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A. **Condensed Interim Consolidated Income Statement**

		Group			
		6 months ended 31 December 2021	6 months ended 31 December 2020	12 months ended 31 December 2021	12 months ended 31 December 2020
		\$'000	\$'000	\$'000	\$'000
Revenue					
Hotel operations	4	51,763	38,071	107,206	74,914
Rental income from investment properties	4	8,337	9,086	17,434	18,155
Total revenue		60,100	47,157	124,640	93,069
Other income		249	259	701	642
Total revenue and other income		60,349	47,416	125,341	93,711
Costs and expenses					
Staff costs		(18,758)	(9,254)	(36,770)	(22,489)
Depreciation and amortisation		(10,023)	(11,355)	(21,061)	(21,824)
Other operating expenses		(21,259)	(18,517)	(44,148)	(36,424)
Total costs and expenses		(50,040)	(39,126)	(101,979)	(80,737)
Profit from operating activities before fair value adjustment and exceptional items		10,309	8,290	23,362	12,974
Revaluation deficit on property, plant and equipment		-	(2,626)	-	(2,626)
Fair value gain on investment properties		(1,535)	14,318	(1,535)	14,318
Gain on disposal of property, plant and equipment		1,763	-	1,763	-
Gain on disposal of investment property		-	8,139	-	8,139
Impairment loss on investment property		-	-	-	-
Impairment loss on investment in an associated company		(516)	(937)	(516)	(937)
Profit from operating activities	6.1	10,021	27,184	23,074	31,868
Finance costs		(393)	(843)	(615)	(1,687)
Interest income from fixed deposits		418	575	834	1,632
Foreign exchange (loss)/gain		(2,707)	6,161	(3,341)	7,106
Share of results of associates		78	(164)	(146)	(697)
Profit before tax	6.1	7,417	32,913	19,806	38,222
Income tax expense		(4,086)	981	(8,626)	(894)
Profit net of tax attributable to owners of the Company		3,331	33,894	11,180	37,328

B. Condensed Interim Consolidated Statement of Comprehensive Income

		Group			
		6 months ended 31 December 2021	6 months ended 31 December 2020	12 months ended 31 December 2021	12 months ended 31 December 2020
		\$'000	\$'000	\$'000	\$'000
	Profit net of tax	3,331	33,894	11,180	37,328
	Other comprehensive income:				
	Items that will not be reclassified to profit or loss				
	Net deficit on revaluation of hotel assets, net of tax	(6,392)	(62,223)	(6,392)	(62,223)
	Net gain/(loss) on fair value changes of equity investments at fair value through other comprehensive income	(727)	1,797	2,305	(1,112)
		(7,119)	(60,426)	(4,087)	(63,335)
	Items that may be reclassified subsequently to profit or loss				
	Foreign currency translation	(13,943)	37,627	(21,295)	39,706
		(13,943)	37,627	(21,295)	39,706
	Other comprehensive income, net of tax	(21,062)	(22,799)	(25,382)	(23,629)
	Total comprehensive income	(17,731)	11,095	(14,202)	13,699
	Total comprehensive income attributable to:				
	Owners of the Company	(17,731)	11,095	(14,202)	13,699
		(17,731)	11,095	(14,202)	13,699
	Earnings per share for profit for the period attributable to Owners of the Company				
	Basic (cents)	0.45	4.67	1.53	5.14
	Diluted (cents)	0.45	4.67	1.53	5.14

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C. Condensed Interim Statements of Financial Position

