



BANYAN TREE  
GROUP

# Readiness For Resilience

ANNUAL REPORT 2020  
Banyan Tree Holdings Limited



BANYAN TREE  
GROUP

We aspire to build globally recognised brands which, by creating exceptional experiences for our guests, instilling pride and integrity in our associates, and enhancing both the physical and human environment in which we operate, deliver attractive returns to our shareholders.

# Readiness For Resilience

For latest news and information about  
**Banyan Tree Holdings Limited**  
visit [banyantree.com](http://banyantree.com)

**ANNUAL REPORT 2020**  
Banyan Tree Holdings Limited

Cover image: Banyan Tree Krabi Thailand

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# A Resilient Business For The Greater Good

RESILIENCE IN A  
TIME OF CRISIS

A MULTI-BRANDED ECOSYSTEM

RE-IMAGINING THE  
FUTURE: COMMON  
IMPERATIVES

SECTION

I

# Resilience In A Time Of Crisis

Fallout from the COVID-19 pandemic hit the hospitality industry hard. Having learnt from past crises, Banyan Tree Group took immediate steps to conserve cash, manage debt and set zero cash burn targets. To increase efficiency and cut costs, we introduced unpaid leave, followed by organisational restructuring, taking pains to preserve our associates' dignity throughout the process. In addition to Group-wide initiatives, all business units identified further ways to drive down fixed costs. With these initiatives, the Group managed to exceed our cash conservation target, achieving S\$71.5 million of savings in 2020 alone, and in addition achieved a recurring savings per annum of S\$15 million.

While safeguarding the viability of the business, our utmost priority at all times has been the safety and wellbeing of our guests and associates. Given the urgency, we worked speedily with Bureau Veritas to develop the SafeSanctuary programme, which we began rolling out at our hotels in June 2020, within three months of the pandemic being declared. Encompassing over 40 areas of enhanced protocols, SafeSanctuary goes beyond prevention to emphasise wellbeing and nature-focused offerings, a dimension of hospitality that is in our DNA. SafeSanctuary has been implemented at all of our hotels, with some location-specific modifications to align with local regulations.

At the same time, we expanded efforts to care for the mental wellbeing of our associates and took the opportunity to strengthen our service culture of "I Am With You". This philosophy emphasises empathy and self-care, reminding associates to be present for one another as well as for our guests. In 2020, we rolled out our Organisational Wellbeing Index, based on the Group's eight pillars of wellbeing. The survey covered more than 80% of our associates and enables us to address areas of concern.

Re-centering on our core purpose of wellbeing and sustainability, which has become even more relevant post-COVID, we are poised to create greater value that will outlast the current challenges.

Image: Angsana Teluk Bahang Penang Malaysia



# A Multi-Branded Ecosystem

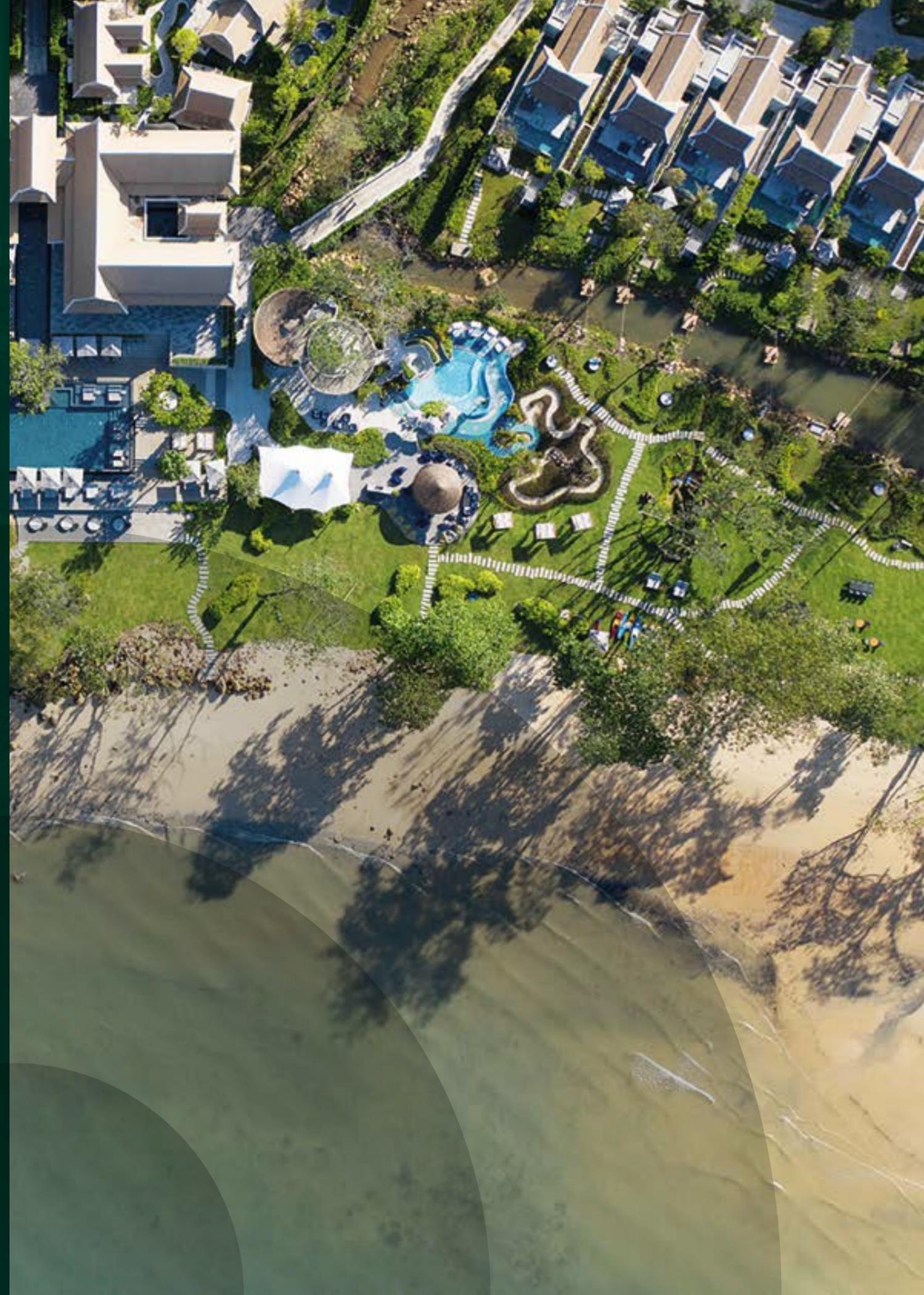
From a single resort in Thailand 26 years ago, Banyan Tree Group has grown to become one of the world's leading independent, multi-branded hospitality groups today. With an ecosystem of five award-winning brands – Banyan Tree, Angsana, Cassia, Dhawa and Laguna, with more in development, we offer exceptional design-led experiences for global travellers of tomorrow. Notably, all of our brands are centred on wellbeing and sustainability as core value propositions, which will be particularly relevant post-pandemic, as travellers increasingly seek out purposeful and healthful experiences that connect them to nature and the environment.

Catering to a variety of markets and consumer need states, our global portfolio of hotels, resorts, spas, galleries, golf courses and residences provides us with a diversified stream of revenue. This has proven vital in a time when border closures have turned the focus to domestic tourism. In Thailand, Laguna Phuket was able to pivot quickly to attract the domestic market. Similarly, our hotels in China and the Americas enjoyed a quicker recovery than those in other regions. Meanwhile, the progressive revenue recognition of branded residences and extended stay (property sales) provided income for the Group through 2020 and continues to do so.

Banyan Tree Group was founded on the core concept of sustainability. This continues to guide our business focus of creating long-term value for all stakeholders and destinations across our network of properties, products and brands. Our purpose-driven mission continues to breathe new life into places, spaces and experiences to serve the greater good.

Despite the downturn in overall tourism, the Group successfully opened three new properties and signed 20 new hotel management agreements in 2020. These achievements reflect the enduring appeal of our brand portfolio, as do the 148 awards we won during the year.

Image: Banyan Tree Krabi Thailand



# Our Global Portfolio

● Resorts/Hotels ◆ Spas

5 Brands

22 Countries

2,759 Awards  
Won to Date

48 Hotels

63 Spas

72 Galleries

7,008 Room Keys

## North America

● 5 ◆ 3

CUBA ● 2

MEXICO ● 3 ◆ 3

## Europe

◆ 3

IRELAND ◆ 2

PORTUGAL ◆ 1

## Africa

● 3 ◆ 4

MAURITIUS ● 1 ◆ 1

MOROCCO ● 2 ◆ 2

SOUTH AFRICA ◆ 1

## Asia

● 40 ◆ 53

CHINA ● 17 ◆ 24

GUAM ◆ 1

INDIA ● 1 ◆ 2

INDONESIA ● 4 ◆ 3

JAPAN ◆ 2

KUWAIT ◆ 1

LAOS ● 1 ◆ 1

MALAYSIA ● 3 ◆ 3

MALDIVES ● 3 ◆ 3

QATAR ◆ 1

SINGAPORE ◆ 1

SOUTH KOREA ● 1 ◆ 1

SRI LANKA ◆ 2

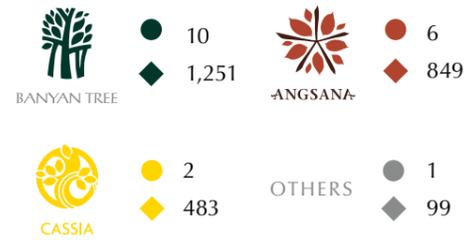
THAILAND ● 8 ◆ 6

VIETNAM ● 2 ◆ 2

# Our Portfolio

Existing Resorts — with Equity Interest

● Resorts/Hotels ◆ Room Keys

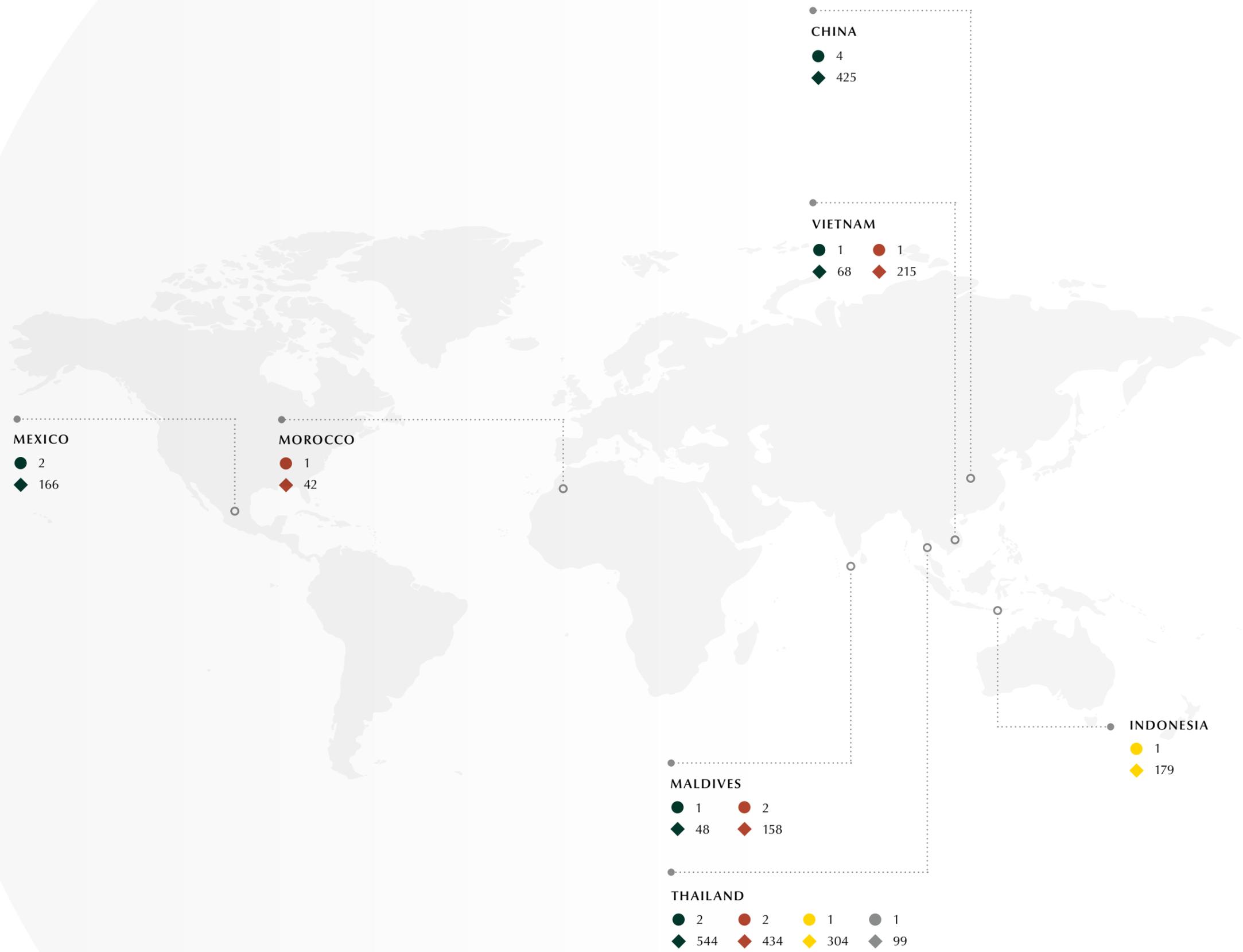


Total No. of Resorts/Hotels with Equity Interest

19

Total No. of Keys for Resorts/Hotels with Equity Interest

2,682



# Our Portfolio

## Existing Resorts — without Equity Interest

● Resorts/Hotels ◆ Room Keys

No. of Resorts/Hotels and Keys without Equity Interest

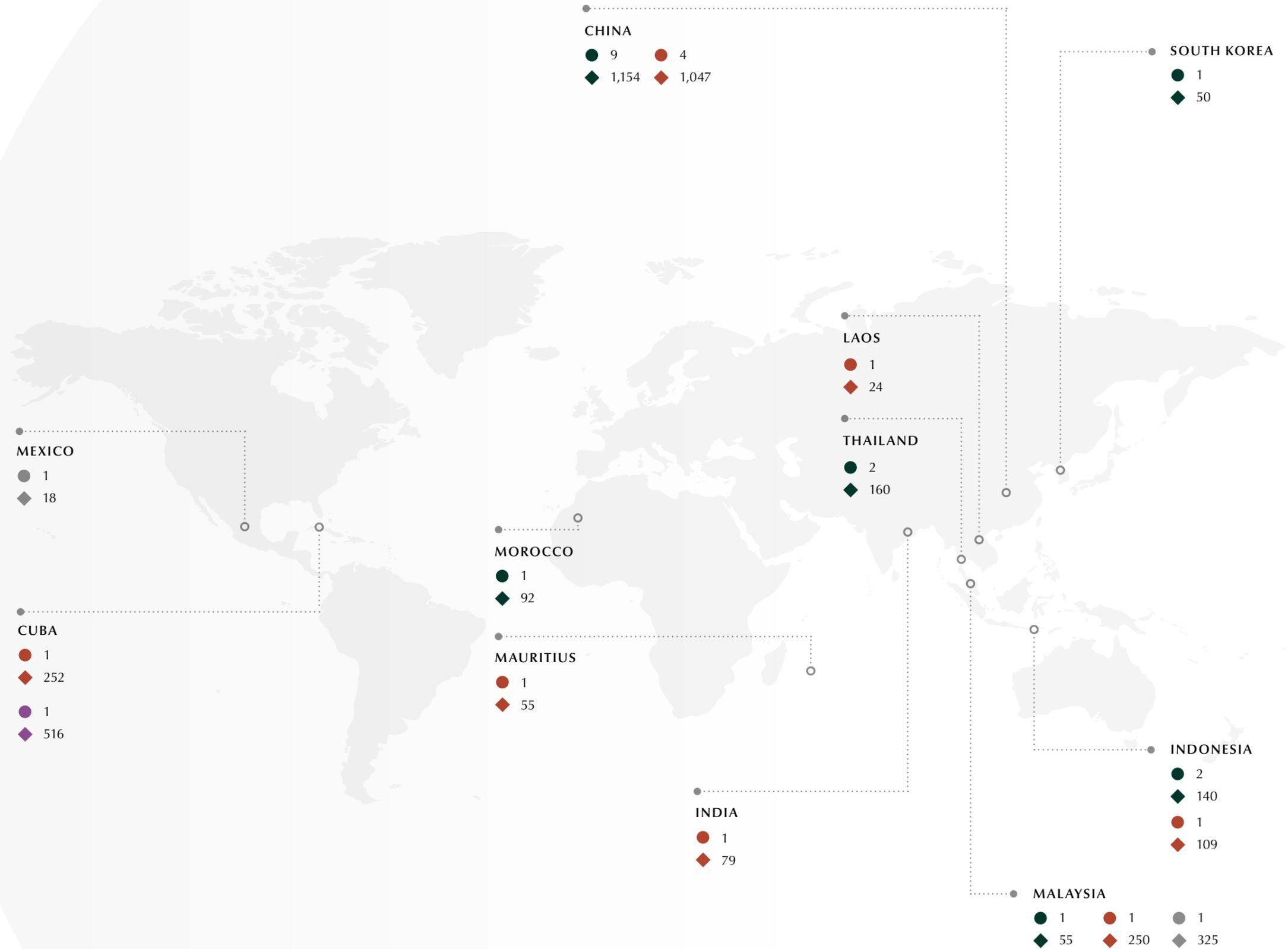


Total No. of Resorts/Hotels without Equity Interest

29

Total No. of Keys for Resorts/Hotels without Equity Interest

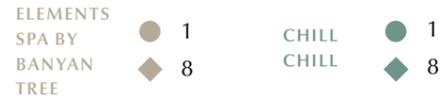
4,326



# Our Portfolio

## Existing Spas

● Outlets   ◆ Treatment Rooms

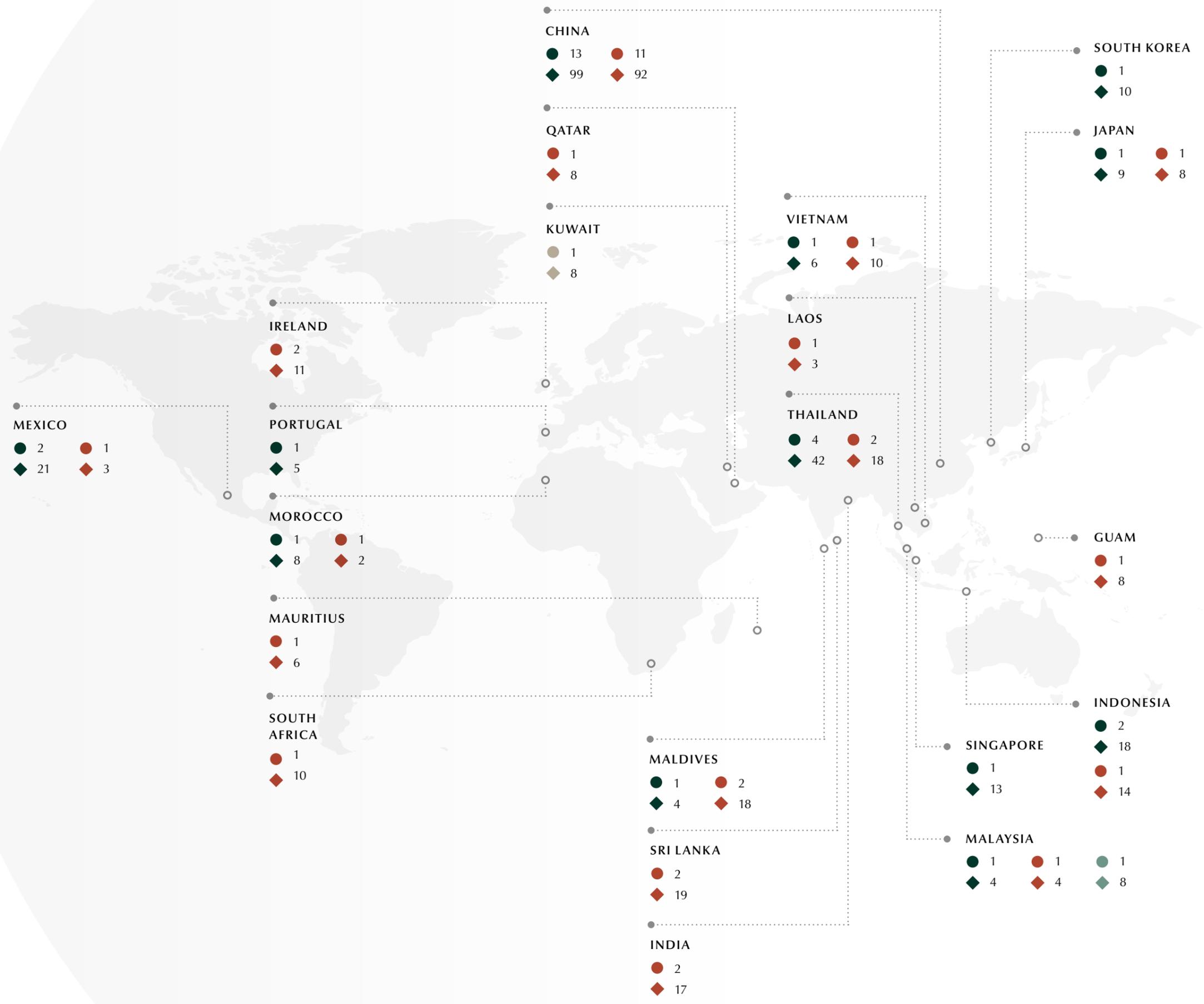


Total No. of Outlets

# 63

Total No. of Treatment Rooms

# 506



# Our Portfolio

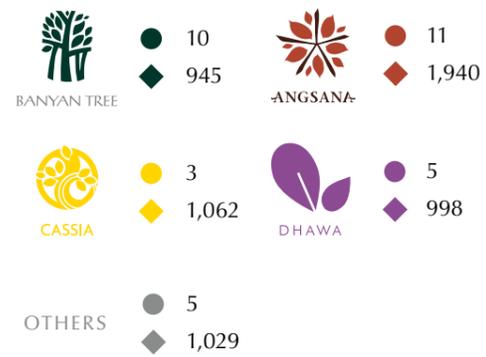
## Resorts in the Pipeline\*

● Hotels/Resorts ◆ Room Keys

No. of Resorts/Hotels and Keys with Equity Interest



No. of Resorts/Hotels and Keys without Equity Interest



Total No. of Resorts/Hotels with Equity Interest

1

Total No. of Keys for Resorts/Hotels with Equity Interest

16

Total No. of Resorts/Hotels without Equity Interest

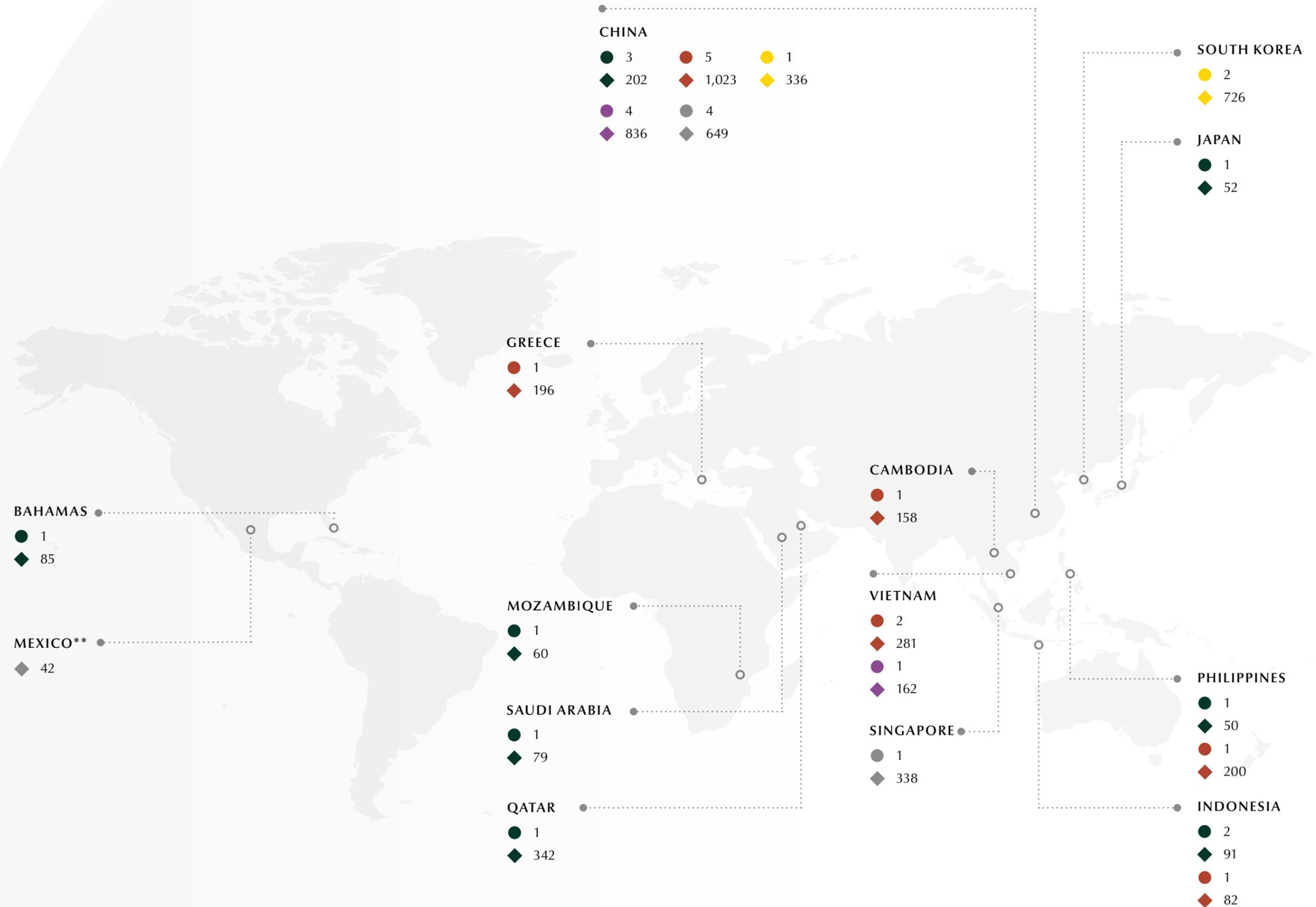
34

Total No. of Keys for Resorts/Hotels without Equity Interest

5,974

\* as at 31 Dec 2020

\*\* includes expansion with new keys



# Our Portfolio

## Spas in the Pipeline\*

● Spa



OTHERS ● 3

Total No. of New Spas

# 26

\* as at 31 Dec 2020



# Re-imagining The Future: Common Imperatives

The Group is in a sound position to withstand further turbulence, but we will continue to maintain financial discipline and operational efficiency.

While we expect the worst is behind us, the World Tourism Organization (UNWTO) predicts that international tourism could take two-and-a-half to four years to rebound to pre-pandemic levels. Global recovery is also likely to be uneven, with the speed of recovery varying from region to region and entry requirements differing from country to country. Accordingly, we have adapted our management structure so that each cluster will be as agile as possible in its response to volatile market conditions. Given these regional variances and the drastic shifts in travel patterns, we will also focus on short-haul regional and domestic travel in the near to medium term.

Several opportunities have emerged from the past year. The pandemic has underscored the importance of wellbeing and sustainability, areas in which Banyan Tree Group has a sterling reputation. Consumer surveys have shown that over 75% of consumers will choose to live healthier lifestyles after this pandemic. With demand for such products growing faster than ever, we are ready to capitalise on this with our strong branding

and abundant expertise. This is factored into our plans to launch new brands that target niche segments of the market and further solidify our multi-brand platform.

The pandemic has also accelerated the flight to digitisation in many aspects of life, highlighting the need for the Group to prioritise more strategic use of technology both internally and externally. Sixty percent of all customer interactions in 2020 was digital, three times more than in 2018. This pattern is relevant across all industries. Our digital drive is therefore imperative, not only to improve our operational productivity but also our ability to reach customers directly and cost-effectively. Going forward, we will increase our focus on data-centric analytics to provide our hotel and property development businesses with greater insights to drive profit.

We are fully prepared to ramp up operations wherever and whenever borders reopen, having invested in training and injecting flexibility into our talent pool. Above all, we have made great strides to ensure the health and safety of our associates and guests by transforming each of our properties into a SafeSanctuary. Trust and assurance will command a premium in a post-pandemic world, and we offer guests and hotel owners peace of mind when a property is managed by Banyan Tree Group.

Image: Banyan Tree Cabo Marqués Mexico



# A Resilient Portfolio

## KEY FIGURES

Revenue

**\$157.8m**

Core Operating Profit<sup>1</sup>

**\$4.3m**

Cash and Cash Equivalents

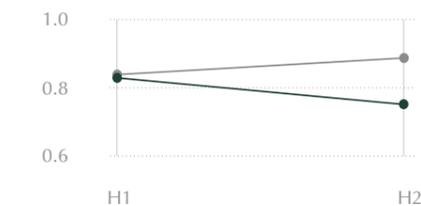
**\$51.3m**

## KEY 5-YEAR FINANCIAL HIGHLIGHTS

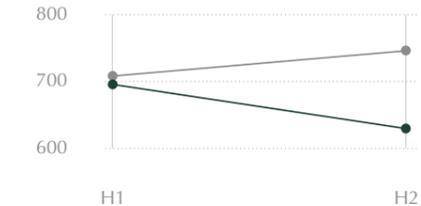
	2016 S\$m	2017 S\$m	2018 S\$m	2019 S\$m	2020 S\$m
Revenue	309.6	317.5	329.0	347.0	<b>157.8</b>
Core Operating Profit <sup>1</sup>	29.3	38.8	45.5	65.1	<b>4.3</b>
Operating Profit/(Loss)	51.7	74.7	83.1	56.2	<b>-35.1</b>
Profit/(Loss) before tax	0.7	22.7	25.0	14.0	<b>-94.6</b>
(Loss)/Profit after tax	-7.0	14.9	14.4	2.5	<b>-102.5</b>
(Loss)/Profit after tax & minority interests	-16.2	12.9	13.5	0.7	<b>-95.8</b>
Operating Profit/(Loss) Margin	17%	24%	25%	16%	<b>-22%</b>
<b>Per share (S\$)</b>					
• Basic earnings	-0.021	0.017	0.016	0.001	<b>-0.114</b>
• Diluted earnings	-0.021	0.016	0.015	0.001	<b>-0.114</b>
• Net assets	0.963	0.924	0.858	0.890	<b>0.746</b>
Net debt equity ratio	0.69	0.52	0.47	0.57	<b>0.72</b>
<b>Net Assets</b>	<b>732.8</b>	<b>777.5</b>	<b>719.8</b>	<b>747.4</b>	<b>627.6</b>

## BIANNUAL HIGHLIGHTS

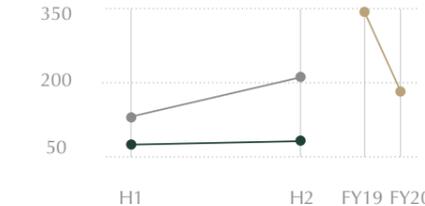
Net Asset Value per Share (S\$)



Net Assets (S\$ million)

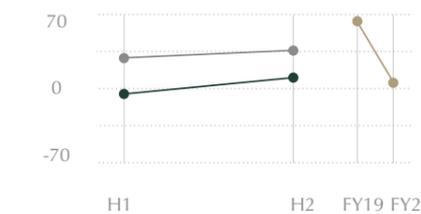


Revenue (S\$ million)

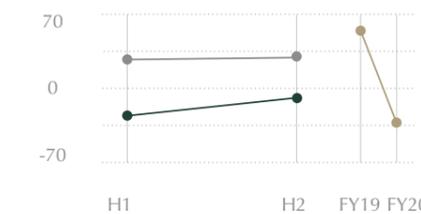


2020	0.83	0.75	2020	695.6	627.6	2020	75.4	82.5	157.8
2019	0.84	0.89	2019	708.5	747.4	2019	133.0	214.0	347.0

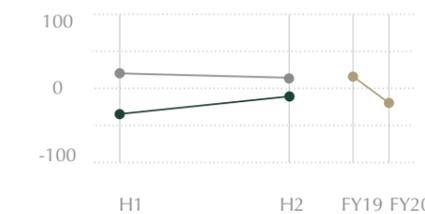
Core Operating (Loss)/Profit<sup>1</sup> (S\$ million)



Operating (Loss)/Profit (S\$ million)



Operating (Loss)/Profit Margin (%)

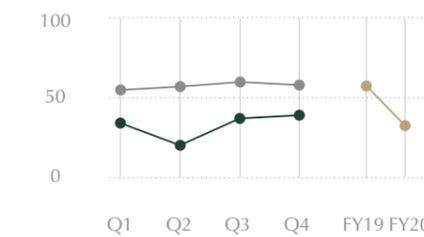


2020	-4.9	9.2	4.3	2020	-26.1	-9.0	-35.1	2020	-35%	-11%	-22%
2019	29.0	36.1	65.1	2019	27.1	29.1	56.2	2019	20%	14%	16%

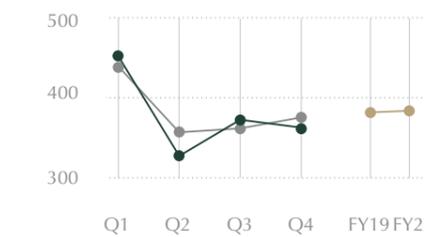
<sup>1</sup> Core Operating Profit/(Loss) = Operating Profit/(Loss) excluding one-off gains or losses. (Operating Profit/(Loss) = EBITDA (Earnings before interests, taxes, depreciation and amortisation))

## BANYAN TREE RESORTS (SAME STORE<sup>2</sup>)

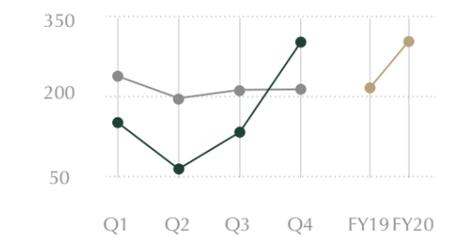
Average Occupancy (%)



Average Room Rate (S\$)



RevPAR<sup>3</sup> (S\$)



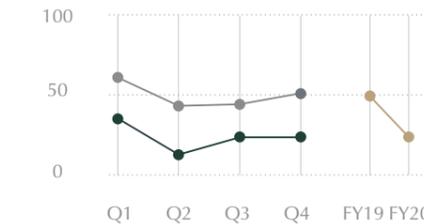
2020	34%	20%	37%	39%	33%	2020	455	328	374	364	385	2020	155	66	137	309	310
2019	55%	57%	60%	58%	58%	2019	442	358	363	377	383	2019	244	202	218	219	221

<sup>2</sup> Same Store concept excludes all new resorts opened in the past two years (Banyan Tree Krabi) as they take an average of two years to stabilise. Comparatives for Same Store concept for prior periods have been adjusted to include Banyan Tree Anji and Banyan Tree Kuala Lumpur, and exclude Banyan Tree Seychelles and Banyan Tree Jiuzhaigou.

