

UOL GROUP LIMITED
(Incorporated in Singapore. Registration Number: 196300438C)
AND ITS SUBSIDIARIES

CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND HALF AND FINANCIAL YEAR ENDED 31 DECEMBER 2023

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UOL GROUP LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED INCOME STATEMENT

For the second half and financial year ended 31 December 2023

	Note	The Group					
		Second half ended 31 December			Financial year ended 31 December		
		2023	2022	+ / (-)	2023	2022	+ / (-)
		\$'000	\$'000	%	\$'000	\$'000	%
Revenue	5	1,315,652	1,667,419	(21)	2,681,701	3,201,711	(16)
Cost of sales		(762,991)	(1,102,736)	31	(1,625,839)	(2,129,425)	24
Gross profit		552,661	564,683	(2)	1,055,862	1,072,286	(2)
Other income							
- Finance income	5	21,652	19,876	9	37,271	25,517	46
- Miscellaneous income	5	8,464	15,994	(47)	16,499	28,511	(42)
Expenses							
- Marketing and distribution	6	(59,799)	(74,651)	20	(115,125)	(139,048)	17
- Administrative	6	(85,463)	(65,815)	(30)	(158,566)	(120,590)	(31)
- Finance	6	(106,532)	(81,740)	(30)	(200,396)	(128,330)	(56)
- Other operating							
• Impairment loss on financial assets	6	(4,720)	(1,017)	(364)	(5,363)	(1,290)	(316)
• Others	6	(73,288)	(69,606)	(5)	(145,020)	(129,620)	(12)
Share of (loss)/profit of associated companies		(4,477)	3,041	(247)	(10,942)	1,149	n.m.
Share of (loss)/profit of joint venture companies		(2,131)	601	(455)	898	18,267	(95)
Profit before fair value and other gains/ (losses) and income tax		246,367	311,366	(21)	475,118	626,852	(24)
Other gains/(losses)	6	452,886	(5,129)	n.m.	452,653	(5,123)	n.m.
Fair value (losses)/gains on the Group's investment properties		(24,408)	(48,865)	50	20,201	268,192	(92)
Profit before income tax	6	674,845	257,372	162	947,972	889,921	7
Income tax expense	7	(42,643)	(67,776)	37	(85,499)	(120,969)	29
Net profit		632,202	189,596	233	862,473	768,952	12
<u>Attributable to:</u>							
Equity holders of the Company		572,663	120,833	374	707,708	491,869	44
Non-controlling interests		59,539	68,763	(13)	154,765	277,083	(44)
		632,202	189,596	233	862,473	768,952	12
The above net profit attributable to equity holders of the Company can be analysed as follows:							
Attributable profit before fair value and other gains/(losses)		145,487	164,520	(12)	277,236	345,589	(20)
Attributable other gains/(losses)		452,886	(5,129)	n.m.	452,653	(5,123)	n.m.
Fair value (losses)/gains on the Group's investment properties		(25,710)	(38,558)	33	(22,181)	151,403	(115)
Net attributable profit		572,663	120,833	374	707,708	491,869	44

Legend

+ / (-) : variances with + / (-) impact to profit

n.m. : not meaningful

UOL GROUP LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the second half and financial year ended 31 December 2023

	Note	The Group					
		Second half ended 31 December			Financial year ended 31 December		
		2023	2022	+ / (-)	2023	2022	+ / (-)
		\$'000	\$'000	%	\$'000	\$'000	%
Net profit		632,202	189,596	233	862,473	768,952	12
Other comprehensive (loss)/income:							
Items that may be reclassified subsequently to profit or loss:							
Cash flow hedges		(57,603)	27,333	(311)	(44,471)	77,201	(158)
Currency translation differences arising from consolidation of foreign operations	9(a)	(21,246)	(73,666)	71	(24,770)	(116,000)	79
		(78,849)	(46,333)	(70)	(69,241)	(38,799)	(78)
Items that will not be reclassified subsequently to profit or loss:							
Financial assets, at fair value through other comprehensive income ("FVOCI") - fair value gains/(losses)	9(b)	17,599	172,089	(90)	(90,321)	143,917	(163)
Actuarial gains on defined benefit plans, net of tax		-	-	-	-	719	(100)
Currency translation differences arising from consolidation of foreign operations		14	(22,622)	100	(11,898)	(39,160)	70
Other comprehensive (loss)/income net of tax		(61,236)	103,853	(159)	(171,460)	66,677	(357)
Total comprehensive income		570,966	293,449	95	691,013	835,629	(17)
<u>Attributable to:</u>							
Equity holders of the Company		517,082	250,727	106	551,861	592,718	(7)
Non-controlling interests		53,884	42,722	26	139,152	242,911	(43)
		570,966	293,449	95	691,013	835,629	(17)

UOL GROUP LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION – GROUP AND COMPANY

As at 31 December 2023

Note	The Group		The Company	
	31.12.23 \$'000	31.12.22 \$'000	31.12.23 \$'000	31.12.22 \$'000
ASSETS				
Current assets				
	1,390,146	1,467,898	3,250	4,056
10	523,919	295,584	5,784	6,355
	-	3	-	-
	295,600	358,229	-	-
11	2,782,882	3,128,407	-	-
	3,609	2,084	-	-
	52,092	65,954	3,585	2,761
	-	526	-	-
	353	243	-	-
	5,048,601	5,318,928	12,619	13,172
Non-current assets				
12	345,454	78,493	797,110	726,518
	107,696	103,689	-	-
	54,794	91,533	-	-
	1,230,578	1,320,899	928,916	995,897
	236,251	249,930	-	-
	31,081	16,683	-	-
	-	-	1,860,991	1,874,482
13	12,123,179	11,861,129	639,416	614,240
14	2,937,618	2,822,471	1,762	1,901
	35,818	38,800	33	144
	47,905	35,908	-	-
	17,150,374	16,619,535	4,228,228	4,213,182
	22,198,975	21,938,463	4,240,847	4,226,354
Total assets				
LIABILITIES				
Current liabilities				
	675,678	650,622	494,677	236,819
	105,453	94,562	1,172	1,884
15(a)	491,179	839,291	-	199,975
	199,933	-	-	-
	13,966	22,307	-	-
	156	76	-	-
16	44,985	149,321	-	-
	1,531,350	1,756,179	495,849	438,678
Non-current liabilities				
	203,759	202,675	5,594	3,041
	22,519	25,808	-	-
	3,922,589	3,730,564	60,133	60,222
	398,808	398,548	-	-
	-	199,733	-	-
	8,629	612	-	-
16	37,156	60,780	-	-
	2,914	3,014	-	-
	271,527	267,937	275	371
	4,867,901	4,889,671	66,002	63,634
	6,399,251	6,645,850	561,851	502,312
NET ASSETS				
Capital & reserves attributable to equity holders of the Company				
17	1,570,595	1,569,193	1,570,595	1,569,193
	908,922	1,062,525	758,798	823,548
	8,562,303	8,006,668	1,349,603	1,331,301
	11,041,820	10,638,386	3,678,996	3,724,042
Non-controlling interests				
	4,757,904	4,654,227	-	-
TOTAL EQUITY				
	15,799,724	15,292,613	3,678,996	3,724,042