	Note	Group		Company	
		31 December 2021 S\$'000	31 December 2020 S\$'000	31 December 2021 S\$'000	31 December 2020 S\$'000
Non-current assets					
Property, plant and equipment	11	971,923	999,086	242,874	249,882
Investment properties	12	156,356	263,549	-	-
Investments in subsidiaries		-	-	344,736	344,736
Investments in associates		6,841	7,115	7,888	8,584
Investment securities		19,889	17,340	19,889	17,340
Deferred tax assets		1,752	844	-	-
Goodwill		674	700	-	-
Intangible assets		-	86	-	-
		<u>1,157,435</u>	<u>1,288,720</u>	<u>615,387</u>	<u>620,542</u>
Current assets					
Inventories		803	655	15	14
Trade and other receivables		11,023	9,071	848	674
Prepaid operating expenses		1,856	2,689	146	135
Properties held for sale		98,056	-	-	-
Short-term deposits		179,215	185,160	108,996	112,055
Cash at bank and on hand		51,632	43,800	3,944	2,213
		<u>342,585</u>	<u>241,375</u>	<u>113,949</u>	<u>115,091</u>
Current liabilities					
Trade and other payables		12,122	12,463	4,272	4,025
Accrued operating expenses		2,336	2,002	972	915
Deferred income		931	824	-	-
Income tax payable		5,813	4,735	41	60
Lease liabilities		118	132	39	29
Loans and borrowings	13	14,770	27,704	-	-
		<u>36,090</u>	<u>47,860</u>	<u>5,324</u>	<u>5,029</u>
Net current assets		306,495	193,515	108,625	110,062
Non-current liabilities					
Lease liabilities		4,646	4,846	12	51
Deferred tax liabilities		141,019	142,862	9,255	9,229
Net assets		<u>1,318,265</u>	<u>1,334,527</u>	<u>714,745</u>	<u>721,324</u>
Equity attributable to owners of the Company					
Issued capital	14	515,009	502,537	515,009	502,537
Fair value adjustment reserve		3,348	1,043	3,348	1,043
Asset revaluation reserve		615,930	622,777	181,474	186,442
Foreign currency translation reserve		(112,296)	(91,001)	-	-
Other reserve		1,432	1,432	-	-
Retained earnings		294,842	297,739	14,914	31,302
Total equity		<u>1,318,265</u>	<u>1,334,527</u>	<u>714,745</u>	<u>721,324</u>

D. Condensed Interim Statements of Changes in Equity

Group

	Share Capital \$'000	Fair Value Adjustment Reserve \$'000	Asset Revaluation Reserve \$'000	Foreign Currency Translation Reserve \$'000	Other Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
Opening balance at 1 January 2021	502,537	1,043	622,777	(91,001)	1,432	297,739	1,334,527
Profit net of tax	-	-	-	-	-	11,180	11,180
Other comprehensive income for the period:							
Net gain on fair value changes of equity investments at fair value through other comprehensive income	-	2,305	-	-	-	-	2,305
Adjustment to retained earnings	-	-	(455)	-	-	455	-
Net surplus on revaluation of hotels assets, net of tax	-	-	(6,392)	-	-	-	(6,392)
Foreign currency translation	-	-	-	(21,295)	-	-	(21,295)
Total comprehensive income for the period	-	2,305	(6,847)	(21,295)	-	11,635	(14,202)
Distributions to owners:							
Cash Dividend	-	-	-	-	-	(2,060)	(2,060)
Scrip Dividend	12,472	-	-	-	-	(12,472)	-
Total distributions to owners:	12,472	-	-	-	-	(14,532)	(2,060)
Closing balance at 31 December 2021	515,009	3,348	615,930	(112,296)	1,432	294,842	1,318,265
Opening balance at 1 January 2020	502,537	2,155	685,000	(130,707)	1,432	289,472	1,349,889
Profit net of tax	-	-	-	-	-	37,328	37,328
Other comprehensive income for the period:							
Net loss on fair value changes of equity instruments at fair value through other comprehensive income	-	(1,112)	-	-	-	-	(1,112)
Net deficit on revaluation of hotels assets, net of tax	-	-	(62,223)	-	-	-	(62,223)
Foreign currency translation	-	-	-	39,706	-	-	39,706
Total comprehensive income for the period	-	(1,112)	(62,223)	39,706	-	37,328	13,699
Distributions to owners:							
Dividend on ordinary shares	-	-	-	-	-	(29,061)	(29,061)
Total distributions to owners:	-	-	-	-	-	(29,061)	(29,061)
Closing balance at 31 December 2020	502,537	1,043	622,777	(91,001)	1,432	297,739	1,334,527

