilities										
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	–	–	–	–
Total liabilities	–	–	–	622,324	16,193	638,517	–	–	16,193	16,193

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

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 31 December 2022 and 31 December 2021: (cont'd)

	Carrying amount				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	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Company 31 December 2022									
Non-current assets									
Subsidiaries	1,081	–	–	–	1,081	–	–	–	–
	1,081	–	–	–	1,081	–	–	–	–
Current assets									
Trade receivables	112	–	–	–	112	–	–	–	–
Other receivables	1,045	–	–	–	1,045	–	–	–	–
Amounts due from subsidiaries	171,582	–	–	–	171,582	–	–	–	–
Amounts due from associates	10,334	–	–	–	10,334	–	–	–	–
Amounts due from related parties	18	–	–	–	18	–	–	–	–
Cash and short-term deposits	29,673	–	–	–	29,673	–	–	–	–
	212,764	–	–	–	212,764	–	–	–	–
Total assets	213,845	–	–	–	213,845	–	–	–	–

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

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 31 December 2022 and 31 December 2021: (cont'd)

	Carrying amount				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	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Company 31 December 2022									
Current liabilities									
Interest-bearing loans and borrowings	–	–	42,095	–	42,095	–	–	–	–
Other payables	–	–	6,696	–	6,696	–	–	–	–
Amounts due to subsidiaries	–	–	54,200	–	54,200	–	–	–	–
Amounts due to related parties	–	–	13	–	13	–	–	–	–
	–	–	103,004	–	103,004	–	–	–	–
Non-current liabilities									
Interest-bearing loans and borrowings	–	–	42,778	–	42,778	–	–	–	–
Amounts due to subsidiaries	–	–	194,952	–	194,952	–	–	–	–
	–	–	237,730	–	237,730	–	–	–	–
Total liabilities	–	–	340,734	–	340,734	–	–	–	–

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

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 31 December 2022 and 31 December 2021: (cont'd)

	Carrying amount				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	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Company 31 December 2021									
Non-current assets									
Subsidiaries	1,238	–	–	–	1,238	–	–	–	–
	1,238	–	–	–	1,238	–	–	–	–
Current assets									
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
Total assets	247,161	2,010	–	–	249,171	–	2,010	–	2,010

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

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 31 December 2022 and 31 December 2021: (cont'd)

	Carrying amount					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	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Company									
31 December 2021									
Current liabilities									
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
Non-current liabilities									
Interest-bearing loans and borrowings	–	–	33,548	–	33,548	–	–	–	–
Amounts due to subsidiaries	–	–	133,852	–	133,852	–	–	–	–
	–	–	167,400	–	167,400	–	–	–	–
Total liabilities	–	–	372,799	16,193	388,992	–	–	16,193	16,193

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

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 31 December 2022 \$'000	6 months ended 31 December 2021 \$'000	12 months ended 31 December 2022 \$'000	12 months ended 31 December 2021 \$'000
(Write-back of)/Allowance for inventory obsolescence	(4)	(105)	92	158
Loss/(Gain) on disposal of property, plant and equipment, net	116	82	126	(558)
Write-off of property, plant and equipment	311	156	335	156
Impairment loss on property, plant and equipment	746	433	915	433
Net fair value gain on investment properties	(6,887)	(1,060)	(6,887)	(1,060)
(Gain on expiry of derivatives)/Fair value (gain)/loss on derivatives	–	(7,736)	(15,384)	2,708
Write-down of property development costs	393	374	393	1,596
(Write-back of)/Allowance for impairment loss on right-of-use assets	–	(30)	–	87
Gain on disposal of investments in subsidiaries	–	–	–	(167)
Impairment losses on financial assets:				
- Long-term receivables	889	(943)	–	(820)
- Long-term amount due from related parties	(58)	1,976	(58)	1,976
- Amount due from associates	(424)	(70)	(35)	(62)
- Trade receivables	(761)	2,447	(64)	3,492
- Amount due from related parties	13	45	6	88
- Other receivables	135	2,436	318	2,436
Provision for employee benefits	410	332	620	447
Provision for share-based payment expenses	85	209	119	164
Exchange loss/(gain)	4,155	(3,275)	8,280	(3,795)

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

6 Profit/(Loss) from operations and other gains (cont'd)

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/year:

	Group			
	6 months ended 31 December 2022 \$'000	6 months ended 31 December 2021 \$'000	12 months ended 31 December 2022 \$'000	12 months ended 31 December 2021 \$'000
(a) Associates:				
- Management and service fee income	(9)	76	11	78
- Reservation fee income	39	17	39	17
- China Licensing fee	1,815	2,505	3,163	7,692
- Others	375	410	490	410
(b) Related parties				
- Management and service fee income	275	3	285	3
- Rental income	87	119	199	199
- Reservation fee income	33	-	35	-
- Royalty income	122	-	122	-
- Others	5	23	17	31