UOL GROUP LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2023

	Note	Share capital \$'000	Reserves \$'000	Retained earnings \$'000	Non- controlling interests \$'000	Total equity \$'000
The Group						
2023						
Balance at 1 January 2023		1,569,193	1,062,525	8,006,668	4,654,227	15,292,613
Profit for the year		-	-	707,708	154,765	862,473
Other comprehensive loss for the year		-	(155,847)	-	(15,613)	(171,460)
Total comprehensive (loss)/income for the year		-	(155,847)	707,708	139,152	691,013
Employee share option scheme						
- value of employee services		-	2,244	-	13	2,257
- proceeds from shares issued		1,402	-	-	-	1,402
Dividends	18	-	-	(152,073)	(35,488)	(187,561)
Total transactions with owners, recognised directly in equity		1,402	2,244	(152,073)	(35,475)	(183,902)
Balance at 31 December 2023		1,570,595	908,922	8,562,303	4,757,904	15,799,724
2022						
Balance at 1 January 2022		1,566,802	960,059	7,641,462	4,447,752	14,616,075
Profit for the year		-	-	491,869	277,083	768,952
Other comprehensive income/(loss) for the year		-	100,849	-	(34,172)	66,677
Total comprehensive income for the year		-	100,849	491,869	242,911	835,629
Employee share option scheme						
- value of employee services		-	1,624	-	50	1,674
- proceeds from shares issued		2,391	-	-	-	2,391
Dividends	18	-	-	(126,670)	(36,486)	(163,156)
Total transactions with owners, recognised directly in equity		2,391	1,624	(126,670)	(36,436)	(159,091)
Transfer upon liquidation of a subsidiary		-	(7)	7	-	-
Balance at 31 December 2022		1,569,193	1,062,525	8,006,668	4,654,227	15,292,613

UOL GROUP LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN EQUITY - COMPANY

For the financial year ended 31 December 2023

	Note	Share capital \$'000	Reserves \$'000	Retained earnings \$'000	Total equity \$'000
<u>The Company</u>					
2023					
Balance at 1 January 2023		1,569,193	823,548	1,331,301	3,724,042
Profit for the year		-	-	170,375	170,375
Other comprehensive loss for the year		-	(66,981)	-	(66,981)
Total comprehensive (loss)/income for the year		-	(66,981)	170,375	103,394
Employee share option scheme					
- value of employee services		-	2,231	-	2,231
- proceeds from shares issued		1,402	-	-	1,402
Dividends	18	-	-	(152,073)	(152,073)
Total transactions with owners, recognised directly in equity		1,402	2,231	(152,073)	(148,440)
Balance at 31 December 2023		1,570,595	758,798	1,349,603	3,678,996
2022					
Balance at 1 January 2022		1,566,802	711,246	1,381,476	3,659,524
Profit for the year		-	-	76,495	76,495
Other comprehensive income for the year		-	110,729	-	110,729
Total comprehensive income for the year		-	110,729	76,495	187,224
Employee share option scheme					
- value of employee services		-	1,573	-	1,573
- proceeds from shares issued		2,391	-	-	2,391
Dividends	18	-	-	(126,670)	(126,670)
Total transactions with owners, recognised directly in equity		2,391	1,573	(126,670)	(122,706)
Balance at 31 December 2022		1,569,193	823,548	1,331,301	3,724,042

UOL GROUP LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2023

Note	The Group	
	Financial year ended 31	
	December	
	<u>2023</u>	<u>2022</u>
	\$'000	\$'000
Cash flows from operating activities		
	862,473	768,952
	Adjustments for:	
	85,499	120,969
	91,246	130,576
20(a)	(105,056)	(76,789)
	196,915	127,547
	(20,201)	(268,192)
	(442,286)	-
	-	(11)
	(12,404)	5,131
	2,054	-
	(17)	3
	<u>658,223</u>	<u>808,186</u>
	Change in working capital	
	(41,875)	18,457
	325,366	(514,740)
20(b)	(1,525)	405
	(54,370)	(87,152)
	<u>227,596</u>	<u>(583,030)</u>
	885,819	225,156
	(76,811)	(83,317)
	(207)	(128)
	<u>808,801</u>	<u>141,711</u>
Net cash from operating activities		
Cash flows from investing activities		
	510,942	-
20(c)	(118)	(37)
	(32,000)	-
	(292,634)	-
20(d)	500	78,395
	146	33
	-	49
	(523,582)	(244,572)
20(e)	543	79
	37,271	25,517
	87,285	51,559
	<u>(211,647)</u>	<u>(88,977)</u>
Net cash used in investing activities		
Cash flows from financing activities		
	1,402	2,391
	4,040	41,680
	(132,000)	-
	2,191,361	2,927,807
20(f)	(2,370,720)	(2,664,006)
20(f)	(4,810)	(10,700)
	(195,015)	(117,590)
	12,120	9,144
	(21,842)	(24,500)
	(2,914)	(2,864)
	(2,500)	(2,000)
	(152,073)	(126,670)
	(35,488)	(36,486)
	<u>(708,439)</u>	<u>(3,794)</u>
Net cash used in financing activities		
	(111,285)	48,940
	1,463,398	1,487,183
	31,033	(72,725)
	<u>1,383,146</u>	<u>1,463,398</u>
20(g)		

UOL GROUP LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the second half and financial year ended 31 December 2023

1 Basis of Preparation

The condensed interim financial statements for the second half ("2H 2023") and financial year ended 31 December 2023 ("FY2023") have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the financial year ended 31 December 2022 ("FY2022").

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.

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

2 New or amended Standards and Interpretations adopted by the Group

The Group adopted new or amended Standards and Interpretations to existing standards that are mandatory for application for the financial year beginning 1 January 2023 or from their effective date, if later. The following are the amended Standards that are relevant to the Group:

- SFRS(I) 17 Insurance Contracts
- Amendments to SFRS(I) 1-1 Presentation of Financial Statements and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies
- Amendments to SFRS(I) 1-8 Definition of Accounting Estimates
- Amendments to SFRS(I) 1-12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to SFRS(I) 1-12 International Tax Reform - Pillar Two Model Rules

The adoption of the above amended Standards did not result in substantial changes to the Group's accounting policies.

3 Key accounting estimates, assumptions and judgements

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

Estimates, assumptions and judgements are continually evaluated on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods/years affected.

The estimates, assumptions and judgements applicable for the current financial period/year were largely the same as those applied to the consolidated financial statements for the financial year ended 31 December 2022, as follows:

- Fair values of investment properties
- Classification of the Group's serviced suites as investment property or property, plant and equipment
- Revenue and cost of sales recognition from sales of development properties
- Carrying value of development properties
- Level of impairment of value of hotel properties
- Fair values of unquoted financial assets, at FVOCI

Information about assumptions and estimation uncertainties that have the most significant risk of resulting in a material adjustment within the next interim period is as follows:

Fair values of investment properties

The Group carries its investment properties at fair value with corresponding changes being recognised in the income statement. In determining fair values, valuation techniques which involve certain estimates are used by professional valuers. The key assumptions to determine the fair value of investment properties include the adopted value per square feet, market-corroborated capitalisation rate, growth rate, discount rate, gross development value per square foot and construction cost per square foot.

Management has assessed that the valuation methods and estimates are reflective of current market conditions.

4 Seasonal operations

The Group's businesses are generally not affected significantly by seasonal or cyclical factors during the financial period/year. The Group's results may however vary from period to period depending on the conditions of the hospitality and property markets in the countries in which the Group operates.