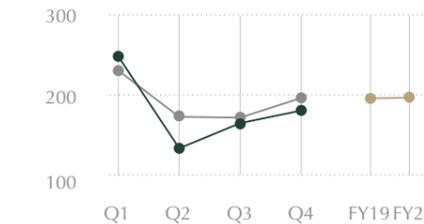
<sup>3</sup> RevPAR denotes revenue per available room.

## ANGSANA RESORTS (SAME STORE<sup>4</sup>)

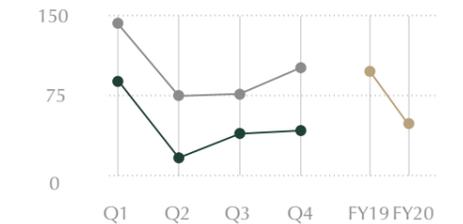
Average Occupancy (%)



Average Room Rate (S\$)



RevPAR<sup>3</sup> (S\$)

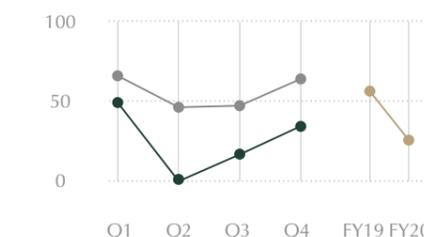


2020	36%	13%	24%	24%	24%	2020	251	134	166	182	198	2020	91	17	40	43	48
2019	62%	44%	45%	52%	50%	2019	233	174	173	198	197	2019	145	76	78	103	99

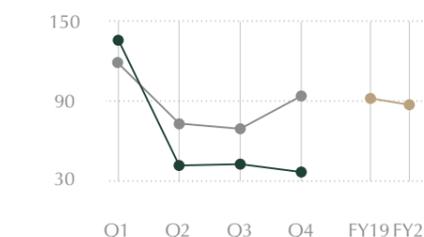
<sup>4</sup> Same Store concept excludes all new resorts opened in the past two years (Angsana Teluk Bahang Penang) as they take an average of two years to stabilise. Comparatives for Same Store concept for prior periods have been adjusted to include Angsana Zhuhai Phoenix Bay, Angsana Cayo Santa Maria and Angsana Xishuangbanna.

## CASSIA RESORTS (SAME STORE<sup>5</sup>)

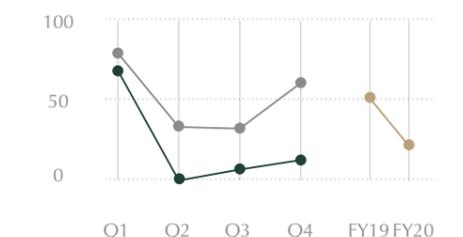
Average Occupancy (%)



Average Room Rate (S\$)



RevPAR<sup>3</sup> (S\$)



2020	50%	0%	17%	35%	26%	2020	138	42	43	37	88	2020	70	0	7	13	22
2019	67%	47%	48%	65%	57%	2019	120	74	70	95	93	2019	81	34	33	62	52

<sup>5</sup> Same Store concept excludes all new resorts opened in the past two years as they take an average of two years to stabilise. No adjustment was required.

# Our Business In Brief

Leveraging our diversified yet complementary portfolio, Banyan Tree Holdings seeks to generate long-term value for our stakeholders through a resilient and agile model that is well-positioned to adapt to the volatile economic climate and yield sustainable results.

Banyan Tree Holdings Limited (“Banyan Tree” or the “Group”) is one of the world’s leading independent, multi-branded hospitality groups. Our diversified portfolio of hotels, resorts, spas, galleries, golf and residences is centred on five award-winning brands (Banyan Tree, Angsana, Cassia, Dhawa and Laguna) that offer exceptional design-led experiences for global travellers of today and tomorrow.

Banyan Tree Group also operates Asia’s premier integrated resort – Laguna Phuket in Thailand – through the Group’s subsidiary, Laguna Resorts & Hotels Public Company Limited. Two other integrated resorts – Laguna Bintan in Indonesia and Laguna Lăng Cô in Vietnam – cement our status as a major operator of integrated resorts in Asia.

Founded in 1994 on the core concept of sustainability, Banyan Tree Group seeks to create long-term value for all stakeholders and destinations across an extensive network of properties, products and brands, through a purpose-driven mission. With some 7,800 associates across 22 countries, we established Banyan Tree Management Academy in 2008 to support the Group’s goals by advancing people development, management excellence, and learning with integrity and meaning.

Banyan Tree Group has received over 2,750 industry awards and accolades since inception. We have also received recognition for our commitment to environmental protection and community development through the Banyan Tree Global Foundation, which aligns the Group’s efforts to the UN Sustainable Development Goals.

As we implement our regionalised growth strategy, the Group’s global footprint continues to grow, with 35 hotels and resorts in the pipeline as of 31 December 2020.

Group’s Revenue  
**S\$157.8m**

2019: S\$347.0m

## OUR PORTFOLIO

	2020 S\$m	2020 %	2019 S\$m	2019 %
<b>Group’s Revenue</b>	<b>157.8</b>	<b>100%</b>	347.0	100%
Hotel Investments	62.2	39%	173.7	50%
Residences and Extended Stay	69.4	44%	114.2	33%
Fee-based	26.2	17%	59.1	17%
<b>Hotel Investments</b>	<b>62.2</b>	<b>100%</b>	173.7	100%
• Thailand	44.2	71%	129.9	75%
• Indian Ocean	17.0	27%	37.6	22%
• Others	1.0	2%	6.2	3%
<b>Residences and Extended Stay</b>	<b>69.4</b>	<b>100%</b>	114.2	100%
• Hotel Residences	58.7	85%	81.7	72%
• Laguna Residences and Extended Stay	10.7	15%	32.5	28%
<b>Fee-based</b>	<b>26.2</b>	<b>100%</b>	59.1	100%
• Hotel/Fund/Club Management	10.0	38%	21.9	37%
• Spa/Gallery Operations	7.9	30%	19.3	33%
• Design and Other Services	8.3	32%	17.9	30%



Banyan Tree Mayakoba Mexico

As an organisation we responded quickly to market reality, and restructured internally to provide more line of sight and autonomy at the various operating cluster levels. Travel patterns and traditional target markets no longer applied, and thus our focus for 2020 was enabling innovation and cash generation, with key marketing activities reflecting this.

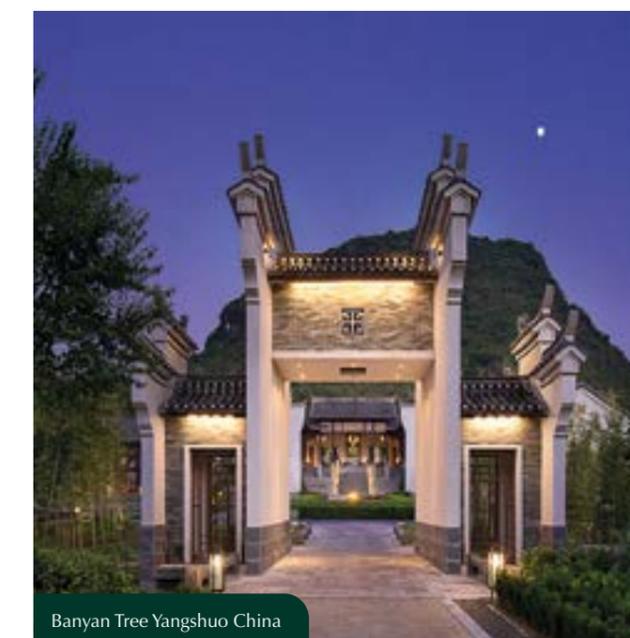
The Ultimate Getaways series of promotions elicited positive publicity for its innovative approach. A first in the industry, it allowed guests to purchase vouchers for value-added stays at any Banyan Tree property of their choice at any time. More than 20,000 vouchers were sold in a short period of time, generating over S\$9 million in cash and exceeding stretch targets thrice over.

Featuring the slogan “Home is Everywhere”, Habitat, a new evergreen product, offers similar flexibility for extended stays. As the pandemic has led to more people working from home, wanting to spend more time with family and loved ones, and having substantial annual leave to spare, Habitat has received a strong response, with close to 200 units booked since its inception and pickup increasing into 2021 and beyond.

On the Customer Service front, we continue to improve with the centralisation of our Reservations systems and multi-language capabilities across three main hubs. Customers can now make enquiries and bookings via toll-free numbers that operate 24/7 in many countries. We are also prioritising digital, alternative touchpoints for customer service such as social media and mobile-first channels.

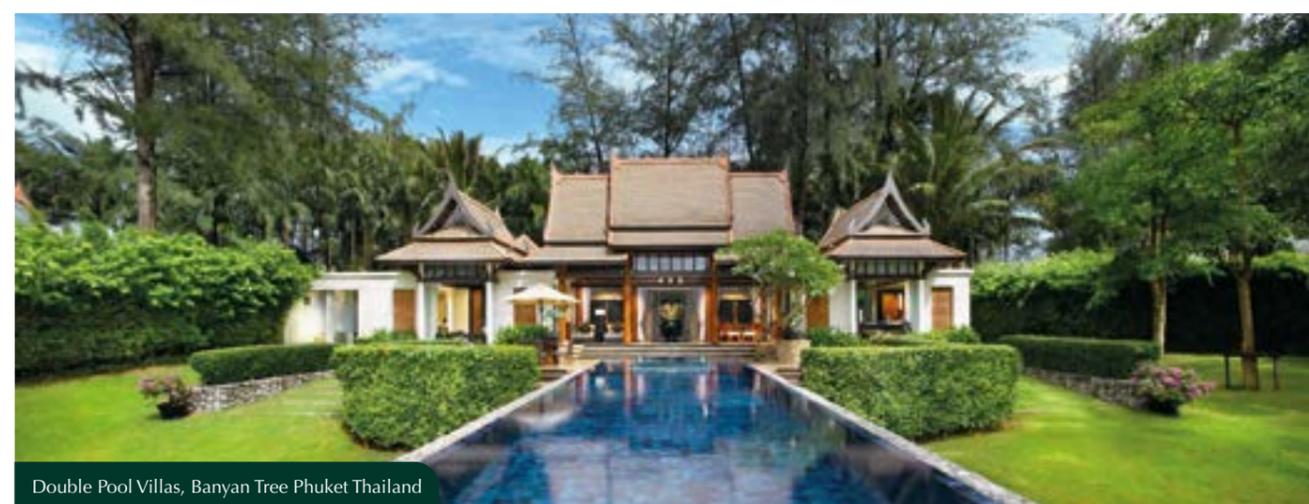
Internally, we have been driving consistency in fundamentals across clusters and properties, including upskilling the Sales & Marketing teams across geographies. The pandemic has accelerated the drive to digitisation, as well as direct channels. Accordingly, we are capability building with a focus on driving direct revenue into 2021. This involves the creation of new departments such as Social, Customer Insights, and E-commerce that will serve the shift to becoming a customer-centric, data-driven company.

In the area of Brand, two significant shifts were made in 2020. The first is a clear drive of corporate branding at the Group level, to be associated with wellbeing and sustainability across all multi-branded offerings. At the end of 2020, the Group experienced a 35% increase in share of voice as compared to the previous year, with wellbeing and sustainability comprising around 30% of that. The second shift is a deepening of our flagship brand, Banyan Tree, into wellbeing with the rollout of new brand extensions, products and services into 2021.



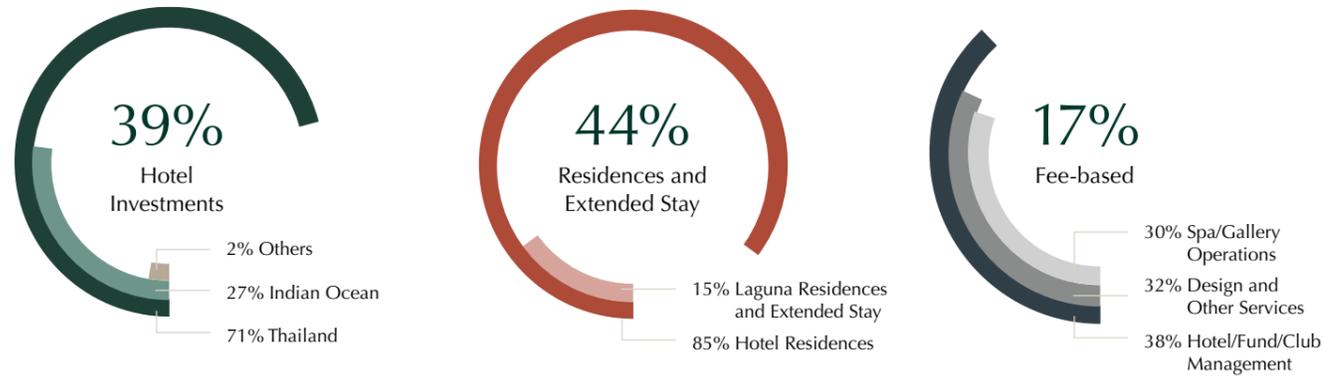
Banyan Tree Yangshuo China

At the end of 2020, the Group experienced a 35% increase in share of voice as compared to the previous year.



Double Pool Villas, Banyan Tree Phuket Thailand

# Our Business In Brief



## HOTEL INVESTMENTS

We own and manage hotels under our Banyan Tree, Angsana and Cassia brands.

We hold equity interest in 19 hotels, comprising over 2,000 keys. As at 31 December 2020, revenue from our Hotel Investments came from Thailand (71%), Indian Ocean (27%) and Others (2%).

Revenue Contribution In 2020

**\$S\$62.2m**

2019: \$S\$173.7m



## BRANDED RESIDENCES AND EXTENDED STAY

This segment consists of sales of Hotel Residences and Laguna Residences and Extended Stay.

### Hotel Residences

Our Hotel Residences business comprises the sale of villas or apartments to investors under a leaseback scheme. Such residences, which are part of our hotel operations, are currently available in Indonesia, Mexico, Thailand and Vietnam.

### Laguna Residences and Extended Stay

Laguna Residences and Extended Stay refer to sales of townhomes, bungalows and apartments that are within the vicinity of our resorts but are not part of our hotel operations. Laguna properties are currently available for sale in Thailand and Vietnam.

Revenue Contribution In 2020

**\$S\$69.4m**

2019: \$S\$114.2m

## FEE-BASED

Our Fee-based business comprises hotel, fund and club management, spa and gallery operations, and design and other services. We manage 29 resorts and hotels, and operate 63 spas, 72 gallery outlets and three golf courses.



## Hotel, Fund and Club Management

Besides managing hotels for other owners, we manage an asset-backed destination club and a private equity fund. In addition, the Group derives royalties from the sale of properties in which we hold a minority or no interest.

## Spa and Gallery Operations

We pioneered the tropical garden spa concept and manage spas within our own resorts as well as resorts owned by other operators. The Group's retail arm, Banyan Tree Gallery, supports indigenous artistry and the livelihoods of village artisans. In 2017, we re-launched our signature range of natural, responsibly sourced Banyan Tree Essentials body and aromatherapy products, curated after an 18-month journey to ensure sustainability values are embedded throughout the product cycle.

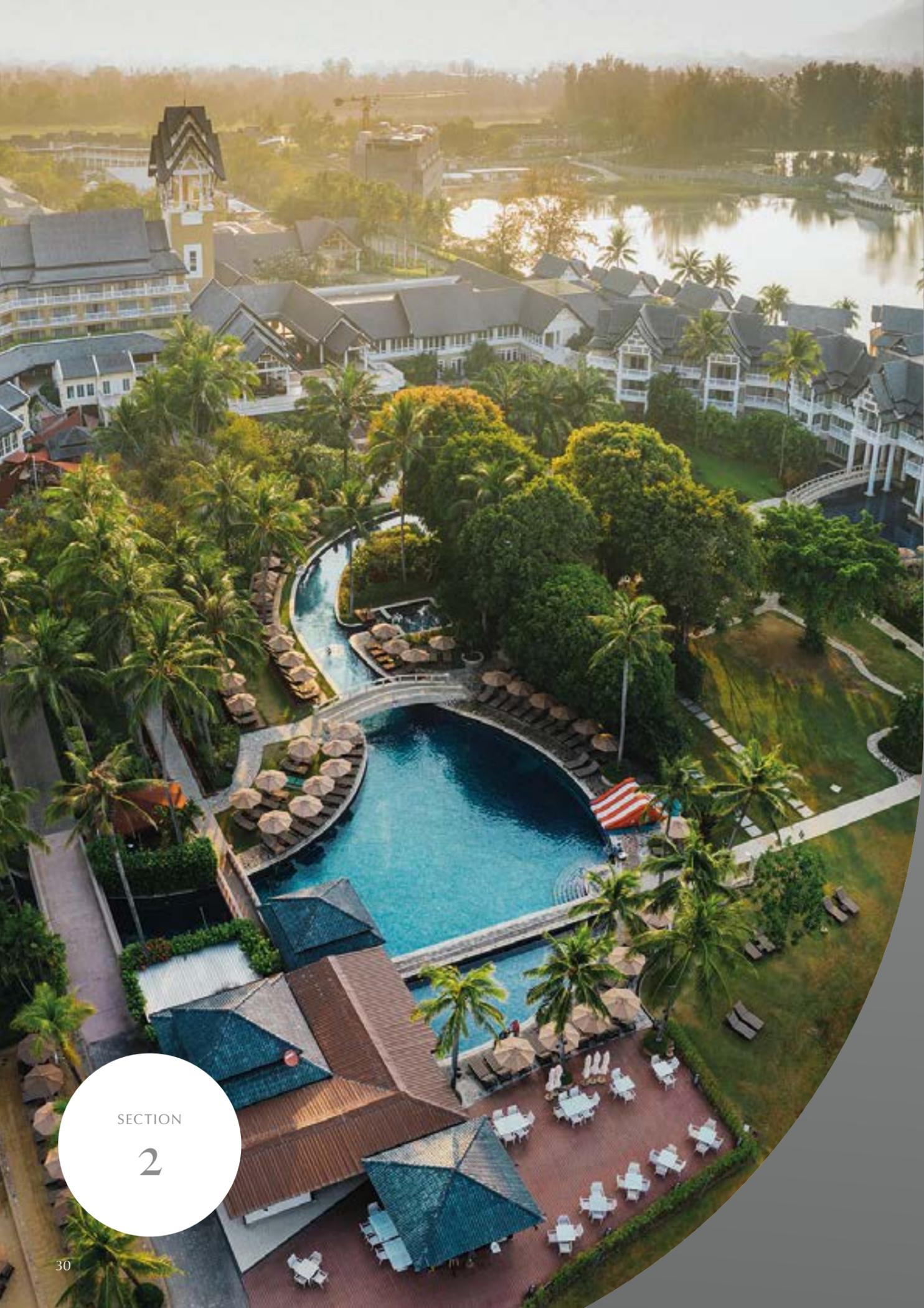
## Design and Other Services

We receive fees for design services and income from operating golf clubs. Most of our resorts are planned and designed by our experienced in-house division.

Revenue Contribution In 2020

**\$S\$26.2m**

2019: \$S\$59.1m



# Taking Stock

BUSINESS REVIEW

SECTION

2



Laguna Phuket Thailand

## HOTEL INVESTMENTS

Banyan Tree Group has selectively maintained assets in stronghold markets, such as Thailand, where we are well-poised to unlock value from our resorts and hotels through an end-to-end developer-operator model.

Revenue from our Hotel Investments declined by S\$111.5 million from S\$173.7 million in 2019 to S\$62.2 million in 2020, mainly due to the impact of COVID-19. With countries around the world imposing travel restrictions and closing their borders, Group-owned resorts in Indonesia, Maldives and Thailand recorded significantly lower occupancies in 2020 as compared to the previous year.

Operating Profit decreased by S\$32.5 million in 2020, resulting in a loss of S\$14.3 million, largely due to lower revenue, which was partially cushioned by lower operating expenses as our efforts at cash conservation paid off.

### Thailand

Our hotels in Thailand posted combined revenue of S\$44.2 million in 2020, a decrease of 66% from S\$129.9 million the previous year.

As international arrivals dried up, the Thai government began to encourage domestic tourism through aggressive marketing campaigns. One beneficiary was Phuket, which had not been popular with local tourists before the pandemic. To attract this new target group, our Phuket properties also launched successful promotions.

All of the Laguna Phuket hotels banded together to promote events and accommodation options, in order to maximise revenue. This meant some events at one hotel would be open to guests from all the hotels. This helped to rationalise costs and synergies across the different properties. Meanwhile, Angsana Laguna Phuket was able to leverage its sizable ACES convention centre to facilitate social distancing while hosting large-scale events by the government as well as private organisers.

Like the Phuket hotels, Banyan Tree Bangkok succeeded in attracting local guests to book accommodation. Its reputation as one of the best food and beverage destinations in Bangkok also enabled it to generate income from domestic visitors. Its deluxe dinner cruise, the Saffron Cruise, was fully booked in November and December.

Going forward, we aim to continue capturing the domestic market, for a diversified mix of stable domestic and regional businesses.

We aim to continue capturing the domestic market, for a diversified mix of stable domestic and regional businesses.

## Maldives

Our Maldives resorts recorded revenue of S\$17.0 million, down 55% from 2019. All three resorts were adversely impacted by the border closure from March to July 2020. Demand picked up in Q4 2020 with increased airlift from Europe and the Middle East. The improvement demonstrates the pent-up demand for leisure travel, especially for nature-based experiences free of quarantine requirements.

## Indonesia

Revenue from our hotels in Bintan, Indonesia decreased by 84% year-on-year to S\$0.9 million, mainly because of the reduction in foreign visitors. This was partially cushioned by the 165% increase in room night production from the domestic segment.

## Morocco

Angsana Riads Collection saw revenue fall by 70% or S\$1.3 million. Guests from France, Germany and Great Britain accounted for 68% of rooms sold during the year.

## In the Pipeline

Buahan, a Banyan Tree Escape represents the inception of an exciting brand extension in 2021. Situated in the heart of Bali, Indonesia, it will provide a deeper dive into wellbeing. With only 16 keys and a signature “no walls, no doors” concept, the resort will offer an intimate stay experience in lush natural surroundings.

Hotel Investments Revenue 2020

**S\$62.2m**

2019: S\$173.7m



Banyan Tree Vabbinfaru Maldives



Banyan Tree Bintan Indonesia



Banyan Tree Bangkok Thailand

# Business Review

## BRANDED RESIDENCES AND EXTENDED STAY

### Market Overview

Our Branded Residences and Extended Stay segment is integral to our “asset-right” approach as the development of residences, in conjunction with existing resort developments, generates positive cash flow to lower the investment outlay. Total revenue for FY2020 was S\$69.4 million, 39% lower than the previous year’s S\$114.2 million.

The number of property units sold in FY2020 also decreased due to the COVID-19 pandemic, which softened demand and limited inspections of our product offerings by our mainly foreign buyers because of international border closures. This was exacerbated by the impact of the strong Thai Baht on foreign buyers’ spending power. Against this backdrop, our offsite sales networks, particularly China, proved resilient, maintaining sales momentum with similar sales levels to the prior year. Sales channel development and digital marketing activities continue to be an area of focus for our existing key markets of China and Russia, and those with strong potential such as India, as we seek to diversify our customer base.

We continue to offer a complete range of products to cater for all market segments, from affordably priced apartments and landed properties targeted at the emerging middle class in Asia through to high-end branded residential offerings. Due to the pandemic, there were no new property projects launched in 2020. Our strategy remains to unlock value from our land bank by rolling out new projects to meet ongoing demand. In 2021, we are planning launches for the entry-level, mid-range and luxury segments when the situation is more stable.

The most active segment for our Phuket and Bintan operations remains entry-level resort condominiums and apartments which are mostly investor driven, along with mid-range landed properties which appeal to both investors and lifestyle buyers. We have also seen strong demand at the high end for well-positioned branded residences.

While border reopening and market recovery remains region-specific and subject to local government regulations, vaccination rollouts and effective lockdowns indicate that international recovery will strengthen in second half of 2021.

Total Revenue 2020  
**S\$69.4m**

2019: S\$114.2m



DoublePool Villas by Banyan Tree Phuket Thailand

### Hotel Residences

Revenue recognised from Hotel Residences in FY2020 was S\$58.7 million, mainly comprising Angsana Beachfront Residences Phuket, Cassia Phuket and Cassia Bintan apartments and Banyan Tree Phuket Spa Pool villas. In the prior year, revenue recognised was S\$81.7 million, largely from Cassia Phuket and Cassia Bintan apartments and Banyan Tree Phuket villas.

We have a healthy pipeline of sales revenue of S\$46.2 million, consisting of units at Angsana Beachfront and Angsana Oceanview Residences Phuket, Cassia Phuket and Dhawa Phuket apartments and a three-bedroom pool villa at Banyan Tree Phuket, to be recognised upon completion in 2021 and beyond.

Hotel Residences Revenue 2020

**S\$58.7m**

2019: S\$81.7m



Cassia Phuket Thailand

Overall, 32 units were sold in 2020 for a total of S\$16.4 million (2019: 98 units totalling S\$47.1 million), namely:

	2020		2019	
	Units Sold	Total (in S\$ million)	Units Sold	Total (in S\$ million)
Angsana Beachfront Residences	2	3.4	3	6.2
Angsana Oceanview Residences	2	2.7	4	5.1
Banyan Tree Phuket	1	2.1	4	7.0
Cassia Phuket	25	7.7	71	24.9
Cassia Bintan	1	0.3	2	0.6
Dhawa Phuket	1	0.2	14	3.3

### Laguna Residences and Extended Stay

Revenue recognised from property sales in FY2020 was S\$7.4 million, versus S\$28.0 million in 2019, mainly from the completion of units at Laguna Park Phuket and Laguna Village Phuket.

Our pipeline of sales revenue is worth approximately S\$62.6 million and comprises units at Skypark Phuket and Laguna Park Phuket, to be recognised upon completion in 2021 and beyond.

Overall, 109 units were sold in FY2020 for a total of S\$31.2 million (2019: 236 units totalling S\$65.7 million). Units sold were as follows:

	2020		2019	
	Units Sold	Total (in S\$ million)	Units Sold	Total (in S\$ million)
Skypark Phuket	98	21.3	197	39.6
Laguna Park Phuket	9	6.5	38	24.4
Laguna Village Phuket	2	3.4	1	1.7

Laguna Residences and Extended Stay Revenue 2020

**S\$7.4m**

2019: S\$28.0m



Angsana Beachfront Residences Thailand

### Angsana Vacation Club

Angsana Vacation Club (ANVC), the Group’s points-based membership club, is now in its sixth year of operations.

The Club is gaining popularity as its flexible points system allows members to better plan their holidays with the choice to redeem points at several Banyan Tree locations around the globe including China, Maldives, Morocco and Vietnam.

ANVC markets to Laguna Phuket visitors and reaches out to credit card holders of various banks through joint direct mail marketing campaigns. Members of the legacy Laguna Holiday Club, which was rebranded in 2017 as Angsana Vacation Club Heritage, continue to have the opportunity to upgrade to the new ANVC membership. However, limits on our onsite marketing in 2020 hindered such conversions.



Skypark Phuket Thailand

We continue to offer a complete range of products to cater for all market segments.

# Business Review

## FEE-BASED

The Group's Fee-based business consists of hotel, fund and club management, Spa and Gallery operations, and design and other services. This segment recorded total revenue of S\$26.2 million in 2020. The decrease of S\$32.9 million or 56% over the previous year was mainly due to lower management fees across all hotels, Spa and Gallery outlets as a result of the COVID-19 pandemic, lower royalty income and lower recognition of architectural and design fees earned based on project milestones.

In the second half of the year, our China hotels outperformed 2019, thanks to a high volume of domestic travel.

### Hotel Management

Total revenue from hotel management contracts was S\$10.0 million in 2020, down 54% or S\$11.9 million compared to the previous year. This was due mainly to lower management fees across all resorts. Operating Profit decreased by S\$12.7 million from a profit of S\$10.6 million to a loss of S\$2.1 million in 2020, largely because of lower revenue, which was partially cushioned by a reduction in operating expenses resulting from Group-wide cost-saving initiatives and unpaid leave.

### China

Considering the adverse impact of COVID-19, Group-managed hotels in mainland China fared reasonably well, with room revenue declining by just 7% over 2019. The shortfall can be attributed to the lockdowns and uncertainty during the initial stage of the pandemic. With the COVID-19 situation under control in China, business began to pick up in June. In the second half of the year, our hotels outperformed 2019, thanks to a high volume of domestic travel.

### Asia Pacific\*

Hotels managed by the Group in the Asia Pacific region saw overall room revenue decrease by 61% year-on-year. However, destinations with a strong domestic market managed to maintain performance. For example, Banyan Tree Club & Spa Seoul bucked the trend and recorded a 12% increase in room revenue. This can be attributed to the strong brand positioning.

\* Excludes China

Fee-Based Revenue 2020

## S\$26.2m

2019: S\$59.1m



Banyan Tree Hangzhou China



Banyan Tree Club & Spa Seoul Korea



Hacienda Xcanatun by Angsana Mexico



Angsana Siem Reap Cambodia

Banyan Tree Cabo Marqués performed well, registering a 30% or S\$1.1 million increase in room revenue.

### Europe, Middle East and Africa

The domestic segment proved to be the distinction between the two resorts we manage in this region. Revenue from Angsana Balaclava Mauritius fell by 81% as border closures took effect. In contrast, Banyan Tree Tamouda Bay, where local guests are historically the main source of business, posted a relatively small 9.0% or S\$0.4 million dip in revenue. Domestic demand was particularly robust during the July-August high season.

### Americas

Room revenue at Banyan Tree Mayakoba decreased by 31% or S\$6.9 million. However, Banyan Tree Cabo Marqués performed well, registering a 30% or S\$1.1 million increase in room revenue, with the domestic market supporting growth.

In July 2020, we opened a third property in Mexico, Hacienda Xcanatun by Angsana. Located in a historic enclave near downtown Merida, this restored 18th-century sisal plantation includes 18 spacious suites.

We will be entering three new regions, with the Group flying its first flags in Europe (Greece), the Middle East (Qatar) and Africa (Mozambique).

### In the Pipeline

2021 will mark several key openings for the Group. We will be entering three new regions, with the Group flying its first flags in Europe (Greece), the Middle East (Qatar) and Africa (Mozambique).

We will also open the first Angsana resort in Bali, Angsana Saranam, Bali. The 82-key resort will tap the growing wellbeing segment with specially crafted offerings as well as unique rooms and villas.