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

7 Income tax expense

Major components of income tax expense

Major components of income taxes for the financial period/year ended 31 December 2022 and 2021 are:

	Group			
	6 months ended 31 December 2022 \$'000	6 months ended 31 December 2021 \$'000	12 months ended 31 December 2022 \$'000	12 months ended 31 December 2021 \$'000
Consolidated income statement:				
<i>Current income tax</i>				
Current income taxation	1,103	2,043	2,053	2,969
(Over)/Under provision in respect of prior years	(603)	(15)	(277)	129
	500	2,028	1,776	3,098
<i>Deferred income tax</i>				
Origination and reversal in temporary differences	583	2,723	2,058	2,311
Benefits from previously unrecognized tax losses	(5,155)	–	(5,155)	–
Expiry or write-off of previously recognised deferred tax assets	–	–	318	1,858
	(4,572)	2,723	(2,779)	4,169
<i>Withholding tax expense</i>				
Current year provision	983	1,364	1,650	2,158
Under provision in respect of prior years	65	–	65	29
	1,048	1,364	1,715	2,187
Income tax (credit)/expense recognised in profit or loss	(3,024)	6,115	712	9,454

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

8. Property, plant and equipment

During the six months ended 31 December 2022, the Group acquired assets amounting to \$14,995,000 (31 December 2021: \$3,957,000) and disposed assets amounting to \$397,000 (31 December 2021: \$129,000).

The Group's policy is for freehold land and buildings to be measured at revalued amount at regular intervals, taking into consideration any significant changes to economic and market conditions.

The Group has engaged professional independent property valuers to determine the fair value of freehold land and buildings in Singapore, Morocco and Sri Lanka as at 31 December 2022. The fair value of the freehold land and buildings are determined based on similar valuation approach, significant inputs and key assumptions used in the valuation as at 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.

9. Investment properties

	Group	
	31 December 2022	31 December 2021
	\$'000	\$'000
Balance sheet:		
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	6,887	1,060
Net exchange differences	(1,392)	(5,592)
At 31 December	85,262	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 31 December 2022, the Group has engaged an independent valuer to determine the fair value of the investment properties in Thailand and Singapore on 30 December 2022 and 31 December 2022 respectively. The fair value of the Group's investment properties as at 31 December 2022, are determined based on similar valuation approach, significant inputs and key assumptions used in the valuation as at 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 1.3% to 60.3% (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.

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

10. Intangible assets

	Goodwill \$'000	Trademarks \$'000	Club membership \$'000	Other intangible assets \$'000	Total \$'000
Group					
Cost:					
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)
At 31 December 2021 and 1 January 2022	2,603	24,300	4,230	16,878	48,011
Additions	–	–	237	5,946	6,183
Net exchange differences	–	–	–	(414)	(414)
At 31 December 2022	2,603	24,300	4,467	22,410	53,780
Accumulated amortisation and impairment losses:					
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	–	–	86	4,627	4,713
Net exchange differences	–	–	–	(252)	(252)
At 31 December 2022	–	–	586	15,163	15,749
Net carrying amount:					
At 31 December 2021	2,603	24,300	3,730	6,090	36,723
At 31 December 2022	2,603	24,300	3,881	7,247	38,031

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.

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

10. Intangible assets (cont'd)

Company	Club membership \$'000
Cost:	
At 1 January 2021, 31 December 2021 and 1 January 2022	4,230
Additions	237
	<hr/>
At 31 December 2022	4,467
	<hr/>
Accumulated amortisation and impairment losses:	
At 1 January 2021	415
Amortisation	85
	<hr/>
At 31 December 2021 and 1 January 2022	500
Amortisation	86
	<hr/>
At 31 December 2022	586
	<hr/> <hr/>
Net carrying amount:	
At 31 December 2021	3,730
	<hr/> <hr/>
At 31 December 2022	3,881
	<hr/> <hr/>

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 31 December 2022 based on the CGU's business performance. The Group performed its annual impairment test in December 2022. 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 2022.