Company

	Share Capital \$'000	Fair Value Adjustment Reserve \$'000	Asset Revaluation Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
Opening balance at 1 January 2021	502,537	1,043	186,442	31,302	721,324
Loss net of tax	-	-	-	(1,856)	(1,856)
<u>Other comprehensive income for the period:</u>					
Net gain on fair value changes of equity instruments at fair value through other comprehensive income	-	2,305	-	-	2,305
Net deficit on revaluation of hotels assets, net of tax	-	-	(4,968)	-	(4,968)
Total comprehensive income for the period	-	2,305	(4,968)	(1,856)	(4,519)
<u>Distributions to owners:</u>					
Cash dividends	-	-	-	(2,060)	(2,060)
Scrip dividends	12,472	-	-	(12,472)	-
Total distributions to owners:	12,472	-	-	(14,532)	(2,060)
Closing balance at 31 December 2021	515,009	3,348	181,474	14,914	714,745
Opening balance at 1 January 2020	502,537	2,155	214,691	40,128	759,511
Profit net of tax	-	-	-	20,235	20,235
<u>Other comprehensive income for the period:</u>					
Net loss on fair value changes of equity instruments at fair value through other comprehensive income	-	(1,112)	-	-	(1,112)
Net deficit on revaluation of hotel assets net of tax	-	-	(28,249)	-	(28,249)
Total comprehensive income for the period	-	(1,112)	(28,249)	20,235	(9,126)
<u>Distributions to owners:</u>					
Dividend on ordinary shares	-	-	-	(29,061)	(29,061)
Total distributions to owners:	-	-	-	(29,061)	(29,061)
Closing balance at 31 December 2020	502,537	1,043	186,442	31,302	721,324

E. Condensed Interim Consolidated Statement of Cash Flow

	Group	
	12 months ended 31 December 2021 S\$'000	12 months ended 31 December 2020 S\$'000
Operating activities		
Profit before tax	19,806	38,222
Adjustments for :-		
Depreciation of property, plant and equipment	21,061	21,824
Dividend income from investment securities	(700)	(583)
Impairment loss on investment in an associate	516	937
Fair value gain on investment properties	1,535	(14,318)
Net gain/(loss) on disposal of property, plant and equipment	(1,763)	145
Gain on disposal of investment property	-	(8,139)
Revaluation deficit on property, plant and equipment	-	2,626
Impairment loss on intangible assets	83	-
Credit impairment on trade receivables	-	113
Finance costs	615	1,687
Interest income from fixed deposits	(834)	(1,632)
Foreign exchange (loss)/gain	3,341	(7,106)
Share of results of associates	146	697
Operating cash flows before changes in working capital	43,806	34,473
(Increase)/decrease in inventories	(170)	140
Increase in trade and other receivables	(2,197)	(3,376)
Decrease in prepaid operating expenses	748	352
Increase/(decrease) in trade and other payables	200	(3,191)
Increase/(decrease) in accrued expenses	370	(447)
Cash flows from operations	42,757	27,951
Interest received	834	1,632
Finance costs	(615)	(1,514)
Tax paid	(6,001)	(4,307)
Net cash flows generated from operating activities	36,975	23,762
Investing activities		
Dividend income from investment securities	700	583
Proceeds from disposal of property, plant and equipment	10,704	-
Proceeds from disposal of investment property	-	56,195
Proceeds from disposal of investment securities	-	95
Purchase of property, plant and equipment	(23,316)	(13,135)
Additions to investment properties	(1,569)	(68)
Purchase of investment securities	(244)	(4,118)
Net cash flows (used in)/generated from investing activities	(13,725)	39,552
Financing activities		
Cash dividends paid on ordinary shares	(2,060)	(29,061)
Proceeds from loans and borrowings	2,769	-
Repayments of loans and borrowings	(14,770)	(28,420)
Repayment of principal portion of lease liabilities	(49)	(309)
Net cash flows used in financing activities	(14,110)	(57,790)
Net increase in cash and cash equivalents	9,140	5,524
Effect of exchange rate changes on cash and cash equivalents	(7,253)	12,869
Cash and cash equivalents at beginning of year	228,960	210,567
Cash and cash equivalents at end of year	230,847	228,960

F. Notes to the Condensed Interim Consolidated Financial Statements

1. Corporate Information

Hotel Grand Central Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange. The registered office and principal business of the Company is located at 22 Cavenagh Road, Singapore 229617. These consolidated financial statements as at and for the six months ended 31 December 2021 comprise the Company and its subsidiaries (collectively, the "Group").