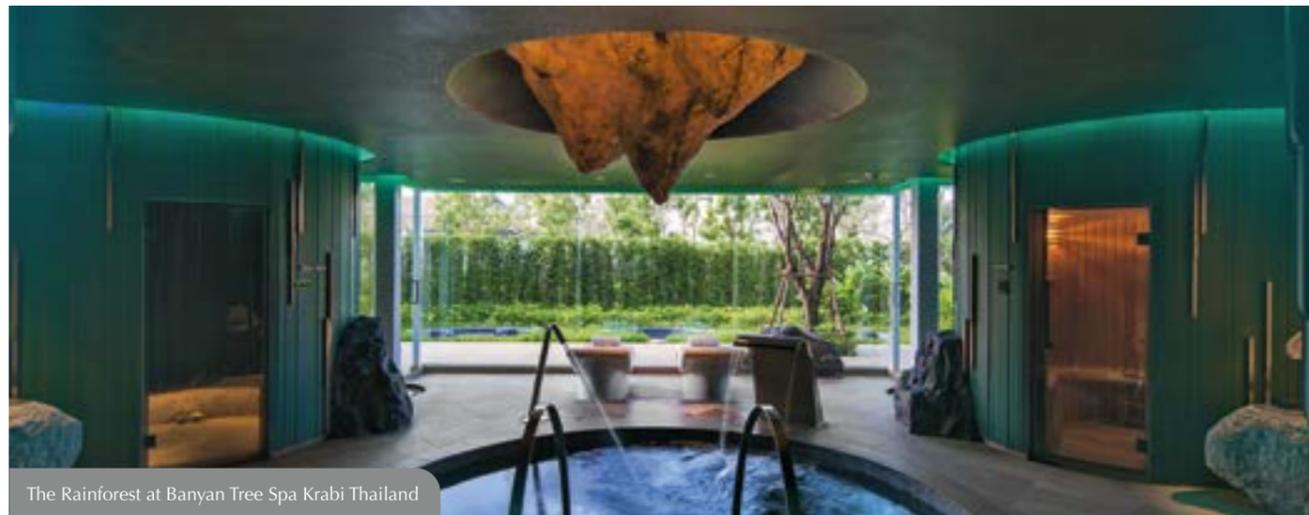
Angsana Siem Reap will be our maiden property in Cambodia. The proximity of the 158-key resort to Siem Reap International Airport and Angkor Wat is expected to draw a steady stream of leisure travellers.

In Europe, the 196-key Angsana Corfu will open near the scenic countryside of Benitses, Corfu Island, in Greece.

Our first resort in strategic collaboration with AccorHotels in the Middle East will also launch during the year. Conveniently situated in Mushaireb, the 342-key Banyan Tree Doha At La Cigale Mushaireb will enjoy easy access to the attractions of Qatar's capital city.

On the Africa continent, Banyan Tree Ilha Caldeira in Mozambique will feature 40 private pool villas with stunning views of the Indian Ocean. Guests will have opportunities to connect with the unspoilt natural surroundings including pristine beaches and reefs.

The Group's expansion in China continues with the following openings in 2021: Dhawa Quzhou (186 keys) and Banyan Tree Nanjing Garden Expo (115 keys).



The Rainforest at Banyan Tree Spa Krabi Thailand

## SPA OPERATIONS

The coming year will see the launch of seven new spas in Cambodia, China, Greece, Indonesia, Mozambique and Qatar.

In line with the decrease in international travel, guest traffic and Hotel revenue, Spa revenue decreased by 70% to S\$3.3 million in 2020 versus S\$11.1 million in the preceding year. This was due to local outbreaks, travel restrictions and government-mandated spa closures. Compared to 2019, our spas on average were able to operate on 53% fewer days. With most outlets located on hotel premises, there was a correlating decline in spa revenue and hotel revenue. Consequently, cash conservation became imperative, leading us to close five outlets and introduce cost-containment measures similar to those adopted Group-wide.

Notwithstanding these setbacks, COVID-19 sparked growing awareness of the importance of health and a strong immune system. At the same time, the experiences of quarantine and lockdown reminded people of their innate need to connect with others and with nature. These phenomena are likely to contribute to the growth of the wellbeing industry for years to come, which bodes well for Banyan Tree Group, given its strong track record in this area. In 2020 alone, our spas won 11 prestigious awards including Best Spa Brand from Spa China, bringing our total award count to 697 in 26 years.

The pandemic presented timely opportunities for our Spa business to evolve and grow in relevance. During the year, the Spa department shifted from an operational focus to championing wellbeing for all stakeholders. At the corporate level, we launched a global Associate Wellbeing Survey for the



Banyan Tree Spa Krabi Thailand

entire Group in the last quarter of 2020 that had more than 80% engagement. Based on the findings, we are drawing up policies and training content to address targeted health and wellbeing issues, utilising a unique codified approach that was developed in-house.

Covering eight fundamentals of holistic wellbeing, the codified approach will further translate into a unique selling proposition for the Group's brands. Some properties will introduce a new experience concept, offering guests a taste of the wellbeing offerings available across our brands. Other properties will be positioned as dedicated wellbeing destinations catering to guests seeking an exclusive experience, with a full range of offerings such as resident wellbeing practitioners and wellness F&B outlets.

Meanwhile, we have also accelerated the integration of Spa and Gallery operations into a unified Wellbeing Hub for the Group. The resulting synergies will enable us to be more efficient operationally as well as more effective in entrenching a multi-branded wellbeing approach across the Group.

Our Spa business is expected to recover in tandem with that of the hotel business. In anticipation of this, the coming year will see the launch of seven new spas in Cambodia, China, Greece, Indonesia, Mozambique and Qatar. These additions will bring the Group's portfolio of spas to 70 outlets altogether.

## GALLERY OPERATIONS

The Gallery generates revenue from Retail stores on hotel premises, Shipments of orders to the Group's hotels and spas, E-commerce, Corporate Sales and Wholesale. Revenue from Retail and Shipments dropped during the year, in line with lower traffic to our hotels. This was however partially offset by the stronger performance of the E-commerce and Wholesale channels. Consequently, total revenue from Gallery operations declined by 43% year-on-year to S\$4.7 million. As part of cost-containment measures, we closed two galleries and adjusted operating hours for remaining outlets. We also tightened collection and pared inventory holdings to shorten our cash cycle.

With travel restrictions in force for much of the year, a strong digital presence allowed us to stay connected with guests even though they were unable to visit our outlets in person. As offline sales were curtailed, we observed a significant shift to online transactions. E-commerce increased by 73% compared to 2019, with high transaction volumes from both our brand webpage and our store on Tmall catering to the China market. In addition, we leveraged our brand partnership with Singapore Airlines' flagship retailer, to sell our value-aligned offerings through KrisShop.com where they were well-received.

In terms of product development, we identified an urgent demand for hand sanitiser during the pandemic. Through expedited R&D efforts, we formulated a hand sanitiser that also hydrates and refreshes with active ingredients derived from pomelo and lingzhi. We initially planned to distribute the sanitiser for guests' use at our hotels and spas, but quickly recognised the existence of a wider market for it. We therefore pivoted to make it available on the Gallery's E-commerce platform, where the sanitiser has enjoyed steady sales.

The warm response to our product range during COVID-19 can be ascribed to increased appetite for wellbeing products that are innovative, emphasise artisanal traditions and feature sustainably sourced natural ingredients. As this trend continues, we expect further growth in demand.

Just as some changes in lifestyle will persist beyond the pandemic, some changes in consumer behaviour are likely



Pomelo and Lingzhi Hand Sanitiser

The warm response to our product range during COVID-19 can be ascribed to increased appetite for wellbeing products that are innovative, emphasise artisanal traditions and feature sustainably sourced natural ingredients.

to be permanent. This has spurred us to look at how we can create engaging experiences for guests in the safety and convenience of their own homes. One example is by providing online access to wellbeing services coupled with self-care products. Accordingly, we are redoubling efforts to expand our online retail channels as well as exploring potential sales distribution channels in Korea, Japan and the Middle East.



Banyan Tree Chongqing Beibei China

## DESIGN AND OTHER SERVICES

Design and other services registered total revenue of S\$8.3 million for the year, down by 54% from S\$17.9 million the previous year. The decrease was largely due to lower architectural and design fees earned based on project milestones.

Operating Profit declined by S\$5.8 million, from a profit of S\$2.4 million in 2019. This was because of reduced revenue, which was partially offset by lower operating expenses.



# Our Guiding Leadership

EXECUTIVE CHAIRMAN'S  
STATEMENT

BOARD OF DIRECTORS

MANAGEMENT TEAM

SECTION

3

# Executive Chairman's Statement

COVID-19 has been the biggest crisis in Banyan Tree Group's history. Our first concern was the safety of our guests and associates, which we addressed by implementing our proprietary SafeSanctuary programme. Financially, our priority was cash conservation, and on this front we exceeded our targets. Throughout, we sought to care for our associates by strengthening our service culture of "I Am With You" and introducing programmes to support mental resilience.

Beyond these immediate priorities, we used the crisis as an opportunity to lay the foundations of a more agile, resilient and responsive organisation, while re-centering on our core purpose of wellbeing and sustainability.



## HOW WE PERFORMED IN 2020

According to the World Tourism Organization, international arrivals fell by 74% in 2020. Against this backdrop, we fared relatively well, with total Group revenue declining by 55% to S\$157.8 million. Meanwhile, Group-wide efficiency measures allowed us to lower operating costs by 46% and achieve a near break-even core operating profit of S\$4.3 million.

In our diversified business, the Branded Residences and Extended Stay segment was the least affected by the pandemic and served as a buffer during an otherwise difficult year. This segment contributed a record 44% of Group revenue in 2020, up 11 points from the previous year. Overall unrecognised revenue as at 31 December 2020 was S\$108.8 million, which will be recognised progressively over the next two to three years.

Revenue from Hotel Investments was S\$62.2 million or 39% of Group revenue in 2020. The 64% drop was largely attributable to Thailand, which makes up most of our Hotel Investments. Nevertheless, we mitigated travel restrictions in both Thailand and Indonesia by aggressively pivoting to domestic tourism. Actual bookings for owned hotels in the Maldives also began to rise as the country reopened to testing-only, quarantine-free arrivals.

The Fee-based segment accounted for 17% of Group revenue, largely in line with 2019. Although Fee-based revenue decreased by 56%, this segment outperformed Hotel Investments as our managed hotels capitalised on surging demand in China and the Americas, from domestic travellers looking for luxury stays in natural surroundings.

Overall, our performance validated our diversified, asset-right strategy. Diversification in terms of geography, revenue streams and brand positioning provided us with financial resilience to weather this downturn.

Amid the challenges of 2020, we continued to receive notable industry recognition and opened three new properties: Banyan Tree Krabi (Thailand), Angsana Teluk Bahang Penang (Malaysia) and Hacienda Xcanatun by Angsana (Mexico). In addition, we signed 20 new hotel management contracts, of which three were initiated through our strategic partner China Vanke Co. Ltd.

Revenue

S\$157.8m

Core Operating Profit\*

S\$4.3m

\* Core Operating Profit = Operating Profit excluding one-off gains or losses. (Operating Profit = EBITDA (Earnings before interests, taxes, depreciation and amortisation))



Wellbeing At Our Core - Connecting Self, Others and Nature

## RE-CENTERING ON OUR CORE PURPOSE

Sustainability and wellbeing have been part of Banyan Tree Group's identity since inception. By re-centering on our core purpose, we are poised to benefit from the growing interest in how self, others and nature interconnect. Our entire ecosystem of brands will feature wellbeing elements by offering nature-oriented environments, plant-based menu options and sustainable lifestyle practices. With our head start in this area, Banyan Tree Group will continue to lead the way in developing wellbeing products, services and brand extensions.

The pandemic has shown the very real linkages between deforestation, wildlife habitat destruction and zoonotic diseases. Consequently, more people now appreciate that the choices individuals make have far-reaching repercussions. For instance, people are paying more attention to what they eat and where their food comes from. Given that the food supply chain is responsible for over 25% of the world's greenhouse gas emissions, we are exploring with like-minded partners ways to innovate with plant-based cuisine across the Group. We recently launched our ORIGIN Farm in Chiang Mai, Thailand. This biodynamic retained farming operation reduces our carbon footprint by in-sourcing high-value, organic crops.

Carbon reduction is one way the Group serves the greater good and creates measurable impact towards the United Nations Sustainable Development Goals (SDGs). The pandemic provided a respite from climate change trends, highlighting the need for a better understanding of our carbon footprint as we develop a roadmap to a net-zero carbon goal. A key target will be to shorten our supply chain where practical.



Strengthening "I Am With You" Service Culture

Recognising the limits to what Banyan Tree Group alone can accomplish, we have always emphasised the importance of partnership. While we have given grants to over 150 community partners in the past, our recently launched Greater Good Grants mark the first time we are funding external grantees to deliver impactful projects at a time when support is most needed. In the coming year, we will also work with various stakeholders to renew our material analysis and align our journey more closely with the SDGs.

In an effort to share our sustainability knowledge and encourage others to be proactive, we released *Rooted in Sustainability* on Earth Day 2020. Recounting Banyan Tree Group's 25-year journey of sustainability stewardship, the book provides a roadmap for other businesses to consider as they accelerate their own sustainability efforts.

Amid the challenges of 2020, we continued to receive notable industry recognition and opened three new properties.

# Executive Chairman's Statement

We expect to open eight new resorts in 2021, including our maiden properties in Europe (Greece), the Middle East (Qatar) and Africa (Mozambique). With another 35 resorts scheduled to open in the next three years, we are on track to double the Group's portfolio by 2025.



## AGILE, RESILIENT AND RESPONSIVE AS GROWTH RESUMES

With the distribution of vaccines, the world is heading towards an uneven recovery. This will require the Group to respond to rapidly changing circumstances. To do this, we need continued financial stability. While we anticipate a rebound in business starting from the second half of 2021, we continue to be prudent in managing capital and cashflow. By prioritising receivable collections, accessing new credit lines and selling selective assets, we have freed up additional liquidity of approximately S\$40 million on top of a cash balance of S\$51 million as at 31 December 2020.

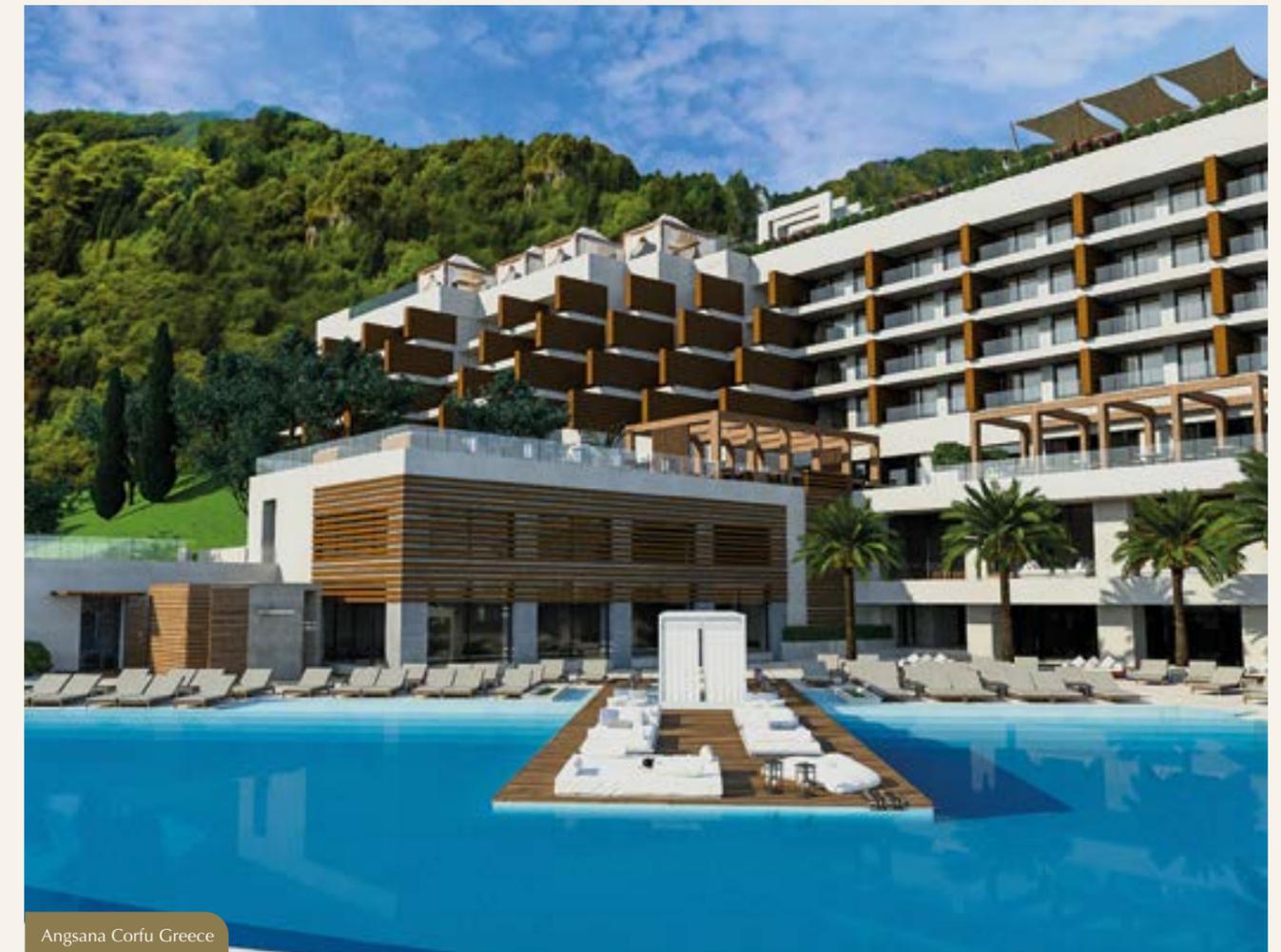
Along with financial stability, we must demonstrate agility. At the cluster level, we need to be able to strategise and manage operations to meet region-specific demands as and when their markets recover. We must also ensure we have a flexible supply of talent to rely on, whether a property is operating at minimum capacity or re-opening or closing at short notice during these unpredictable times. This will mean keeping our permanent workforce as lean as possible, augmented by a stable pool of temporary workers.

As recovery gathers pace, we must be ready to resume expansion. The catalyst for this will be our multi-brand ecosystem. We now have five brands, with three more in the works, allowing us to seize opportunities in different market segments and making it easier for hotel owners to find the right fit. One immediate opportunity for growth comes from family-managed and unbranded hotels, which form the bulk of Asian hotels. Such properties have borne the brunt of the pandemic, and their owners are starting to approach us to manage their properties, or for franchise or marketing arrangements.

Finally, we need to be able to respond to new customer needs post-pandemic. One focus will be wellbeing products with attention to guest safety. However, we are also looking at how customers seek, obtain and experience our products. To this end, we are prioritising a customer-centric drive towards digitisation. This includes developing creative e-commerce channels and using enhanced analytics to improve digital outreach.

We expect to open eight new resorts in 2021, including our maiden properties in Europe (Greece), the Middle East (Qatar) and Africa (Mozambique). With another 35 resorts scheduled to open in the next three years, we are on track to double the Group's portfolio by 2025.

Together we can and will build back better — our business, our people and our planet.

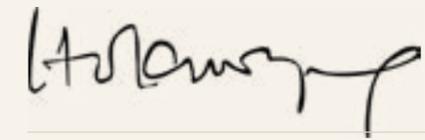


## OUR APPRECIATION

I would like to thank our Board members for their guidance and valuable advice throughout the year. In line with the Code of Corporate Governance on Board renewal and with gratitude, we bid farewell to Zhang Xu who stepped down from the Board in November 2020, and to outgoing directors, Fang Ai Lian, Chan Heng Wing and Tham Kui Seng, who have been pillars of our Board. We wish them success in their endeavours and welcome our new directors, Beh Jit Han Paul, Tan Chian Khong, Arnoud De Meyer, Ding Changfeng and Ho Ren Hua.

We at Banyan Tree Group deeply appreciate the continuing support and trust of our loyal guests and shareholders. Lastly, our remarkable associates deserve special recognition for enduring an extremely difficult year and doing so with grace.

Together we can and will build back better — our business, our people and our planet.



HO KWONPING  
Executive Chairman  
Banyan Tree Holdings



Beachfront Pool Villa, Banyan Tree Krabi Thailand

## Board Of Directors

### PROFILE OF DIRECTORS

The names of the directors holding office at the date of this report are set out here together with details of their academic and professional qualifications, date of first appointment as Director, date of last re-election as Director, as well as other directorships and principal commitments.

### BOARD COMMITTEES

-  Nominating & Remuneration Committee
-  Audit & Risk Committee



**HO KWONPING**  
Executive Chairman

The founder of Banyan Tree Group, Mr Ho is responsible for its overall management and operations. He has been a Director since 5 July 2000. He was designated Executive Chairman on 1 March 2004 and was last re-elected on 24 April 2019.

Mr Ho is also Chairman of Laguna Resorts & Hotels Public Company Limited, Thai Wah Public Company Limited, the Board of Trustees of Singapore Management University and The Singapore Summit.

Mr Ho holds a Bachelor of Arts (Economics) from the University of Singapore, an Honorary Doctorate of Business Administration in Hospitality Management from Johnson & Wales University, USA, and an Honorary Doctorate of Business Administration from the Hong Kong Polytechnic University.



**CHIA CHEE MING TIMOTHY**  
Lead Independent Director

Mr Chia has been a Director since 8 June 2001 and became Lead Independent Director on 28 February 2007. He is Chairman of the Nominating & Remuneration Committee and was last re-elected on 26 April 2018.

Mr Chia is Chairman of Hup Soon Global Corporation Private Limited and Innoven Capital Pte Ltd. He sits on the boards of several other private and public companies, including Fraser and Neave, Limited, The Straits Trading Company Limited, Singapore Power Limited, Vertex Venture Holdings Ltd, Ceylon Guardian Investment Trust PLC, Ceylon Investment PLC and Malaysia Smelting Corporation Berhad. He is a member of the Singapore Indian Development Association (SINDA), an Advisory Council Member of the ASEAN Business Club and a member of the Advisory Board of the Asian Civilisations Museum.

From 1986 to 2004, he was a Director of PAMA Group where he was responsible for private equity investments and served as President from 1995 to 2004. He was previously a member of the Board of Trustees of the Singapore Management University.

Mr Chia holds a Bachelor of Science cum laude, majoring in Management, from the Fairleigh Dickinson University, USA.



ARC

**FANG AI LIAN**  
Independent Director

Mrs Fang was appointed an Independent Director and Chairman of the Audit & Risk Committee on 1 May 2008, and was last re-elected on 24 April 2019.

Mrs Fang is a Director of Metro Holdings Ltd, Singapore Post Limited, Jubilant Pharma Limited, QBE Asia Advisory Board and Cromwell EREIT Management Pte Ltd. She is also Advisor to the Far East Organization. In addition to serving as Chairman of the Board of Trustees of the Singapore Business Federation and the Medishield Life Council, she is a member of ToteBoard (Singapore Totalisator Board).

Mrs Fang was the Chairman of Great Eastern Holdings Limited and its insurance subsidiaries as well as a Director of OCBC Bank until her retirement in 2014. Prior to that, she was with Ernst & Young for over 30 years until her retirement in 2008. She was appointed Managing Partner in 1996 and Chairman in 2005. Her past directorships include Singapore Telecommunications Limited and MediaCorp Pte Ltd. She also sat on the Board of Trustees of the Singapore University of Technology and Design.

Mrs Fang qualified as a Chartered Accountant in England. She is a Fellow of both the Institute of Chartered Accountants in England and Wales and the Institute of Singapore Chartered Accountants.



NRC

**CHAN HENG WING**  
Independent Director

Mr Chan became an Independent Director on 1 June 2012 and was last re-elected on 24 April 2019. He is a member of the Nominating & Remuneration Committee.

Mr Chan is the Non-Resident Ambassador of Singapore to the Republic of Austria. He is a Director of Frasers Property Limited, Fraser and Neave, Limited, EC World REIT, One Bangkok Holdings Company Limited which is the developer of the major mixed use development in central Bangkok, as well as Precious Treasure Pte Ltd and Precious Quay Pte Ltd which own the Fullerton Heritage and Fullerton Bay Hotels respectively. He is also the Senior Advisor to the Milken Institute Asia Center and an Executive Board member of the China Cultural Centre.

He was previously Non-Resident High Commissioner of Singapore to Bangladesh. He was also Press Secretary to Prime Minister Goh Chok Tong and Director of the Media Division in the Ministry of Information and the Arts. He served at the Permanent Mission to the United Nations in New York and as Consul-General to Hong Kong, Ambassador to Thailand and Consul-General to Shanghai. He later joined Temasek Holdings as Chief Representative in China and Managing Director for International Relations in Temasek International.

Mr Chan holds a Bachelor of Arts (Honours) and a Master of Arts from the University of Singapore, and a Master of Science in Journalism from Columbia University, USA.



ARC

**THAM KUI SENG**  
Independent Director

Mr Tham was appointed an Independent Director on 1 June 2012 and was last re-elected on 21 April 2017. He is a member of the Audit & Risk Committee.

Mr Tham is a Director of Sembcorp Industries Ltd, Sembcorp Properties Pte. Ltd. and Avanda Investment Management Pte. Ltd.

From 2002 to 2008, he was the Chief Corporate Officer of CapitaLand Limited, overseeing the corporate services functions of the real estate group. He also previously served as Director of GLP Pte. Ltd., The Straits Trading Company Limited, Sembcorp Design and Construction Pte. Ltd. and Straits Real Estate Pte. Ltd. and as a Corporate Advisor for Temasek International Advisors Pte. Ltd. as well as a board member of Singapore Land Authority.

Mr Tham holds a Bachelor of Arts (First Class Honours) in Natural Science - Engineering Science from the University of Oxford, UK.



ARC

**KAREN TAY KOH**  
Independent Director

Mrs Koh was appointed an Independent Director on 31 May 2019 and is a member of the Audit & Risk Committee.

She is a Director of HSBC Bank (Singapore) Limited, Manulife US Real Estate Management Pte Ltd, BC Platforms AG, Switzerland, and The Red Pencil Singapore. She is also a member of the Advisory Board, Centre for Emerging Markets, D'Amore-McKim School of Business, Northeastern University, USA, and a Senior Advisor to TVM Capital Healthcare Partners.

Mrs Koh was CEO and Executive Director of IP Investment Management, Singapore, from 2016 to 2018. Prior to this, she was Deputy CEO of SingHealth from 2001 to 2008, and concurrently Deputy CEO of Singapore General Hospital from 2003 to 2008. She started her career at the Singapore Ministry of Finance which included postings at the Inland Revenue and the Monetary Authority of Singapore. Mrs Koh previously served as a Director of Singapore Deposit Insurance Corporation Ltd, Singapore EDB Investments, Falck, Denmark and was a Corporator of Northeastern University, USA.

Mrs Koh holds a Bachelor of Arts (Honours) in Economics from Cambridge University and a Master of Public Administration and International Tax Program (Certificate) from Harvard University.



NRC

**BEH JIT HAN PAUL**  
Independent Director

Mr Beh was appointed an Independent Director on 6 May 2020 and is a member of the Nominating & Remuneration Committee.

Mr Beh is Chairman, Asia Pacific, of Reed Exhibitions and is an advisory member of the Worldwide Board. He currently sits on the Board of Trustees of Singapore Management University and is also a board member of Agape Village, Caritas Singapore and Mount Alvernia Hospital.

Before joining Reed, Mr Beh was Managing Director and Partner of a regional publishing company. Prior to that, he spent several years with Singapore Airlines holding various marketing management positions.

Mr Beh holds a Bachelor of Economics (Honours) as well as Graduate Diplomas in Financial and Marketing Management. He also attended Executive Management programmes at Harvard and Oxford.



ARC

**TAN CHIAN KHONG**  
Independent Director

Mr Tan was appointed an Independent Director on 28 January 2021 and is a member of the Audit & Risk Committee.

Mr Tan has approximately 35 years of experience in the audit industry. He joined Ernst & Young LLP (then known as Ernst & Whinney) in April 1981 and was a partner of the firm from July 1996 to June 2016.

Currently, he is an Independent Non-Executive Director of Alliance Bank Malaysia Berhad, listed on Bursa Malaysia, Hong Leong Asia Ltd, The Straits Trading Company Limited and CSE Global Limited. He is a Board member of the Casino Regulatory Authority of Singapore and SMRT Corporation Ltd. He also volunteers as the Honorary Executive Director of Trailblazer Foundation Ltd.

Mr Tan holds a Bachelor of Accountancy from the National University of Singapore. He is a Member of the American Institute of Certified Public Accountants, and a Fellow of CPA Australia and the Institute of Singapore Chartered Accountants.



**ARNOUD DE MEYER**  
Independent Director

Mr De Meyer was appointed an Independent Director on 28 January 2021.

Mr De Meyer is a global academic leader with more than 35 years of experience in top international academic institutions in Europe and Asia. Until December 2018, he served as President of Singapore Management University (SMU). Before joining SMU, Mr De Meyer was from 2006 until 2010 Director (Dean) of the Judge Business School at the University of Cambridge, UK. From 1983 until 2006, he was a faculty member at INSEAD and assumed between 1990 and 2006 several management positions, among others as founding dean of INSEAD Asia campus in Singapore.

Mr De Meyer has been an Independent Director of close to 20 companies and institutions in Belgium, France, the UK, Singapore and Australia. Till recently he was an Independent Director of Dassault Systemes SE, a French software company, where he was the Chair of the Scientific Committee. Currently, he is an Independent Director of Viva Energy Pty Ltd (Australia), where he is a member of the remuneration committee and Chair of the investment committee. He is also the Chair of the Temasek-sponsored Stewardship Asia Centre (Singapore).

He is an internationally recognised researcher in the areas of R&D and Innovation Management, Manufacturing Strategy and International Management. He has published more than 100 academic articles and 12 books.



**GAURAV BHUSHAN**  
Non-Executive and  
Non-Independent Director

Mr Bhushan was appointed Director on 30 December 2017 and was last re-elected on 26 April 2018.

Mr Bhushan is the Global Chief Development Officer of AccorHotels. He began his career with AccorHotels in 1995 in Australia, where he held various posts in operations and finance. From 2006, he headed AccorHotels' Asia Pacific development teams. He was appointed to the Global Chief Development Officer role in 2015 and joined AccorHotels' executive committee in 2017.

Mr Bhushan holds a Master of Business Administration from the Royal Melbourne Institute of Technology (RMIT University) and a Postgraduate Diploma in Applied Finance & Investments from the Securities Institute of Australia.



**CHEW VAN HOONG JASON**  
Non-Executive and  
Non-Independent Director

Mr Chew was appointed Director on 5 June 2018 and was last re-elected on 24 April 2019.

Mr Chew is the Director, Region Africa and APAC at the Qatar Investment Authority.

From 2007 to 2013, he was the Chief Investment Officer for Asia and Managing Director for Greater China with Prudential Real Estate Investors. From 1999 to 2006, Mr Chew worked at CapitaLand as the Country Director for Japan.

Mr Chew is a Chartered Financial Analyst and holds a Bachelor of Engineering (First Class Honours) from the National Defense Academy, Japan.

**MOHAMED AL-HASHMI**  
Alternate Director to  
Chew Van Hoong Jason

Mr Mohamed was appointed Alternate Director to Mr Chew on 5 June 2018.

Mr Mohamed is an Associate Director at Qatar Investment Authority, focusing primarily on Post-Acquisition Asset Management in the real estate sector.

He graduated from Qatar University with a major degree in Finance and a minor degree in Marketing.



**HO REN HUA**  
Non-Executive and  
Non-Independent Director

Mr Ho was appointed Director on 6 May 2020.

He is a Director and CEO of Thai Wah Public Company Limited and a Director of Laguna Resorts & Hotels Public Company Limited.

Mr Ho began his career with international management consultancy Bain & Company Inc., working in its USA, Hong Kong and China offices. He joined the Banyan Tree Group as Associate Director of Corporate Development in 2010 and eventually rose to the position of Vice President and Country Head of Banyan Tree Holdings' China Operations, where he was responsible for investment strategy and corporate planning in the Greater China region. He was also part of the core leadership team for the Banyan Tree China Hospitality Fund, overseeing the Group's finance, human resource, investment, and legal functions in China. He left the Group in July 2015.

Mr Ho holds a Bachelor of Science with Honours in Finance and Economics from the Wharton School - University of Pennsylvania, USA. He is the son of the Executive Chairman, Mr Ho KwonPing.



**DING CHANGFENG**  
Non-Executive and  
Non-Independent Director

Mr Ding was appointed Director on 13 November 2020.

He is a Group Partner of China Vanke Co., Ltd. and Chief Partner of its Ski Resort Business Unit.

Mr Ding joined China Vanke Co., Ltd. in 1992 and subsequently served in various management roles covering areas including Research, Operations and Management, Real Estate and Corporate Planning. He acted as the Executive Vice President in 2001, and was Head of the Beijing Region from 2006 to 2015, followed by Group Partner and Chief Partner in charge of the Commercial Property Business Unit from 2015 to 2017.

Mr Ding holds a Bachelor's Degree in International Politics and a Master's Degree in Global Economics from Peking University, China.