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

11. Long-term investments

	Group	
	31 December 2022	31 December 2021
	\$'000	\$'000
<i>At fair value through other comprehensive income</i>		
Equity securities (quoted)	2	2
Equity securities (unquoted)	24,236	29,008
	24,238	29,010
	24,238	29,010

As at 31 December 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 30 June 2022. A fair value loss of \$4,772,000 (31 December 2021: Fair value gain of \$914,000) had been recognised in the fair value adjustment reserve through other comprehensive income. 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	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	\$'000	\$'000	\$'000	\$'000
<i>At fair value through other comprehensive income</i>				
Equity securities (unquoted)	72,149	72,149	–	–
<i>At fair value through profit or loss</i>				
Equity fund (quoted)	–	2,010	–	2,010
	72,149	74,159	–	2,010
	72,149	74,159	–	2,010

As at 31 December 2021, a subsidiary of the Group entered into an agreement with the holding company of Banyan Tree Assets (China) Holdings Pte. Ltd. ("BTAC") where it was contractually agreed that the Redeemable Convertible Preference Shares ("RCPS") issued to the subsidiary will be redeemed on or before 31 December 2022 based on a step-by-step approach as prescribed in the agreement. As a result, an aggregate amount of \$72,149,000 has been reclassified from Long-term Investments to Current Investments. The RCPS can be settled simultaneously with loan from BTAC subject to certain conditions being met.

During the financial year, both parties were in active dialogues to discuss the redemption of the RCPS. As a result of COVID-19 enforced lockdowns in China, coupled with multiple levels of internal approvals required by the counterparty, the redemption of RCPS was not completed by 31 December 2022. Both parties are committed to complete the redemption and had re-assessed the timeline and agreed on 10 November 2022 to further extend the completion date to on or before 30 June 2023, via an addendum to the original agreement.

The Group has redeemed the equity fund at \$1,970,000 on 3 August 2022, and a fair value loss of \$40,000 (31 December 2021: Fair value gain of \$4,000) is recorded in profit or loss.

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

13. Interest-bearing loans and borrowings

	Maturity	Group		Company	
		31 December 2022 \$'000	31 December 2021 \$'000	31 December 2022 \$'000	31 December 2021 \$'000
Financial liabilities at amortised cost					
Current liabilities					
Secured bank loans	2023	65,702	96,192	10,560	10,560
Unsecured bank loans	2023	38,535	57,384	31,535	48,265
		104,237	153,576	42,095	58,825
Non-current liabilities					
Secured bank loans	2024-2038	217,656	223,511	27,327	30,886
Unsecured bank loans	2024-2025	15,451	9,662	15,451	2,662
		233,107	233,173	42,778	33,548
Total		337,344	386,749	84,873	92,373

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

	Group	
	31 December 2022 \$'000	31 December 2021 \$'000
Freehold land and buildings	371,211	379,817
Investment properties	56,502	56,361
Leasehold buildings	13,044	13,304
Property development costs	39,847	42,844
Unquoted shares	4,044	4,136
Prepaid island rental	15,194	15,386
Investment in associates	3,416	3,479
Long-term restricted deposit pledged	–	1,524
Other assets	2,786	3,014
	506,044	519,865

The secured bank loans of the Company amounting to \$37,887,000 (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 Unaudited Condensed Interim Financial Statements

14. Convertible bonds

	Group and Company	
	2022	2021
	\$'000	\$'000
At 1 January	42,473	41,318
Accretion of interest	3,568	5,286
Conversion of convertible bonds into ordinary shares	(2,281)	(4,131)
Redemption of convertible bonds	(43,760)	–
At 31 December	–	42,473

15. Derivative liability conversion option in convertible bonds

	Group and Company	
	2022	2021
	\$'000	\$'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)
At 31 December	–	16,193

On 6 August 2022 (“Maturity Date”), the Convertible Bonds of \$43,760,000 have matured and were fully redeemed.

16. Leases

During the six months ended 31 December 2022, the Group has capitalised \$543,000 of long term leases into right-of-use assets (31 December 2021: \$198,000).

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

17. Share capital

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

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 year ended 31 December 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	
	31 December 2022	31 December 2021
	\$'000	\$'000
Capital commitments in respect of property, plant and equipment	3,386	3,836
Capital commitments in respect of property development costs	51,055	60,372
	54,441	64,208

(b) Contingent liabilities

Guarantees

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

	Company	
	31 December 2022	31 December 2021
	\$'000	\$'000
Guarantees issued for banking facilities to subsidiaries	22,425	32,902

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Notes to the Unaudited Condensed Interim Financial Statements

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.