UOL GROUP LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the second half and financial year ended 31 December 2023

5 Revenue, Finance income and Miscellaneous income

	The Group					
	Second half ended 31 December			Financial year ended 31 December		
	2023	2022	+ / (-)	2023	2022	+ / (-)
	\$'000	\$'000	%	\$'000	\$'000	%
<u>Revenue from contracts with customers under SFRS(I) 15</u>						
Revenue from property development						
- recognised at a point in time	37,065	253,939	(85)	101,192	465,329	(78)
- recognised over time	496,987	723,479	(31)	1,109,126	1,512,026	(27)
	534,052	977,418	(45)	1,210,318	1,977,355	(39)
Revenue from hotel ownership and operations						
- recognised at a point in time	149,802	130,629	15	276,289	207,399	33
- recognised over time	271,479	217,146	25	486,526	346,692	40
	421,282	347,775	21	762,816	554,091	38
Revenue from technology operations						
- recognised at a point in time	44,470	48,039	(7)	94,305	91,187	3
- recognised over time	8,600	5,134	68	15,778	9,138	73
	53,070	53,173	(0)	110,083	100,325	10
Revenue from management services						
- recognised over time	9,114	7,498	22	18,192	14,441	26
	1,017,518	1,385,864	(27)	2,101,409	2,646,212	(21)
<u>Other revenue</u>						
Revenue from property investments	262,351	256,310	2	512,507	504,227	2
Dividend income from financial assets, at FVOCI	35,783	25,245	42	67,785	51,272	32
	1,315,652	1,667,419	(21)	2,681,701	3,201,711	(16)
<u>Finance income</u>						
Interest income	21,652	19,876	9	37,271	25,517	46
<u>Miscellaneous income</u>						
Government grants and assistance	3,353	8,048	(58)	5,319	13,380	(60)
Others	5,111	7,946	(36)	11,180	15,131	(26)
	8,464	15,994	(47)	16,499	28,511	(42)

6 Expenses and Profit before Income Tax

	The Group					
	Second half ended 31 December			Financial year ended 31 December		
	2023	2022	+ / (-)	2023	2022	+ / (-)
	\$'000	\$'000	%	\$'000	\$'000	%
<u>Marketing and distribution expenses</u>						
Advertising and promotion	19,356	18,691	(4)	33,243	32,611	(2)
Marketing and distribution payroll and related expenses	18,560	17,144	(8)	35,445	30,352	(17)
Sales commissions	16,234	30,310	46	36,691	61,716	41
Showflat expenses	3,185	6,855	54	5,358	11,397	53
Others	2,464	1,651	(49)	4,388	2,972	(48)
	59,799	74,651	20	115,125	139,048	17
<u>Administrative expenses</u>						
Administrative payroll and related expenses	51,948	39,811	(30)	94,299	75,400	(25)
Corporate expenses	15,290	10,550	(45)	28,110	18,041	(56)
Credit card commissions	6,360	5,347	(19)	11,714	8,336	(41)
Information technology related expenses	8,380	5,602	(50)	13,735	10,302	(33)
Bank loan fees and other bank charges	571	489	(17)	993	859	(16)
Others	2,914	4,016	27	9,715	7,652	(27)
	85,463	65,815	(30)	158,566	120,590	(31)

UOL GROUP LIMITED AND ITS SUBSIDIARIES
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the second half and financial year ended 31 December 2023

6 Expenses and Profit before Income Tax (continued)

	The Group					
	Second half ended 31 December			Financial year ended 31 December		
	2023	2022	+ / (-)	2023	2022	+ / (-)
Finance expenses						
Bank facility fees	3,194	3,071	(4)	5,926	6,007	1
Interest expense	104,321	83,125	(25)	204,091	127,550	(60)
Less: borrowing costs capitalised [See Note (a) below]	(4,464)	(4,754)	(6)	(13,102)	(6,010)	118
Currency exchange losses (net)	3,481	298	n.m.	3,481	783	(345)
	106,532	81,740	(30)	200,396	128,330	(56)
Other operating expenses						
Property taxes	26,709	20,958	(27)	52,929	47,119	(12)
Other taxes	1,737	2,721	36	3,995	6,076	34
Repairs, maintenance and security	14,020	14,598	4	25,407	24,534	(4)
Heat, light and power	17,981	17,777	(1)	36,535	28,312	(29)
Other payroll and related expenses	7,464	7,035	(6)	15,307	12,939	(18)
Impairment loss on financial assets [See Note (b) below]	4,720	1,017	(364)	5,363	1,290	(316)
Others	5,377	6,517	17	10,847	10,640	(2)
	78,008	70,623	(10)	150,383	130,910	(15)
Other (losses)/gains						
Gain on disposal of a subsidiary [See Note (c) below]	442,286	-	n.m.	442,286	-	n.m.
Gain on liquidation of an associated company	-	-	-	-	11	(100)
Write-back of impairment charge/(impairment charge) on property, plant and equipment [See Note (d) below]	12,404	(5,131)	(342)	12,404	(5,131)	(342)
Write-off of intangible asset	(1,804)	-	n.m.	(2,054)	-	n.m.
Fair value gain/(loss) on financial assets, at FVPL	-	2	-	17	(3)	667
	452,886	(5,129)	n.m.	452,653	(5,123)	n.m.
Profit before income tax						
Profit before income tax is stated after charging:						
Depreciation and amortisation	67,976	68,841	1	127,492	126,819	(1)
Property, plant and equipment written off and net loss on disposals	163	2,435	93	1,234	2,525	(51)

- (a) Borrowing costs capitalised for FY2023 relate mainly to borrowings for the development/asset enhancement of Pan Pacific Orchard, Odeon, Singapore Land Tower, Clifford Centre and Faber House (FY2022: Pan Pacific Orchard, Odeon, PARKROYAL COLLECTION Kuala Lumpur and Pan Pacific Serviced Suites Kuala Lumpur).
- (b) The impairment loss on financial assets relates mainly to write-off of receivables from an associated company and provisions on receivables from tenants in arrears.
- (c) The gain on disposal of a subsidiary was in relation to the sale of the Group's wholly owned subsidiary, Parkroyal Kitchener Hotel Pte. Ltd., which holds PARKROYAL on Kitchener Road. The sale was completed on 31 October 2023.
- (d) For FY2023, the write-back of impairment charges relate to Pan Pacific London/Devonshire Row and Pan Pacific Tianjin. For FY2022, the impairment charge was recorded for Pan Pacific Tianjin; offset partially by write-back of impairment charge for Pan Pacific London/Devonshire Row. The write-back of impairment charges and impairment charge were due to the fair values of the properties exceeding and being lower than their carrying amounts respectively.