# Management Team



## 1. CLAIRE CHIANG

Senior Vice President  
Banyan Tree Holdings Limited

Chairperson  
China Business Development

Chairperson  
Banyan Tree Global Foundation

Executive Director  
Banyan Tree Gallery

Chairperson  
Learning and Development

Ms Chiang co-founded Banyan Tree Hotels & Resorts and pioneered the Group's retail business. She focuses on the acquisition of new management contracts in China. She also oversees strategic issues in organisational and human capital capability, and is responsible for guiding the Group's corporate social responsibility commitments.

Ms Chiang was appointed Justice of the Peace in 2008. She received the Public Service Medal PBM in 2008 and the Public Service Star BBM in 2014. Her numerous awards for women's advocacy include most recently, the Bold Women Entrepreneurs Award, by sHero and Mary Kay, China, in 2020, and the Outstanding Women Award by Shanghai Daily in 2019. She was also named one of Asia's Top Sustainability Superwomen and inducted into the Singapore Women's Hall of Fame in 2018. Ms Chiang is married to Group Executive Chairman, Mr Ho KwonPing, with whom she received the Hospitality Lifetime Achievement Award at the China Hotel Investment Summit 2009.

Ms Chiang holds directorships in three Group subsidiaries and affiliated companies and four family holding companies. She is also a director of the Mandai Nature Fund, Mandai Park Holdings, Denmark-based ISS A/S and Switzerland-based Dufry AG. In 2018, she was appointed Advisory Committee Member for both Guilin Tourism University and the School of Hotel and Tourism Management, The Hong Kong Polytechnic University.

Ms Chiang holds a Bachelor of Arts (Honours) from the National University of Singapore and a Master's degree in Philosophy from the University of Hong Kong.

## 2. HO KWONCJAN

Senior Vice President

Group Chief Designer

Mr Ho is the Senior Designer involved in overseeing design and project teams in the architectural subsidiary of the Group.

He has also been a Director of Laguna Resorts & Hotels Public Company Limited (LRH) since 2012. Prior to 2005, he was Joint Managing Director of LRH, a position he held from 1998. Mr Ho served as Vice Chairman of Thai Wah Public Company Limited in Thailand from 1997 to 2003.

From 1996 to 1998, he was the Managing Director of Thai Wah Resorts Development Public Co., Ltd and its Project Manager from 1985 to 1992. Before this, he worked at the architecture firm, Akitek Tenggara, in Singapore.

Mr Ho is a recipient of the Singapore Institute of Architects Gold Medal. He holds a Bachelor of Architecture (Honours) from the National University of Singapore and has been registered with the Singapore Board of Architects since 1986.

Mr Ho is the brother of the Executive Chairman, Mr Ho KwonPing.

## 3. EDDY SEE HOCK LYE

President

Group Managing Director

As President and Group Managing Director, Mr See oversees the Group's operations and is responsible for providing strong leadership for the company by working with the Board and Management to execute short and long-term goals, plans and strategies to drive business performance.

Mr See has also served as a member of the Board of LRH since 2012. Before joining the Group in 2004, he was the Managing Director of Asia Business Forum from 2002 to 2004 and its Chief Financial Officer from 2001 to 2004. From 1996 to 2001, he was the Group Financial Controller of Amara Holdings Limited.

He was also the General Director of Amara Hotel Saigon Company Ltd, which operated Amara Hotel in Ho Chi Minh City, from 1998 to 2001. Prior to that, he was with Ernst & Young for nearly a decade, spending his last four years there as Audit Manager.

Mr See holds a Bachelor of Commerce from the University of Auckland and is an Associate Chartered Accountant, New Zealand.

## 4. SHANKAR CHANDRAN

Executive Vice President  
Group Business Performance  
Banyan Tree Holdings Limited

Managing Director  
Laguna Resorts & Hotels PLC

Mr Chandran has overseen Banyan Tree Spa since 2005, growing the business to more than 60 spas worldwide. Appointed to the Board of LRH in 2012, he became Managing Director of LRH in 2014.

In 2015, Mr Chandran assumed the additional role of Managing Director, Owned Hotels, for the Banyan Tree Group. Seven hotels directly report to him as the Owner's Representative, on hotel management, operational and owner's matters.

Since July 2019, Mr Chandran has also spearheaded the business initiatives, strategic planning and delivery of the Group's hotels worldwide.

Prior to joining the Group in 1997, he was the Financial Controller and Deputy General Manager of Regent Plaza, London, and Regional Internal Auditor/Financial Controller of Hilton International Hotels, UK.

Mr Chandran holds a Postgraduate Diploma in Management Studies from Kingston University (London) and a Higher National Diploma in Finance from South West London College, UK.

## 5. DHARMALI KUSUMADI

Senior Vice President

Managing Director  
Architrave

Mr Kusumadi oversees the architectural, projects and business development functions within the Banyan Tree Group, where he is solely responsible for the design and technical advisory services, project development and business development activities outside of China. He was appointed to his current position in January 2010.

Having been with the Group since 1991, Mr Kusumadi has helped to create numerous iconic and award-winning architectural and interior designs which are hallmarks of Banyan Tree and Angsana hotels and resorts.

He holds a Master of Architecture from Parahyangan Catholic University, Bandung, Indonesia.

## 6. STUART READING

Senior Vice President  
Group Property Development

Mr Reading assumed his current role in 2014 and oversees residences and extended stay, which is a core business for the Group.

He was previously Vice President, Chief Financial Officer for LRH and Deputy Managing Director, LRH. Mr Reading has served on the Board of LRH since 2006. He joined LRH in 2002 as Assistant Vice President, Finance & Administration, responsible for the residences and extended stay/property sales and holiday club businesses finance function.

Prior to joining the Group, he spent more than 10 years with PricewaterhouseCoopers in Australia and Papua New Guinea. From 1999 to 2002, he was a Director in the Assurance and Business Advisory Services division in Sydney. He is a member of the Institute of Chartered Accountants in Australia and holds a Bachelor of Business degree in Accounting from the University of Western Sydney, Australia.

## 7. KC MOY

Senior Vice President  
Group Finance & Corporate Affairs

Company Secretary

Mr Moy oversees the Group's overall corporate functions including finance, treasury, human capital, legal & compliance, risk management and information technology. In addition, Mr Moy serves as the Company Secretary of Banyan Tree Holdings Limited.

Mr Moy transitioned from banking and investment to hospitality in 2009, serving as Executive Vice President and Secretary to the Board of Capella Hotel Group, a subsidiary of Pontiac Land Group, for 11 years.

Prior to Capella Hotel Group, Mr Moy held senior executive management roles in Citigroup and General Electric, where he also served as a Board member of GE Capital, South East Asia, and a leadership member of GE Singapore Business Council from 2005 to 2009.

Mr Moy holds degrees in Law (Honours) and Economics from Monash University, Australia.



# Management Team

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## 8. ALAN CHIN

Senior Vice President  
Banyan Tree Holdings Limited

Managing Director  
Banyan Tree (China)

Mr Chin is Managing Director of the Banyan Tree Group of Hotel Management and Service Companies in China, in joint venture with China Vanke. He assumed his current role in July 2017.

Mr Chin joined Banyan Tree in 2010 as General Manager, Wenjiang Company, and Director, Special Projects. In 2015, he was promoted to Vice President overseeing all property projects and sales in China, while serving as Managing Director for the Banyan Tree China Fund.

Mr Chin has a track record of over 20 years in hospitality and real estate, including experience in property development, consultancy and private equity. Prior to joining the Group, he held various senior positions at the China Hospitality Fund by RREEF and H&Q AP from 2008 to 2010, and with AccorHotels Group from 2002 to 2008.

Mr Chin graduated from Beijing University of Technology with a Bachelor of Arts in Civil Engineering.

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## 9. CINDY LEE

Senior Vice President

Managing Director  
Group Project Services

Ms Lee joined Banyan Tree in 2001 as a Cost Manager and was promoted to Senior Vice President in 2018. She oversees the development of all new projects by the Banyan Tree Group, with a focus on governance of project and procurement processes as the Group's footprint expands. She has over 30 years of experience in the construction and real estate industry, having practised in both the public and private sectors.

Ms Lee holds a Bachelor of Science (Building) and a Graduate Certificate in Real Estate Finance, both from the National University of Singapore.

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## 10. HO REN YUNG

Vice President  
Brand HQ

Ms Ho leads Brand HQ, responsible for Brand, Digital, and Wellbeing across the Group's multi-branded portfolio. This encompasses E-commerce, Customer experience and insights, culture and development as well as Innovation workstreams, working with cross-functional teams for critical change projects within the Group. She joined the Group in 2009, serving across Operations and Headquarters.

An active member in the creative and social business landscape in Singapore and the region, Ms Ho has co-founded two pioneering businesses in the co-working and e-commerce space, as well as the founding chapter of Asia's largest, volunteer-run creative network. She is also a Red Dot for Pink Dot Business Leader and founding member of the AVPN Gender Network, supported by the Bill and Melinda Gates Foundation.

Ms Ho holds a Bachelor of Science in Sociology and Economic Development from the London School of Economics.

She is the daughter of the Executive Chairman, Mr Ho KwonPing.

## 11. PHILIP LIM

Vice President & Regional Head  
Hotel Operations

Since being appointed to his current position in January 2019, Mr Lim has overseen the Group's hotel openings and hotel operations in key regions worldwide.

He joined the Group as General Manager of Banyan Tree Sanya in 2010, and subsequently became the Director of Business and Project Development, China, in 2013. In 2015, he was promoted to Assistant Vice President for China Hotel Operations and Business Development. With the Group's expansion in China, he became Vice President for China Hotel Operations in 2016.

Mr Lim was previously General Manager with the Marco Polo Hotel Group in Hong Kong and has nearly 30 years' hospitality experience in Asia including Singapore, Hong Kong, Taiwan and mainland China.

Mr Lim has a Master's degree in Business from the University of Newcastle, Australia, and received his hospitality education at The Blue Mountains International Hotel Management School, Australia, and International Hotel and Tourism Training Institute, Switzerland.

## 12. GAVIN HERHOLDT

Vice President

Managing Director  
Laguna Lăng Cô, Vietnam

Mr Herholdt is responsible for the overall performance of Laguna Lăng Cô (LLC), which includes formulating and implementing strategies to improve profitability and brand value, attracting new investors, managing shared services, overseeing and promoting LLC residences and extended stay as well as project development. He assumed his current role in March 2016.

Mr Herholdt was previously Chief Operating Officer and General Manager, Corporate Services, at Hamilton Island Resort, Australia. He had been responsible for running Hamilton Island operationally and financially since 1996, and for 20 years was instrumental in turning the resort around from a loss-making to a highly profitable integrated resort. Prior to joining Hamilton Island, he was with the accounting firm Coopers & Lybrand from 1986 to 1996, and had worked with them in Canada, the UK and Australia.

Mr Herholdt is a Chartered Accountant by training. He obtained his Bachelor of Commerce from the University of Queensland, Australia.

## 13. BOBBY ONG

Vice President  
Head of Growth

As Vice President, Head of Growth, Mr Ong is responsible for developing sales strategies to meet revenue and growth targets. He provides strategic business leadership, sets direction and goals and oversees sales efforts. He works closely with his Global Sales team, the Cluster Directors of Sales and Marketing, the General Managers and Directors of Sales and Marketing of the hotels.

He has 30 years' experience in the hospitality and travel industries. He started his career as a tour director, before heading the Incentive and Convention division in the same company. Since entering the hotel industry, he has worked with Shangri-La Hotels & Resorts, Starwood, IHG, Kempinski Hotels and AccorHotels in various geographical regions. He is especially familiar with the China market, having spent 20 years there, culminating in his role as Vice President, Sales & Distribution, for Accor Greater China.

## 14. CAROLYN ZHANG

Vice President  
Corporate (China)

Ms Zhang was promoted to her current designation in August 2015. She plays a key role as the Group's principal representative in China and as the liaison between the Group's China Joint Venture and its partner, the Vanke Group. She also provides oversight and support of the Group's functional committees in China and the day-to-day operations of the Group's subsidiary in China.

Prior to joining the Group in 2002, Ms Zhang worked for several well-known international conglomerates including Siemens and Thakral. She graduated with a Bachelor of Accountancy from Fudan University, China, and is a member of the Certified Accountants of China.

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# Management Team



**15. ANTHONY LOH**  
Vice President  
Resort Services  
Laguna Resorts & Hotels PLC

Mr Loh is responsible for corporate legal, government liaison, human resources and central services in driving the expansion of Laguna Phuket's hotels and residences. He was promoted to his current position in January 2019.

In his 29 years with the Group, he has served in various capacities to develop Laguna Phuket into a luxurious lifestyle community. He was involved in the pre-opening for Sheraton Grande (now Angsana Laguna Phuket), Laguna Golf Phuket, Allamanda, Canal Village and Banyan Tree Phuket, as well as Banyan Tree Bangkok. His experience covers a wide range of operations, from transportation to beach maintenance, sustainability and destination marketing.



**16. SACHIKO SHIINA**  
Vice President  
Japan

Ms Shiina is Vice President, Business Development and Projects, Japan. She also spearheads, coordinates and supervises the Group's overall operational and business activities there.

Ms Shiina joined the Group in 1995, becoming Director of Sales, Japan, in 2000. In 2006, she was promoted to Assistant Vice President, Sales & Business Development. She has been the Group's lead representative in Japan since 2007.



**17. PETER WANG**  
Vice President  
Business Development and  
Projects (China)

Mr Wang has been Vice President, Business Development and Projects, China, since July 2017. He oversees the development, design and construction of all projects by Banyan Tree China.

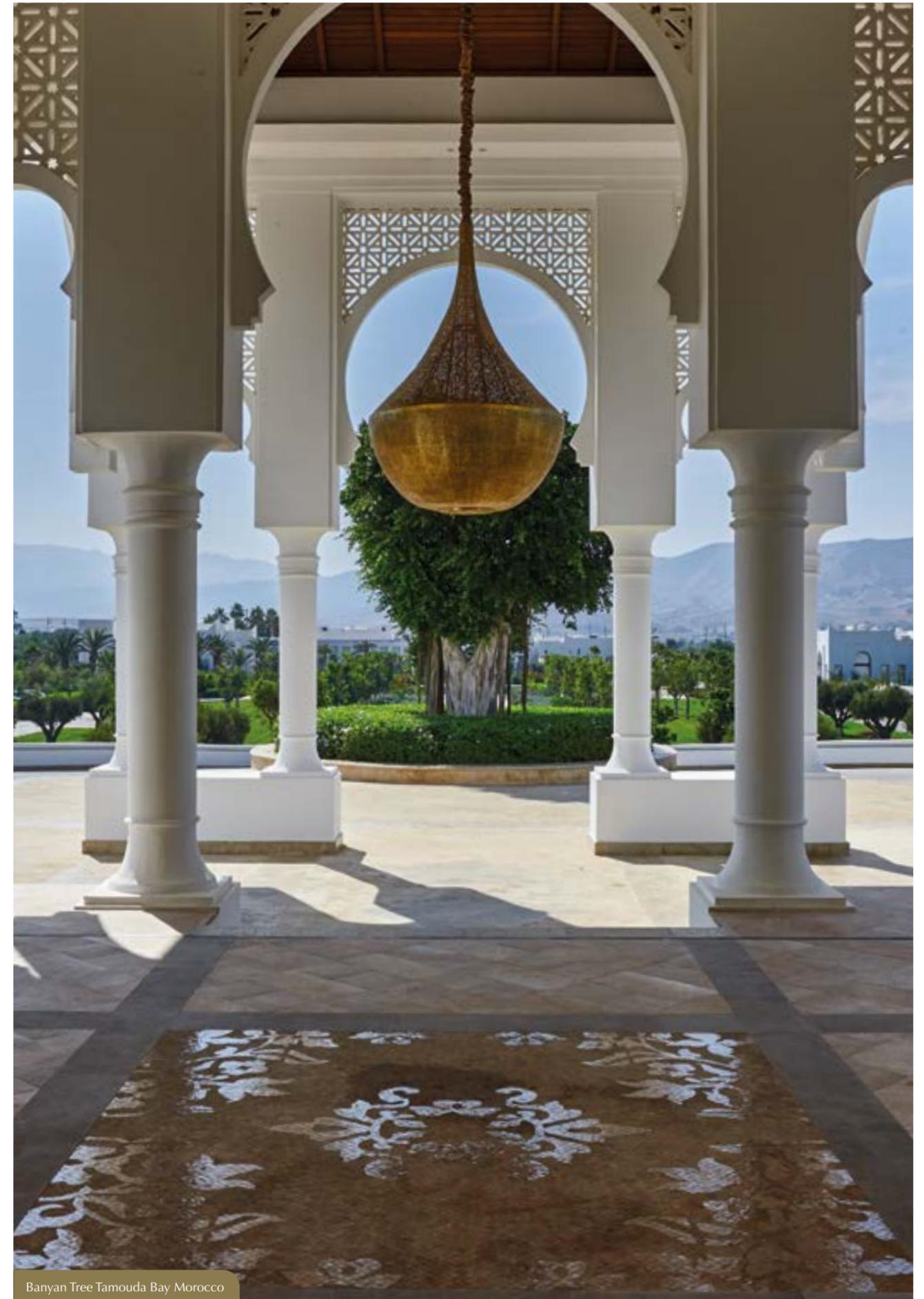
Mr Wang joined the Group in 1994 as General Manager of Architrave China. He has more than 30 years of experience in the design and construction industry, having practised in many renowned architectural firms. He graduated from Tongji University, China, majoring in Landscaping Architecture, and has a Master of Architecture from Toyohashi University of Technology, Japan.

**18. HENRY NGAI**  
Vice President  
Chief Financial Officer (China)

Mr Ngai was appointed Chief Financial Officer and Vice President – Corporate Finance of the Banyan Tree Group of Hotel Management and Service Companies in China, in joint venture with China Vanke, in 2018. He is responsible for accounting, finance, treasury, debt management, information technology, legal and company secretarial services.

Before joining the Group, Mr Ngai was a partner at KPMG China with over 15 years' experience in providing tax and business advisory services to multinational companies, which included assisting the development and implementation of tax-efficient holding and operational structures for their investments in China. He was also the partner-in-charge of learning and development of the tax practice in KPMG China from 2014 to 2016.

Mr Ngai holds a Bachelor of Accountancy from The Hong Kong Polytechnic University, and is a member of the Hong Kong Institute of Certified Public Accountants.



Banyan Tree Tamouda Bay Morocco



# Celebrating Our Core Purpose

RECOGNITIONS  
AMID COVID-19

GROWING RESILIENTLY — OUR  
JOURNEY THROUGH THE YEARS

A PURPOSEFUL YEAR

THE GREATER GOOD —  
COMPASS FOR RESILIENCE

BANYAN TREE  
MANAGEMENT ACADEMY

ANALYTICAL  
REVIEW

SECTION

4

# Recognitions Amid COVID-19

## AWARDS & ACCOLADES

For 26 years, Banyan Tree Group has created exceptional experiences for our guests through an inspiring ecosystem of globally recognised lifestyle brands. In addition to our triple bottom line of economic, social and environmental success, we welcome the recognition by our valued guests, global media platforms and industry partners as another indicator of achievement.

In 2020, we were pleased to receive 148 awards, bringing the total to 2,759 since the Group's inception.

### Travel

**Trip.com Group (Ctrip) 2020**  
Best Luxury Brand 2020  
Banyan Tree Hotels & Resorts

**China Meadin Brand Index Awards**  
Most Influential Brand in Hospitality Industry  
Banyan Tree Hotels & Resorts

**TripAdvisor Travellers' Choice 2020**  
Best of the Best  
Banyan Tree Mayakoba  
Banyan Tree Lãng Cô

**TripAdvisor Travellers' Choice 2020**  
Top 25 Luxury Hotels in Thailand  
(12th) Banyan Tree Samui

**Condé Nast Traveler Readers' Choice Awards 2020**  
Top 30 Resorts in Asia  
(9th) Banyan Tree Lãng Cô  
(30th) Angsana Lãng Cô



Banyan Tree Macau China

**Condé Nast Traveler Readers' Choice Awards 2020**  
Top 20 Hotels in Asia  
(16th) Banyan Tree Kuala Lumpur

**Forbes Travel Guide 2020 Star Award**  
2020 Forbes Travel Guide Five-Star Awards for Hotel, Restaurant and Spa  
Banyan Tree Macau

**15th DestinAsian Readers' Choice Awards 2020**  
(9th) Best Boutique Hotels  
(3rd) Best Hotels & Resorts in Vietnam  
Banyan Tree Lãng Cô

**15th DestinAsian Readers' Choice Awards 2020**  
Best Hotels & Resorts in the Maldives  
(7th) Banyan Tree Vabbinfaru

**KOL Credibility Gold List**  
Top 20 Tourist Resort Hotels in China  
Banyan Tree Ringha  
Banyan Tree Yangshuo

**12th China Best Hotel Awards 2020**  
Best Hotel of the Year  
Best Luxury Resort Hotel  
Banyan Tree Macau

**International Hotel Awards 2020**  
Best Small Luxury Hotel Malaysia  
Banyan Tree Kuala Lumpur

**Target Taste Awards 2020**  
Best Resort Hotel Award of the Year  
Banyan Tree Lijiang

**Luxury Lifestyle Magazine Readers' Travel Awards**  
Best Hotel in Asia  
(8th) Banyan Tree Samui

**Haute Grandeur Global Awards 2020**  
Best Apartment Hotel on a Global Level  
Cassia Phuket

**Golf Digest Editor's Choice Awards 2020**  
Best Golf Resorts – Asia  
(4th consecutive win)  
Laguna Lãng Cô

**7th Annual World Golf Awards 2020**  
Indonesia's Best Golf Course 2020  
Laguna Golf Bintan

**7th Annual World Golf Awards 2020**  
Thailand's Best Golf Hotel 2020  
Banyan Tree Phuket

**World Luxury Awards 2020**  
Best Luxury Golf Resort in Asia  
Banyan Tree Lãng Cô

### Spa

**SpaChina Awards 2020**  
Best Global Spa Brand of the Year  
Banyan Tree Spa

**World Spa Awards 2020**  
Macau's Best Resort Spa 2020  
Banyan Tree Spa Macau

**Smart Travel Asia**  
Best Spa Hotel in Asia  
Banyan Tree Phuket

**Smart Travel Asia**  
Best China Spa Hotels  
Angsana Xi'an Lintong

**WOW Travel Award**  
Best Spa Hotel  
Banyan Tree Shanghai On The Bund

**7th China MAG Travel Awards**  
Best Spa Award  
Angsana Spa Zhuhai Phoenix Bay

**Harper's Bazaar**  
Best Rainforest Spa Experience  
Banyan Tree Spa Samui



Banyan Tree Spa Phuket Thailand

### Corporate/Sustainability

**Pacific Asia Travel Association Gold Awards 2020**  
Community and Social Responsibility – Winner  
Banyan Tree Holdings Ltd

**Hallbars Sustainability Reports Awards 2020**  
Best in the World – Hotels Category  
Banyan Tree Holdings Ltd

**Sustainable Business Awards 2019 (Thailand)**  
Certificate of Merit  
Laguna Phuket

**Sustainable Business Awards 2019 (Indonesia)**  
Certificate of Recognition  
Laguna Bintan

**4th Hotel Discovery Awards Global Festival**  
The Best Green Environmentally & Friendly Hotel  
Banyan Tree Shanghai On The Bund

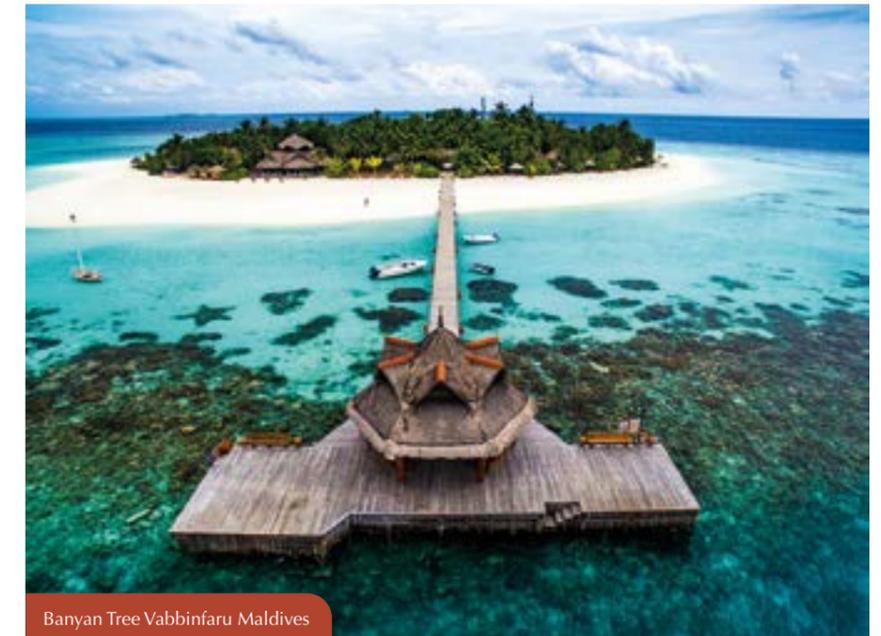
**South Asian Travel Awards 2020**  
Best CSR Programme  
Banyan Tree Vabbinfaru

**Macao Green Hotel Award 2019**  
Environmental Performance Gold Award  
Banyan Tree Macau

**14th Employer Branding Awards 2020**  
Thailand's Best Employer Brand Award (2nd consecutive year)  
Banyan Tree Bangkok

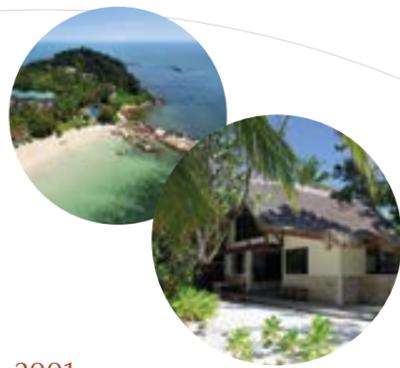
**ASEAN Business Awards 2020**  
Skills Development – Winner  
Maison Souvannaphoum Hotel by Angsana

**Great Place to Work**  
Great Place to Work  
Banyan Tree Mayakoba



Banyan Tree Vabbinfaru Maldives

# Growing Resiliently — Our Journey Through The Years



1990

Architrave, the Group's in-house architecture and design arm, is established in Thailand and Singapore.

1992

Laguna Phuket Golf Club opens.

A pioneer in education and community engagement, the Group establishes the Laguna Childcare Centre.

Laguna Phuket wins the American Express and International Hotel Association Environmental Award for remediating a toxic site.

2001

The Green Imperative Fund is inaugurated to formalise the Group's corporate social responsibility efforts.

The Banyan Tree Spa Academy is founded. The first-of-its-kind in Asia, the Academy is set up for training and research and development to elevate therapists' skills and the spa industry as a whole.

2004

The first resort-based facility in the Maldives, Banyan Tree Maldives Marine Lab, is established.

2005

Banyan Tree Ringha opens in Yunnan, marking the Group's first foray into China.

2009

Banyan Tree Global Foundation is established as the Group's non-profit arm and an integral part of its management framework.

2013

The Group launches Laguna Lăng Cô, its first project in Vietnam and third destination integrated resort in Asia.

2014

The Group launches its third brand, Cassia, to tap into the growing demand for lifestyle extended stay hotel residences.

The first Banyan Tree's Got Talent! group-wide contest is organised.

2017

Banyan Tree Group forms a joint venture with China Vanke Co. Ltd. focusing on active ageing and wellness hospitality projects.

Banyan Tree Essentials is re-launched with natural, responsibly sourced body and aromatherapy products.

The Group aligns its sustainability efforts with UN Sustainable Development Goals and stakeholder-inclusive materiality framework.

Mandai Park Holdings appoints Banyan Tree Holdings as the operator of an eco-friendly resort to be located within the new integrated nature and wildlife destination at Mandai. This will be Banyan Tree Group's first resort in Singapore.

2020

Banyan Tree Holdings Limited issues Convertible Bonds.

Banyan Tree Holdings forms a joint venture with Myanmar Treasure Hotel & Resort Group Company Limited (also known as Htoo Hospitality) to manage all its hotels and a hospitality school in Myanmar.

Banyan Tree Global Foundation inaugurates Greater Good Grants to support external environmental and community projects, in alignment with UN Sustainable Development Goals and its ethos of "Embracing the Environment, Empowering People".

1984

Laguna Resorts and Hotels (LRH), a Banyan Tree Holdings Limited subsidiary, acquires over 550 acres of abandoned tin mine land at Bang Tao Bay, Phuket, Thailand.

1987

With extensive site rehabilitation completed, Laguna Phuket, Asia's first destination integrated resort, opens.

1994

Banyan Tree Hotels & Resorts is launched with the holistic ethos: "Embracing the Environment, Empowering People".

The Group's flagship luxury resort – Banyan Tree Phuket – opens in Thailand's Laguna Phuket, Asia's first destination integrated resort. The resort includes the first Banyan Tree Spa.

1996

Banyan Tree Gallery is established.

The Group launches Laguna Bintan, our first project in Indonesia and second destination integrated resort in Asia.

2000

Angsana brand is launched with the opening of Angsana Bintan in Indonesia.

2006

Banyan Tree Holdings Limited debuts on the Singapore Stock Exchange.

The Group publishes its first Sustainability Report, ahead of its time in corporate reporting and transparency.

2007

The Bintan Conservation Lab is launched in Indonesia.

2008

Banyan Tree Management Academy is launched, marking a milestone in the Group's commitment to internal talent development.

2015

The first Cassia hotel opens in Phuket, Thailand.

Banyan Tree Spa enters the TTG Travel Hall of Fame as Best Spa Operator.

The Group launches its fourth brand, Dhawa, aimed at meeting contemporary travellers' demand for affordable and design-inspired full-service hotels.

2016

The Group's first Dhawa hotel opens in Cayo Santa Maria, Cuba.

Banyan Tree Holdings enters a strategic long-term partnership with AccorHotels to develop and manage Banyan Tree-branded hotels around the world.

MATTER Prints, a textile-based artisan brand, enters Banyan Tree Gallery.

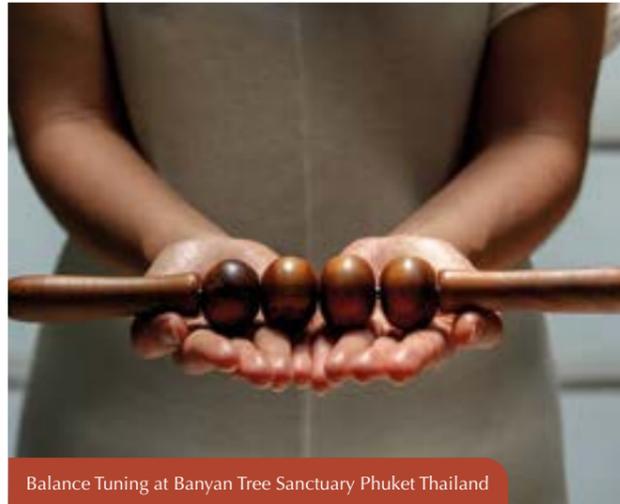
2019

Banyan Tree Group celebrates its 25th Anniversary, Banyan Tree Marine Lab Maldives' 15th Anniversary, and Banyan Tree Global Foundation's 10th Anniversary.



# A Purposeful Year

In a year when the world lost much of what was familiar, Banyan Tree Group found new ways to work, connect and care. We used this time to re-centre on our purpose, re-imagine the way we operate, and build back better.



Balance Tuning at Banyan Tree Sanctuary Phuket Thailand

## EMPOWERING COMMUNITIES WHERE MOST NEEDED

The pandemic lent urgency to the Group's community efforts, and we supplemented our existing programmes by providing food, necessities and care to those in need. In the Maldives, the Group donated a nucleic acid extractor to assist national COVID-19 testing, which had helped to reopen the country to its economic lifeline of international tourism. After the first wave of the pandemic subsided in China, our properties extended complimentary room nights to healthcare professionals as a way of saluting their heroic efforts and gave them a much-needed respite.

## FOCUSING ON WELLBEING AND SUSTAINABILITY

Sustainability and wellbeing have been part of Banyan Tree's identity since inception. To ensure the safety of our guests and associates during the pandemic, we co-developed with Bureau Veritas our proprietary SafeSanctuary programme, incorporating protocols of assurance and wellbeing standards.

At the same time, we are re-centering on our core purpose of wellbeing and sustainability. By developing relevant products, services and brand extensions, we are positioning ourselves to cater to the anticipated boom in purposeful travel when international tourism resumes.



Laguna Phuket Teamed Up with Bangkok Hospital Phuket

## REIMAGINING NEW FRONTIERS

We are also leveraging our expertise and forming strategic alliances to capitalise on the growing trend of wellness tourism. With more visitors combining holidays and medical treatments, we are deepening our longstanding partnership with Bangkok Hospital Phuket. At the inaugural Laguna Phuket Health Fair, the hospital offered free medical consultations and health screenings for residents and guests.

On the retail front, we partnered with Singapore Airlines' flagship retailer to launch our Essentials aromatherapy and body care products on KrisShop.com. We are exploring ways to extend this partnership between two like-minded and value-aligned global homegrown brands with complementary audiences.