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 Unaudited Condensed Interim Financial Statements

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	Derivative liability conversion option in convertible bonds	Total
Freehold land					Freehold buildings					Freehold land			Freehold buildings						
Group	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	Equity shares (unquoted)		
31 December 2022	\$'000	\$'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	-	(375)	-	-	-	-	-	(376)	-	-	5,470	-	337	52	-	1,028	-	15,384	21,520
- Included in other comprehensive income	5,000	-	-	-	-	(240)	124	-	-	-	-	-	-	-	-	-	(4,772)	-	112
Purchases, issues, sales and settlements																			
- Purchases	-	-	1,771	-	-	-	-	-	4,088	644	-	-	-	78	-	-	-	-	6,581
- Write off	-	-	-	-	-	-	-	-	(12)	-	-	-	-	-	-	-	-	-	(12)
- Transfer in/(out)	-	-	(1,718)	-	-	-	-	-	2,855	-	-	-	-	-	-	-	-	-	1,137
Conversion of convertible bonds into ordinary shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	809	809
Depreciation	-	-	(2)	-	-	-	(124)	(145)	(5,036)	(2,036)	-	-	-	-	-	-	-	-	(7,343)
Exchange differences	-	(199)	(6,570)	(992)	(28)	(2,289)	-	(334)	(2,667)	(1,079)	-	(305)	(178)	-	(17)	(892)	-	-	(15,550)
Closing balance	31,666	4,042	256,201	38,688	1,106	2,303	2,360	4,824	104,918	41,034	27,220	11,897	7,134	2,780	663	35,568	24,236	-	594,640

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Notes to the Unaudited Condensed Interim Financial Statements

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	
Group	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
31 December 2021	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'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 Unaudited Condensed Interim Financial Statements

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	Sri Lanka	Singapore	Morocco	Thailand, Phuket	Thailand, Bangkok	Singapore	Northern Thailand	Singapore	Thailand, Bangkok			Total	
\$'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:																
- Net gain from fair value adjustment of investment properties																
-	-	-	-	-	-	-	-	-	5,470	337	52	1,028	-	-	6,887	
- Gain on expiry of derivative liability conversion option in convertible bonds																
-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,384	15,384	
- Impairment loss																
-	(375)	-	-	-	-	(376)	-	-	-	-	-	-	-	-	(751)	
-	(375)	-	-	-	-	(376)	-	-	5,470	337	52	1,028	-	15,384	21,520	
Other comprehensive loss:																
- Net surplus on revaluation of land and buildings																
5,000	-	-	-	(240)	124	-	-	-	-	-	-	-	-	-	4,884	
- Net gain from fair value adjustment of equity shares																
-	-	-	-	-	-	-	-	-	-	-	-	-	(4,772)	-	(4,772)	
5,000	-	-	-	(240)	124	-	-	-	-	-	-	-	(4,772)	-	112	

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

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	Sri Lanka	Singapore	Morocco	Sri Lanka	Singapore	Singapore			
31 December 2021	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
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

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Notes to the Unaudited Condensed Interim Financial Statements

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

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

(ii) *Valuation policies and procedures*

The Chief Executive Officer ("CEO"), who is assisted by Head of 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.

BANYAN TREE GROUP

Notes to the Unaudited Condensed Interim Financial Statements

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
December 2022				
Assets				
Associates	17,917	30,178	–	–
December 2021				
Assets				
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, and interest-bearing loans and borrowings carry interest which approximates market interest rate. Accordingly, their notional 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, related parties and third 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.

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Other Information Required by Listing Rule Appendix 7.2 for the six months and full year ended 31 December 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 second half year, there were no new shares being issued (2H21: 7,394,400). There had been no changes in the Company's share capital from the end of the previous reported financial period, i.e. 30 June 2022 to the current reported financial period. The number of issued shares excluding treasury shares remained at 866,847,808 as at 31 December 2022. As at 31 December 2022, there are 1,085,700 (31 December 2021: 1,230,200) shares held as treasury shares against the total number of issued shares excluding treasury shares of 866,847,808 (31 December 2021: 857,580,292).

Issuance of shares from vesting of share awards

During the second half year, no share awards (2H21: Nil) were vested under the Performance Share Plan and no share awards (2H21: Nil) were vested under the Restricted Share Plan for initial awards issued for FY2021.

Grant and cancellation of share awards

Performance Share Plan

During the second half year, no share awards were granted (2H21: Nil) and 75,000 shares were cancelled (2H21: Nil) under the Banyan Tree Performance Share Plan. As at 31 December 2022, initial awards for 810,000 shares (As at 31 December 2021: 600,000) have been granted under the plan which will vest upon meeting specified performance conditions.

Restricted Share Plan

During the second half year, no share awards were granted (2H21: Nil) and 127,600 shares were cancelled (2H21: 200,000) under the Banyan Tree Restricted Share Plan. As at 31 December 2022, initial awards for 671,400 shares (As at 31 December 2021: 318,750) 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.**

	31-Dec-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.**

	31-Dec-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 six months and full year ended 31 December 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 auditor.

- 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.