UOL GROUP LIMITED AND ITS SUBSIDIARIES

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For the second half and financial year ended 31 December 2023

7 Income tax expense

	The Group					
	Second half ended 31 December			Financial year ended 31 December		
	2023	2022	+ / (-)	2023	2022	+ / (-)
	\$'000	\$'000	%	\$'000	\$'000	%
Tax expense attributable to profit is made up of:						
- Profit for the financial period/year:						
Current income tax						
- Singapore	49,936	45,304	(10)	92,174	71,630	(29)
- Foreign	10,258	11,839	13	11,906	27,280	56
- Withholding tax paid	499	1,011	51	679	1,201	43
Deferred income tax						
- fair value losses of investment properties	(276)	(896)	(69)	(2,143)	(1,732)	24
- others [See Note (a) below]	(18,227)	8,282	320	(17,570)	21,817	181
	42,190	65,540	36	85,046	120,196	29
- (Over)/under provision in prior financial period/year						
Current income tax						
- Singapore	(1,238)	(2,880)	(57)	(1,238)	(4,343)	(71)
- Foreign	78	1,197	93	78	1,197	93
Deferred income tax	1,613	3,919	59	1,613	3,919	59
	42,643	67,776	37	85,499	120,969	29

The tax expense on profit for the financial year differs from the amount that would arise using the Singapore standard rate of income tax due to the following:

	The Group		
	Financial year ended 31 December		
	2023	2022	+ / (-)
	\$'000	\$'000	%
Profit before income tax	947,972	889,921	7
Share of loss/(profit) of associated companies, net of tax	10,942	(1,149)	1,052
Share of profit of joint venture companies, net of tax	(898)	(18,267)	(95)
	958,016	870,505	10
Profit before tax and share of (profit)/loss of associated companies and profit of joint venture companies			
Tax calculated at a tax rate of 17%	162,863	147,986	(10)
Effects of:			
- Singapore statutory stepped income exemption	(728)	(686)	6
- Tax rebates	(680)	(340)	100
- Different tax rates in other countries	(12,748)	7,212	277
- Income not subject to tax [See Note (b) below]	(119,682)	(70,045)	71
- Expenses not deductible for tax purposes [See Note (b) below]	52,275	28,521	(83)
- Recognition of previously unrecognised tax losses	(925)	(1,011)	(9)
- Deferred tax assets not recognised in the current financial year	4,671	8,559	45
- Under provision in prior financial years	453	773	41
Tax charge	85,499	120,969	29

(a) Other deferred income tax (credit)/expense relates to timing differences including those between the actual recognition of development profits and the payment of income tax upon the development project obtaining Temporary Occupation Permit.

(b) Income not subject to tax comprises mainly gain on disposal of a subsidiary, fair value gains on the Group's investment properties and dividend income from financial assets, FVOCI. Expenses not deductible for tax purposes comprise mainly restricted claims on expenditure and interest costs, and fair value losses on the Group's investment properties.

UOL GROUP LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the second half and financial year ended 31 December 2023

8 Earnings per share

Earnings per ordinary share for the period/year

- (i) Based on weighted average number of ordinary shares in issue
- (ii) On a fully diluted basis

The Group			
Second half ended 31 December		Financial year ended 31 December	
2023	2022	2023	2022
cents 67.78	cents 14.31	cents 83.76	cents 58.24
cents 67.78	cents 14.31	cents 83.76	cents 58.23

Earnings per share is calculated by reference to the weighted average number of ordinary shares in issue during the financial period/year.

For the purposes of calculating diluted earnings per share, the weighted average number of shares in issue is adjusted to take into account the dilutive effect arising from the outstanding options granted to employees, where such shares would have been issued at a price lower than market value.

9 Other comprehensive income/(loss)

(a) Currency translation differences arising from consolidation of foreign operations

The currency translation differences arose mainly from the translation of the net assets of the Group's foreign subsidiaries which are denominated in GBP, RMB, AUD, MYR, IDR, VND and USD.

(b) Fair value gains/(losses) on financial assets, at FVOCI

The fair value gains/(losses) recorded were due mainly to the increase/(decrease) in the closing bid prices of the relevant quoted equity shares from the previous financial year-end.

10 Current trade and other receivables

Current trade and other receivables have increased due mainly to the recognition of receivables for (i) the balance of payments for Avenue South Residence upon the receipt of temporary occupation permit ("TOP") in July 2023; and (ii) the first progress payments for units sold at the launch of Watten House in November 2023.

11 Development properties

The decrease in development properties was due mainly to the completion of Avenue South Residence; offset partially by the en-bloc purchase of the Meyer Park site for a consideration of \$392.18 million.

12 Non-current trade and other receivables

The increase in non-current trade and other receivables was due mainly to loans to joint venture companies for the mixed development project at Tampines Avenue 11 which the Group jointly acquired with CapitalLand Singapore Limited in July 2023.

13 Investment properties

The increase in investment properties arose mainly from costs capitalised for properties undergoing redevelopment/asset enhancement initiatives ("AEI") including Clifford Centre, Singapore Land Tower and Odeon; offset partially by the transfer of Faber House to property, plant and equipment with the commencement of redevelopment works to a hotel in June 2023. In addition, there was the recognition of net fair value gains of \$20.2 million based on valuations as determined by independent professional valuers as at 31 December 2023, where the fair value gains from Singapore properties more than offset the fair value losses from properties in the United Kingdom and Australia.

14 Property, plant and equipment

The increase in property, plant and equipment was due mainly to (i) the transfer of Faber House from investment property to property, plant and equipment with the commencement of redevelopment works to a hotel; and (ii) costs capitalised for Pan Pacific Orchard which was under construction and opened for operations in June 2023; offset partially by (iii) the disposal of PARKROYAL on Kitchener Road in October 2023.

UOL GROUP LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the second half and financial year ended 31 December 2023

15 Borrowings

(a) Current bank loans

The decrease in current bank loans is due mainly to repayment with proceeds from the sale of PARKROYAL on Kitchener Road, as well as with receipts from sales of development projects and operating cash flows.

(b) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

Amount repayable after one year

31.12.23		31.12.22	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
93,140	643,150	204,536	784,602
1,373,522	3,001,744	1,164,106	3,242,965

(c) Details of any collaterals

The borrowings and other banking facilities are secured by bank deposits, mortgages on the borrowing subsidiaries' investment properties, hotel properties, development properties, and/or assignment of all rights and benefits with respect to the properties and/or corporate guarantees from the Company or other Group subsidiaries.

16 Current and non-current loans from non-controlling shareholders of subsidiaries

The decrease in current and non-current loans from non-controlling shareholders of subsidiaries was due to the repayment to the non-controlling shareholder of United Venture Development (Silat) Pte. Ltd. with the proceeds from sales of Avenue South Residence.

17 Share capital

(a) Total number of issued shares, excluding treasury shares

The Company	
31.12.23	31.12.22
844,935,232	844,719,232

(b) During the financial year ended 31 December 2023, the changes in the issued share capital of the Company were as follows:

	Number of Ordinary Shares
Issued share capital as at 1 January 2023	844,719,232
Issue of ordinary shares arising from the exercise of:	
2013 Options at exercise price of S\$6.55 per share	80,000
2014 Options at exercise price of S\$6.10 per share	4,000
2016 Options at exercise price of S\$5.87 per share	24,000
2017 Options at exercise price of S\$6.61 per share	54,000
2019 Options at exercise price of S\$6.59 per share	54,000
Ordinary shares issued upon exercise of options	216,000
Issued share capital as at 31 December 2023	844,935,232

During the second half of 2023, no ordinary shares (second half of 2022: 105,000) were issued arising from the exercise of options granted under the UOL 2012 Share Option Scheme and UOL 2022 Share Option Scheme.

(c) As at 31 December 2023, there were 7,946,000 (31.12.22: 6,922,000) ordinary shares which may be issued upon the exercise of options under the UOL 2012 Share Option Scheme and UOL 2022 Share Option Scheme.