## FORGING A SUSTAINABLE FUTURE THROUGH FOOD

With the food supply chain accounting for 25% of global greenhouse gas emissions and surveys showing that most consumers desire to eat healthier, the Group is seeking to align the greater good with personal wellbeing through food. In 2020 we opened ORI9IN in Chiang Mai, Thailand. The world's only retained farming operation that partners with a network of top restaurants and hotels, ORI9IN focuses on import substitution and carbon reduction without sacrificing flavour.

Meanwhile, we are collaborating with aligned partners to offer more healthful, plant-inspired cuisine across our hotels. In another collaboration, Country Foods, a sustainable food supply distributor, will introduce a variety of plant-based products into our supply chain. The Group has also implemented a 25% benchmark for sustainable seafood sourcing by 2025.



"I Am With You" Training at Banyan Tree Management Academy

## DOING MORE FOR THE GREATER GOOD

Banyan Tree Global Foundation launched the Greater Good Grants in October 2020. The grants, capped at US\$10,000 each, support innovative and impactful projects across six areas that align with the United Nations Sustainable Development Goals as well as our ethos of "Embracing the Environment, Empowering People". Grantees in areas where we operate will be prioritised, and will be informed in April 2021.

## TAKING CARE OF OUR PEOPLE

The pandemic has highlighted the importance of prioritising people and mental wellbeing. Recognising that we can only look after our guests when we look after our associates, we revamped the Group's training modules to express the service culture of "I Am With You". Emphasising empathy, positive psychology and mindfulness-based stress reduction (MBSR), the modules promote resilience, self-awareness and self-care. The Group also launched Project T, a complimentary teletherapy service for our associates, conducted by certified wellbeing practitioners.

In late 2020, we rolled out an Organisational Wellbeing Index with 64 questions on lifestyle practices, to identify and address areas of concern for our associates.



Greening Communities at Lăng Cô Vietnam



Laguna Golf Bintan Indonesia

## REMEMBERING TO CELEBRATE

Despite a challenging year, we had ample reason to celebrate. We earned a wide range of industry honours including the PATA Gold Awards in Community and Social Responsibility, Trip.com's Best Luxury Brand Award and SpaChina's Best Global Spa Brand. Banyan Tree Lăng Cô and Angsana Lăng Cô made it to Condé Nast Asia's Top 30 Asia List. In addition, the Tripadvisor Traveler's Choice Awards featured 23 of our hotels, with Banyan Tree Mayakoba and Banyan Tree Lăng Cô named as Best of the Best.

Laguna Golf garnered three awards, elevating our global golf positioning. Our property developments won six International Property Awards including Five Star Awards for Best Development Marketing for Thailand (Skypark) and Best Apartment/Condominium for Thailand (Angsana Oceanview Residences).

We also celebrated the 15th anniversary of Banyan Tree Ringha and the 10th anniversaries of Banyan Tree Samui and Banyan Tree Seoul.

# The Greater Good — Compass For Resilience

The pandemic is an unprecedented global health, social and economic emergency, and the enormous toll on international tourism and the livelihoods it supports is apparent. However, out of crisis comes opportunity: to rethink tourism, mitigate impacts on lives and economies, and rebuild resilient tourism with sustained and ambitious action to support the 2030 Sustainable Development Goals.



Community Commitment

## OUR VALUES

Travel and tourism are intrinsically dependent on natural and cultural heritage, and Banyan Tree Group was founded with the core value of sustainable development by “Embracing the Environment, Empowering People”. Our efforts extend beyond the precautionary principle through an integrated, holistic and participatory approach that supports sustainable development by integrating social and environmental responsibility throughout our operations and our guest experience to:

- Create exceptional design-led experiences for guests and customers;
- Provide fair and dignified employment;
- Enable long-term prosperity for communities in which we operate;
- Exercise the precautionary approach to protect and remediate ecosystems;
- Conduct business with dignity, fairness and transparency; and
- Generate sustained, long-term returns for our shareholders.

## OUR APPROACH

Our sustainability efforts focus on seven core and four optional environmental, social and governance material topics identified through a stakeholder-inclusive process and approved by the Board of Directors. We conceptualised our values in our “Stay for Good” framework, supported by our sustainable financing mechanism, the Green Imperative Fund. Our efforts are aligned with the Sustainable Development



Embracing Our Environment

Goals, addressing global needs at local scales to support people, planet, peace, prosperity and partnership.

## OUR ENVIRONMENT

Restricted traveller movements and temporary operational closures considerably reduced total energy use (39% reduction) and scope 1 and 2 greenhouse gas emissions (38%), while resource intensity increased due to baseloads at low occupancy levels. The pandemic is not the solution to climate change, but it can provide a platform to develop a roadmap for sustained and ambitious climate action to reduce emissions to net-zero.

Total water use and waste production were similarly reduced (34% and 45% respectively). Since 2017, a 54% reduction in single-use plastic has eliminated 19.6 million pieces, with ten properties achieving reductions in excess of 80%. Sustainable operations are benchmarked and third-party audited by EarthCheck, with 40 sectors including 32 hotels registered in 2020. Ten sectors achieved Gold Certification during the year, bringing the total to 29 certified Gold or Platinum.

Banyan Tree Group applies a strategic and science-based approach to conservation, engaging and educating travellers, communities and our associates to develop stewardship. Travellers can play an important role in long-term monitoring and conservation as citizen scientists, reporting sightings through our specially curated programmes.

Despite travel restrictions, 30,009 people participated in our environmental programmes in 2020.

## OUR COMMUNITY

Serving stakeholders and embracing purpose is central to Banyan Tree Group’s role in society and necessary to recover and discover in a post-pandemic world. Creating shared value with stakeholders embodies our commitment, whether they are employees, customers, communities or business partners.

The ongoing global pandemic presented an overwhelming number of opportunities to support, but we have taken care to avoid misplaced actions that lack impact. Thus far, our Group’s response has included the establishment of our SafeSanctuary programme, creation of a flexible employment programme to protect jobs, a rehiring app that also helps staff find new roles and access reskilling training, tele-therapy sessions with external practitioners to support associate wellbeing, and an internal learning revolution promoting resilience, self-awareness and self-care.

Total participation in education, health and cultural programmes declined by 49% to 31,408 people in 2020, due to restrictions on public gatherings and pandemic-related lockdowns. A nucleic acid extractor was donated to support national COVID-19 testing in Maldives, while ongoing post-tsunami support in Sulawesi, Indonesia, provided 15 fishing boats, engines and repair tools, as well as market production tools for women’s livelihoods. There are many hidden issues associated with COVID-19, and we will carefully identify partnerships and opportunities where our efforts will be most impactful.

Diversity and inclusion are not just a business imperative, they are a moral one. We make differences matter and respect uniqueness to build trust and commitment and a more innovative and creative place to work and thrive. We conducted a Gender Pay Gap pilot assessment for Phuket in 2020, which we aim to upscale across the Group and disclose annually.



Empowering People

**2,334 suppliers completed declarations covering US\$39.8 million or 69% of purchases.**

**Building on our commitment to sustainable development, Banyan Tree Global Foundation initiated Greater Good Grants to support progress towards the Sustainable Development Goals.**



Seedlings Cafe

## OUR RESPONSIBILITY

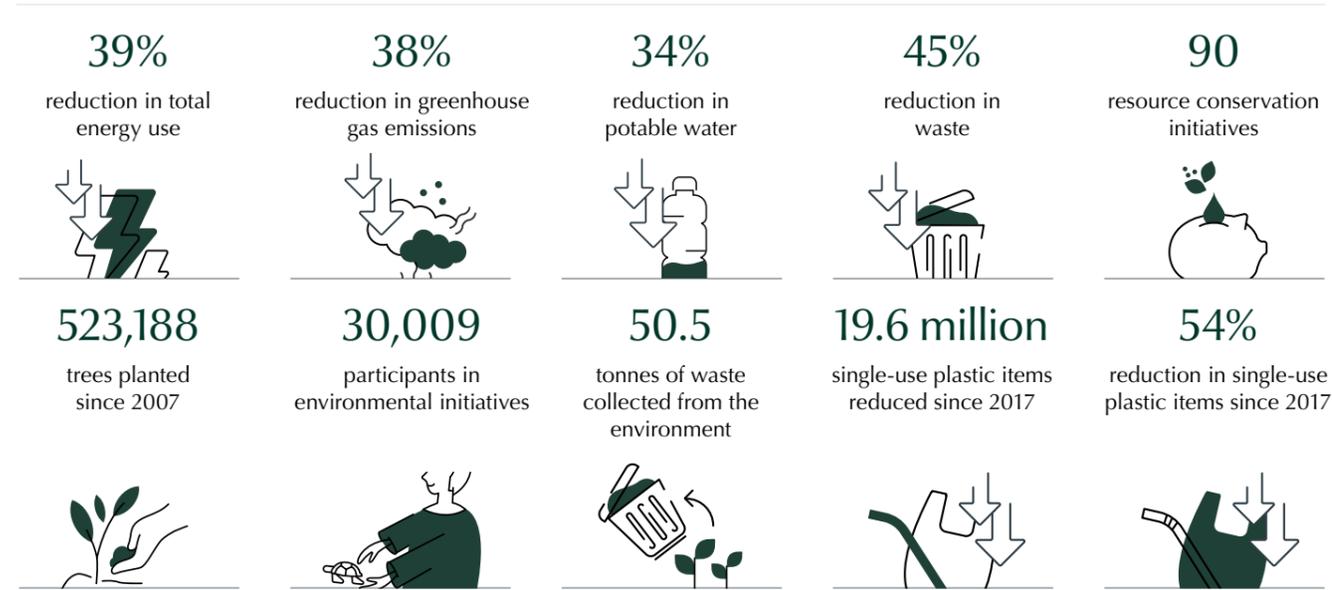
Sustainability governance addresses leadership, ethical compliance, data privacy, supply chain, responsible travel and partnerships. Our supplier code of conduct was implemented in 2020, with 2,334 supplier declarations completed, covering US\$39.8 million or 69% of purchases. The pandemic provides impetus to shorten supply chains to reduce disruption, reduce climate change impacts and increase local resilience and sustainable production.

Building on our commitment to sustainable development, Banyan Tree Global Foundation initiated Greater Good Grants: funding for external projects aligned with one or more of our six focal areas (health, education and culture; climate change, biodiversity, innovation). This initiative aims to create partnerships necessary to support measurable impact and progress towards the Sustainable Development Goals.

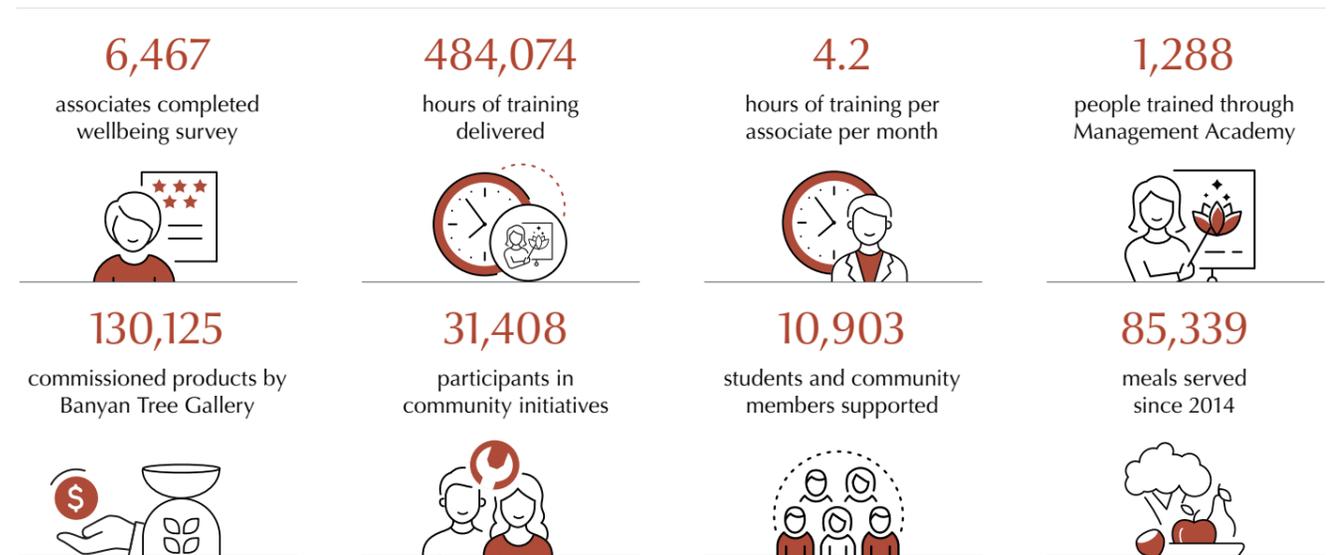
Our accompanying sustainability report (also available online at: <https://investor.banyantree.com/>) summarises the challenges and successes during this difficult period of our journey, as well as our future ambitions. The travel and tourism sector cannot be satisfied with simply doing least harm. Regenerative travel, whereby we leave a place better than how we found it, is necessary to replenish human and natural capital.

# Sustainability Impact In 2020

## OUR ENVIRONMENT



## OUR COMMUNITY



## OUR RESPONSIBILITY



All values apply to 2020 unless otherwise stated

# Banyan Tree Management Academy



AGLEAM (Supervisory & Managerial Courses) Trainer's Certification Workshop 2020 at BTMA, Phuket

Established in 2008, Banyan Tree Management Academy (BTMA) supports the organisational goals of the Banyan Tree Group by advancing people development, managing excellence and providing learning with integrity and meaning.

Despite unforeseen challenges such as temporary hotel closures due to the COVID-19 pandemic, we ensured that our associates never stopped learning. Consequently, BTMA achieved a global average of 4.2 hours of training per month per associate in 2020.

### THE "NEW NORMAL" FOR LEARNING

By transitioning to a mostly online platform, BTMA was able to proceed with training at a safe distance. During the year, we conducted a total of 56 training sessions and workshops, which benefited 1,173 associates from all 48 operating properties worldwide as well as the Group's corporate offices in Singapore, Bangkok, Phuket and Shanghai. Moving forward, the heavy emphasis on online instead of onsite training will continue to be the "new normal" for the Group.

### LEARNING AS A LIFELONG JOURNEY

To improve the effectiveness and relevance of our training offerings, BTMA has formed seven Learning & Development Projects Taskforce teams, consisting of 34 Learning Managers around the world. Under the direct supervision of Group Chairperson for Learning and Development, Ms Claire Chiang, the teams are developing 22 new training programmes

covering seven pillars of competency (Services, Technical, Business, Ethics & Values, People & Culture, Leadership, Risk Management) and English Language. These programmes will be customised for associates from different job grades and will also be categorised according to the eight cultures that we are currently developing (Service, Wellbeing, Sustainability, Diversity & Inclusion, Marketing, Performance, Innovation and Learning). Through their involvement in this project, our Learning Managers will be able to "sharpen the saw" and strengthen their Curriculum & Instructional Design skills, which are among the core competencies for Learning Managers.

### ESSENTIAL HYGIENE, HEALTH AND SAFETY TRAINING

In response to the pandemic, the Banyan Tree Group launched the SafeSanctuary Programme in June 2020. This integrated health and wellbeing programme incorporates protocols of assurance and wellbeing standards to ensure a safe environment for associates and guests alike, by adopting the framework of Protect (keeping our associates and guests safe and healthy), Provide (giving our guests a safe and relaxing vacation environment) and Prevent (maintaining enhanced standards of hygiene and safety to prevent onsite infections).

BTMA collaborated with a group of senior and experienced Learning Managers to develop the SafeSanctuary Training Programme and materials in English, Chinese, Thai, Vietnamese, Indonesian, Malay, Spanish and French. All associates are required to complete the General Orientation and Pandemic Protocols Modules in this online self-learning programme as part of the requirements of the independent certification body, Bureau Veritas.

# Banyan Tree Management Academy

## A SERVICE CULTURE MILESTONE

During the year, the Group's senior managers and senior Learning Managers drew on their collective experience to conceptualise and develop the new "I Am With You" (IMWY), Our Service Culture Programme.

IMWY recognises emotional connection as the signature service touch point that our associates deliver to colleagues and guests. It is how we at Banyan Tree Group relate to each other at all times, whenever and whatever is needed for our guests and fellow associates. This emotional connection should be embedded in all our associates and can be summed up in the mantra "Better Me, Better You, Better Us".



I Am With You (IMWY), Our Service Culture Online Workshop 2020

IMWY was officially launched in November 2020. Some 300 associates worldwide participated in a 2.5-day online workshop, which was followed by 52 sessions in English and Mandarin over a period of 2.5 months. We have completed the first round for the Group's corporate leaders, property general managers, Learning Managers and selected heads of department. They form our pool of IMWY Trainers who will roll out the programme to all our associates around the globe. This will mark a key milestone in our efforts to further distinguish the service culture of the Banyan Tree Group from that of other hospitality brands.



Banyan Tree Management Academy



"I Am With You" Training at Banyan Tree Management Academy Phuket Thailand

# Analytical Review

## REVENUE

	2020 S\$'000	2019 S\$'000	Increase/(Decrease) S\$'000	%
<b>Hotel Investments</b>	<b>62,176</b>	173,690	(111,514)	-64%
<b>Branded Residences and Extended Stay</b>	<b>69,398</b>	114,223	(44,825)	-39%
- Hotel Residences	<b>58,683</b>	81,708	(23,025)	-28%
- Laguna Residences and Extended Stay	<b>10,715</b>	32,515	(21,800)	-67%
<b>Fee-based Segment</b>	<b>26,258</b>	59,041	(32,783)	-56%
- Hotel/Fund/Club Management	<b>10,049</b>	21,852	(11,803)	-54%
- Spa/Gallery Operations	<b>7,927</b>	19,258	(11,331)	-59%
- Design and Others	<b>8,282</b>	17,931	(9,649)	-54%
<b>Total</b>	<b>157,832</b>	346,954	(189,122)	-55%

Revenue decreased by S\$189.2 million or 55% from S\$347.0 million to S\$157.8 million for the year ended 31 December 2020 across all business segments.

Hotel Investments segment reported lower revenue mainly due to the severe impact of COVID-19. Having challenges of countries imposing travel restrictions, no international tourists and lockdowns, the Group's resorts in Thailand, Maldives and Indonesia recorded significantly lower occupancies in FY2020 compared to FY2019.

Revenue from the Branded Residences and Extended Stay segment decreased by S\$44.8 million or 39% from S\$114.2 million to S\$69.4 million in FY2020. We recognised 49 units

in FY2020 as compared to 226 units in FY2019. Overall, unrecognised revenue as at 31 December 2020 was S\$108.8 million as compared to S\$178.2 million a year earlier. Barring unforeseen circumstances, approximately 30% will be recognised in FY2021.

Revenue from the Fee-based segment decreased by S\$32.7 million or 56% from S\$59.0 million to S\$26.3 million in FY2020 mainly due to lower management fees across all hotels and lower revenue from Spa/Gallery operations as a result of COVID-19 pandemic, lower royalty income and lower recognition of architectural and design fees from projects based on project milestones.

## OTHER INCOME

	2020 S\$'000	2019 S\$'000	Increase/(Decrease) S\$'000	%
<b>Total</b>	<b>1,747</b>	5,827	(4,080)	-70%

Other income decreased by S\$4.1 million from S\$5.8 million in FY2019 to S\$1.7 million in FY2020. This was mainly due to fair value gain on investment properties in Thailand previously recorded in FY2019.

# Analytical Review

## COSTS AND EXPENSES

	2020 S\$'000	2019 S\$'000	Increase/(Decrease) S\$'000	%
Cost of operating supplies	9,682	23,970	(14,288)	-60%
Cost of properties sold	36,186	64,052	(27,866)	-44%
Salaries and related expenses	55,943	83,035	(27,092)	-33%
Administrative expenses	55,777	45,118	10,659	24%
Sales and marketing expenses	7,933	15,897	(7,964)	-50%
Other operating expenses	27,041	60,537	(33,496)	-55%
Impairment loss on financial assets	2,135	3,944	(1,809)	-46%
<b>Total</b>	<b>194,697</b>	<b>296,553</b>	<b>(101,856)</b>	<b>-34%</b>

### COST OF OPERATING SUPPLIES

Cost of operating supplies decreased by S\$14.3 million or 60% from S\$24.0 million to S\$9.7 million for the year ended 31 December 2020, in line with lower revenue from Hotel Investments segment and Spa/Gallery operations.

### COST OF PROPERTIES SOLD

Cost of properties sold decreased by S\$27.9 million or 44% from S\$64.1 million to S\$36.2 million for the year ended 31 December 2020, in line with lower Branded Residences and Extended Stay revenue recognised during the year.

### SALARIES AND RELATED EXPENSES

Salaries and related expenses decreased by S\$27.1 million or 33% from S\$83.0 million to S\$55.9 million for the year ended 31 December 2020, mainly due to the implementation of several cash conservation initiatives such as Group-wide restructuring and unpaid leave programme since late March 2020 amid the COVID-19 pandemic.

### ADMINISTRATIVE EXPENSES

Administrative expenses increased by S\$10.7 million or 24% from S\$45.1 million to S\$55.8 million for the year ended 31 December 2020. This was mainly due to adjustment items such as write-down of property, plant and equipment (S\$6.3 million), fair value loss on revaluation of convertible bonds (S\$5.7 million) and write-down of property development costs for projects in Australia and Thailand (S\$15.8 million) as the Group had pulled-back on some of the developments in light of the current macroeconomic context. These revaluation write-

downs and fair value adjustments do not have any impact on the Group's cash. In addition, the Group recorded a one-off settlement cost (S\$4.3 million) from a claim provision which materialized in Q4 2020 as part of the original transaction with Vanke to consolidate its China assets in the joint venture. Similar adjustment items for FY2019 includes allowance for impairment loss for our hotel in Morocco. This was partially cushioned by lower rental expense paid to third party property owners, lower training and recruitment expenses, lower land and property tax, lower legal and professional fees and lower donations.

### SALES AND MARKETING EXPENSES

Sales and marketing expenses decreased by S\$8.0 million or 50% from S\$15.9 million to S\$7.9 million for the year ended 31 December 2020, mainly due to lower marketing expenses incurred for hotels and branded residences and extended stay.

### OTHER OPERATING EXPENSES

Other operating expenses decreased by S\$33.5 million or 55% from S\$60.5 million to S\$27.0 million for the year ended 31 December 2020, mainly due to lower guest supplies, lower utilities expenses, lower repair and maintenances, lower travelling expenses and lower commission paid to credit card companies and travel agents.

### IMPAIRMENT LOSS ON FINANCIAL ASSETS

Impairment loss on financial assets decreased by S\$1.8 million or 46% from S\$3.9 million to S\$2.1 million for the year ended 31 December 2020 mainly due to lower provision for loss allowance and higher write-back of impairment loss in FY2020 due to collections.

## OPERATING PROFIT AND CORE OPERATING PROFIT

	2020 S\$'000	2019 S\$'000	Increase/(Decrease) S\$'000	%
<b>Hotel Investments</b>	<b>(14,328)</b>	18,178	(32,506)	nm
<b>Branded Residences and Extended Stay</b>	<b>223</b>	28,781	(28,558)	-99%
- Hotel Residences	5,912	25,807	(19,895)	-77%
- Laguna Residences and Extended Stay	(5,689)	2,974	(8,663)	nm
<b>Fee-based Segment</b>	<b>(8,586)</b>	15,719	(24,305)	nm
- Hotel/Fund/Club Management	(2,105)	10,641	(12,746)	nm
- Spa/Gallery Operations	(3,098)	2,648	(5,746)	nm
- Design and Others	(3,383)	2,430	(5,813)	nm
<b>Head Office Expenses</b>	<b>(14,174)</b>	(12,277)	1,897	15%
<b>Other income (net)</b>	<b>1,747</b>	5,827	(4,080)	-70%
<b>Operating (Loss)/Profit</b>	<b>(35,118)</b>	56,228	(91,346)	nm
Allowance for impairment losses	6,252	8,913	(2,661)	
Write-down of property development costs	15,862	-	15,862	
Fair value loss on derivatives	5,702	-	5,702	
One-off settlement cost from a claim provision	4,252	-	4,252	
Severance payments	7,255	-	7,255	
<b>Core Operating Profit</b>	<b>4,205</b>	65,141	(60,936)	-94%

Operating Profit decreased by S\$91.3 million from a profit of S\$56.2 million to a loss of S\$35.1 million for the year ended 31 December 2020. This was largely attributable to lower Operating Profit from all three business segments, higher Head Office Expenses and lower Other Income. Operating Loss included adjustments due to impact of COVID-19 pandemic for revaluation write-down of property, plant and equipment (S\$6.3 million), write-down of property development costs (S\$15.9 million) and fair value loss on convertible bonds (S\$5.7 million) as well as a one-off settlement of claim arising from joint venture formation in China (S\$4.3 million) and severance payments (S\$7.3 million). Similar adjustment items for FY2019 includes allowance for impairment loss for our hotel in Morocco (S\$5.3 million) and trade receivables (S\$3.6 million).

# Analytical Review

## DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

	2020 S\$'000	2019 S\$'000	Increase/(Decrease) S\$'000	%
<b>Total</b>	<b>25,557</b>	22,945	2,612	11%

Depreciation of property, plant and equipment and right-of-use assets increased by S\$2.6 million from S\$22.9 million to S\$25.6 million for the year ended 31 December 2020, mainly due to higher depreciation from Thailand resorts that were renovated and majority completed in late 2019.

## FINANCE COSTS

	2020 S\$'000	2019 S\$'000	Increase/(Decrease) S\$'000	%
<b>Total</b>	<b>33,448</b>	26,762	6,686	25%

Finance costs increased by S\$6.6 million from S\$26.8 million to S\$33.4 million for the year ended 31 December 2020. Included in finance costs was a one-time fair value adjustment of imputed interest on long-term receivables repayable by instalments of S\$7.8 million. Without this adjustment, finance costs for FY2020 was S\$1.2 million lower as compared to FY2019 as the Group fully repaid medium term notes of S\$225.0 million upon maturity in June 2019 (S\$125.0 million) and June 2020 (S\$100.0 million). This was partially offset by higher interest from interest-bearing loans and borrowings due to additional loans drawdown and the interest on convertible bonds.

## SHARE OF RESULTS OF ASSOCIATES

	2020 S\$'000	2019 S\$'000	Increase/(Decrease) S\$'000	%
<b>Total</b>	<b>(6,686)</b>	479	(7,165)	nm

For the year ended 31 December 2020, the Group shared associates' net loss of S\$6.7 million as compared to share of associates' net profit of S\$0.5 million for the year ended 31 December 2019. This was mainly due to share of fair value losses of the Group's associate, Banyan Tree Indochina Hospitality Fund L.P. ("Indochina Fund") in FY2020 as compared to a share of fair value gain in FY2019. The negative variance was partially cushioned by share of profits of the Group's China associates due to better performance in China operations.

## INCOME TAX EXPENSE

	2020 S\$'000	2019 S\$'000	Increase/(Decrease) S\$'000	%
<b>Total</b>	<b>7,936</b>	11,427	(3,491)	-31%

On tax expenses, FY2020 recorded tax expenses of S\$7.9 million, notwithstanding losses incurred during the year, mainly due to deferred tax assets written-off arising from uncertainty of our ability to generate sufficient operating profit to utilise such tax assets, deferred tax assets not recognised for some of the loss making companies and under-provision of prior year tax. This was partially offset by lower withholding tax expenses due to lower revenues.

## NON-CONTROLLING INTERESTS

	2020 S\$'000	2019 S\$'000	Increase/(Decrease) S\$'000	%
<b>Total</b>	<b>(6,670)</b>	1,878	(8,548)	nm

Non-controlling interests share of loss of S\$6.7 million for the year ended 31 December 2020 as compared to share of profit of S\$1.9 million for the year ended 31 December 2019 mainly due to LRH recorded a loss in FY2020 as compared to a profit last year.

## (LOSS)/PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

	2020 S\$'000	2019 S\$'000	Increase/(Decrease) S\$'000	%
<b>Total</b>	<b>(95,838)</b>	651	(96,489)	nm

As a result of the foregoing, loss attributable to owners of the Company was S\$95.8 million for the year ended 31 December 2020 as compared to a profit of S\$0.7 million for the year ended 31 December 2019.

## CASH FLOWS

	2020 S\$'000	2019 S\$'000
<b>(Loss)/Profit before taxation</b>	<b>(94,572)</b>	13,956
<b>Net increase/(decrease) from changes in working capital</b>	<b>14,272</b>	(35,260)
<b>Net interest paid, tax paid and others</b>	<b>(27,314)</b>	(29,117)
<b>Adjustment for non-cash items</b>	<b>88,461</b>	50,933
<b>Net cash flows (used in)/generated from operating activities</b>	<b>(19,153)</b>	512
<b>Net cash flows used in investing activities</b>	<b>(9,040)</b>	(50,725)
<b>Net cash flows used in financing activities</b>	<b>(50,559)</b>	(27,227)
<b>Net change in cash and cash equivalents</b>	<b>(78,752)</b>	(77,440)
<b>Cash and cash equivalents at beginning of the year</b>	<b>130,802</b>	206,181
<b>Net foreign exchange difference</b>	<b>(763)</b>	2,061
<b>Cash and cash equivalents at end of the year</b>	<b>51,287</b>	130,802

For the full year ended 31 December 2020, cash flows generated from operating activities was S\$8.2 million. This was mainly due to adjustments for non-cash items of S\$88.5 million and working capital changes of S\$14.3 million but partially offset by loss before taxation of S\$94.6 million. Non-cash items relate mainly to depreciation and amortisation expenses of S\$26.3 million, net finance costs of S\$26.4 million, share of associates' losses of S\$6.7 million, write-down of property development cost of S\$15.9 million, write-down of property, plant and equipment of S\$6.3 million, fair value loss on convertible bonds of S\$5.7 million and provision for employee benefits of S\$5.3 million. Net cash flows used in operating activities was S\$19.2 million after net interest paid of S\$19.6 million, tax paid of S\$3.5 million and payment of employee benefits of S\$4.2 million.

Net cash flows used in investing activities was S\$9.0 million, mainly due to essential purchases of furniture, fittings and equipment by the Group's resorts for their operations.

Net cash flows used in financing activities amounted to S\$50.6 million, mainly due to issuance of convertible bonds of S\$50.4 million and bank borrowings of S\$88.1 million but partially offset by repayment of the last series of the S\$100.0 million medium term notes upon maturity in June 2020 and scheduled repayments of bank borrowings of S\$82.3 million.

# Corporate Governance Report

# Corporate Governance Report

Banyan Tree Holdings Limited (“BTH” or the “Company”, and together with its subsidiaries, the “Group”) is committed to observing and maintaining high standards of corporate governance and sound corporate practices to promote accountability, transparency and shareholders’ value.

This report sets out BTH’s main corporate governance practices which comply with the principles of the Code of Corporate Governance 2018 (the “Code”) issued in August 2018 and which adhere closely to the provisions under the Code. The preparation of this report was also guided by the voluntary Practice Guidance which was issued to complement the Code and which sets out best practice standards for companies.

In the financial year ended 31 December 2020 (“FY2020”), the COVID-19 pandemic has featured as a major consideration in the Group’s assessment in its risk monitoring, reporting and management. The Board evaluated, together with Management, the impact that the COVID-19 pandemic had on the Group’s operations and its assets and liabilities. This report also sets out measures taken following such evaluation.

## (A) BOARD MATTERS

### Principle 1: Board’s Conduct of its Affairs

<sup>1</sup> The Board oversees the Company’s business and its performance, working with Senior Management to achieve the Group’s strategic objectives and long-term success, and ensuring that the necessary resources are in place to meet these objectives. The Board’s principal functions include providing leadership, formulation of the Group’s strategic direction, setting its values and ethics, standards of conduct and organisational culture; ensuring that policies and practices are consistent; reviewing annual budgets and financial plans, monitoring the Group’s performance, approving major investments, divestments and fund-raising exercises and reviewing the Group’s financial performance and Management’s accountability. The Board reviews the adequacy and effectiveness of internal controls including financial, operational, compliance and information technology controls, and establishes and maintains a sound risk management framework to effectively monitor and manage risks. The Board approves remuneration policies and guidelines as well as succession planning for the Board and Management, including the appointment and re-appointment of Directors; and ensuring the Group’s compliance with all laws and regulations as may be relevant to its businesses as well as proper accountability within the Company. The Board also regards sustainable development as a core value of the Group. Please refer to the Sustainability Report 2020 for the continual progress made in the Group’s commitment to sustainability and addressing environmental and social concerns in its business operations.

<sup>2</sup> During FY2020, the Board worked closely with Management in monitoring and reviewing issues arising from the various challenges posed by the COVID-19 pandemic, such as increased cybersecurity threats as well as health and safety concerns.