BANYAN TREE GROUP

Other Information Required by Listing Rule Appendix 7.2 for the six months and full year ended 31 December 2022 (Cont'd)

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 31 Dec		12 months ended 31 Dec	
	2022	2021	2022	2021
a) Based on the weighted average number of ordinary shares on issue (cents)	0.03	(1.48)	0.09	(6.50)
b) On fully diluted basis (cents)	0.03	(1.48)	0.08	(6.50)

(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 866,847,808 and 853,346,481 ordinary shares respectively.

The basic earnings per ordinary share for the 12 months period and the same period last year have been calculated based on the weighted average number of 864,168,450 and 849,029,337 ordinary shares respectively.

(ii) For the 6 months period and 12 months ended 31 December 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 and 12 month period ended 31 December 2021.

The diluted earnings per ordinary share for the 6 months period and 12 months ended 31 December 2022 have been calculated based on the weighted average number of 868,329,208 and 952,119,584 ordinary shares respectively.

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	
	31-Dec-22	31-Dec-21	31-Dec-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	0.44	0.50

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

BANYAN TREE GROUP

Other Information Required by Listing Rule Appendix 7.2 for the six months and full year ended 31 December 2022 (Cont'd)

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 31 Dec		2022 vs 2021	
	2022 (S\$'000)	2021 (S\$'000)	Incr/(Decr) (S\$'000)	%
Hotel Investments	73,721	36,968	36,753	99%
Property Sales	54,284	105,355	(51,071)	-48%
- Hotel Residences	6,055	9,147	(3,092)	-34%
- Laguna Property Sales	48,229	3,914	44,315	nm
- Development site Sales	-	92,294	(92,294)	-100%
Fee-based Segment	24,699	22,438	2,261	10%
- Hotel/Fund/Club Management	15,279	15,032	247	2%
- Spa/Gallery Operations	3,313	3,297	16	0%
- Design and Others	6,107	4,109	1,998	49%
Revenue	152,704	164,761	(12,057)	-7%

	Group			
	12 months ended 31 Dec		2022 vs 2021	
	2022 (S\$'000)	2021 (S\$'000)	Incr/(Decr) (S\$'000)	%
Hotel Investments	134,496	59,490	75,006	126%
Property Sales	90,839	122,788	(31,949)	-26%
- Hotel Residences	30,285	22,345	7,940	36%
- Laguna Property Sales	60,554	8,149	52,405	nm
- Development site Sales	-	92,294	(92,294)	-100%
Fee-based Segment	45,993	38,950	7,043	18%
- Hotel/Fund/Club Management	28,366	24,946	3,420	14%
- Spa/Gallery Operations	6,321	6,475	(154)	-2%
- Design and Others	11,306	7,529	3,777	50%
Revenue	271,328	221,228	50,100	23%

BANYAN TREE GROUP

Other Information Required by Listing Rule Appendix 7.2 for the six months and full year ended 31 December 2022 (Cont'd)

B) PROFITABILITY

	Group			
	6 months ended 31 Dec		2022 vs 2021	
	2022 (S\$'000)	2021 (S\$'000)	Incr/(Decr) (S\$'000)	%
Hotel Investments	2,100	(9,123)	11,223	nm
Property Sales	10,804	8,194	2,610	32%
- Hotel Residences	(2,432)	4,651	(7,083)	nm
- Laguna Property Sales	13,236	(1,755)	14,991	nm
- Development site Sales	-	5,298	(5,298)	-100%
Fee-based Segment	5,735	7,752	(2,017)	-26%
- Hotel/Fund/Club Management	4,262	6,919	(2,657)	-38%
- Spa/Gallery Operations	294	1,241	(947)	-76%
- Design and Others	1,179	(408)	1,587	nm
Head Office Expenses	(11,109)	2,050	(13,159)	nm
Other Income (net)	7,711	12,049	(4,338)	-36%
Operating Profit (EBITDA)	15,241	20,922	(5,681)	-27%
Profit/(Loss) attributable to owners of the Company (PATMI)	253	(12,588)	12,841	nm

	Group			
	12 months ended 31 Dec		2022 vs 2021	
	2022 (S\$'000)	2021 (S\$'000)	Incr/(Decr) (S\$'000)	%
Hotel Investments	4,358	(18,363)	22,721	nm
Property Sales	20,555	12,270	8,285	68%
- Hotel Residences	6,467	8,852	(2,385)	-27%
- Laguna Property Sales	14,088	(1,880)	15,968	nm
- Development site Sales	-	5,298	(5,298)	-100%
Fee-based Segment	12,151	10,646	1,505	14%
- Hotel/Fund/Club Management	10,689	10,029	660	7%
- Spa/Gallery Operations	(292)	2,415	(2,707)	nm
- Design and Others	1,754	(1,798)	3,552	nm
Head Office Expenses	(19,145)	(13,238)	5,907	45%
Other Income (net)	23,782	13,224	10,558	80%
Operating Profit (EBITDA)	41,701	4,539	37,162	nm
Profit/(Loss) attributable to owners of the Company (PATMI)	767	(55,192)	55,959	nm