The principal activities of the Company are those of investment holding and hotel operations. The principal activities of the Group are:

- hotel operations
- commercial property investment
- provision of management, marketing and support services
- investment holding

2. Basis of preparation

The condensed interim financial statements for the six months ended 31 December 2021 have been prepared in accordance with SFRS (I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements 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 2021.

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 2.1.

The condensed consolidated financial statements are presented in Singapore dollar which is the Company's functional currency. All values are rounded to the nearest thousand ("'\$000"), except when otherwise indicated.

2.1 New and amended standards adopted by the Group

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 Group and the Company have adopted the following amendments to SFRS(I), that is effective for the financial periods beginning on 1 January 2021:

<i>Description</i>	<i>Effective for annual periods periods beginning on or after</i>
Amendments to SFRS(I) 16 Covid-19 Related Rent Concessions	1 June 2020
Amendments to SFRS(I)9, SFRS(I)1-39, SFRS(I)7, SFRS(I)4, SFRS(I)16: Interest Rate Benchmark Reform - Phase 2	1 January 2021

The adoption of the amendments to SFRS(I) did not have any material financial impact on the financial statements of the Group and the Company for the financial year ended 31 December 2021.

2.2 Use of judgements and estimates

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2020.

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

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

- Note 11 - Property, plant and equipment
- Note 12 - Investment properties

3. Seasonal operations

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

4. Segmental and revenue information

For management purposes, the Group is organised into business units based on their geographical locations, and has five reportable operating segments as follows:

- Singapore
- Malaysia
- Australia
- New Zealand
- China

4.1 Reportable segments

1 July to 31 December 2021	Singapore S\$'000	Malaysia S\$'000	Australia S\$'000	New Zealand S\$'000	China S\$'000	Elimination S\$'000	Group S\$'000
Revenue	12,673	34	34,489	12,341	563	-	60,100
Segment results	3,458	(140)	1,421	5,359	(77)	-	10,021
Finance costs	(3)	-	(2)	(388)	-	-	(393)
Interest income from fixed deposits	188	163	19	44	4	-	418
Gain on disposal of investment property	-	-	-	-	-	-	-
Share of results of associates associated company	-	78	-	-	-	-	78
Income tax expense	-	-	-	-	-	-	(4,086)
Unallocated foreign exchange loss	-	-	-	-	-	-	(2,707)
Profit for the year attributable to owners of the Company							3,331

1 July to 31 December 2020	Singapore S\$'000	Malaysia S\$'000	Australia S\$'000	Zealand S\$'000	China S\$'000	Elimination S\$'000	Group S\$'000
Revenue	8,758	44	25,509	12,325	521	-	47,157
Segment results	610	(165)	2,203	25,689	(216)	-	28,121
Finance costs	(3)	-	(4)	(836)	-	-	(843)
Interest income from fixed deposits	352	173	26	22	2	-	575
Share of results of associates	-	(164)	-	-	-	-	(164)
Impairment in an associated company	-	(937)	-	-	-	-	(937)
Income tax expense	-	-	-	-	-	-	981
Unallocated foreign exchange gain	-	-	-	-	-	-	6,161
Profit for the year attributable to owners of the Company							33,894

1 January to 31 December 2021	Singapore S\$'000	Malaysia S\$'000	Australia S\$'000	New Zealand S\$'000	China S\$'000	Elimination S\$'000	Group S\$'000
Revenue	22,469	55	74,661	26,404	1,051	-	124,640
Segment results	5,653	(300)	9,977	8,730	(470)	-	23,590
Finance costs	-	-	(3)	(612)	-	-	(615)
Interest income from fixed deposits	379	322	29	97	7	-	834
Share of results of associates	-	(146)	-	-	-	-	(146)
Impairment loss on investment in in an associated company	-	-	-	-	-	-	(516)
Income tax expense	-	-	-	-	-	-	(8,626)
Unallocated foreign exchange loss	-	-	-	-	-	-	(3,341)
Profit for the year attributable to owners of the Company							11,180