<sup>3</sup> The Group has adopted a set of internal controls and guidelines setting out the financial authorisation and approval limits for borrowings, acquisitions and disposals of investments, and operating and capital expenditures. The Board’s approval is required for transactions where the value of these transactions exceeds the approval limits. In addition, matters such as, inter alia, the issue of shares, dividend distributions and other returns to shareholders, the Group’s strategies and objectives, and the announcement of periodic and full-year results also require the Board’s approval. The Board decides on matters that require its approval and communicates this clearly to Management in writing.

<sup>4</sup> Two Board Committees, namely the Audit and Risk Committee (“ARC”) and the Nominating and Remuneration Committee (“NRC”), have been constituted with defined written Charters to assist the Board in the execution of its responsibilities. These Charters set out the compositions, authorities and duties of the Board Committees (including reporting back to the Board), and are reviewed on a periodic basis to ensure their continued relevance. The members of both the ARC and NRC are all Independent Directors.

<sup>5</sup> The Board and the Board Committees conduct regular scheduled meetings, at which Directors actively participate in discussing and deliberating on matters requiring their attention and decision. Directors facing conflicts of interest recuse themselves from discussions and decisions involving the issues of conflict. All Board and Board Committee meetings are scheduled in advance of each calendar year in consultation with the Directors and notified to all Board Members before the start of that calendar year. Ad-hoc meetings are convened when circumstances require. The Independent Directors also set aside time to meet, without the presence of Management and the Non-Independent Directors, to review performance of Management in meeting the goals and objectives of the Company, after which the Lead Independent Director will provide any relevant feedback to the Executive Chairman. Where necessary, the Directors also participate in Board meetings via telephonic attendance and video conferencing, as permitted under the Constitution of the Company (the “Constitution”). Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of the Company. Details of each Director’s attendance at Board and Board Committee meetings as well as the Annual General Meeting of the Company (“AGM”) held during FY2020 are provided in Table 1 below:

TABLE 1\*

Board Members	Board	ARC <sup>6</sup>	NRC <sup>6</sup>	AGM
<b>No. of Meetings Held</b>	<b>6</b>	<b>5</b>	<b>3</b>	<b>1</b>
Ho KwonPing	6/6	-	-	1/1
Ho Ren Hua <sup>1</sup>	3/4	-	-	-
Chia Chee Ming Timothy	5/6	-	3/3	1/1
Fang Ai Lian	6/6	5/5	-	0/1
Chan Heng Wing	5/6	-	3/3	1/1
Tham Kui Seng	6/6	5/5	-	1/1
Karen Tay Koh	6/6	5/5	-	1/1
Ding ChangFeng <sup>2</sup>	1/1	-	-	-
Beh Jit Han Paul <sup>3</sup>	4/4	-	2/2	-
Gaurav Bhushan	3/6	-	-	1/1
Chew Van Hoong Jason	6/6	-	-	1/1
Mohamed Al-Hashmi (Alternate Director to Chew Van Hoong Jason)	-	-	-	-
Zhang Xu <sup>4</sup>	6/6	-	-	1/1
Ariel P Vera <sup>5</sup>	2/2	-	-	1/1
Lim Tse Ghow Olivier <sup>5</sup>	2/2	-	1/1	1/1

\* This table does not include Mr Tan Chian Khong and Mr Arnoud De Meyer, who were appointed as Directors only in 2021.

<sup>1</sup> Mr Ho Ren Hua was appointed as Director on 6 May 2020.

<sup>2</sup> Mr Ding ChangFeng was appointed a Director on 13 November 2020, which was after the AGM held on 6 May 2020.

<sup>3</sup> Mr Beh was appointed a Director and member of the NRC on 6 May 2020, which was after the AGM held on the same day.

<sup>4</sup> Mr Zhang ceased to be a Director on 13 November 2020.

<sup>5</sup> Mr Lim and Mr Vera retired as Directors at the AGM on 6 May 2020.

<sup>6</sup> Directors not being a Board Committee member, are not listed in ARC or NRC as the case may be.

<sup>6</sup> Upon appointment, each new Director is issued with a formal letter of appointment along with materials pertaining to his obligations in relation to disclosure of interests in securities, conflicts of interest and restrictions on dealings in securities. An orientation programme is conducted for new Directors to familiarise themselves with the Group’s businesses, operations, strategic directions, and organisation structure and to be acquainted with Management. Each new Director will also receive information on the relevant policies and procedures of the Group and the Board meeting schedule for the year, as well as a brief of the routine agenda for each Board and Board Committee meeting. When a Director is appointed to a Board Committee, he is provided with a copy of the Charter of the Board Committee. The NRC ensures that each new Director is aware of his/her directorship duties and obligations.

<sup>7</sup> Any Director who has no prior experience as a director of a listed company is required to undergo training in the roles and responsibilities of a director of a listed issuer as prescribed by the

SGX-ST. In particular, they will be encouraged to attend the Listed Entity Director (“LED”) Programme conducted by the Singapore Institute of Directors (“SID”). The Company Secretary will assist such Director with enrolling in the LED Programme. For FY2020, Mr. Beh and Mr. Ding have attended the LED Programme, and Mr De Meyer will be scheduled to attend the LED Programme.

<sup>8</sup> The Company also provides the Board with updates on developments in laws and regulations or changes in regulatory requirements and financial reporting standards, which are relevant to or may affect the Group’s businesses. The Directors have been periodically updated on various aspects of the Group’s operations through briefings, informal discussions and meetings with Management.

<sup>9</sup> The Directors are provided with Board Papers by Management in advance of each Board and Board Committee meeting to enable them to be properly informed of matters to be discussed and/or approved, to enable the Directors to make informed decisions and discharge their responsibilities and duties. These include reports relating to the financial and operational performance of the Group as well as other matters for the decision or information of the Board. The Directors are also provided with additional information and reports (upon request) which will enable them to have a better understanding of the Group’s business and strategies, the operating environment and the risks faced by the Group.

<sup>10</sup> Management provides the Board with management accounts and explanations and information on an on-going basis and as the Board may require from time to time, enabling the Board to make a balanced assessment of and informed decisions on the Company’s and the Group’s performance, position and prospects, and to discharge its duties and responsibilities. Such information consists of consolidated profit and loss accounts, operating profit, and pre-tax profit by the various business segments comparing BTH’s actual performance against the budgets, together with explanations for significant variances. The Directors may also, at any time, request further information or meetings with Management on the Group’s operations.

<sup>11</sup> The Board, through its results announcements, aims to provide shareholders with a balanced and clear assessment of the Group’s performance and prospects on a periodic basis. The Board also ensures timely and full disclosure of material corporate developments to shareholders.

<sup>12</sup> The Board reviews and approves the results as well as the relevant announcement before their release on SGXNET. The Board also reviews legal and regulatory compliance reports from Management to ensure that the Group complies with the relevant regulatory requirements.

<sup>13</sup> In line with the Group’s continuing commitment to the sustainability of the environment, the Board has opted to receive all its Board Papers electronically for all its Board and Board Committee meetings since August 2013 and has eliminated the need for hard copy Board Papers. The Board Papers are distributed in advance of these meetings and the Board can access and read them on their electronic devices.

# Corporate Governance Report

<sup>14</sup> Each Director has separate and independent access to Management and the Company Secretary. The Company Secretary attends all Board and Board Committee meetings, ensuring that Board procedures are observed and that applicable rules and regulations are complied with. He is responsible for, among other things, advising the Board on corporate and administrative matters as well as all matters relating to corporate governance. The appointment and the removal of the Company Secretary is a matter for the Board as a whole. In FY2020, Mr Moy Keen Choy was appointed Company Secretary on 12 August 2020 in place of Ms Shelly Yeo who retired.

<sup>15</sup> The Directors have separate and independent access to independent professional advice as and when necessary to enable them (including the Independent Directors) to discharge their responsibilities effectively and such costs are borne by the Company.

<sup>16</sup> In the Singapore Governance and Transparency Index 2020 – General Category, prepared by the Centre for Governance, Institutions and Organisations of the National University of Singapore's Business School ("CGIO"), BTH ranked 41 of a total of 577 companies (excluding 181 companies) listed on the SGX-ST which formed the basis of the CGIO's survey and ranking. BTH was placed on the SGX Fast Track programme since the inception of the programme in 2018. SGX Fast Track was introduced on 4 April 2018 in recognition of the efforts and achievements of listed issuers which have upheld high standards of corporate governance and maintained a good compliance track record.

## Principle 2: Board Composition and Guidance

<sup>1</sup> As at the date of this report, the Board comprises 13 Directors (excluding one alternate director), majority of whom are Independent Directors. As such, there is a strong and independent element on the Board. Please see the list of Independent and Non-Independent Directors on page 81 of the Annual Report for FY2020 ("Annual Report").

<sup>2</sup> Each year, the NRC reviews the appropriate size, level of independence and diversity of thought and background in the composition of the Board and Board Committees ensuring that each member has the expertise, skills and attributes to discharge his/her responsibilities effectively. The NRC also ensures that there is an appropriate number of Independent Directors for the Board and each Board Committee. Having considered the nature and scope of the Group's businesses and the regulatory requirements, the NRC and the Board are of the opinion that the current composition and size of the Board and its Board Committee are appropriate and adequate.

<sup>3</sup> The Company has adopted an Equality & Diversity Inclusion Policy which sets the framework for promoting diversity on the Board, recognising that it would enhance the Board's decision-making process. The diversity, which includes different skillsets,

business and industry experience, gender, age, ethnicity and culture, and other relevant factors, would provide various perspectives to the Board and thus better support the Company's achievement of its strategic objectives. As part of the Board's rejuvenation process, the Board has endeavoured to expand the diversity of its members, and has identified Directors with experience in digital and technology related fields and will appoint them in due course. The Board will also look to maintain the number of female Independent Directors on its Board.

<sup>4</sup> The profile of each Director which includes key information regarding academic qualifications, directorships and chairmanships both present and those held over the preceding three years in other listed companies, and other principal commitments, is set out on pages 48 to 51 of this Annual Report. The details of the Directors' shareholdings can be found under the section on Directors' interests in shares and debentures on page 99 and 100 of the Directors' Statement.

## Principle 3: Chairman and Chief Executive Officer

<sup>1</sup> The Executive Chairman is responsible for leading the Board in charting the strategic direction and growth of the Group. He also facilitates the effective contribution of all Directors and ensures active and comprehensive Board discussions on Company matters, monitors the translation of the Board's decisions into executive actions, and fosters constructive dialogue with shareholders and other stakeholders, including at each AGM. The Executive Chairman is also responsible for setting the agenda and ensuring that adequate time is available for discussion of all agenda items, in particular, strategic issues, promoting a culture of openness and debate at the Board, promoting and maintaining a high standard of corporate governance, and ensuring appropriate relations within the Board and between the Board and Management. The Board is of the view that the current Board composition is appropriate and effective for the purposes for which the Board's roles and responsibilities are set up, and with the establishment of the two Board committees, that there are adequate safeguards in place to prevent an uneven concentration of power and authority in a single individual.

<sup>2</sup> Although the Company has not created a separate CEO Position, the execution of the Company's corporate and business strategies and policies, and the conduct of the Group's businesses have been delegated to a dedicated team of Management comprising the President & Group Managing Director and the Managing Directors of the various Business Units.

<sup>3</sup> The Board has appointed Mr Chia as the Lead Independent Director since 28 February 2007 to lead and co-ordinate the activities of the Non-Executive Directors, and to provide leadership in situations where the Executive Chairman is conflicted. The Lead Independent Director is also the Chairman of the NRC. He is available to shareholders as another channel of communication in addition to the Executive Chairman or the President & Group Managing Director.

## Principle 4: Board Membership

<sup>1</sup> The NRC, chaired by Mr Chia, comprises Mr Chan and Mr Beh, all of whom are Independent Directors. Mr Chia is not directly associated with any substantial shareholder (as defined in the Code) of the Company.

<sup>2</sup> Mr Beh was appointed Independent Director and a member of the NRC on 6 May 2020. To ensure that the Board continues to comprise a majority of Independent Directors, the Board also conducted a process to identify and appoint two additional Independent Directors, which led to the appointment of Mr Tan Chian Khong and Mr Arnoud De Meyer on 28 January 2021.

<sup>3</sup> The NRC's functions, which are set out in its Charter, include among others, selection, appointment and re-appointment of Directors and making recommendations to the Board on new Board appointments and re-appointment of Directors (including Alternate Directors). The NRC's selection process for candidates to be proposed to the Board for new appointments takes into account various factors including the relevant expertise and experience, as well as the age and gender of the candidates, as may be determined by the NRC to be relevant and how these would augment the Board and the Board Committees, particularly if the candidate is nominated to be in the Board Committees. Names of potential candidates are sought through networking contacts and recommendations. The NRC shortlists candidates for nomination and recommends to the Board for approval. The re-appointment of Directors is based on their competencies, commitment and contributions, a review of the range of expertise, performance, skills and attributes of current Board members and the needs of the Board. The NRC also makes recommendations to the Board on the review of training and professional development programmes for the Board and its Directors, and the review of succession plans for the Board and Management, in particular the appointment and/or replacement of the Executive Chairman, the President & Group Managing Director and key management personnel (as defined in the Code). The NRC also makes recommendations to the Board on the development of a process and criteria for evaluation of the performance of the Board, its Board Committees and Directors.

<sup>4</sup> The SGX-ST Listing Manual requires every Director to submit themselves for re-nomination and re-appointment at least once every three years. The Constitution further requires one-third of the Directors (or, the number nearest to but not less than one-third) to retire by rotation and subject themselves to re-election by shareholders at every AGM. New Directors appointed by the Board during the year shall also submit themselves for re-election at the next AGM but shall not be taken into account in determining the number of Directors who are to retire by rotation at that AGM.

<sup>5</sup> The NRC also determines the independence of the Directors annually as well as when circumstances change. The process includes the use of a self-assessment questionnaire which each Independent Director is required to complete and submit to

the NRC for review, in which the Directors must disclose their relationships with the Company, its related corporations, its substantial shareholders and its officers, if any, which may affect their independence. In its annual review, the NRC, having considered Rule 210(5)(d) of the SGX-ST Listing Manual, the principles and provisions set out in the Code (including Provision 2.1) and the Practice Guidance, has confirmed the status of the Directors as follows:

1. Mr Ho KwonPing (Non-Independent)
2. Mr Ho Ren Hua (Non-Independent)
3. Mr Ding ChangFeng (Non-Independent)
4. Mr Gaurav Bhushan (Non-Independent)
5. Mr Chew Van Hoong Jason (Non-Independent)\*
6. Mr Chia Chee Ming Timothy (Independent)
7. Mrs Fang Ai Lian (Independent)
8. Mr Chan Heng Wing (Independent)
9. Mr Tham Kui Seng (Independent)
10. Mrs Karen Tay Koh (Independent)
11. Mr Beh Jit Han Paul (Independent)
12. Mr Tan Chian Khong (Independent)
13. Mr Arnoud De Meyer (Independent)

\* Mr Mohamed Al-Hashmi is the Alternate Director to Mr Chew. Both Mr Chew and Mr Mohamed are based in Doha. As the Company holds its board meetings in Singapore, Mr Chew has appointed Mr Mohamed to be his alternate should Mr Chew be unable to attend.

<sup>6</sup> The longest serving Independent Directors since the Company's initial public offering ("IPO") in 2006 are Mr Chia and Mrs Fang who have served on the Board for more than nine years based on the date of their first appointment. Mr Chia was appointed a Director in 2001 and became the Lead Independent Director in 2007 after the IPO in 2006 and Mrs Fang was appointed as an Independent Director in 2008.

<sup>7</sup> Mr Chan and Mr Tham were appointed in 2012 followed by Mrs Koh and Mr Beh in 2019 and 2020 respectively.

<sup>8</sup> The NRC and the Board have given due consideration to Guideline 2.4 of the Code of Corporate Governance 2012 (which continues to operate prior to 1 January 2022 on a comply-or-explain basis), which provides that the independence of any director who has served on the Board beyond nine years from the date of his/her first appointment should be subject to particularly rigorous review. The NRC and the Board have determined that Mr Chia and Mrs Fang are independent notwithstanding that they have served on the Board beyond nine years from the date of their first appointment as they continue to demonstrate strong independence in conduct, character and judgement in the discharge of their responsibilities as Independent Directors. Further, the NRC and the Board are of the opinion that their detailed knowledge of the Group's businesses continues to be of significant benefit to the Company, and their external experience sitting on the boards of other listed companies provides useful expertise and diversity to the Board. Both Mr Chia and Mrs Fang

# Corporate Governance Report

have abstained from the discussions relating to their respective independence. There have also been changes to the Board since their respective date of first appointment, allowing for progressive refreshing of the Board. The Board notes that Mr Chia and Mrs Fang will cease to be regarded as Independent Directors as of 1 January 2022 pursuant to the new Rule 210(5)(d)(iii) of the Listing Manual (which comes into effect on 1 January 2022). In order to enable Mr Chia to continue to provide guidance to and share his experience with the other Independent Directors, Mr Chia will stand for re-election at the upcoming AGM to continue as an Independent Director and it is envisaged that he will step down on or before 31 December 2021. A replacement for Mr Chia as Lead Independent Director will be identified and announced in due course.

<sup>9</sup> With new Independent Directors identified and to be appointed in due course, under new Rule 210(5)(d)(iii) coming into force on 1 January 2022, the Board will continue to have a majority of Independent Directors on 1 January 2022.

<sup>10</sup> The Independent Directors have no affiliations or business relationships with the Company, its related corporations, substantial shareholders or officers, nor do any relationships or circumstances exist which are likely to, or could appear to, interfere with the exercise of their independent business judgement with a view to the best interests of BTH.

<sup>11</sup> The Board has implemented a policy whereby the Executive Chairman's external directorships should be approved by the NRC. The Board has not determined the maximum number of listed company board representations which any Director may hold. The Board has allowed each Director to personally determine the demands of his/her directorships and obligations and to assess how much time he/she must dedicate in order to serve on the Board effectively. Each of the Directors updates the Company of any changes in his/her external appointments and these changes are noted at the Board meetings. Although some Directors have multiple board representations, the NRC monitors and assesses annually the number of listed company board representations and the principal commitments of each of the Directors. For FY2020, the NRC and the Board, having reviewed the multiple listed company board representations of the Directors and their principal commitments, are satisfied that each of these Directors has dedicated sufficient time and attention to, and is able to perform and has adequately performed, his/her duties as a Director of the Company.

## Principle 5: Board Performance

<sup>1</sup> The NRC has the responsibility of evaluating the Board's and Board Committees' effectiveness. The Company has in place a formal process and objective performance criteria, which were formulated based on recommendations from the NRC, for the Board's assessment of the effectiveness of the Board as a whole, the Board Committees and the contribution by each Director to the effectiveness of the Board and the Board Committees.

The Board evaluation process involves each Director completing the Board Evaluation Questionnaire seeking his/her view on factors such as the structure, size and processes of the Board and the Board's access to information, Management and external experts outside meetings, as well as the effectiveness of the Board as a whole, its Board Committees and the Board's oversight of the Company's performance. For FY2020, based on the compilation of responses by the Company Secretary, the NRC together with the Executive Chairman evaluated the Board's performance based on the same set of performance criteria as that of the previous year, which included performance criteria such as open communication, meaningful participation and rigorous decision making. The findings, including its recommendations for improvements were presented to the Board. All Directors (save for Mr Tan Chian Khong and Mr Arnoud De Meyer who were both appointed on 28 January 2021) have completed the Board Evaluation Questionnaire. The Executive Chairman abstained from completing the Board Evaluation so as to provide independence to the overall results.

<sup>2</sup> The Board, having reviewed the results of the Board Evaluation as shared by the NRC, was of the view that it had met its performance objectives for FY2020.

<sup>3</sup> Each member of the NRC abstained from making any recommendations and/or participating in any deliberation concerning the NRC and voting on any resolution in respect of the assessment of his/her own performance or re-nomination as a Director.

<sup>4</sup> The Board also reviewed and monitored the performance of Management (including the Executive Chairman), and provided feedback on areas of improvement.

## (B) REMUNERATION MATTERS

### Principle 6: Procedures for Developing Remuneration Policies

<sup>1</sup> The NRC reviews and makes recommendations to the Board on the level and structure of remuneration of the Board and key management personnel, to ensure they are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company, and appropriate to attract, retain and motivate the Directors to provide good stewardship of the Company and key management personnel to successfully manage the Company for the long term. The NRC takes into account all aspects of remuneration, including but not limited to, directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards, benefits-in-kind of the Board, key management personnel and other employees who are related to the controlling shareholders and/or the Directors, and termination terms, to ensure they are fair. In particular, the NRC reviews and makes recommendations to the Board on a framework of remuneration for the Board and key management personnel, and the specific remuneration packages for each Director as well as for

key management personnel. The NRC's review of remuneration packages is submitted to the Board for its endorsement. HR Guru, a human resource and executive level consultancy practice, was engaged to advise on the Company's share incentive plans to ensure competitive compensation and progressive policies, with suitable and attractive long-term incentives, are in place. HR Guru's lead consultant (formerly with Korn Ferry Hay Group) and HR Guru have no relationship with the Company which could affect their independence and objectivity in this regard. No Director is involved in deciding his/her own remuneration or the remuneration of any employees who are related to him/her.

### Principle 7: Level and Mix of Remuneration

### Principle 8: Disclosure on Remuneration

<sup>1</sup> A significant and appropriate proportion of the Executive Director's and key management personnel's remuneration is structured so as to link rewards to corporate and individual performance. Performance-related remuneration is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the Company. The employment contract of the Executive Chairman is automatically renewed every year, unless otherwise terminated by either party giving not less than six months' notice in writing. The terms of the Executive Chairman's employment contract do not provide for benefits upon termination of employment with the Company. The employment contracts of the Company's key management personnel may be terminated by either party giving not less than three months' notice in writing. There are no termination, retirement and post-employment benefits granted to the Directors, the Executive Chairman and the top five key management personnel (who are not directors or the CEO). The Company has adopted the use of contractual provisions

to allow it to reclaim incentive components of remuneration from the Executive Chairman and its key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company.

<sup>2</sup> The remuneration framework for the Non-Executive Directors was evaluated by the NRC, taking into consideration the level of contribution, effort, time spent, increasing responsibilities and obligations of these Directors, the prevailing market conditions, and referencing the Directors' fees against comparable benchmarks. In respect of FY2020, the Board agreed with the NRC's recommendation that the existing fee structure for the Non-Executive Directors is appropriate and it accordingly remains unchanged. The Non-Executive Directors are paid by way of fees in cash. All Directors' fees are subject to shareholders' approval at the AGM. The framework for determining Directors' fees is set out in Table 2 below.

<sup>3</sup> The Executive Chairman does not receive Directors' fees from the Company. His remuneration comprises a base salary and bonus.

<sup>4</sup> In respect of FY2020, in light of the COVID-19 pandemic, the non-Executive Directors have voluntarily committed to a 15% reduction in the cash fee component of their Directors' fees for FY2020, and the Executive Chairman voluntarily waived his base salary from March to December 2020. This set the tone for the unpaid leave program, whereby all associates were required to take compulsory unpaid leave dependent on job grades, with senior management including Key Management Personnel accepting a higher amount of unpaid leave. The unpaid leave program resulted in savings of S\$14.2 million in FY2020.

TABLE 2

Non-Executive Directors' Fees	
<b>Basic Retainer Fee</b>	
Director	S\$45,000 per annum
<b>Fee for Appointment to ARC</b>	
ARC Chairman	S\$44,000 per annum
ARC Member	S\$22,000 per annum
<b>Fee for Appointment to NRC</b>	
NRC Chairman	S\$28,000 per annum
NRC Member	S\$14,000 per annum
<b>Fee for Appointment as Lead Independent Director</b>	
Attendance Fee per Board Meeting	S\$1,000

# Corporate Governance Report

<sup>5</sup> Table 3 below shows the gross remuneration of the Executive Chairman, Non-Executive Directors as well as the top five key management personnel (who are not Directors or the CEO) for FY2020. Table 3 excludes Mr Tan Chian Khong and Mr Arnoud De Meyer, who were only appointed in 2021 and did not receive any remuneration during FY2020.

<sup>6</sup> The aggregate amount of the total remuneration paid to the top five key management personnel (who are not Directors or the CEO) is S\$2,621,078.

TABLE 3

Name	Salary	Bonus	Other Benefits <sup>1</sup>	Long-term Share-based Incentives	Directors' Fees	Total
<b>Executive Chairman</b>						
Ho KwonPing	76.2% <sup>2</sup>	0.0%	3.9% <sup>3</sup>	0.0%	20.0% <sup>4</sup>	S\$446,995
<b>Non-Executive Directors</b>						
Ho Ren Hua <sup>5</sup>	-	-	-	-	100%	S\$27,634
Ding ChangFeng <sup>6</sup>	-	-	-	-	100%	S\$5,971
Chia Chee Ming Timothy	-	-	-	-	100%	S\$82,450
Fang Ai Lian	-	-	-	-	100%	S\$79,050
Chan Heng Wing	-	-	2.8%	-	97.2%	S\$55,139
Tham Kui Seng	-	-	2.1%	-	97.9%	S\$61,707
Karen Tay Koh	-	-	2.6%	-	97.4%	S\$61,990
Gaurav Bhushan	-	-	-	-	100.0%	S\$41,650
Chew Van Hoong Jason	-	-	23.4%	-	76.6%	S\$54,380
Mohamed Al-Hashmi <sup>7</sup>	-	-	-	-	-	-
Beh Jit Han Paul <sup>8</sup>	-	-	-	-	100%	S\$36,559
Ariel P Vera <sup>9</sup>	-	-	-	-	100% <sup>10</sup>	S\$14,123
Lim Tse Ghov Olivier <sup>11</sup>	-	-	-	-	100%	S\$17,098
Zhang Xu <sup>12</sup>	-	-	-	-	-	-

#### Top 5 Key Management Personnel<sup>13</sup>

##### S\$500,001 to S\$750,000

Eddy See Hock Lye	54.3% <sup>2</sup>	34.8%	6.2%	2.1%	2.6% <sup>4</sup>	100%
Ravi Chandran	48.5% <sup>2</sup>	28.3%	20.2%	0.0%	3.0% <sup>4</sup>	100%

##### S\$400,001 to S\$500,000

Ho KwonCjan	76.4% <sup>2</sup>	0.0%	18.9%	0.0%	4.6% <sup>4</sup>	100%
Stuart Reading	40.3% <sup>2</sup>	24.8%	31.2%	0.0%	3.8% <sup>4</sup>	100%

##### S\$300,001 to S\$400,000

Claire Chiang	85.1% <sup>2</sup>	12.2%	2.6%	-	-	100%
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1 Including all benefits-in-kind such as provident fund contributions complimentary accommodation, spa and gallery benefits, medical benefits, health checks, tax borne by the Company and home leave tickets, where applicable.

2 Includes deduction of unpaid leave.

3 Does not include payment pursuant to Founder's Grant as payment was deferred

4 Directors' fees from Laguna Resorts & Hotels Public Company Limited ("LRH").

5 Appointed as Director on 6 May 2020

6 Appointed as Director on 13 November 2020

7 Alternate Director to Chew Van Hoong Jason.

8 Appointed as Director on 6 May 2020

9 Retired as Director on 6 May 2020

10 Directors' fees from both BTH and LRH

11 Retired as Director on 6 May 2020

12 Retired as Director on 13 November 2020. Waived the director's fees and other benefits for FY2020 and donated the director's fees (net-off the relevant taxes) for FY2018 to Banyan Tree Global Foundation Limited.

13 Paid by the Company and its subsidiaries.

<sup>7</sup> As at 15 March 2021, there are two employees who are substantial shareholders of the Company, namely Mr Ho KwonCjan and Ms Claire Chiang, and three employees who are immediate family members of the Executive Chairman Mr Ho KwonPing, namely Mr Ho KwonCjan (brother), Ms Claire Chiang (spouse) and Ms Ho Ren Yung (daughter). Mr Ho Ren Hua, a Non-Executive Director, is the son of Mr Ho KwonPing and Ms Claire Chiang, the brother of Ms Ho Ren Yung, and the nephew of Mr Ho KwonCjan. The disclosure of the remuneration of Mr Ho KwonCjan and Ms Claire Chiang is made within bands of S\$100,000 as shown on page 84. Ms Ho Ren Yung's remuneration for FY2020 is within the band of S\$100,001 to S\$200,000. Mr Ho KwonPing and Mr Ho Ren Hua were not involved in the determination of his family members' remuneration.

<sup>8</sup> The Company adopts a remuneration framework for its key management personnel that is responsive to the market elements and performance of the Company and its various Business Units. The Company's remuneration policy comprises a fixed component, a variable component, a provident/superannuation fund, benefits-in-kind and long-term share incentives. The fixed component is in the form of salary whereas the variable component is in the form of various bonus and incentive payments which are linked to the Company's and individual's performance. The provident/superannuation fund comprises the Group's contributions towards the Central Provident Fund or Zurich Provident Fund. The benefits-in-kind component includes spa and gallery vouchers issued by the Company to its employees.

#### Long-Term Share Incentives

<sup>9</sup> The NRC sets the remuneration guidelines of the Group for each annual period including the Company's share-based incentive schemes. The Company adopted the Banyan Tree Share Award Scheme 2016 ("Share Award Scheme") at the AGM held on 28 April 2016. The Share Award Scheme, which is the only share-based incentive scheme currently in force, will be in force for a maximum of 10 years beginning from 28 April 2016.

<sup>10</sup> The Share Award Scheme is intended to strengthen the Group's competitiveness in retaining and attracting talented key executives. The Share Award Scheme is also aimed at aligning the interests of key executives with that of shareholders, improving performance and achieving sustainable growth for the Company, and fostering an ownership culture among key executives. Under the rules of the Share Award Scheme, participants may be granted fully-paid shares or their cash equivalent, when and after pre-determined performance and service conditions are met. The selection of a participant and the number of shares to be awarded under the Share Award Scheme are determined at the discretion of the NRC. The NRC reviews and sets the performance conditions and targets as appropriate and after considering prevailing business conditions. HR Guru provided the valuation and vesting computation for the share grants awarded under the Share Award Scheme. Details of the Share Award Scheme, including the terms and performance conditions, can be found in the Directors' Statement and Note 45 to the financial statements.

<sup>11</sup> For FY2020, 248,500 treasury shares were transferred due to the release of share awards vested under the Share Award Scheme. In addition, an initial award of 1,030,350 shares with a potential to acquire an additional award of 720,000 shares (aggregating a total award of 1,755,000 shares) was granted under the Share Award

Scheme, subject to pre-determined performance conditions being met.

#### Founder's Grant

<sup>12</sup> Prior to official listing on the SGX-ST, as stated in the prospectus dated 26 May 2006 in respect of the IPO, the independent shareholders of the Company approved the incentive for the Executive Chairman, Mr Ho, which has been included in his employment agreement. Pursuant to the incentive, Mr Ho was entitled to, for each financial year for a period of 10 years beginning from the financial year ended 31 December 2010 and ended in FY2019, an amount equivalent to 5% of the profit before tax of the Group, such amount to be payable in cash or in shares at the sole discretion of the Company ("Founder's Grant"). The aim of the Founder's Grant was to secure the continuing commitment of Mr Ho to the Group and to reward him for founding, leading and building up the Group. Mr Ho was entitled to a Founder's Grant of S\$734,492\$ to be paid in cash in FY2020 (in respect of FY2019) but at his request (which the Board approved), payment was deferred to a later date. The payment of the deferred Founder's Grant in respect of FY2019 is scheduled to be further deliberated on at the next NRC meeting. For the avoidance of doubt, save for the said deferred payment, the Founder's Grant has otherwise expired and does not apply to FY2020 or subsequent financial years.

<sup>13</sup> Details of the Founder's Grant can be found in the Directors' Statement and Note 45 to the financial statements.

#### (C) ACCOUNTABILITY AND AUDIT

##### Principle 9: Risk Management and Internal Controls

<sup>1</sup> The Board is responsible for the governance of risk, including determining the nature and extent, of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation. During the year, the ARC assisted the Board in the oversight of the Group's risk management processes and activities to mitigate and manage risk at levels that are determined to be acceptable to the Board. The ARC is assisted by the Group Risk Management Committee, which is not a Board Committee comprising appropriate members of Management. Group Risk Management Committee meets on a regular basis attended by relevant heads of Business Units and/or department of the Group, which monitor, manages and reports on the Group's strategic and business risks and the measures taken to address them. On a quarterly basis, all significant risks to the Group and/or properties which have been identified and managed are highlighted at the ARC meetings.

<sup>2</sup> The Board has approved a risk framework for the identification of key risks within the business known as the Committee of Sponsoring Organizations of the Treadway Commission Internal Control – Integrated Framework ("COSO Framework") for assessing the adequacy and effectiveness of BTH's internal control systems.