BANYAN TREE GROUP

Other Information Required by Listing Rule Appendix 7.2 for the six months and full year ended 31 December 2022 (Cont'd)

C) BUSINESS SEGMENTS REVIEW

i) Hotel Investments segment

Revenue from Hotel Investments segment doubled from S\$37.0 million in 2H21 to S\$73.7 million in 2H22. For FY22, Hotel Investments segment achieved revenue of S\$134.5 million which was 126% higher than FY21. The increase in revenue was mainly from Thailand where international tourism resumed after the country removed all travel restrictions since 2Q22.

In 2H22, Thailand reported occupancy of 57% vs 28% in 2H21 and a threefold increase in Revenue per Available Room ("RevPAR") compared to the same time last year. For FY22, occupancy for Thailand hotels was 51% vs 20% in FY21 and RevPar was 4x higher than 2H21. For Maldives, Occupancy was 61% in 2H22 vs 60% in 2H21 and 65% for FY22 vs 55% in FY21.

Operating Profit increased by S\$11.2 million from loss of S\$9.1 million in 2H21 to profit of S\$2.1 million in 2H22 and for FY22, Operating Profit was S\$4.4 million as compared to a loss of S\$18.4 million in FY21 due to higher revenue as mentioned earlier.

ii) Property Sales segment

Revenue from the Property Sales segment decreased by S\$51.1 million or 48% to S\$54.3 million in 2H22 and S\$31.9 million or 26% to S\$90.8 million for FY22. This was mainly due to absence of development land sale in Gold Coast and Brisbane, Australia in 2021. This was partially cushioned by completion and progressive handover of Skypark Condominiums building 1 and 2 in 2022.

Notwithstanding lower revenue, Operating Profit increased by S\$2.6 million to S\$10.8 million in 2H22 and S\$8.3 million to S\$20.6 million in FY22. Higher Operating Profit was mainly contributed by Skypark Block A and B project which had a higher margin as compared to the development land sale mentioned above.

iii) Fee-based segment

Revenue from the Fee-based segment increased by S\$2.3 million or 10% to S\$24.7 million in 2H22 and increased by S\$7.0 million or 18% to S\$46.0 million in FY22. The higher revenue were mainly due to higher management fees from our managed hotels in Asia (outside China) which had opened up to international tourism since 2Q22.

Notwithstanding higher revenue in 2H22, Operating Profit decreased by S\$2.0 million to S\$5.7 million mainly due to higher marketing costs for hotels and foreign exchange loss in 2H22. For FY22, Operating Profit increased by S\$1.5 million to S\$12.2 million due to higher revenue as mentioned above.

For Hotel Management segment, RevPAR on same store basis were higher by 24% and 13% over 2H21 and FY21 respectively.

In comparison, if management fees of hotels in which the Group has a majority interest were not eliminated on consolidation, operating profit from fee-based segment would have been S\$8.4 million in 2H22 and S\$16.9 million in FY22.

BANYAN TREE GROUP

Other Information Required by Listing Rule Appendix 7.2 for the six months and full year ended 31 December 2022 (Cont'd)

c) BUSINESS SEGMENTS REVIEW (Cont'd)

iv) Head Office

Head office expenses increased by S\$13.2 million from a gain of S\$2.1 million to expense of S\$11.1 million in 2H22 due to absence of one-off items in 2H21 of S\$10.5 million which includes fair value gains on Convertible Bonds of S\$7.7 million and reversal of impairment on receivables of S\$2.8 million. In addition, the Group recorded a foreign exchange loss of S\$3.8 million in 2H22 as compared to a gain of S\$0.7 million in 2H21. Head Office expenses was S\$19.1 million for FY22 which was S\$5.9 million higher than FY21 due to foreign exchange losses of S\$6.2 million and higher travelling and professional fees.

v) Other income

Other income decreased by S\$4.3 million from S\$12.0 million in 2H21 to S\$7.7 million in 2H22 mainly due to absence of fee recovery from a discontinued hotel project in Meydan, Dubai recorded in 2H21 but partially cushioned by fair value gain on investment properties in 2H22.

vi) Operating Profit

Operating Profit decreased by S\$5.7 million from S\$20.9 million in 2H21 to S\$15.2 million in 2H22 and increased by S\$37.2 million from S\$4.5 million in FY21 to S\$41.7 million in FY22.