(d) The Company did not hold any treasury shares and there were no subsidiary holdings as of 31 December 2023 and 31 December 2022. Accordingly, there was no sales, transfers, disposal, cancellation and/or use of treasury shares or subsidiary holdings during the financial year ended 31 December 2023.

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

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18 Dividends

Final one-tier dividend of \$0.15 (2022: \$0.15) per share and special one-tier dividend of \$0.03 (2022: nil) per share paid in respect of the previous financial year

The Group	
Financial year ended 31 December	
2023	2022
\$'000	\$'000
152,073	126,670

At the forthcoming Annual General Meeting on 24 April 2024, a final one-tier dividend of **\$0.15** per share and a special one-tier dividend of **\$0.05** per share amounting to a total of \$168,987,000 will be recommended. These financial statements do not reflect this dividend, which if approved, will be accounted for in the shareholders' equity as an appropriation of retained profits in the financial year ending 31 December 2024.

19 Net asset value

Net asset value per ordinary share
Net tangible asset backing per ordinary share

The Group		The Company	
31.12.23	31.12.22	31.12.23	31.12.22
\$13.07	\$12.59	\$4.35	\$4.41
\$13.03	\$12.55	\$4.35	\$4.41

20 Cash flows

(a) Non-cash items

Non-cash items consist mainly of depreciation and amortisation expenses, unrealised translation gains/losses, share of profit/loss of associated and joint venture companies, and impairment loss on financial assets.

(b) Cash flows for development properties

The cash inflow for development properties was mainly from receipts for the progressive payments from Avenue South Residence (which obtained TOP in 2023), AMO Residence, Clavon, The Watergardens at Canberra, Watten House and Pinetree Hill, and from sales of The Sky Residence London and V on Shenton; offset partially by the payments for the en-bloc acquisition of the Meyer Park site and the construction payments of the ongoing development projects.

(c) Disposal of a subsidiary, net of cash disposed of

The cash inflow from disposal of a subsidiary, net of cash disposed of, relates to proceeds from the sale of the Group's wholly-owned subsidiary, Parkroyal Kitchener Hotel Pte. Ltd. on 31 October 2023.

(d) Loans to joint venture companies

Loans to joint venture companies included those extended to Topaz Residential Pte. Ltd. and Topaz Commercial Pte. Ltd., for the mixed development project at Tampines Avenue 11 which the Group jointly acquired with CapitalLand Singapore Limited in July 2023.

(e) Payments for property, plant and equipment and investment properties

Payments for property, plant and equipment and investment properties relate mainly to expenditure for the (i) redevelopment of Clifford Centre and Faber House; (ii) construction and purchase of operating assets for Pan Pacific Orchard which opened in June 2023; (iii) construction of serviced suites and hotel at Thamrin Nine Tower 2, Jakarta; (iv) major asset enhancement initiatives at Singapore Land Tower and Odeon; and (v) renovation of Pan Pacific Singapore, Pan Pacific Perth and PARKROYAL Melbourne Airport.

(f) Proceeds from borrowings/Repayment of borrowings

The proceeds from borrowings was mainly used for (i) the development and AEI at various properties of the Group, including Clifford Centre, Faber House, Singapore Land Tower; and (ii) the acquisition of the Meyer Park and Tampines Avenue 11 sites, whilst the repayment was made using the receipts from the divestment of PARKROYAL on Kitchener Road, sale of development projects and operating cash flows.

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For the second half and financial year ended 31 December 2023

20 Cash flows (continued)

(g) Cash and cash equivalents

For the purposes of the Consolidated Statement of Cash Flows, the cash and cash equivalents comprise the following:

	The Group	
	31.12.23	31.12.22
	\$'000	\$'000
Fixed deposits with financial institutions	425,055	375,124
Cash at bank and on hand	965,091	1,092,774
Cash and bank balances per Statement of Financial Position	1,390,146	1,467,898
Less: Bank deposits pledged as security	(7,000)	(4,500)
Cash and cash equivalents per Consolidated Statement of Cash Flows	1,383,146	1,463,398

21 Fair value measurements

(a) Fair value hierarchy

The Group classifies financial assets and liabilities measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table presents the financial assets and liabilities measured at fair value:

	The Group		The Company	
	31.12.23	31.12.22	31.12.23	31.12.22
	\$'000	\$'000	\$'000	\$'000
Assets				
Financial assets, at FVPL				
- Level 1	-	526	-	-
Financial assets, at FVOCI				
- Level 1	1,162,181	1,251,371	877,474	944,455
- Level 3	68,397	69,528	51,442	51,442
	1,230,578	1,320,899	928,916	995,897
Derivative financial instruments (current and non-current)				
- Level 2	54,794	91,536	-	-
Liabilities				
Derivative financial instruments (current and non-current)				
- Level 2	(8,785)	(688)	-	-

(b) Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:

- for financial instruments traded in an active market (e.g. quoted equity shares) **[Level 1]** - quoted price (i.e. current bid price);
- for interest rate swaps **[Level 2]** - present value of the estimated future cash flows;
- for forward foreign exchange contracts **[Level 2]** - quoted forward currency rates at the statement of financial position date;
- for other financial assets, at FVOCI (e.g. unquoted equity shares) **[Level 3]** - net asset value of the financial assets, at FVOCI multiplied by a discount factor for lack of liquidity and marketability.

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For the second half and financial year ended 31 December 2023

21 Fair value measurements (continued)

(c) Reconciliation of fair value measurements categorised within Level 3

Financial assets, at FVOCI

At the beginning of the financial period
Fair value (losses)/gains recognised in other comprehensive income
At the end of the financial period

The Group		The Company	
Second half ended 31 December		Second half ended 31 December	
2023	2022	2023	2022
\$'000	\$'000	\$'000	\$'000
70,824	70,569	51,442	50,052
(2,427)	(1,041)	-	1,390
68,397	69,528	51,442	51,442
Financial year ended 31 December		Financial year ended 31 December	
2023	2022	2023	2022
\$'000	\$'000	\$'000	\$'000
69,528	71,752	51,442	50,052
(1,131)	(2,224)	-	1,390
68,397	69,528	51,442	51,442

Financial assets, at FVOCI

At the beginning of the financial year
Fair value (losses)/gains recognised in other comprehensive income
At the end of the financial year

There is no transfer between Level 1, Level 2, and Level 3 of the fair value hierarchy for the second half and financial years ended 31 December 2023 and 31 December 2022.

(d) Financial instruments carried at other than fair value

The carrying value less impairment provision of trade and other receivables and payables approximate their fair values. The fair values of borrowings approximate their carrying amounts except for unsecured fixed rate notes as disclosed below:

2.33% unsecured fixed rate notes due 2028
3.00% unsecured fixed rate notes due 2024

The Group			
Fair value		Market borrowing rate	
31.12.23	31.12.22	31.12.23	31.12.22
\$'000	\$'000		
371,606	347,393	4.0%	5.0%
198,813	195,187	4.4%	4.8%
570,419	542,580		

22 Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, there were the following significant transactions between the Group and related parties during the financial period/year on terms agreed between the parties concerned:

Transactions with directors and their associates

Proceeds from sale of development properties
Rental received
Interest paid/payable on non-controlling shareholder's loans
Commission paid for sale of development properties
Purchase of products/gift vouchers

Transactions with associated and joint venture companies

Fees received for management of development properties
Commission received for sale of development properties
Interest receivable on loan to joint venture companies
Fees received/receivable for management of a hotel property

The Group			
Second half ended 31 December		Financial year ended 31 December	
2023	2022	2023	2022
\$'000	\$'000	\$'000	\$'000
508	-	508	-
28	33	56	145
2,443	4,267	7,548	6,218
1	1,572	60	1,893
-	57	-	74
15	30	45	45
-	151	117	549
4,321	600	4,321	1,510
-	264	12	493

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For the second half and financial year ended 31 December 2023

23 Group segmental information

Management has determined the operating segments based on the reports reviewed by the Executive Committee ("Exco") that are used to make strategic decisions. As at 31 December 2023, the Exco comprised the Chairman*, the Deputy Chairman, the Group Chief Executive and two other independent Board members of the Company.