<sup>3</sup> Major incidents and violations, if any, are also reported to the Board to facilitate the Board's oversight of the effectiveness of crisis management and the adequacy of mitigating measures taken by Management to address the underlying risks. Certain operating risks are mitigated through insurance management with

# Corporate Governance Report

the assistance of professional global insurance advisers, ensuring adequate coverage for, inter alia, its hotels/resorts and assets. The identification and management of risks lie with the respective Business Units and Management which assume ownership and day-to-day management of these risks. Risk registers are maintained by these operating Business Units that identify the key risks facing the Group's businesses and the internal controls in place to manage such risks. Management, through the Group Risk Management Committee, is responsible for the effective implementation of risk management strategy, policies and processes to facilitate the achievement of business plans and goals. Challenges, and risks brought about especially by COVID-19 pandemic, and appropriate actions and measures were factored in throughout implementation. Key business risks are proactively identified, addressed and reviewed on an ongoing basis. This includes reviewing the level of business risks associated with the Group's strategy and the appropriate framework and policies for Management that are consistent with BTH's risk appetite.

<sup>4</sup> The ARC provides oversight of the financial reporting risk and the adequacy and effectiveness of the Group's internal control and compliance systems. The ARC also reviewed the effectiveness of the measures taken by Management including the review of adequacy and timelines of the actions in response to the recommendations made by the Head of Group Internal Audit and External Auditor. The system of internal control and risk management is continually being refined by Management, the ARC and the Board, and is reviewed at least annually.

<sup>5</sup> The Board reviews at least annually the adequacy and effectiveness of the Company's internal controls and risk management systems. The system of internal controls and risk management established by Management provides reasonable assurance that BTH will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. The COVID-19 pandemic has played a major factor in the Group's assessment and management of risk, as reflected in the analysis of various risks elements identified for FY2020. Measures were taken to manage these identified risk elements and mitigate their impact on business operations, including pandemic crisis management, safeguarding the health and well-being of our customers and associates, and partnering with Bureau Veritas, a world leader in testing, inspection and certification, to ensure a required certification process on COVID-19 related measures and standards across all properties. Further measures were taken at the Group level to improve operational efficiency, including embarking on digital transformations, and improvements on cross-business unit work-streams.

<sup>6</sup> The COVID-19 pandemic has impacted the Group's business performance, and consequently, its cash flow. In response, the Group has taken cost containment measures, and actively managed its liabilities by terming out loan maturities and converting its short-term loans to longer-term loans. In addition, the Group continues to strengthen its liquidity position through receivable collections, access to new credit lines and selective asset sales.

<sup>7</sup> The Board has also received written assurance from the Executive Chairman and the President & Group Managing Director together with the Head of Group Finance & Corporate Affairs that the financial records of BTH have been properly maintained and the financial statements for FY2020 give a true and fair view of the Group's operations and finances. The Board has also received assurance from the Executive Chairman, the President & Group Managing Director, the Head of Group Finance and Corporate Affairs, and the Group Risk Committee that the system of risk management and internal controls in place within BTH is adequate and effective in addressing the material risks of the Group in its current business environment, including material financial, operational, and compliance risks including information technology risks and sustainability risks.

<sup>8</sup> Pursuant to Rule 1207(10) of the SGX-ST Listing Manual, based on the framework established and the annual review conducted by the Management, Head of Group Internal Audit, and the External Auditor, and factoring in the challenges posed by the COVID-19 pandemic situation on the Group's operations, the Board, with the concurrence of the ARC, is of the view that the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective to address financial, operational, compliance and information technology risks which the Group considers relevant and material to its current business environment.

<sup>9</sup> In relation to the interim financial statements, the Board provides a negative assurance confirmation to shareholders in line with the requirements of the SGX-ST Listing Rules.

## Principle 10: Audit and Risk Committee

<sup>1</sup> The ARC, chaired by Mrs Fang, comprises Mr Tham, Mrs Koh and Mr Tan, all of whom are Independent Directors. The Board considers that Mrs Fang, a qualified Chartered Accountant, who has extensive, recent, relevant and practical accounting and financial management knowledge and experience, is well-qualified to chair the ARC. The other members of the ARC, Mr Tham, Mrs Koh and Mr Tan, have collective expertise and experience in real estate management and related financial management, and are qualified to discharge their responsibilities as ARC members. The members of the ARC collectively have strong accounting and related financial management expertise and experience and are kept abreast of relevant changes to the accounting standards and issues which have a significant impact on the financial statements through regular updates from the External Auditor during the year. The ARC does not comprise former partners or directors of the Company's External Auditor (a) within a period of two years commencing on the date of their ceasing to be a partner or director of the External Auditor, or (b) who have any financial interest in the External Auditor. The ARC has adopted a Charter that is approved by the Board, the responsibilities of which are detailed under the Directors' Statement on page 100 of the Annual Report.

<sup>2</sup> The ARC meets with the Head of Group Internal Audit and the External Auditor, prior to the commencement of each ARC meeting without the presence of Management at least annually. These meetings enable both the Head of Group Internal Audit and the External Auditor to raise issues encountered in the course of their work directly to the ARC.

<sup>3</sup> The ARC reviews, with the Head of Group Internal Audit and the External Auditor, their audit plans, the system of internal controls, audit reports, the management letters and the Company's management response. The ARC also reviews the periodic and full-year results, as well as financial statements of the Company and the Group before submission to the Board for its approval, focusing in particular on changes in accounting policies and procedures, major operating risk areas and on the overview of all the Group's risks on an integrated basis, including all matters affecting the Group's performance and the effectiveness of the Group's key internal controls including financial, operational, compliance and information technology controls. The ARC also reviews all interested person transactions.

<sup>4</sup> The ARC commissions and reviews the findings of internal investigations into matters of suspected fraud, irregularity, failure of internal controls, and the infringement of any law, rule or regulation, where necessary.

<sup>5</sup> The ARC also oversees the Group's Whistle-Blowing Policy which provides the mechanism by which employees and the public may, in confidence, raise concerns about possible improprieties. The ARC is satisfied that arrangements are in place for the independent investigations of such improprieties and for appropriate follow-up actions and resolutions. The Whistle-Blowing Policy, including the dedicated whistle-blowing hotline at (+65) 6389 1377 and email address at ethics@banyantree.com, are made available on BTH's website. Anonymous disclosures will be accepted and anonymity and confidentiality will be honoured throughout the process.

<sup>6</sup> The Group has a Code of Corporate Conduct and Ethics Policy (including Conflicts of Interest) put in place by the Board which sets out the principles and standards of conduct expected of all its Directors and employees to carry out their duties with honesty, fairness, integrity and professionalism. Directors who face a conflict of interest, in relation to any matter, declare their interest at a meeting of the Directors, and recuse themselves from participating in any discussions and decisions on the matter. Also, Directors and employees must not engage in conduct involving fraud or dishonesty, or commit any act that reflects adversely on the Group's integrity and professionalism. Standard operating policies have also been adopted by the Group's various business and operating units to ensure that procedures have been adopted to curb anti-corruption practices by ensuring that, among others:

a. the Group's agreements/contracts with its business partners are lawful, fairly arrived at and fully documented in writing, and where appropriate, cleared by the Group's in-house Legal Counsel; and

b. employees act with honesty and integrity in all dealings with the government, businesses and other organisations and do not offer gifts, gratuities, or non-business related entertainment to unduly influence any employee of business partners that are transacting with the Group to make a business decision in the Group's favour.

<sup>7</sup> The ARC has explicit authority to investigate any matters within its Charter and has full access to the co-operation of Management and full discretion to invite any Director or Management to attend its meetings. The Company's Internal Audit team, together with the External Auditor, reports its findings and recommendations independently to the ARC. The ARC also reviews and considers the performance and compensation of the Head of Group Internal Audit as well as his independence from Management. In FY2020, the ARC assessed the strength of the Internal Audit team and confirmed that the Internal Audit function is independent and effective and that the Internal Audit team is adequately resourced, given the under current business environment, and suitably qualified to discharge its duty.

<sup>8</sup> The ARC has undertaken a review of the nature and extent of all non-audit services performed by the External Auditor during the year. Based on this review and other information, the ARC is satisfied and is of the view that such services have not affected their independence. It recommends the re-appointment of the External Auditor. To further maintain the independence of the External Auditor, the ARC ensures that the audit partner in charge of the Group is rotated every five years. The ARC approved the remuneration and terms of the engagement of the External Auditor. The details of the aggregate amount of fees paid to the External Auditor for FY2020 and the breakdown of fees paid in total for audit and non-audit services respectively can be found on page 143 of the Annual Report. In addition, the ARC also reviewed the appointment of different auditors for its subsidiaries or significant associated companies to ensure that the appointment would not compromise the standard and effectiveness of the audit of the Company or its subsidiaries or significant associated companies. The date of appointment and name of the audit partner in charge of the Group's audit can be found on page 258 of the Annual Report. Also, the names of the auditing firms for its significant subsidiaries and associated companies can be found on pages 166 and 170 of the Annual Report.

<sup>9</sup> In the opinion of the Directors, the Group complies with the Code's provisions on audit committees as well as Rules 712, 715, 716 and 717 of the SGX-ST Listing Manual.

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<sup>10</sup> In the review of the financial statements for FY2020, the following significant matters impacting the financial statements were discussed with Management and the External Auditor, and were reviewed by the ARC:

## Non-Executive Directors' Fees

### Adequacy of loss allowance for long-term receivables (non-property sales) and long-term amounts due from associates

The ARC considered the Group's processes and controls in place for monitoring and identifying receivables for collection risks.

The ARC was periodically briefed on the significant outstanding receivables, and also discussed with, and sought clarification with Management, as appropriate, the adequacy of the loss allowance made, implications arising from the COVID-19 pandemic and the reasonableness of the assumptions used in the approaches applied by Management to determine the expected credit losses of long-term receivables (non-property sales) and long-term amounts due from associates.

The loss allowance for long-term receivables (non-property sales) and long-term amounts due from associates was also an area of focus for the External Auditor. The External Auditor has included this item as a key audit matter in its audit report for FY2020 on page 103 of this Annual Report.

### Fair value measurement of freehold land and buildings and investment properties

The ARC considered the appropriateness of the approach and methodology applied to the valuation model in assessing the valuation of the freehold land and buildings and investment properties as well as the independence, objectivity and competence of the external valuers appointed to perform the valuation.

The ARC reviewed the reasonableness of the basis and the inputs used in the valuation model, in light of the increase in level of estimation and uncertainty arising from the changes in market and economic conditions brought on by the COVID-19 pandemic.

The valuation of the freehold land and buildings and investment properties was also an area of focus for the External Auditor. The External Auditor has included this item as a key audit matter in its audit report for FY2020 on page 103 of this Annual Report.

<sup>11</sup> The Internal Audit is an independent function within the Company. The Internal Audit Department ("IAD") has unfettered access to all the Company's documents, records, properties and personnel, including access to the ARC, and has appropriate standing within the Company. The Head of Group Internal Audit reports directly to the ARC with a dotted-line relationship to the Head of Group Finance and Corporate Affairs for administrative matters. The ARC decides on the appointment, termination and remuneration of the Head of Group Internal Audit. The ARC also reviews annually the adequacy and effectiveness of the internal audit function.

<sup>12</sup> The IAD is staffed by suitably qualified professional staff with the requisite skill sets and experience and in the current business environment, comprises five audit executives, including the Head of Group Internal Audit. The Head of Group Internal Audit ensures that the standards as set out by nationally or internationally recognised professional bodies including the Standards for the

Professional Practice of Internal Auditing set by The Institute of Internal Auditors are met.

<sup>13</sup> The IAD assists the ARC and the Board by performing regular evaluations of the Group's internal controls, information technology, financial and accounting matters, compliance, business and risk management policies and procedures and ensuring that internal controls are adequate to meet the Group's requirements.

<sup>14</sup> On a quarterly basis, the ARC reviews the IAD's reports, summary of findings and recommendations at the ARC meetings. The ARC also reviews and approves the annual internal audit plan which is determined in consultation with, but independent of, Management. The proposed scope of the internal audit function under the categories of financial audit, operational audit and information technology audit focuses on the adequacy and effectiveness of internal controls in relation to financial, operational and information technology risks.

## (D) SHAREHOLDER RIGHTS AND ENGAGEMENT

### (E) MANAGING STAKEHOLDERS RELATIONSHIPS

#### Principle 11: Shareholder Rights and Conduct of General Meetings

#### Principle 12: Engagement with Shareholders

#### Principle 13: Engagement with Stakeholders

<sup>1</sup> In view of the COVID-19 pandemic, the AGM which was held on 6 May 2020 was conducted and held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. In line with the alternative arrangements prescribed in the said Order, shareholders were able to view the AGM through both audio-visual webcast and live audio-only stream, as well as to send substantial and relevant questions relating to the agenda of the AGM to the Company in advance of the AGM (for which the Company's answers were published in an announcement and posted on the corporate website), and to cast their votes through appointing the Chairman of the AGM as their proxy. In view of the evolving pandemic situation, and having regard to the health and safety of the shareholders, Board and staff, the Company shall likewise be convening and conducting the upcoming AGM by electronic means in reliance on the said alternative arrangements.

<sup>2</sup> The discussion below describes the Company's usual approach towards enabling shareholders to effectively participate at general meetings which are customarily conducted in a physical manner. The Board is optimistic that physical general meetings would be able to resume in the future once the pandemic situation eases up and the authorities determine that mass gatherings can safely resume.

<sup>3</sup> All BTH shareholders are treated fairly and equitably in order to enable them to exercise their ownership rights. Shareholders are given opportunities to participate effectively in and vote at general meetings of shareholders and to communicate their views on matters affecting the Company. The Company informs shareholders of the rules, including voting procedures, governing such meetings.

<sup>4</sup> All shareholders of the Company are entitled to receive notices of general meetings, which are also advertised in the newspapers and issued via SGXNET. The Board recognises that the AGM is an important forum at which shareholders can communicate their views and raise any relevant queries with the Board and Management regarding the Company and its operations. The Company is in full support of shareholders' participation at the AGM. The Board and Management are in attendance at the AGM to address questions by shareholders. The External Auditor and legal advisers are also present to assist the Directors in addressing shareholders' queries relating to the conduct of the audit and the preparation and content of the auditor's report, as well as clarify

any points of law, regulation or meeting procedure that may arise. Chairman may direct certain directors, such as the Lead Independent Director and the ARC Chairman to answer queries on matters related to their roles. The Directors, particularly the Chairman, take the opportunity to interact with shareholders after the AGM, addressing their queries informally.

<sup>5</sup> At general meetings, each substantially separate issue is tabled for approval by shareholders in a separate resolution unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the Company explains the reasons and material implications in the notice of meeting. After each resolution has been tabled, shareholders can raise questions, participate and communicate their views relating to the matter before it is put to a vote. In support of greater transparency and to allow for an efficient voting system, the Company has during the year opted for electronic poll voting for all resolutions tabled at the AGM. An independent external party is appointed as scrutineer to conduct the AGM voting process, which is independent from the firm appointed to undertake the electronic poll voting process. The results of the electronic poll voting showing the number of votes cast for and against each resolution and the respective percentages are announced at the AGM immediately after each resolution is voted on, and the outcome is published on SGXNET on the same day.

<sup>6</sup> The Constitution does not allow a shareholder to vote in absentia at general meetings, except through the appointment of a proxy, attorney or in the case of a corporation, corporate representative, to cast their vote in their stead.

<sup>7</sup> A registered shareholder may appoint one or two proxies to attend the AGM and vote. Under the Companies Act, a member which is a relevant intermediary (as defined in the Companies Act), which generally includes Singapore banks and nominee or custodial service providers, as well as the Central Provident Fund Board, may appoint more than two proxies to attend, speak and vote at the AGM, provided that each appointed proxy represents a different share or shares held by such member.

<sup>8</sup> The Constitution provides that documents to be sent to shareholders can be sent via electronic communications. Accordingly, the Company has made available a digital format of the Annual Report together with a copy of the notice of AGM and proxy form as well as the Company's Letter to Shareholders on its corporate website at <http://investor.banyantree.com>. All shareholders will receive a copy of the notice of AGM, proxy form and request form for hard copies of the Annual Report and/or Letter to Shareholders. The Company will also publish its minutes of general meetings, which record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Management, on its corporate website at <http://investor.banyantree.com>.

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<sup>9</sup> The Company's Dividend Policy seeks to maximise shareholder value and encourage shareholder loyalty with predictable annual growth in dividend pay-out which is not impacted by profit volatility. With that objective, the Company's Dividend Policy is based on the principles of stability, predictability and managed growth, and is outlined as follows:

- **Stability**  
Unless the Company suffers a substantial net loss, it will pay a dividend each year so that shareholders are not negatively affected by annual profit volatility.
- **Predictability**  
Shareholders will be able to better anticipate the appropriate level of dividends to expect each year and therefore may be better able to manage their portfolio investment strategy.
- **Managed growth**  
The Company will strive to increase and smooth out the dividends year on year within a broad band but the specific rate will be dependent on the Company's actual profit performance, cash and cash flow projections.

<sup>10</sup> The COVID-19 pandemic has an adverse impact globally on the travel and tourism industry. With cross border controls and travel restrictions remaining in place around the world, the Group's hotel business in destinations which essentially rely on international travellers continues to be negatively affected. The Group has implemented various cash conservation measures to mitigate the financial and operational effects arising from the economic consequences of COVID-19 pandemic. These measures included amongst others reducing operating expenses including payroll from headcount rationalization, unpaid leave program and deferral of non-critical capital expenditures. Consequently, for prudence, in light of the changes in market and economic conditions, the Board of Directors has not recommended any dividend to be paid for FY2020.

<sup>11</sup> The Company has in place an investor relations policy which serves to provide high quality, meaningful and timely information to improve the shareholders' and investors' understanding of the Company, and allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders. It adopts the practice of regularly communicating major developments in its businesses and operations through SGXNET and, where appropriate, directly to shareholders, other investors, analysts, the media, the public and its employees. For FY2020, the Company held a media and analysts' briefing upon the release of its full-year results. These releases were also made available on the Company's website, <http://investor.banyantree.com>.

<sup>12</sup> To allow the Company's shareholders to communicate their views on various matters affecting the Company, and in order to solicit and understand the views of shareholders, the Company has an investor relations team ("IR Team") that communicates with its shareholders and analysts regularly and attends to their queries. The IR Team also manages the dissemination of corporate information to the media, the public, as well as institutional investors and public shareholders, and promotes relations with and acts as liaison for such entities and parties.

<sup>13</sup> As part of its overall responsibility to ensure that the best interests of the Company are served, the Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders. As part of the Company's strategy in managing stakeholder relationships, the Company has put in place arrangements to identify and engage with its material stakeholder groups and to manage its relationship with such groups. Such stakeholders include property buyers, hotel guests, employees, contractors, suppliers, government, community and investors. For more information on the Company's stakeholder engagement, please refer to the Company's 2020 Sustainability Report.

<sup>14</sup> To communicate and engage with stakeholders, which has been a key area of focus in relation to the Company's management of stakeholder relationships in FY2020, all material information is published on SGXNET and through media releases and all corporate announcements released on SGXNET are made available on the Company's investor website, <http://investor.banyantree.com>. The Company also maintains an investor email address at [ir@banyantree.com](mailto:ir@banyantree.com) to communicate and engage with its shareholders and stakeholders, and a website at [www.banyantreeglobalfoundation.com](http://www.banyantreeglobalfoundation.com) for its communication and engagement with stakeholders in relation to corporate social responsibility. Mr Chia, who is the Lead Independent Director and Chairman of the NRC can be contacted via email at [ethics@banyantree.com](mailto:ethics@banyantree.com).

## Dealing in Securities

<sup>1</sup> The Company has adopted an internal code on securities trading, which provides guidance and internal regulation with regard to dealings in the Company's securities by its Directors and officers. The Company's internal code is modelled on Rule 1207(19) of the SGX-ST Listing Manual. The Company's internal code prohibits its Directors and officers from dealing in listed securities of the Company while in possession of unpublished, material and price-sensitive information in relation to such securities and during the "closed period", which is defined as one month before the date of announcement of the half-year and full-year financial results. Directors and officers are also prohibited from dealing in the Company's securities on short-term considerations. They are also advised to be mindful of the law on insider trading and ensure that their dealings in securities do not contravene the law on insider trading under the Securities and Futures Act, and the Companies Act. The Company issues periodic reminders to its Directors, relevant officers and employees on the restrictions in dealing in listed securities of the Company as set out above in compliance with Rule 1207(19) of the SGX-ST Listing Manual.

## Interested Person Transactions

<sup>1</sup> Shareholders have adopted a Shareholders' Mandate in respect of interested person transactions of the Company. The Company has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the ARC, and that the transactions are carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders. The Company's disclosure in respect of interested person transactions for the year is set out on page 96 of this Annual Report.

# Additional Information On Directors Seeking Re-Election

## COMPLIANCE WITH LISTING RULE 720(6)

The Board has accepted NRC's recommendations to seek the approval of shareholders at the forthcoming AGM to re-elect Mr Chia Chee Ming Timothy and Mr Gaurav Bhusan who will be retiring pursuant to Regulations 100 and 101 and Mr Ding Changfeng, Mr Beh Jit Han Paul, Mr Ho Ren Hua, Mr Tan Chian Khong and Mr Arnoud De Meyer under Regulation 106 respectively (collectively, the "Retiring Directors"). In making the recommendation, the NRC has considered the Retiring Directors' overall contribution and performance. Pursuant to Listing Rule 720(6) of the Listing Manual, the information relating to the Retiring Directors is disclosed below:-

Name of Person	Chia Chee Ming Timothy	Gaurav Bhusan	Ding Changfeng	Beh Jit Han Paul	Ho Ren Hua	Tan Chian Khong	Arnoud De Meyer
Date Of Appointment	8 June 2001	30 December 2017	13 November 2020	6 May 2020	6 May 2020	28 January 2021	28 January 2021
Date of last re-appointment (if applicable)	26 April 2018	26 April 2018	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Country Of Principal Residence	Singapore	Singapore	China	Singapore	Thailand	Singapore	Singapore
Age	71	50	51	61	39	64	66
Whether appointment is executive, and if so, the area of responsibility	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Director and Lead Independent Director, NRC Chairman	Non-Executive and Non-Independent Director	Non-Executive and Non-Independent Director	Independent Director, NRC member	Non-Executive and Non-Independent Director	Independent Director, ARC member	Independent Director
Professional qualifications	1. Bachelor of Science cum laude, majoring in Management, Fairleigh Dickinson University, USA	1. Masters of Business Administration, Royal Melbourne Institute of Technology (RMIT) 2. Postgraduate Diploma in Applied Finance and Investments from Securities Institute of Australia	1. Master's degree in Global Economics, Peking University 2. Bachelor's degree in International Politics, Peking University	1. Bachelor of Economics (Hons) and Graduate Diplomas in Financial and Marketing Management 2. Executive Management programmes, Harvard and Oxford	1. Bachelor of Science with Honors in Finance and Economics, Wharton School, University of Pennsylvania, USA	1. Bachelor of Science with Honors in Finance and Economics, Wharton School, University of Pennsylvania, USA	1. Honorary Doctorate University of Ghent (Belgium) 2. Master of Arts, University of Cambridge 3. Doctorate in Management, University of Ghent, Belgium 4. Graduate Degree in Business Administration, University of Ghent, Belgium 5. Graduate Degree in Electrical Engineering, University of Ghent, Belgium
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Nil	Nil	Nil	Nil	Mr Ho Ren Hua is the son of Mr Ho KwonPing (Executive Chairman & Substantial Shareholder) and Ms Chiang See Ngoh (Substantial Shareholder).	Nil	Nil

# Additional Information On Directors Seeking Re-Election

Name of Person	Chia Chee Ming Timothy	Gaurav Bhushan	Ding Changfeng	Beh Jit Han Paul	Ho Ren Hua	Tan Chian Khong	Arnoud De Meyer
Conflict of interests (including any competing business)	Nil	Being Chief Development Officer of Accor S.A. ("Accor"), Accor also carry out hotels and resorts businesses worldwide.	Being a GP, Chief Partner of the Hotels & Resorts Business Unit in China Vanke Co., Ltd ("China Vanke"), China Vanke may also carry out hotels and resort businesses in the People's Republic of China or elsewhere	Nil	Nil	Nil	Nil
Working experience and occupation(s) during the past 10 years	<ol style="list-style-type: none"> <li>Chairman of Hup Soon Global Corporation Private Limited (2010 to present)</li> </ol>	<ol style="list-style-type: none"> <li>Executive Committee, Accor Hotels (2017 to present)</li> <li>Head of Asia-Pacific development teams, Accor Hotels (2006 to 2016)</li> </ol>	<ol style="list-style-type: none"> <li>GP, Chief Partner of the Hotels &amp; Resorts Business Unit, China Vanke (2020 to present)</li> <li>GP, Chief Partner of the Ski Resort Business Unit, China Vanke (2017 to 2020)</li> <li>GP, Chief Partner in charge of Commercial Property Business Unit, China Vanke (2015 to 2017)</li> <li>Head of Beijing Region, China Vanke (2006 to 2015)</li> <li>Executive Vice President, China Vanke (2001 to present)</li> </ol>	<ol style="list-style-type: none"> <li>Chairman, Reed Exhibitions Asia Pacific (2019 to present)</li> <li>President, Reed Exhibitions Asia Pacific</li> </ol>	<ol style="list-style-type: none"> <li>Director and Chief Executive Officer, Thai Wah Public Company Limited (2015 to present)</li> <li>Director, Laguna Resorts &amp; Hotels Public Company Limited (2015 to present)</li> <li>Vice President and Country Head China, Banyan Tree Holdings Limited (2010 to 2015)</li> </ol>	<p>Mr Tan joined Ernst &amp; Young LLP ("EY") in 1981. He became a EY partner in 1996 and retired in 2016.</p>	<ol style="list-style-type: none"> <li>Non-Executive Director of Dassault Systemes (2005 to 2019)</li> <li>Chair of the Scientific Advisory Committee of VITO Flemish Institute for Technological Research (2009 to 2017)</li> <li>President Singapore Management University (2010 to 2018)</li> <li>Board Member of National Research Foundation Singapore (2010 to 2018)</li> <li>Non-Executive Director of Singapore International Chamber of Commerce (2010 to 2018)</li> <li>Non-Executive Director of Temasek Management Services Pte. Ltd. (2012 to 2018)</li> <li>Non-Executive Director of Ghent University Korea VZW (2013 to present)</li> <li>Non-Executive Director of the Singapore Symphonia Company Limited (2013 to present)</li> <li>Non-Executive Director of Human Capital Leadership Institute, Singapore (2016 to present)</li> </ol>

Name of Person	Chia Chee Ming Timothy	Gaurav Bhushan	Ding Changfeng	Beh Jit Han Paul	Ho Ren Hua	Tan Chian Khong	Arnoud De Meyer
Working experience and occupation(s) during the past 10 years (cont'd)							<ol style="list-style-type: none"> <li>Non-Executive Director of Viva Energy Australia (2018 to present)</li> <li>Chairman of Stewardship Asia Centre (Singapore) (2019 to present)</li> <li>Non-Executive Director of INSEAD (France &amp; Singapore) (2020 to present)</li> </ol>
Undertaking submitted to the listed issuer in the form of Appendix 7.7 (Listing Rule 704(7))	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Shareholding interest in the listed issuer and its subsidiaries?	Yes	Nil	Nil	Nil	Yes	Nil	Yes
Shareholding Details	257,000	Nil	Nil	Nil	994,700 (Deemed Interest)	Nil	83,000

## \*Other Principal Commitments including Directorships

*Past (for the last 5 years)	Directorships	Directorships	Principal Commitments	Directorships	Directorships	Directorships	Directorships
	<ol style="list-style-type: none"> <li>Coutts &amp; Co Ltd</li> <li>United Motor Works (Mauritius) Limited</li> <li>HS Global Holdings Pte Ltd</li> <li>Parkville Pte Ltd</li> <li>Singapore Management University</li> <li>Rahman Hydraulic Tin Sdn Bhd</li> <li>QuantuMDx Group Ltd</li> <li>Straits Investment Management</li> </ol>	<ol style="list-style-type: none"> <li>AAPC India Hotel Management Private Limited</li> <li>Accent Hotels Private Limited</li> <li>Ashford Properties Private Limited</li> <li>Barque Hotels Private Limited</li> <li>Caddie Hotels Private Limited</li> <li>InterGlobe Hotels Private Limited</li> <li>Srilanand Mansions Private Limited</li> <li>TechPark Hotels Private Limited</li> <li>Triguna Hospitality Ventures (India) Private Limited</li> </ol>	<ol style="list-style-type: none"> <li>China Vanke Ski Resort Business Unit (GP, Chief Partner)</li> <li>China Vanke Commercial Property Business Unit (GP, Chief Partner)</li> </ol>	<ol style="list-style-type: none"> <li>Chairman, Reed Tradex (Thailand) Ltd.</li> <li>Reed Sinopharm</li> <li>Chairman, Reed Huabo (China)</li> <li>Chairman, Reed K Fairs (Korea)</li> </ol>	<ol style="list-style-type: none"> <li>Director, Asia Tapioca Products Company Limited (Apr 2016 to May 2017)</li> </ol>	<ol style="list-style-type: none"> <li>Xinhua Port Holdings LLP</li> </ol>	<p><b>Principal Commitments</b></p> <ol style="list-style-type: none"> <li>Partner of EY</li> </ol>
				<p><b>Principal Commitments</b></p> <ol style="list-style-type: none"> <li>Chairman, Reed Tradex (Thailand)</li> <li>Chairman, Reed K Fairs (Korea)</li> <li>Chairman, Reed Huabo (China)</li> <li>Chairman, Finance and Remuneration Committee, SMU</li> <li>Chairman, Hospital Development Committee, Mt Alvernia Hospital</li> <li>Founder, Smiles for Good</li> <li>Member, Agape Village Management Council</li> </ol>		<p><b>Principal Commitments</b></p> <ol style="list-style-type: none"> <li>Non-Executive Director of Dassault Systemes SE (France)</li> <li>President Singapore Management University</li> <li>Non-Executive Director of Singapore International Chamber of Commerce</li> <li>Non-Executive Director of Temasek Management Services Pte. Ltd.</li> </ol> <p><b>Principal Commitments</b></p> <ol style="list-style-type: none"> <li>President, Singapore Management University</li> <li>University Professor, Singapore Management University</li> </ol>	

# Additional Information On Directors Seeking Re-Election

Name of Person	Chia Chee Ming Timothy	Gaurav Bhushan	Ding Changfeng	Beh Jit Han Paul	Ho Ren Hua	Tan Chian Khong	Arnoud De Meyer
*Present	<p><b>Directorships</b></p> <ol style="list-style-type: none"> <li>Hup Soon Global Corporation Private Limited</li> <li>Fraser and Neave, Limited</li> <li>Singapore Power Limited</li> <li>The Straits Trading Company Limited</li> <li>Vertex Venture Holdings Ltd</li> <li>Gabelhorn Investments Pte Ltd</li> <li>Innoven Capital Pte Ltd</li> <li>Innoven Capital China Pte Ltd</li> <li>Innoven Capital Singapore Pte Ltd</li> <li>Seviora Holdings Pte Ltd</li> <li>Gracefield Holdings Limited</li> <li>Malaysia Smelting Corporation Berhad</li> <li>Ceylon Guardian Investment Trust PLC</li> <li>Ceylon Investment PLC</li> <li>United Motor Works (Siam) Public Co., Ltd</li> <li>Thai Beverage Public Company Limited</li> </ol> <p><b>Principal Commitments</b></p> <ol style="list-style-type: none"> <li>Asian Civilisation Museum (Member, Advisory Board)</li> <li>Singapore Indian Development Association (Term Trustee)</li> <li>Monetary Authority of Singapore (Member, Corporate Governance Advisory Committee)</li> </ol>	<p><b>Directorships</b></p> <ol style="list-style-type: none"> <li>AAPC Singapore Pte. Ltd.</li> <li>AHDF Pte. Ltd.</li> <li>AAPC Hotel Management Limited</li> </ol> <p><b>Principal Commitments</b></p> <ol style="list-style-type: none"> <li>Executive Committee, Accor Hotels</li> </ol>	<p><b>Directorships</b></p> <ol style="list-style-type: none"> <li>Vanke Capital Holdings Limited</li> <li>V-Shanghai XTD II Limited</li> <li>Vanke Lake Songhua Resort Jilin Co, Ltd</li> <li>Jilin Wanshan Snow Investment Consulting Co., Ltd</li> </ol> <p><b>Principal Commitments</b></p> <ol style="list-style-type: none"> <li>GP, Chief Partner of the Ski Resort Business Unit, China Vanke</li> <li>Executive Vice President, China Vanke</li> </ol>	<p><b>Directorships</b></p> <ol style="list-style-type: none"> <li>Chairman, Reed Exhibitions Asia Pacific</li> <li>Advisory member of the Worldwide Board</li> <li>Member, Board of Trustees of Singapore Management University</li> <li>Board member, Caritas Singapore</li> <li>Board member, Mount Alvernia Hospital</li> </ol> <p><b>Principal Commitments</b></p> <ol style="list-style-type: none"> <li>Chairman, Reed Exhibitions Asia Pacific</li> </ol>	<p><b>Directorships</b></p> <ol style="list-style-type: none"> <li>Director and Chief Executive Officer, Thai Wah Public Company Limited</li> <li>Director, Laguna Resorts &amp; Hotels Public Company Limited</li> <li>Chairman / Director, certain related companies of Banyan Tree Holdings Limited</li> <li>Chairman, Thai Wah International Trade (Shanghai) Company Limited</li> <li>Director, Thai Wah Vietnam Company Limited</li> <li>Director, TWPC Investment (Cambodia) Co., Ltd.</li> <li>Director, Tapioca Development Corporation Limited</li> <li>Director, Bibace Investments Ltd.</li> <li>Director, Bibace Management Company Limited</li> <li>Director, Casita Holdings Ltd.</li> <li>Director, Dawina Investments Ltd.</li> <li>Director, ICD (HK) Limited</li> <li>Director, Rocket International Investments Limited</li> <li>Director, RH LTD</li> <li>Director, Maypole Ltd. and certain related companies</li> </ol>	<p><b>Directorships</b></p> <ol style="list-style-type: none"> <li>Honorary Executive Director of Trailblazer Foundation Ltd (2008 to present)</li> <li>Methodist Welfare Services (2015 to present)</li> <li>Casino Regulatory Authority of Singapore (2016 to present)</li> <li>Alliance Bank Malaysia Berhad (2017 to present)</li> <li>Hong Leong Asia Ltd (2018 to present)</li> <li>The Straits Trading Company Limited (2018 to present)</li> <li>CSE Global Limited (2019 to present)</li> <li>SMRT Corporation Ltd (2019 to present)</li> </ol> <p><b>Principal Commitments</b></p> <ol style="list-style-type: none"> <li>Honorary Executive Director of Trailblazer Foundation Ltd</li> </ol>	<p><b>Directorships</b></p> <ol style="list-style-type: none"> <li>Non-Executive Director of Viva Energy Australia</li> <li>Chairman of Stewardship Asia Centre (Singapore)</li> <li>Non-Executive Director of INSEAD</li> </ol> <p><b>Principal Commitments</b></p> <ol style="list-style-type: none"> <li>University Professor, Singapore Management University</li> </ol>

Name of Person	Chia Chee Ming Timothy	Gaurav Bhushan	Ding Changfeng	Beh Jit Han Paul	Ho Ren Hua	Tan Chian Khong	Arnoud De Meyer
*Present (cont'd)	<ol style="list-style-type: none"> <li>ASEAN Business Club (Member, Advisory Council Co-Chair, Singapore)</li> </ol>				<ol style="list-style-type: none"> <li>Director, Sin-Hai Offshore Company Limited</li> <li>Director, United Insulation Services Pte. Ltd.</li> <li>Commissioner, PT Thai Wah Indonesia</li> </ol> <p><b>Principal Commitments</b></p> <ol style="list-style-type: none"> <li>Director and Chief Executive Officer, Thai Wah Public Company Limited</li> <li>Director, Laguna Resorts &amp; Hotels Public Company Limited</li> </ol>		

## Information required pursuant to Listing Rule 704(7) of the Listing Manual

Each of Mr Chia Chee Ming Timothy, Mr Gaurav Bhushan, Mr Ding Changfeng, Mr Beh Jit Han Paul, Mr Ho Ren Hua, Mr Tan Chian Khong and Mr Arnoud De Meyer has confirmed that his/her answer to each of the following questions is in the negative:-

- Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?
- Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?
- Whether there is any unsatisfied judgment against him?
- Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?
- Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?
- Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?
- Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?
- Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?
- Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?
- Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:—
  - any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or
  - any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or
  - any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or
  - any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?
- Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?