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 previously to the shareholders.

BANYAN TREE GROUP

Other Information Required by Listing Rule Appendix 7.2 for the six months and full year ended 31 December 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

Based on UNWTO¹'s forward-looking scenarios for 2023, international tourist arrivals could reach 80% to 95% of pre-pandemic levels in 2023, depending on the extent of the economic slowdown, the ongoing recovery of travel in Asia and the Pacific and the evolution of the Russian offensive in Ukraine, among other factors. According to new data from UNWTO, more than 900 million tourists travelled internationally in 2022 which is more than double the number recorded in 2021 though still 63% of pre-pandemic levels. The recent lifting of COVID-19 related travel restrictions in China, the world's largest outbound market in 2019, is a significant step for the recovery of the tourism sector in Asia and the Pacific and worldwide. In the short term, the resumption of travel from China is likely to benefit Asian destinations where most of our resorts are located.

The Group's owned hotels in Thailand recorded occupancy of 67% in 4Q22 which was almost the same level as 4Q19 (Pre-Pandemic) of 70% with international arrivals accounting for most of the guest mix. Forward bookings in 1Q23 for our owned hotels exceeds 4Q19 (Pre-Pandemic) by 12% with Thailand accounting for 10% of the increase.

For Fee-based segment, most of all our managed hotels in Asia (outside China) shown significant improvements with Occupancy reaching 55% in 4Q22 which is only 2% below 4Q19 (Pre-Pandemic). Forward bookings were 5% higher than the same period in 2019.

On Property Sales segment, total sales value of S\$127.1 million were contracted in 2H22 compared to S\$40.3 million in 2H21. Total sales value reached S\$217.2 million for 2022 which was the best performing year for the Group. During the year, the Group launched Banyan Tree Grand Residences Oceanfront & Seaview Villas and Laguna Beachside & Seaside condominiums which were well received by our customers. As at 31 December 2022, unrecognised revenue doubled to S\$232.6 million as compared to the same period last year. The Group expects to recognise S\$86.7 million or 37% of the revenue in FY23.

New Openings

In 2022 and 2023 to-date, the Group opened 10 new properties, rebranded 1 existing properties and signed 20 new agreements (mainly hotel management agreements). Barring no further delay arising from the impact of the COVID-19 pandemic, the Group expects to open another 9 new properties in 2023:

- i. Banyan Tree Veya Valle de Guadalupe, Baja California, Mexico
- ii. Angsana Ho Tram, Ho Tram, Vietnam
- iii. Angsana Quan Lan, Quan Lan, Vietnam
- iv. Angsana Siem Reap, Siem Reap, Cambodia
- v. Dhawa Ho Tram, Ho Tram, Vietnam
- vi. Dhawa Jinan Daming Lake, Jinan, Shandong, China
- vii. Garrya Mu Cang Chai, Yen Bai, Vietnam
- viii. Garrya Xianju, Taizhou, Zhejiang, China
- ix. Homm Saranam Baturiti, Bali, Indonesia

¹UNWTO = The World Tourism Organization

BANYAN TREE GROUP

Other Information Required by Listing Rule Appendix 7.2 for the six months and full year ended 31 December 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.

Operating performance of the Group's hotels had improved progressively in 2022 but had not reach Pre-Pandemic level overall. Consequently, for the current financial year, the Board of Directors has not recommended any dividend. The Board will consider declaring a dividend in future when operating performance and economic situation improved.

BANYAN TREE GROUP

Other Information Required by Listing Rule Appendix 7.2 for the six months and full year ended 31 December 2022(Cont'd)

13 Interested Persons Transactions for the Half Year ended 31 December 2022

	Interested Person Transactions	Nature of relationship	Aggregate value of all interested person transactions for 2nd 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 2nd half year (excluding transactions less than S\$100,000) in S\$'000	Aggregate value of all interested person transactions during the financial 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 during the financial year (excluding transactions less than S\$100,000) in S\$'000
[A]	Transactions with the Tropical Resorts Limited Group ("TRG")	An associate of the Company's controlling shareholder*				
a	Provision of Resort Management and Related Services to TRG		-	262	-	383
b	Provision of Spa Management and Other Related Services to TRG		-	151	-	200
c (i)	Reimbursement of Expenses - to TRG		-	-	-	254
c (ii)	Reimbursement of Expenses - from TRG		-	1,263	-	1,645
[B]	Transactions with Lumayan Indah Sdn Bhd	An associate of the Company's controlling shareholder*				
a	Provision of Hotel/Resort Management and Related Services to Banyan Tree Kuala Lumpur		333	-	595	-
	Total		333	1,676	595	2,482

BANYAN TREE GROUP

Other Information Required by Listing Rule Appendix 7.2 for the six months and full year ended 31 December 2022 (Cont'd)

- 14 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited financial statements, with comparative information for the immediately preceding financial year.