For management purposes, the Group is organised into business segments based on their products and services as follows:

- Property development – development of properties for sale.
- Property investments – leasing of commercial properties and serviced suites.
- Hotel operations – operation of owned hotels.
- Investments – investment in quoted and unquoted financial assets, at FVOCI.
- Technology operations – distribution of computers and related products including the provision of systems integration and networking infrastructure services.
- Management services – provision of hotel management services under the "Pan Pacific", PARKROYAL and PARKROYAL COLLECTION brands, project management and related services.

The property development activities of the Group are concentrated in Singapore, The People's Republic of China ("PRC") and the United Kingdom ("UK") while the property investment activities are largely in Singapore.

The hotel operations of the Group are located in Singapore, Australia, UK, Vietnam, Malaysia, PRC and Myanmar and key asset and profit contributions are from the hotels in Singapore and Australia. The Group also has a hotel property under development in Indonesia.

The Group's quoted and unquoted financial assets, at FVOCI relate mainly to investment in equity shares of Singapore companies.

The Group's technology operations are based in Singapore.

The management services segment is not significant to the Group and have been included in the "others" segment column.

* Demised on 3 February 2024

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23 Group segmental information (continued)

	Property development				Hotel operations				Technology operations	Others	Total
	Singapore	China	United Kingdom	Property investments*	Singapore	Australia	Others	Investments			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group											
1 July 2023 to 31 December 2023											
Revenue											
Total segment sales	508,514	1,593	23,945	265,593	265,120	62,555	93,686	35,783	53,070	43,566	1,353,425
- recognised at a point in time	11,527	1,593	23,945	-	100,047	16,587	33,248	-	44,470	-	231,417
- recognised over time	496,987	-	-	-	165,073	45,968	60,438	-	8,600	43,566	820,632
- others	-	-	-	265,593	-	-	-	35,783	-	-	301,376
Inter-segment sales	-	-	-	(3,242)	(79)	-	-	-	-	(34,452)	(37,773)
Sales to external parties	508,514	1,593	23,945	262,351	265,041	62,555	93,686	35,783	53,070	9,114	1,315,652
Adjusted EBITDA - Company and subsidiaries	94,099	(1,672)	(775)	169,356	87,729	8,561	11,471	35,527	4,420	13,482	422,198
Share of (loss)/profit of associated companies	-	-	-	-	(8,499)	-	4,022	-	-	-	(4,477)
Share of loss of joint venture companies	(2,128)	-	-	(3)	-	-	-	-	-	-	(2,131)
Total adjusted EBITDA**	91,971	(1,672)	(775)	169,353	79,230	8,561	15,493	35,527	4,420	13,482	415,590
Depreciation and amortisation	(9)	(185)	(25)	(1,089)	(38,697)	(6,543)	(20,161)	-	(396)	(871)	(67,976)
Others gains/(losses)	-	-	-	-	442,286	-	12,404	-	-	(1,804)	452,886
Fair value losses on investment properties	-	-	-	(24,408)	-	-	-	-	-	-	(24,408)
Unallocated costs											(16,367)
Finance income											21,652
Finance expense											(106,532)
Profit before income tax											674,845
Income tax expense											(42,643)
Net profit											632,202

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23 Group segmental information (continued)

	Property development				Hotel operations				Technology operations	Others	Total
	Singapore	China	United Kingdom	Property investments*	Singapore	Australia	Others	Investments			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group											
1 July 2022 to 31 December 2022											
Revenue											
Total segment sales	762,257	161,509	53,652	259,538	203,699	69,831	74,329	25,245	53,173	36,893	1,700,126
- recognised at a point in time	38,778	161,509	53,652	-	82,866	19,375	28,472	-	48,039	-	432,691
- recognised over time	723,479	-	-	-	120,833	50,456	45,857	-	5,134	36,893	982,652
- others	-	-	-	259,538	-	-	-	25,245	-	-	284,783
Inter-segment sales	-	-	-	(3,228)	(84)	-	-	-	-	(29,395)	(32,707)
Sales to external parties	762,257	161,509	53,652	256,310	203,615	69,831	74,329	25,245	53,173	7,498	1,667,419
Adjusted EBITDA - Company and subsidiaries	80,476	76,624	8,152	167,311	62,068	12,759	2,977	25,141	4,267	10,957	450,732
Share of profit/(loss) of associated companies	-	-	-	-	4,253	-	(1,212)	-	-	-	3,041
Share of profit of a joint venture company	601	-	-	-	-	-	-	-	-	-	601
Total adjusted EBITDA**	81,077	76,624	8,152	167,311	66,321	12,759	1,765	25,141	4,267	10,957	454,374
Depreciation and amortisation	(9)	(209)	(25)	(1,922)	(28,563)	(7,511)	(29,349)	-	(338)	(915)	(68,841)
Others (losses)/gains	-	-	-	-	-	-	(5,131)	13	-	(11)	(5,129)
Fair value losses on investment properties	-	-	-	(48,865)	-	-	-	-	-	-	(48,865)
Unallocated costs											(12,303)
Finance income											19,876
Finance expense											(81,740)
Profit before income tax											257,372
Income tax expense											(67,776)
Net profit											189,596

* The property investment operations of the Group are concentrated mainly in Singapore. The Group also has property investment operations in Malaysia, PRC, UK, Australia and Indonesia which are not significant to be reported separately.

** Earnings before interest, tax, depreciation and amortisation (EBITDA) adjusted to exclude unallocated costs, other gains/(losses) and fair value gains/(losses) on investment properties.

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23 Group segmental information (continued)

	Property development				Hotel operations				Technology operations	Others	Total
	Singapore	China	United Kingdom	Property investments*	Singapore	Australia	Others	Investments			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group											
1 January 2023 to 31 December 2023											
Revenue											
Total segment sales	1,157,661	10,098	42,559	518,934	464,933	125,640	172,402	67,785	110,083	77,816	2,747,911
- recognised at a point in time	48,535	10,098	42,559	-	182,805	32,143	61,501	-	94,305	-	471,946
- recognised over time	1,109,126	-	-	-	282,128	93,497	110,901	-	15,778	77,816	1,689,246
- others	-	-	-	518,934	-	-	-	67,785	-	-	586,719
Inter-segment sales	-	-	-	(6,427)	(159)	-	-	-	-	(59,624)	(66,210)
Sales to external parties	1,157,661	10,098	42,559	512,507	464,774	125,640	172,402	67,785	110,083	18,192	2,681,701
Adjusted EBITDA - Company and subsidiaries	192,867	(4,163)	1,705	334,314	142,851	19,262	20,784	67,465	10,338	26,088	811,511
Share of (loss)/profit of associated companies	-	-	-	-	(14,509)	-	3,567	-	-	-	(10,942)
Share of profit/(loss) of joint venture companies	901	-	-	(3)	-	-	-	-	-	-	898
Total adjusted EBITDA**	193,768	(4,163)	1,705	334,311	128,342	19,262	24,351	67,465	10,338	26,088	801,467
Depreciation and amortisation	(17)	(376)	(50)	(2,165)	(67,641)	(13,371)	(41,355)	-	(750)	(1,767)	(127,492)
Other gains/(losses)	-	-	-	-	442,286	-	12,404	17	-	(2,054)	452,653
Fair value gains on investment properties	-	-	-	20,201	-	-	-	-	-	-	20,201
Unallocated costs											(35,732)
Finance income											37,271
Finance expense											(200,396)
Profit before income tax											947,972
Income tax expense											(85,499)
Net profit											862,473