Segment assets	612,812	6,068	337,174	296,631	15,047	(7,152)	1,260,580
Investment in associates	-	6,841	-	-	-	-	6,841
Cash and short-term deposits	134,554	16,870	66,318	10,894	2,211	-	230,847
Unallocated assets	-	-	-	-	-	-	1,752
Total assets							1,500,020
Segment liabilities	(7,012)	(110)	(10,440)	(8,333)	(1,109)	6,851	(20,153)
Loans and borrowings	-	-	-	(14,770)	-	-	(14,770)
Unallocated liabilities	-	-	-	-	-	-	(146,832)
Total liabilities							(181,755)
Capital expenditure	(93)	-	(6,889)	(17,875)	(9)	-	(24,866)
Depreciation and amortisation	(10,134)	(143)	(6,821)	(3,086)	(877)	-	(21,061)

1 January to 31 December 2020	Singapore S\$'000	Malaysia S\$'000	Australia S\$'000	New Zealand S\$'000	China S\$'000	Elimination S\$'000	Group S\$'000
Revenue	19,401	98	50,049	22,655	866	-	93,069
Segment results	1,949	(375)	3,596	28,240	(605)	-	32,805
Finance costs	(4)	-	(4)	(1,679)	-	-	(1,687)
Interest income from fixed deposits	1,018	481	102	26	5	-	1,632
Share of results of associates	-	(697)	-	-	-	-	(697)
Impairment loss on investment in in an associated company	-	(937)	-	-	-	-	(937)
Income tax expense	-	-	-	-	-	-	(894)
Unallocated foreign exchange gain	-	-	-	-	-	-	7,106
Profit for the year attributable to owners of the Company							37,328

Segment assets	627,525	6,039	368,135	283,234	14,980	(6,737)	1,293,176
Investment in associates	-	7,115	-	-	-	-	7,115
Cash and short-term deposits	129,205	17,418	43,564	37,145	1,628	-	228,960
Unallocated assets	-	-	-	-	-	-	844
Total assets							1,530,095
Segment liabilities	(6,667)	(126)	(10,096)	(8,835)	(979)	6,436	(20,267)
Loans and borrowings	-	-	-	(27,704)	-	-	(27,704)
Unallocated liabilities	-	-	-	-	-	-	(147,597)
Total liabilities							(195,568)
Capital expenditure	(110)	(1)	(1,904)	(11,164)	(24)	-	(13,203)
Depreciation and amortisation	(10,754)	(149)	(7,262)	(2,809)	(850)	-	(21,824)

4.2 Disaggregation of revenue

	Group			
	6 months ended 31 December 2021	6 months ended 31 December 2020	12 months ended 31 December 2021	12 months ended 31 December 2020
	\$'000	\$'000	\$'000	\$'000
Revenue from contracts with customers:				
- Hotel operations	51,763	38,071	107,206	74,914
Rental income from investment properties	8,337	9,086	17,434	18,155
	60,100	47,157	124,640	93,069
Government grant income	-	55	-	110
Less: Government grant expense – rent concessions	-	(55)	-	(110)
	60,100	47,157	124,640	93,069

Disaggregation of revenue from contracts with customers

	Group			
	6 months ended 31 December 2021	6 months ended 31 December 2020	12 months ended 31 December 2021	12 months ended 31 December 2020
	\$'000	\$'000	\$'000	\$'000
Primary geographical markets				
Singapore	12,673	8,758	22,469	19,401
Malaysia	34	44	55	98
Australia	29,671	20,943	69,843	45,483
New Zealand	8,822	7,805	13,788	9,066
China	563	521	1,051	866
	51,763	38,071	107,206	74,914
Major product or service line				
Room revenue	31,639	24,624	67,983	48,887
Food and beverage income	12,506	9,479	27,023	17,439
Others	7,618	3,968	12,200	8,588
	51,763	38,071	107,206	74,914
Timing of transfer of goods or services				
Over time	39,257	28,592	80,183	57,475
At a point in time	12,506	9,479	27,023	17,439
	51,763	38,071	107,206	74,914

A breakdown of sales

	Group		
	31 December 2021	31 December 2020	Increase/ (decrease)
	\$'000	\$'000	%
Sales reported for the first half year	60,100	45,912	31%
Operating profit after tax before deducting non-controlling interests reported for first half year	7,849	3,434	129%
Sales reported for the second half year	64,540	47,157	37%
Operating profit after tax before deducting non-controlling interests reported for second half year	3,331	33,894	-90%

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and the Company as at 31 December 2021 and 31 December 2020.