Business Segments

	Hotel Investments (S\$'000)	Property Sales (S\$'000)	Fee-based Segment (S\$'000)	Head office expenses (S\$'000)	Total (S\$'000)
Year ended 31 December 2022					
Revenue					
<u>Segment revenue</u>					
Sales	134,666	90,839	63,339	-	288,844
Intersegment sales	(170)	-	(17,346)	-	(17,516)
	<u>134,496</u>	<u>90,839</u>	<u>45,993</u>	<u>-</u>	<u>271,328</u>
Unallocated income					23,782
Total revenue					<u>295,110</u>
Results					
Segment results	<u>(13,206)</u>	<u>19,440</u>	<u>11,060</u>	<u>(19,355)</u>	(2,061)
Unallocated income					23,782
Profit from operations					21,721
Finance income					7,573
Finance costs					(22,681)
Share of results of associates					(5,328)
Profit before taxation					1,285
Income tax expense					(712)
Profit after taxation for the year					<u>573</u>

	Hotel Investments (S\$'000)	Property Sales (S\$'000)	Fee-based Segment (S\$'000)	Head office expenses (S\$'000)	Total (S\$'000)
Year ended 31 December 2021					
Revenue					
<u>Segment revenue</u>					
Sales	59,646	122,788	47,984	-	230,418
Intersegment sales	(156)	-	(9,034)	-	(9,190)
	<u>59,490</u>	<u>122,788</u>	<u>38,950</u>	<u>-</u>	<u>221,228</u>
Unallocated income					13,224
Total revenue					<u>234,452</u>
Results					
Segment results	<u>(38,044)</u>	<u>11,072</u>	<u>9,204</u>	<u>(13,587)</u>	(31,355)
Unallocated income					13,224
Profit from operations					(18,131)
Finance income					3,638
Finance costs					(39,974)
Share of results of associates					2,647
Profit before taxation					(51,820)
Income tax expense					(9,454)
Profit after taxation for the year					<u>(61,274)</u>

BANYAN TREE GROUP

Other Information Required by Listing Rule Appendix 7.2 for the six months and full year ended 31 December 2022 (Cont'd)

- 15 In the review of performance, the factors leading to any material changes in the contributions to turnover and earnings by the business or geographical segments.

Please refer to section 8.

- 16 A breakdown of sales as follows:-

	YTD 31-Dec-22 (S\$'000)	YTD 31-Dec-21 (S\$'000)	Incr/(Decr) %
a) Sales reported for first half year	118,624	56,467	110%
b) Operating loss after tax before deducting non-controlling interests reported for first half year	(147)	(45,637)	-100%
c) Sales reported for second half year	152,704	164,761	-7%
d) Operating profit/(loss) after tax before deducting non-controlling interests reported for second half year	720	(15,637)	nm

- 17 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:

No dividend has been declared in respect of the current financial period.

BANYAN TREE GROUP

Other Information Required by Listing Rule Appendix 7.2 for the six months and full year ended 31 December 2022 (Cont'd)

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

	Age	Family relationship with any director, and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Ho KwonCjan	67	Brother of Ho KwonPing (Executive Chairman & Substantial Shareholder)	Senior Vice President and Group Chief Architect - Senior Architect, involved in overseeing architectural and project teams in Banyan Tree Holdings Limited.	NIL
Chiang See Ngoh Claire	72	Spouse of Ho KwonPing Mother of Ho Ren Hua	Senior Vice President, Global Head of Learning and Talent Development, Chairperson, China Business Development and Chairperson, Banyan Tree Global Foundation. - Oversees Banyan Tree Management Academy and the Group's Learning & Talent Development. - Directs and guides the Group's corporate social responsibility efforts in its mission to "Embracing the Environment, Empowering People" since 2009. - Focuses on acquisition of new management contracts in China since 2006.	NIL
Ho Ren Yung	38	Daughter of Ho KwonPing and Chiang See Ngoh Claire Sister of Ho Ren Hua	Senior Vice President, Head of Brand & Commercial Deputy Managing Director, Hotel Management - Responsible for Brand, Digital and Wellbeing across the multi-branded portfolio. This encompasses E-commerce, Customer experience and insights, culture and development as well as innovation workstreams working with cross-functional teams for critical change projects within the Group. - Development of new operating concepts and products in growth segments of the wellness, hospitality and spa industry.	Nil

- 19 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.

BY ORDER OF THE BOARD

Eddy See Hock Lye
Chief Executive Officer
24 February 2023