UOL GROUP LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the second half and financial year ended 31 December 2023

23 Group segmental information (continued)

	Property development				Hotel operations				Technology operations	Others	Total
	Singapore	China	United Kingdom	Property investments*	Singapore	Australia	Others	Investments			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group											
1 January 2022 to 31 December 2022											
Revenue											
Total segment sales	1,570,301	318,026	89,028	510,309	316,106	120,888	117,264	51,272	100,325	61,671	3,255,190
- recognised at a point in time	58,275	318,026	89,028	-	129,431	32,580	45,555	-	91,187	-	764,082
- recognised over time	1,512,026	-	-	-	186,675	88,308	71,709	-	9,138	61,671	1,929,527
- others	-	-	-	510,309	-	-	-	51,272	-	-	561,581
Inter-segment sales	-	-	-	(6,082)	(167)	-	-	-	-	(47,230)	(53,479)
Sales to external parties	1,570,301	318,026	89,028	504,227	315,939	120,888	117,264	51,272	100,325	14,441	3,201,711
Adjusted EBITDA - Company and subsidiaries	200,008	129,811	9,223	337,423	90,380	21,032	(3,807)	51,162	9,492	16,907	861,631
Share of profit/(loss) of associated companies	-	-	-	-	3,820	-	(2,671)	-	-	-	1,149
Share of profit of a joint venture company	18,267	-	-	-	-	-	-	-	-	-	18,267
Total adjusted EBITDA**	218,275	129,811	9,223	337,423	94,200	21,032	(6,478)	51,162	9,492	16,907	881,047
Depreciation and amortisation	(17)	(430)	(50)	(4,123)	(57,315)	(15,624)	(46,728)	-	(695)	(1,837)	(126,819)
Other (losses)/gains	-	-	-	-	-	-	(5,131)	8	-	-	(5,123)
Fair value gains on investment properties	-	-	-	268,192	-	-	-	-	-	-	268,192
Unallocated costs											(24,563)
Finance income											25,517
Finance expense											(128,330)
Profit before income tax											889,921
Income tax expense											(120,969)
Net profit											768,952

* The property investment operations of the Group are concentrated mainly in Singapore. The Group also has property investment operations in Malaysia, PRC, UK, Australia and Indonesia which are not significant to be reported separately.

** Earnings before interest, tax, depreciation and amortisation (EBITDA) have been adjusted to exclude unallocated costs and fair value gains/(losses) on investment properties.

UOL GROUP LIMITED AND ITS SUBSIDIARIES

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

For the second half and financial year ended 31 December 2023

A. Review

The statements of financial position of UOL Group Limited ("the Company") and its subsidiaries ("the Group") as at 31 December 2023 and the related consolidated income statement and consolidated other comprehensive income for the six-month period and financial year then ended, consolidated statement of changes in equity, statement of changes in equity and consolidated statement of cash flows for the financial year then ended and explanatory notes have not been audited or reviewed by the Company's auditors.

B. Review of performance of the Group

Revenue

Group revenue for the financial year ended 31 December 2023 ("FY2023") decreased by \$520.0 million or 16% to \$2.68 billion from \$3.20 billion for the financial year ended 31 December 2022 ("FY2022"), and decreased by \$351.8 million or 21% to \$1.32 billion in the second half of 2023 ("2H 2023") from \$1.67 billion in the second half of 2022 ("2H 2022") due mainly to lower revenue from property development; offset partially by higher revenue from hotel operations.

Revenue from property development decreased by \$767.0 million or 39% from FY2022 to FY2023 and \$443.4 million or 45% from 2H 2022 to 2H 2023 due mainly to lower contribution from Avenue South Residence, Park Eleven Shanghai, The Tre Ver and Clavon; offset partially by higher progressive revenue recognition from AMO Residence and The Watergardens at Canberra.

Revenue from hotel operations was \$208.7 million or 38% higher for FY2023 as compared with that for FY2022 and \$73.5 million or 21% higher for 2H 2023 as compared with that for 2H 2022, as all of the Group's hotels except for those affected by major refurbishments continued to benefit from the rebound in global travel in their respective countries.

Investment income for FY2023 was \$16.5 million or 32% higher than that for FY2022 and for 2H 2023 was \$10.5 million or 42% higher than that for 2H 2022 due mainly to higher dividends received from quoted equity investments.

Gross profit margin

Gross profit margin was 39% for FY2023 (FY2022: 33%) and 42% for 2H 2023 (2H 2022: 34%). The higher gross profit margins for the current year/period were due mainly to higher investment income, improved performance of the hotel operations, and lower contribution from property development with lower margins.

Miscellaneous income

Miscellaneous income for FY2023 was \$12.0 million or 42% lower than that for FY2022, and for 2H 2023 was \$7.5 million or 47% lower than that for 2H 2022, due mainly to lower government grants received from the Singapore government in 2023 as compared to 2022.

Finance income

Finance income was \$11.8 million or 46% higher for FY2023 as compared with that for FY2022 and \$1.8 million or 9% higher for 2H 2023 as compared with that for 2H 2022 due mainly to higher deposit rates as well as interest income from loans to a joint venture company.

Expenses

Marketing expenses for FY2023 was \$23.9 million or 17% lower than that for FY2022 and for 2H 2023 was \$14.9 million or 20% lower than that for 2H 2022 due mainly to lower selling expenses in line with lower residential sales.

Administrative expenses for FY2023 increased by \$38.0 million or 31% from FY2022 and for 2H 2023 increased by \$19.6 million or 30% from 2H 2022 due mainly to higher payroll and related expenses, professional fees, information technology expenses and credit card commissions driven by higher business volume, inflationary factors and regulatory compliance requirements.

Other operating expenses increased by \$19.5 million or 15% from FY2022 to FY2023 and \$7.4 million or 10% from 2H 2022 to 2H 2023 due mainly to higher energy costs and property maintenance costs.

Expenses have also increased with the opening of PARKROYAL COLLECTION Kuala Lumpur in June 2022, Pan Pacific Serviced Suites Kuala Lumpur in December 2022, and Pan Pacific Orchard in June 2023.

Finance expense for FY2023 was \$72.1 million or 56% higher than that for FY2022 and for 2H 2023 was \$24.8 million or 30% higher than that for 2H 2022, due mainly to increase in interest rates. The weighted average interest rate on external borrowings for the Group for FY2023 was 3.69% (FY2022: 2.25%) and 2H 2023 was 3.87% (2H 2022: 2.87%).