	Group		Company	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	\$'000	\$'000	\$'000	\$'000
Financial assets carried at amortised cost				
Trade and other receivables	11,023	9,071	848	674
Cash and short-term deposits	230,847	228,960	112,940	114,268
	241,870	238,031	113,788	114,942
Financial assets carried at fair value through other comprehensive income				
Investment securities	19,889	17,340	19,889	17,340
	19,889	17,340	19,889	17,340
Financial liabilities carried at amortised cost				
Trade and other payables	12,122	11,803	4,272	4,005
Accrued operating expenses	2,336	2,002	972	915
Lease liabilities	4,764	4,978	51	80
Loans and borrowings	14,770	27,704	-	-
	33,992	46,487	5,295	5,000

6. Profit before taxation

6.1 Significant items

	Group			
	6 months ended 31 December 2021	6 months ended 31 December 2020	12 months ended 31 December 2021	12 months ended 31 December 2020
	\$'000	\$'000	\$'000	\$'000
Income				
Dividend income	417	236	700	583
Interest income	418	575	834	1,632
Expenses				
Interest on bank loans and lease liabilities	393	843	615	1,687
Depreciation of property, plant and equipment	10,023	11,355	21,061	21,824
Foreign exchange loss/(gain)	2,707	(6,161)	3,341	(7,106)

6.2 Related party transactions

There are no material related party transactions.

7. **Taxation**

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated income statement are:

	Group			
	6 months ended 31 December 2021	6 months ended 31 December 2020	12 months ended 31 December 2021	12 months ended 31 December 2020
	\$'000	\$'000	\$'000	\$'000
Current income tax expense	2,244	2,279	6,813	4,134
Deferred income tax expense relating to originating and reversal of temporary differences	1,842	(3,260)	1,813	(3,240)
	4,086	(981)	8,626	894

8. **Dividends**

	Group	
	31 December 2021	31 December 2020
	\$'000	\$'000
Ordinary dividend provided for: Final exempt (one-tier) dividend for 2021 - Ordinary: 1.0 cents (2020: 2.0 cents) per share	7,266	14,532

9. **Net Asset value**

	Group		Company	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	\$'000	\$'000	\$'000	\$'000
Net asset value per ordinary share based on issued shares at the end of the period (Note 14)	1.78	1.84	0.97	0.99

10. **Financial assets at fair value through other comprehensive income**

The Group classifies financial assets 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:

- a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (**Level 1**)
- b) Inputs other than quoted prices included within Level 1 which are observable for the asset and or liability, either directly (i.e as prices) or indirectly (i.e derived from prices) (**Level 2**)
- c) Inputs for the assets or liability which are not based on observable market data (unobservable inputs) (**Level 3**) (i.e derived from prices) (**Level 3**)

The following table presented the assets measured at fair value:

Group and Company	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
31 December 2021				
Financial assets				
Investment securities	19,889	-	-	19,889
31 December 2020				
Financial assets				
Investment securities	17,340	-	-	17,340

Fair value measurement disclosure of other assets that are recognised or measured at fair value, can be found in Notes 11 and 12.

11. **Property, plant and equipment**

During the financial year ended 31 December 2021, the Group acquired assets amounting to \$23,316,000 (2020: \$13,207,000) and disposed of assets amounting to \$8,941,000 (2020: \$131,000), and the Company acquired assets amounting to \$23,000 (2020: \$59,000) with no disposal of assets.

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment other than freehold land, leasehold land and hotel buildings and improvements are measured at cost less accumulated depreciation and any accumulated impairment losses. Freehold land, leasehold land, and hotel buildings and improvements are measured at fair value less accumulated depreciation on leasehold land and hotel buildings and improvements and impairment losses recognised after the date of the revaluation. Valuations are performed at least once every three years to ensure that the carrying amount does not differ materially from the fair value of the freehold land, leasehold land and hotel buildings and improvements at the end of the reporting period.

The directors reviews the carrying values of the hotel assets carried at fair value and perform an internal valuation, where no independent valuer is involved. In assessing whether the fair values remained appropriate, management considered whether any movement in market data such as discount rate, capitalisation rates, changes in underlying cash flows or comparable sales would result in a material impact to the fair values of the hotel assets since the end of the previous financial year. The Group has engaged external independent qualified valuer whenever carrying amounts of the hotel assets are likely to differ materially from the fair values recognised at the end of the previous financial year. The valuation techniques and key inputs that were used to determine the fair value which is categorised under Level 3 of the fair value hierarchy are described in Note 28(d) of the Group's annual financial statements for the year ended 31 December 2020.