Share of (loss)/profit of associated and joint venture companies

Share of losses from associated and joint venture companies in FY2023 and 2H 2023 as compared with share of profit for FY2022 and 2H 2022 was due mainly to lower contributions from 1) MEYER HOUSE which was fully sold by May 2023; and 2) Mandarin Oriental Singapore which was closed for renovations from March 2023 to September 2023.

UOL GROUP LIMITED AND ITS SUBSIDIARIES

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

For the second half and financial year ended 31 December 2023

B. Review of performance of the Group (continued)

Other gains

Other gains for FY2023 and 2H 2023 relate mainly to 1) the gain of \$442.3 million on sale of a wholly owned subsidiary which holds PARKROYAL on Kitchener Road; and 2) write-back of impairment charges for hotel properties.

Fair value gains/(losses) on investment properties

For FY2023, fair value gains on investment properties were recorded for Singapore properties while fair value losses were reported for commercial properties in The United Kingdom and Australia.

Profit & Loss

Second Half ended 31 December 2023/2022

The pre-tax profit before fair value and other gains/(losses) for 2H 2023 was \$246.4 million, a \$65.0 million or 21% decrease from the profit of \$311.4 million in 2H 2022 due mainly to lower profit from property development, lower contributions from associated and joint venture companies and higher net finance expense; offset partially by higher profit from hotel operations and investments.

With attributable fair value and other gains of \$427.2 million recognised for 2H 2023 mainly from the disposal gain of PARKROYAL on Kitchener Road, as compared with attributable fair value and other losses of \$43.7 million recognised for 2H 2022, profit after tax and non-controlling interest for 2H 2023 increased by \$451.8 million or 374% to \$572.7 million from \$120.8 million for 2H 2022.

Financial year ended 31 December 2023/2022

The pre-tax profit before fair value and other gains/(losses) for FY2023 was \$475.1 million, a \$151.7 million or 24% decrease from the profit of \$626.9 million for FY2022. This was driven mainly by 1) weaker performance by property development segment; 2) share of loss of associated and joint venture companies as compared to share of gain in FY2022; and 3) higher net finance expenses; offset partially by 4) better performance by hotel operations; and 5) higher investment income.

With attributable fair value and other gains of \$430.5 million recognised for FY2023 compared with \$146.3 million for FY2022, profit after tax and non-controlling interest increased by \$215.8 million to \$707.7 million from the profit of \$491.9 million for FY2022.

Net tangible asset and gearing

The Group's shareholders' funds increased from \$10.64 billion as at 31 December 2022 to \$11.04 billion as at 31 December 2023 due mainly to profits for the year offset in part by payment of dividends and fair value losses of investments in quoted equity shares held by the Group. Consequently the net tangible asset per ordinary share of the Group increased to \$13.03 as at 31 December 2023 from \$12.55 as at 31 December 2022.

The Group's net gearing ratio as at 31 December 2023 decreased to 0.24 from 0.26 as at 31 December 2022, due mainly to the repayment of bank loans with proceeds from the sale of PARKROYAL on Kitchener Road, sales of development properties and operating cash flows.

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

Nil.

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

According to the Ministry of Trade and Industry, the Singapore economy is expected to grow by 1.0 per cent to 3.0 per cent in 2024. However, the macroeconomic environment could remain bumpy due to persistent inflation and geopolitical tensions.

Demand for private residential properties in Singapore is expected to grow at a slower pace. Office rents are likely to moderate due to new pipeline of offices and more companies may right-size their office in view of economic uncertainties.

With tourism projected to recover fully this year, the retail sector should benefit with higher tourist arrivals, and retail rents would be further sustained by lack of supply in retail space. Likewise, Singapore's hospitality sector is likely to continue its growth against the backdrop of recovery in travels.

UOL GROUP LIMITED AND ITS SUBSIDIARIES

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

For the second half and financial year ended 31 December 2023

E. Dividend Information

(a) Current Financial Period Reported On

Dividend declared for the current financial period reported on

Name of dividend	:	First & Final
Dividend Type	:	Cash
Dividend Rate	:	\$0.15 per ordinary share
Tax Rate	:	Not applicable (one-tier)
Name of dividend	:	Special
Dividend Type	:	Cash
Dividend Rate	:	\$0.05 per ordinary share
Tax Rate	:	Not applicable (one-tier)

(b) Corresponding Period of the Immediately Preceding Financial Year

Dividend declared for the corresponding period of the immediately preceding financial year

Name of dividend	:	First & Final
Dividend Type	:	Cash
Dividend Rate	:	\$0.15 per ordinary share
Tax Rate	:	Not applicable (one-tier)
Name of dividend	:	Special
Dividend Type	:	Cash
Dividend Rate	:	\$0.03 per ordinary share
Tax Rate	:	Not applicable (one-tier)

(c) Date payable :

First & Final : Subject to shareholders' approval for payment of the First & Final Dividends and Special Dividends and payment date to be announced later

(d) Record date :

The record date will be announced at a later date.

F. Interested Person Transactions

The Company has not obtained a general mandate from shareholders for Interested Person Transactions.

G. Factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Please refer to section B.

H. Breakdown of sales

	The Group		
	For the financial year ended		
	31.12.23	31.12.22	Increase/ (decrease)
	\$'000	\$'000	%
(a) Sales reported for first half year	1,366,049	1,534,292	(11)
(b) Profit after tax before deducting non-controlling interests reported for first half year	230,271	579,356	(60)
(a) Sales reported for second half year	1,315,652	1,667,419	(21)
(b) Profit after tax before deducting non-controlling interests reported for second half year	632,202	189,596	233

UOL GROUP LIMITED AND ITS SUBSIDIARIES

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

For the second half and financial year ended 31 December 2023

I. Breakdown of total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

	Latest Financial Year	Previous Financial Year
	\$'000	\$'000
First & Final one-tier dividend	126,740	126,728
Special dividend	42,247	25,346
Total	168,987	152,073

J. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Wee Wei Ling	72	Sister of Mr Wee Ee Lim, Mr Wee Ee-chao, and Mr Wee Ee Cheong, substantial shareholders of UOL Group Limited ("UOL"). Mr Wee Ee Lim and Mr Wee Ee-chao are also directors of UOL.	Executive Director, Sustainability Partnerships, Lifestyle and Asset of Pan Pacific Hotels Group Limited ("PPHG"). Oversees the approval of all capital expenditure for PPHG's owned hotel properties, and is responsible for the running of St Gregory Spa Pte Ltd and Dou Hua Restaurants Pte Ltd. Also co-ordinates PPHG's corporate social responsibility, charitable and sustainability initiatives. Director of PPHG since 1994. PPHG is a wholly-owned subsidiary of UOL.	Nil
Eu Zai Jie Jonathan	42	Nephew of Mr Wee Ee Lim and Mr Wee Ee-chao, directors and substantial shareholders of UOL. Nephew of Mr Wee Ee Cheong, a substantial shareholder of UOL.	Executive and Non-Independent Director, and Chief Executive Officer, of Singapore Land Group Limited ("SingLand"), a subsidiary of UOL. Overall management of SingLand.	Nil

CONFIRMATION THAT THE ISSUER HAS PROCURED UNDERTAKINGS FROM ALL ITS DIRECTORS AND EXECUTIVE OFFICERS (IN THE FORMAT SET OUT IN APPENDIX 7.7) UNDER RULE 720(1)

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

Yeong Sien Seu
Company Secretary
27 February 2024