12. Investment properties

Investment properties comprise commercial properties that are leased to third parties on operating leases.

	Group	
	31 December 2021	31 December 2020
	\$'000	\$'000
At 1 January	263,549	279,324
Additions	1,569	68
Lease incentives	-	(91)
Net (loss)/gain from fair value adjustments recognised in profit or loss	(1,535)	14,318
Disposal of investment property	-	(48,056)
Exchange differences	(9,171)	17,986
Reclassification to properties held for sale	(98,056)	-
At 31 December	156,356	263,549

Investment properties are stated at fair value which has been determined based on valuation performed at the end of each financial year. The valuations were performed by accredited independent valuers with recognised and relevant professional qualification and with recent experience in the location and category of properties being valued. The valuations are determined based on the capitalisation method and discounted cashflow method. Details of the valuation techniques and inputs used are disclosed in Note 28(d) of the Group's annual financial statements for the financial year ended 31 December 2020.

At the end of each financial reporting period, management will assess whether fair values of the Group's properties remain appropriate and engage accredited independent valuers. For the financial year ended 31 December 2021, the Group has engaged external accredited independent valuers to perform valuations of the investment properties. In assessing whether the fair values are appropriate, management has considered whether the movement in market data such as discount rate, capitalization rates, changes in underlying cash flows or sales comparables adopted in the valuations are reasonable. Accordingly, the Group has recognised a net fair value change of \$1,535,000 (2020: \$14,318,000) for the year ended 31 December 2021.

Investment properties pledged as securities

Investment properties amounting to approximately \$99,787,000 (2020: \$97,823,000) have been mortgaged to banks as securities for bank facilities.

13. Loans and borrowings

	Group	
	31 December 2021	31 December 2020
	\$'000	\$'000
Amount repayable within one year or on demand		
Secured	14,770	27,704

The bank borrowings of the Group are secured over certain investment properties of the Group.

14. Share capital

	Group and Company			
	31 December 2021		31 December 2020	
	No. of shares 000	\$'000	No. of shares 000	\$'000
Issued and fully paid ordinary shares				
At beginning and end of the financial period	739,426	515,009	726,535	502,537

On 29 July 2021, the Company issued 12,890,771 new shares in the capital of the Company in connection with the Scrip Dividend Scheme for the final exempt (one-tier) dividend for 2020. The shares were issued at an issue price of S\$0.9675 per share.

The Company did not hold any treasury shares as at 31 December 2021 (2020: Nil).

15. Earnings per share

	Group			
	6 months ended 31 December 2021	6 months ended 31 December 2020	12 months ended 31 December 2021	12 months ended 31 December 2020
	\$'000	\$'000	\$'000	\$'000
Earnings per ordinary share of the Group based on net profit attributable to owners of the parent:				
(a) based on the weighted average number of shares	0.45 cents	4.67 cents	1.53 cents	5.14 cents
(b) on a fully diluted basis	0.45 cents	4.67 cents	1.53 cents	5.14 cents

16. Subsequent events

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

G. Other Information Required by the Listing Rule Appendix 7.2

17. Review

The condensed consolidated statement of financial position of Hotel Grand Central Limited and its subsidiaries as at 31 December and the related condensed consolidated income statement and condensed comprehensive income statement and condensed statement of changes in equity and condensed consolidated statement of cashflows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

18. Review of performance of the Group

a) Condensed interim consolidated income statement

i. Group Revenue Commentary

The Group's revenue increased in 2021 mainly due to higher turnover at the Group's hotels. Most of the hotels in Australia and New Zealand recorded an improvement in domestic business and leisure travelling in 2021. In addition, our hotels in Adelaide, Brisbane and Singapore continued to participate in government led efforts to accommodate either Covid-19 related guests or essential workers.

The Group's revenue increased in all the geographical segments except Malaysia during the period mainly due to an improvement in both the hotels' room occupancies and room rates for half year ended 31 December 2021 and full year ended 31 December 2021 as compared to corresponding period.

ii. Group Profit Commentary

General

The increase in the Group Revenue resulted in the profit from operating activities before fair value adjustments to increase in half year ended 31 December 2021 and full year ended 31 December 2021 as compared to corresponding period.

However, the Profit after tax reduced for half year ended 31 December 2021 and full year ended 31 December 2021 as compared to corresponding period, mainly due to the following factors:

- a) Fair value loss of \$1.5 million compared to a gain of \$14.3 million last year
- b) A gain of \$8.1 million from the disposal of an investment property in 2020
- c) Foreign exchange loss compared to a gain in prior period
- d) Reduction in interest income from fixed deposits
- e) Increase in taxation during the year due to higher operating profits

The reduction in net profit was partly offset by a gain of \$1.8 million from the sale of Palm Cove hotel in Australia and reduction of loan interest.

iii. Finance costs

Finance costs reduced due to a reduction in the outstanding loan amount and lower interest rates for half year ended 31 December 2021 and full year ended 31 December 2021 as compared to corresponding period.

iv. Interest income from fixed deposits

Interest income from fixed deposits reduced due to a reduction in the fixed deposits placed and lower interest rates for half year ended 31 December 2021 and full year ended 31 December 2021 as compared to corresponding period.

v. Foreign exchange (loss)/gain

The foreign exchange loss arose due to weakening of the Australia and New Zealand Dollars against the Singapore Dollars for half year ended 31 December 2021 and full year ended 31 December 2021 as compared to corresponding period.

b) Condensed interim consolidated statement of comprehensive income

vi. Fair value changes of equity investments at fair value

The fair value gain of equity investments was mainly due to higher share price of OCBC shares held by the Company.

vii. Foreign exchange translation

The foreign currency translation loss in 2021 was mainly due to the effects of depreciation of the Australian dollar and New Zealand dollar against the Singapore dollar on the Australia and New Zealand subsidiaries' net assets respectively.

c) Condensed interim statement of financial position

viii. Investment securities

Investment securities increased mainly due to an increase in share prices of the investment securities.

ix. Loans and borrowings

Loans and borrowings reduced due to repayments during the period.

x. Foreign currency translation reserve

The foreign currency translation reserve deficit increased in 2021 mainly due to the effects of depreciation of the Australian dollar and New Zealand dollar against the Singapore dollar on the Australia and New Zealand subsidiaries' net assets respectively.

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

Nil

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

To date, many countries are starting to relax border closures and travel restrictions. The recovery of the hotel industry is largely dependent upon the post pandemic recovery of the global economy and the sustained resumption of global business and leisure travelling.

Whilst there are some signs of a recovery in domestic travelling in Australia and New Zealand in 2021, the outlook for the Group is still very uncertain.

21. Dividend information**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

Name of Dividend
Dividend Type
Dividend Amount per Share
(in cents)

Final - Ordinary
Cash
1.0 cent per ordinary
share, one - tier

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Name of Dividend
Dividend Type
Dividend Amount per Share
(in cents)

Final - Ordinary
Scrip at option of shareholder
2.0 cents per ordinary
share, one - tier

(c) Date payable

To be advised

(d) Book closure date

To be advised

22. Interested person transaction

The Group does not have a shareholders' mandate for interested person transactions.

23. Confirmation that the issuer has procured undertaking from all the its directors and executive officers (in the format set out Appendix 7.7) under Rule 720(1)

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

24. Disclosure of persons occupying managerial positions who are related to a director or chief executive officer or substantial shareholder

Name	Age	Family relationship with any director 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
Tan Hwa Lian	59	Daughter of Tan Eng Teong, niece of Tan Teck Lin and Tan Eng How	Executive Director - Overseeing the day to day operations of the Group hotels - 26/8/2003	No change
Hellen Tan Hwa Lam	58	Daughter of Tan Eng Teong, sister of Tan Hwa Lian, niece of Tan Teck Lin and Tan Eng How	Financial Controller - Overseeing and administering the entire accounting and finance functions of the Company - 1982	No change
Michelle Tan Hwa Imm	55	Daughter of Tan Teck Lin, cousin of Tan Hwa Lian, niece of Tan Eng Teong and Tan Eng How	Executive Director of the associated company, Grand Central Enterprises Bhd - 31/05/2001	No change

BY ORDER OF THE BOARD

Yoo Loo Ping
Secretary
1 March 2022