# Interested Person Transactions

Interested Person Transactions	Nature of relationship	Aggregate value of all interested person transactions for 2nd half year (excluding transactions less than S\$100,000 and transactions conducted under Shareholders' Mandate) in S\$'000	Aggregate value of all interested person transactions conducted under Shareholders' Mandate for 2nd half year (excluding transactions less than S\$100,000) in S\$'000	Aggregate value of all interested person transactions during the financial year (excluding transactions less than S\$100,000 and transactions conducted under Shareholders' Mandate) in S\$'000	Aggregate value of all interested person transactions conducted under Shareholders' Mandate during the financial year (excluding transactions less than S\$100,000) in S\$'000
<b>[A] Transactions with the Tropical Resorts Limited Group ("TRG")</b>	An associate of the Company's controlling shareholder*				
a	Provision of Resort Management and Related Services to TRG	-	222	-	884
b	Provision of Spa Management and Other Related Services to TRG	-	-	-	132
c	Rental Income from TRG in respect of units in Banyan Tree Bintan and Angsana Bintan	-	-	-	439
d (i)	Reimbursement of Expenses - to TRG	-	-	-	338
d (ii)	Reimbursement of Expenses - from TRG	-	236	-	803
<b>[B] Transactions with Lumayan Indah Sdn Bhd</b>	An associate of the Company's controlling shareholder*				
a	Provision of Hotel/Resort Management and Related Services to Banyan Tree Kuala Lumpur	-	-	207	-
	<b>Total</b>	-	<b>458</b>	<b>207</b>	<b>2,596</b>

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

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# Directors' Statement

The directors hereby present their statement to the members together with the audited consolidated financial statements of Banyan Tree Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 December 2020.

## OPINION OF THE DIRECTORS

In the opinion of the directors,

- the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2020 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the year ended on that date; and
- at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

## DIRECTORS

The directors of the Company in office at the date of this statement are:

Ho KwonPing  
 Chia Chee Ming Timothy  
 Fang Ai Lian  
 Chan Heng Wing  
 Tham Kui Seng  
 Karen Tay Koh  
 Beh Jit Han Paul  
 Tan Chian Khong  
 Arnoud De Meyer  
 Gaurav Bhushan  
 Chew Van Hoong Jason  
 Mohamed Al-Hashmi (Alternate Director to Chew Van Hoong Jason)  
 Ho Ren Hua  
 Ding Changfeng

## ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose object is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate, other than pursuant to the Banyan Tree Share Option Scheme, the Banyan Tree Performance Share Plan, Banyan Tree Share Award Scheme 2016 and the Founder's Grant.

## BANYAN TREE SHARE OPTION SCHEME, BANYAN TREE PERFORMANCE SHARE PLAN AND BANYAN TREE SHARE AWARD SCHEME 2016

There are three share-based incentive schemes for its directors and employees, the Banyan Tree Share Option Scheme (the "Share Option Scheme") and a performance share plan known as the Banyan Tree Performance Share Plan (the "Plan") (collectively, the "Schemes") and the Banyan Tree Share Award Scheme 2016 (the "Share Award Scheme"). The Schemes have expired on 27 April 2016 and the Company adopted the Share Award Scheme on 28 April 2016 to replace the Plan. Ho KwonPing, the Executive Chairman and controlling shareholder\*, was/is not entitled to participate in the Schemes and Share Award Scheme.

At the date of this statement, the Share Award Scheme is the only share incentive scheme of the Company in force and administered by the Nominating and Remuneration Committee ("NRC") which comprises Chia Chee Ming Timothy, Chan Heng Wing and Beh Jit Han Paul, all of whom are Independent Directors of the Company.

Under the Share Option Scheme (prior to expiry), eligible participants may be granted options to acquire shares in the Company whereas under the Plan (prior to expiry), the Company's shares may be issued to eligible participants. The Schemes and Share Award Scheme enable eligible participants to participate in the equity of the Company with the aim of motivating them towards better performance.

More information about the Schemes and the Share Award Scheme and details of performance shares and awards granted to eligible participants during the financial year under the Plan and the Share Award Scheme, can be found in Note 45 to the financial statements.

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

## FOUNDER'S GRANT

Ho KwonPing is entitled to, for each financial year for a period of ten years beginning from the financial year ended 31 December 2010, an amount equivalent to 5% of the profit before tax of the Group, such amount to be payable in cash or in shares at the sole discretion of the Company (the "Founder's Grant"). The entitlement has ended at financial year ended 31 December 2019. Ho KwonPing was entitled to be paid a total amount of \$734,492 in cash pursuant to the Founder's Grant in respect of financial year ended 31 December 2019. Ho KwonPing has requested for payment to be deferred. The Board of Directors has approved the deferred payment on 28 February 2020. The payment of the deferred Founder's Grant in respect of financial year ended 31 December 2019 is scheduled to be further deliberated on at the next NRC meeting. For the avoidance of doubt, save for the said deferred payment, the Founder's Grant has otherwise expired and does not apply to financial year ended 31 December 2020 or subsequent financial years. Details of the Founder's Grant can be found in Note 45 to the financial statements.

## DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The following directors, who held office at the end of the financial year had, according to the register of directors' shareholdings required to be kept under Section 164 of the Companies Act, Chapter 50 of Singapore ("Companies Act"), an interest in shares and debentures of the Company and related corporations (other than wholly-owned subsidiaries), as stated below:

Name of directors and companies in which interests are held	Holdings registered in the name of director or nominee			Holdings in which a director is deemed to have an interest		
	At the beginning of financial year/date of appointment	At the end of financial year	As at 21 January 2021	At the beginning of financial year/date of appointment	At the end of financial year	As at 21 January 2021
<b>Banyan Tree Holdings Limited ("BTH") (Incorporated in Singapore)</b>						
<b>Ordinary shares</b>						
Ho KwonPing	-	-	-	301,948,882	301,948,882	301,948,882
Ho Ren Hua	-	-	-	2,887,900	994,700	994,700
Chia Chee Ming Timothy	257,000	257,000	257,000	-	-	-
<b>Debentures</b>						
Fang Ai Lian <sup>1</sup>	\$500,000	-	-	-	-	-
<b>Debentures – Convertible Bonds<sup>2</sup></b>						
Ho KwonPing	-	-	-	-	\$21,670,481	\$21,670,481
Ho Ren Hua	-	-	-	-	\$202,949	\$202,949
Chia Chee Ming Timothy	-	\$15,420	\$15,420	-	-	-
<b>Bangtao Laguna Limited (formerly known as Bangtao Development Limited) (Incorporated in Thailand)</b>						
<b>Ordinary shares</b>						
Ho KwonPing	1	1	1	-	-	-
<b>Phuket Grande Resort Limited (formerly known as Phuket Resort Development Limited) (Incorporated in Thailand)</b>						
<b>Ordinary shares</b>						
Ho KwonPing	1	1	1	-	-	-
<b>Twin Waters Limited (formerly known as Twin Waters Development Company Limited) (Incorporated in Thailand)</b>						
<b>Ordinary shares</b>						
Ho KwonPing	2	2	2	-	-	-

<sup>1</sup> Series 10 Notes under BTH S\$700 million Multicurrency Debt Issuance Programme have matured and have been fully repaid and cancelled by BTH on 5 June 2020.

<sup>2</sup> Renounceable and Non-Underwritten Rights Issue of \$50,402,608 in aggregate principal amount of 7.5 per cent convertible bonds.

# Directors' Statement

## DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (CONT'D)

By virtue of Section 7 of the Companies Act, Ho KwonPing is deemed to have interests in shares of the subsidiaries held by the Company.

Except as disclosed in the financial statements, no director who held office at the end of the financial year had interest in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

## AUDIT AND RISK COMMITTEE ("ARC")

As at the date of this statement, the members of the ARC are as follows:

Fang Ai Lian	(Chairman)
Tham Kui Seng	
Karen Tay Koh	
Tan Chian Khong	(Appointed on 28 January 2021)

All ARC members are Non-Executive Independent Directors.

The ARC has adopted a Charter that is approved by the Board of Directors (the "Board") and which clearly set out its responsibilities as follows:

1. assisting the Board in the discharge of its statutory responsibilities on financial and accounting matters;
2. review of the audit plans, and the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function;
3. review of the co-operation given by the Company's officers to the external auditors;
4. making recommendations to the Board on (a) the proposals to the shareholders on the appointment, re-appointment and removal of external auditors, and (b) the remuneration and terms of engagement of the external auditors;
5. review of the significant financial reporting issues and judgements so as to ensure the integrity of any financial information presented to the Company's shareholders; including financial statements of the Group and any announcements relating to the Group's financial performance;
6. review of the assurance from the Executive Chairman, the President & Group Managing Director and Senior Vice President, Group Finance and Corporate Affairs on the financial records and financial statements;
7. review of interested person transactions;
8. review at least annually of adequacy and effectiveness of the Company's internal controls and risk management systems, and oversight of the risk management processes and activities to mitigate and manage risk at levels that are determined to be acceptable to the Board;
9. where necessary, commission and review of the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any law, rule or regulation; and
10. review of the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on.

The ARC performed the functions specified in the Companies Act. The functions performed are detailed in the Corporate Governance Report.

## AUDITOR

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the Board of Directors,

**Ho KwonPing**  
Director

**Fang Ai Lian**  
Director

Singapore  
24 March 2021

# Independent Auditor's Report

For the financial year ended 31 December 2020

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BANYAN TREE HOLDINGS LIMITED

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the financial statements of Banyan Tree Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the balance sheets of the Group and the Company as at 31 December 2020, the statements of changes in equity of the Group and the Company and the consolidated income statement, consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group, the balance sheet and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the Act) and Singapore Financial Reporting Standards (International) (SFRS(I)) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2020 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter, including any commentary on the findings or outcome of our procedures, is provided in that context.

We have fulfilled our responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

#### 1. Adequacy of loss allowance for long-term receivables (non-property sales) and long-term amount due from associates (non-trade)

As at 31 December 2020, the Group has long-term receivables (non-property sales) of approximately \$13.7 million and long-term amount due from associates (non-trade) of approximately \$40.7 million (the "Receivables"). The Receivables represent approximately 3.4% of the Group's total assets. Management has assessed if these amounts can be recovered and estimated the amount of loss allowance required when recovery of the full amount is doubtful. The loss allowance of the Receivables is determined by making debtor-specific assessments of expected impairment loss for long overdue receivables and applies the general approach as detailed in Note 2.18 to provide for loss allowance. The assessment of the expected loss allowance requires significant management judgment that has been heightened by the COVID-19 pandemic. As such, we determined this to be a key audit matter.

We reviewed the Group's processes and controls for identifying and monitoring of the Receivables, including the Group's assessment of changes in loss rates applied as a result of the impact of COVID-19 on the Receivables. We performed audit procedures, amongst others, requesting confirmations from certain debtors, assessing the facts and circumstances surrounding the outstanding Receivables, and reviewing for evidence of collection by way of receipts from debtors after the year end. We also inquired with management if there is any dispute with the debtors. We evaluated the reasonableness of management's estimate of the future repayment by the debtors, by taking into consideration the debtor's past payment history, nature of business, economic environment and growth strategies as well as management's understanding and assessment of the debtors' plan. In addition, we assessed the reasonableness of the loss rates applied by management, taking into consideration the latest available financial information of the debtors and current economic information in markets where the debtors operate.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BANYAN TREE HOLDINGS LIMITED (CONT'D)

### Key Audit Matters (cont'd)

#### 1. Adequacy of loss allowance for long-term receivables (non-property sales) and long-term amount due from associates (non-trade) (cont'd)

The results of our evaluation show that management's assessment of the Group's allowance for the expected losses of the Receivables is reasonable.

We also assessed the adequacy of the Group's disclosures on the Receivables in Notes 18 and 21 and the related risks such as credit risk and liquidity risk in Notes 48(a) and 48(b) to the financial statements.

#### 2. Fair value measurement of freehold land and buildings and investment properties

As at 31 December 2020, the carrying values of freehold land and buildings and investment properties amounted to approximately \$573.9 million and \$62.1 million respectively, which accounted for 40.3% (2019: 38.1%) of the Group's total assets. The valuation of freehold land and buildings and investment properties are complex and dependent on a range of estimates (amongst others, discount rates, yield adjustments, and growth rates) made by management, of which the levels of estimation uncertainties and required judgement are heightened by the changes in market and economic conditions arising from the COVID-19 pandemic. As such, we determined this to be a key audit matter.

The management engaged professional independent property valuers to support the determination of the fair value of freehold land and buildings and investment properties as at 31 December 2020. Our audit work in assessing the reasonableness of management's judgments and estimations of these fair values, included among others, considered the objectivity, independence and competency of the external valuers. We held discussions with management and external property valuers to understand the valuation models and the basis for the key assumptions used, including key valuation adjustments made in response to the changes in market and economic conditions arising from the COVID-19 pandemic.

For the Group's significant freehold land and buildings and investment properties, we involved our internal real estate and valuation specialists to assist us in assessing the appropriateness of the valuation models and the reasonableness of significant assumptions on discount rates, yield adjustments, and growth rates used by comparing them against historical rates and available industry data, taking into consideration comparability and market factors. We also assessed the overall reasonableness of the fluctuations in the fair value of freehold land and buildings and investment properties.

Based on the work performed, we considered the methodology and key assumptions used by management to be appropriate.

We also assessed the adequacy of the disclosures related to freehold land and buildings and investment properties in Notes 13, 14 and 50 to the financial statements.

### Other Information

Management is responsible for other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

### Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

# Independent Auditor's Report

For the financial year ended 31 December 2020

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BANYAN TREE HOLDINGS LIMITED (CONT'D)

### Responsibilities of Management and Directors for the Financial Statements (cont'd)

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BANYAN TREE HOLDINGS LIMITED (CONT'D)

### Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Simon Yeo.

**Ernst & Young LLP**  
Public Accountants and  
Chartered Accountants  
Singapore  
24 March 2021

# Consolidated Income Statement

For the financial year ended 31 December 2020

	Note	Group	
		2020 \$'000	2019 \$'000
<b>Revenue</b>	3	<b>157,832</b>	346,954
Other income	4	<b>1,747</b>	5,827
		<b>159,579</b>	352,781
<b>Costs and expenses</b>			
Cost of operating supplies		<b>(9,682)</b>	(23,970)
Cost of properties sold		<b>(36,186)</b>	(64,052)
Salaries and related expenses	5	<b>(55,943)</b>	(83,035)
Administrative expenses		<b>(55,777)</b>	(45,118)
Sales and marketing expenses		<b>(7,933)</b>	(15,897)
Other operating expenses	6	<b>(27,041)</b>	(60,537)
Impairment losses on financial assets	10	<b>(2,135)</b>	(3,944)
		<b>(194,697)</b>	(296,553)
<b>(Loss)/Profit before interests, taxes, depreciation and amortisation</b>		<b>(35,118)</b>	56,228
Depreciation of property, plant and equipment and right-of-use assets	13/39	<b>(25,557)</b>	(22,945)
Amortisation expense		<b>(779)</b>	(764)
<b>(Loss)/Profit from operations and other gains</b>	7	<b>(61,454)</b>	32,519
Finance income	8	<b>7,016</b>	7,720
Finance costs	9	<b>(33,448)</b>	(26,762)
Share of results of associates		<b>(6,686)</b>	479
<b>(Loss)/Profit before taxation</b>		<b>(94,572)</b>	13,956
Income tax expense	11	<b>(7,936)</b>	(11,427)
<b>(Loss)/Profit after taxation</b>		<b>(102,508)</b>	2,529
<b>Attributable to:</b>			
Owners of the Company		<b>(95,838)</b>	651
Non-controlling interests		<b>(6,670)</b>	1,878
		<b>(102,508)</b>	2,529
<b>Earnings per share attributable to owners of the Company (in cents):</b>			
Basic	12	<b>(11.41)</b>	0.08
Diluted	12	<b>(11.41)</b>	0.08

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# Consolidated Statement Of Comprehensive Income

For the financial year ended 31 December 2020

	Group	
	2020 \$'000	2019 \$'000
<b>(Loss)/Profit after taxation</b>	<b>(102,508)</b>	2,529
<b>Other comprehensive (loss)/income:</b>		
<b>Items that may be reclassified subsequently to profit or loss</b>		
Exchange differences arising from consolidation of foreign operations and net investment in foreign operations	<b>(11,985)</b>	26,967
	<b>(11,985)</b>	26,967
<b>Items that will not be reclassified to profit or loss</b>		
Adjustment on property revaluation reserve, net of deferred tax	<b>(550)</b>	37,161
Net fair value loss on equity instruments at fair value through other comprehensive income	<b>(447)</b>	(5,301)
Actuarial loss arising from defined benefit plan, net of deferred tax	<b>(1,222)</b>	(121)
Share of other comprehensive loss of an associate	<b>-</b>	(8)
	<b>(2,219)</b>	31,731
<b>Other comprehensive (loss)/income for the financial year, net of tax</b>	<b>(14,204)</b>	58,698
<b>Total comprehensive (loss)/income for the financial year</b>	<b>(116,712)</b>	61,227
<b>Total comprehensive (loss)/income attributable to:</b>		
Owners of the Company	<b>(107,924)</b>	49,172
Non-controlling interests	<b>(8,788)</b>	12,055
	<b>(116,712)</b>	61,227

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# Balance Sheets

As at 31 December 2020

	Note	Group		Company	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>Non-current assets</b>					
Property, plant and equipment	13	651,822	699,126	-	-
Right-of-use assets	39	18,769	19,559	-	-
Investment properties	14	62,065	63,504	-	-
Intangible assets	15	35,198	35,239	3,815	3,414
Land use rights	16	2,338	2,559	-	-
Subsidiaries	17	-	-	637,063	630,067
Associates	18	155,606	161,236	3,529	3,488
Long-term investments	19	100,245	100,697	-	-
Deferred tax assets	41	23,266	23,369	-	-
Prepaid island rental	20	17,962	19,020	-	-
Prepayments		433	385	-	-
Long-term receivables	21	41,530	50,288	5,720	12,553
Other receivables	22	4,883	5,599	-	-
Amounts due from related parties	31	17,074	-	-	-
		<b>1,131,191</b>	<b>1,180,581</b>	<b>650,127</b>	<b>649,522</b>
<b>Current assets</b>					
Property development costs	24	314,091	318,187	-	-
Inventories	25	4,987	5,967	-	-
Prepayments and other non-financial assets	26	13,461	17,855	13	251
Trade receivables	27	38,163	40,305	4,317	4,008
Other receivables	28	18,045	16,247	666	1,915
Contract assets	3	2,592	2,638	-	-
Amounts due from subsidiaries	29	-	-	185,428	182,467
Amounts due from associates	30	2,756	4,631	1,430	19
Amounts due from related parties	31	132	26,656	-	-
Investment securities	23	2,006	-	2,006	-
Cash and short-term deposits	32	51,287	130,802	15,386	88,124
		<b>447,520</b>	<b>563,288</b>	<b>209,246</b>	<b>276,784</b>
<b>Total assets</b>		<b>1,578,711</b>	<b>1,743,869</b>	<b>859,373</b>	<b>926,306</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

	Note	Group		Company	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>Current liabilities</b>					
Tax payable		9,290	10,400	16	-
Other non-financial liabilities	33	14,297	15,593	1,009	732
Interest-bearing loans and borrowings	34	226,204	177,966	91,561	63,600
Notes payable	35	-	99,926	-	99,926
Trade payables		32,166	31,120	-	-
Other payables	38	116,612	120,401	66,867	65,713
Contract liabilities	3	52,853	55,034	-	-
Lease liabilities	39	2,130	1,428	-	-
Amounts due to subsidiaries	29	-	-	17,570	20,522
Amounts due to associates	30	17,886	17,899	17,831	17,831
Amounts due to related parties	31	270	2,657	13	15
		<b>471,708</b>	<b>532,424</b>	<b>194,867</b>	<b>268,339</b>
<b>Net current (liabilities)/assets</b>	40	<b>(24,188)</b>	<b>30,864</b>	<b>14,379</b>	<b>8,445</b>
<b>Non-current liabilities</b>					
Deferred tax liabilities	41	138,017	136,080	-	-
Defined and other long-term employee benefits	42	6,727	4,236	-	-
Deposits received		1,939	2,108	-	-
Other non-financial liabilities		7,792	3,696	-	-
Interest-bearing loans and borrowings	34	233,096	281,660	18,813	46,033
Convertible bonds	36	41,318	-	41,318	-
Derivative liability conversion option in convertible bonds	37	15,182	-	15,182	-
Other payables		3,034	2,810	-	-
Lease liabilities	39	32,298	33,442	-	-
Amounts due to subsidiaries		-	-	130,476	136,073
		<b>479,403</b>	<b>464,032</b>	<b>205,789</b>	<b>182,106</b>
<b>Total liabilities</b>		<b>951,111</b>	<b>996,456</b>	<b>400,656</b>	<b>450,445</b>
<b>Net assets</b>		<b>627,600</b>	<b>747,413</b>	<b>458,717</b>	<b>475,861</b>
<b>Equity attributable to owners of the Company</b>					
Share capital	43	241,750	241,520	241,750	241,520
Treasury shares	44	(758)	(900)	(758)	(900)
Reserves	44	325,247	433,615	217,725	235,241
		<b>566,239</b>	<b>674,235</b>	<b>458,717</b>	<b>475,861</b>
Non-controlling interests		61,361	73,178	-	-
<b>Total equity</b>		<b>627,600</b>	<b>747,413</b>	<b>458,717</b>	<b>475,861</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# Statements of Changes In Equity

For the financial year ended 31 December 2020

Group	Share capital \$'000	Treasury shares \$'000	Share-based payment reserve \$'000	Legal reserve \$'000	Property revaluation reserve \$'000	Currency translation reserve \$'000	Other reserves \$'000 Note 44(f)	Accumulated profits \$'000	Equity attributable to owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>2020</b>											
At 1 January 2020	241,520	(900)	8,111	8,280	208,723	(18,980)	21,100	206,381	674,235	73,178	747,413
Loss after taxation	-	-	-	-	-	-	-	(95,838)	(95,838)	(6,670)	(102,508)
Other comprehensive loss for the financial year	-	-	-	-	(323)	(10,263)	(447)	(1,053)	(12,086)	(2,118)	(14,204)
Total comprehensive loss for the financial year	-	-	-	-	(323)	(10,263)	(447)	(96,891)	(107,924)	(8,788)	(116,712)
<b>Contributions by and distributions to owners</b>											
Treasury shares reissued pursuant to Share-based Incentive Plan	-	142	(60)	-	-	-	(82)	-	-	-	-
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	(78)	-	-	-	-	-	(78)	-	(78)
Issue of new shares	230	-	-	-	-	-	-	-	230	-	230
Total transactions with owners in their capacity as owners	230	142	(138)	-	-	-	(82)	-	152	-	152
<b>Other changes in equity</b>											
Dividends paid to loan stockholders of a subsidiary	-	-	-	-	-	-	-	(224)	(224)	-	(224)
Dividends paid to non-controlling shareholders of a subsidiary	-	-	-	-	-	-	-	-	-	(3,029)	(3,029)
Transfer to accumulated profits upon disposal of asset	-	-	-	-	(2,277)	-	-	2,277	-	-	-
Total other changes in equity	-	-	-	-	(2,277)	-	-	2,053	(224)	(3,029)	(3,253)
At 31 December 2020	241,750	(758)	7,973	8,280	206,123	(29,243)	20,571	111,543	566,239	61,361	627,600

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# Statements of Changes In Equity

For the financial year ended 31 December 2020

Group	Share capital \$'000	Treasury shares \$'000	Share-based payment reserve \$'000	Legal reserve \$'000	Property revaluation reserve \$'000	Currency translation reserve \$'000	Other reserves \$'000 Note 44(f)	Accumulated profits \$'000	Equity attributable to owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>2019</b>											
At 1 January 2019 as previously reported	241,520	(1,149)	8,187	8,280	177,497	(40,770)	26,402	226,161	646,128	73,627	719,755
Effect of adopting SFRS(I) 16	-	-	-	-	-	-	-	(12,195)	(12,195)	(6)	(12,201)
At 1 January 2019, as restated	241,520	(1,149)	8,187	8,280	177,497	(40,770)	26,402	213,966	633,933	73,621	707,554
Profit after taxation	-	-	-	-	-	-	-	651	651	1,878	2,529
Other comprehensive income for the financial year	-	-	-	-	32,161	21,790	(5,301)	(129)	48,521	10,177	58,698
Total comprehensive income for the financial year	-	-	-	-	32,161	21,790	(5,301)	522	49,172	12,055	61,227
<b>Contributions by and distributions to owners</b>											
Dividends paid on ordinary shares	-	-	-	-	-	-	-	(8,818)	(8,818)	-	(8,818)
Treasury shares reissued pursuant to Share-based Incentive Plan	-	249	(248)	-	-	-	(1)	-	-	-	-
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	172	-	-	-	-	-	172	-	172
Total transactions with owners in their capacity as owners	-	249	(76)	-	-	-	(1)	(8,818)	(8,646)	-	(8,646)
<b>Other changes in equity</b>											
Dividends paid to loan stockholders of a subsidiary	-	-	-	-	-	-	-	(224)	(224)	-	(224)
Dividends paid to non-controlling shareholders of a subsidiary	-	-	-	-	-	-	-	-	-	(12,498)	(12,498)
Transfer to accumulated profits upon disposal of asset	-	-	-	-	(935)	-	-	935	-	-	-
Total other changes in equity	-	-	-	-	(935)	-	-	711	(224)	(12,498)	(12,722)
At 31 December 2019	241,520	(900)	8,111	8,280	208,723	(18,980)	21,100	206,381	674,235	73,178	747,413

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# Statements of Changes In Equity

For the financial year ended 31 December 2020

Company	Share capital \$'000	Treasury shares \$'000	Share-based payment reserve \$'000	Other reserves \$'000 Note 44(f)	Accumulated profits \$'000	Total equity \$'000
At 1 January 2020	241,520	(900)	8,111	4,663	222,467	475,861
Loss after taxation	-	-	-	-	(17,296)	(17,296)
Total comprehensive loss for the financial year	-	-	-	-	(17,296)	(17,296)
<b>Contributions by and distributions to owners</b>						
Treasury shares reissued pursuant to Share-based Incentive Plan	-	142	(60)	(82)	-	-
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	(78)	-	-	(78)
Issue of new shares	230	-	-	-	-	230
Total transactions with owners in their capacity as owners	230	142	(138)	(82)	-	152
At 31 December 2020	241,750	(758)	7,973	4,581	205,171	458,717
At 1 January 2019	241,520	(1,149)	8,187	4,664	62,624	315,846
Profit after taxation	-	-	-	-	168,661	168,661
Total comprehensive income for the financial year	-	-	-	-	168,661	168,661
<b>Contributions by and distributions to owners</b>						
Dividends paid on ordinary shares	-	-	-	-	(8,818)	(8,818)
Treasury shares reissued pursuant to Share-based Incentive Plan	-	249	(248)	(1)	-	-
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	172	-	-	172
Total transactions with owners in their capacity as owners	-	249	(76)	(1)	(8,818)	(8,646)
At 31 December 2019	241,520	(900)	8,111	4,663	222,467	475,861

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# Consolidated Cash Flow Statement

For the financial year ended 31 December 2020

	Note	2020 \$'000	2019 \$'000
<b>Cash flows from operating activities</b>			
(Loss)/Profit before taxation		(94,572)	13,956
Adjustments for:			
Share of results of associates		6,686	(479)
Depreciation of property, plant and equipment and right-of-use assets	13/39	25,557	22,945
Loss on disposal of property, plant and equipment, net	7	9	154
Write-off of property, plant and equipment	7	559	882
Write-off of investment property	7	-	415
Impairment loss on property, plant and equipment	7	6,252	5,811
Finance income	8	(7,016)	(7,720)
Finance costs	9	33,448	26,762
Amortisation expense		779	764
Impairment losses on financial assets	10	2,135	3,944
Write-off of property development costs	7	15,862	-
Allowance for inventory obsolescence	7	4	46
Defined and other long-term employee benefits expense	42	5,250	785
Share-based payment expenses	5	(70)	245
Fair value loss on derivatives	7	5,702	-
Net fair value loss/(gain) on investment properties	4/7	27	(3,736)
Currency realignment		(6,723)	115
		88,461	50,933
Operating (loss)/profit before working capital changes		(6,111)	64,889
Decrease in inventories		827	549
Increase in property development costs		(365)	(21,987)
Decrease/(Increase) in trade and other receivables and contract assets		5,791	(20,546)
Decrease in amounts due from related parties		384	3,116
Increase in trade and other payables, and contract liabilities		7,635	3,608
		14,272	(35,260)
<b>Cash flows generated from operating activities</b>		8,161	29,629
Interest received		3,319	3,908
Interest paid		(22,930)	(24,037)
Tax paid		(3,493)	(8,644)
Payment of employee benefits	42	(4,196)	(262)
Payment of cash-settled share grants		(14)	(82)
<b>Net cash flows (used in)/generated from operating activities</b>		(19,153)	512

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# Consolidated Cash Flow Statement

For the financial year ended 31 December 2020

	Note	2020 \$'000	2019 \$'000
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	13	(9,196)	(47,863)
Proceeds from disposal of property, plant and equipment		114	579
Additions to land use rights	16	-	(120)
Increase in investment in associates		-	(123)
Increase in long-term investments		-	(81)
Dividend income from an associate		520	1,220
Purchase of investment properties	14	-	(3,680)
Additions to intangible assets	15	(478)	(657)
<b>Net cash flows used in investing activities</b>		<b>(9,040)</b>	<b>(50,725)</b>
<b>Cash flows from financing activities</b>			
Proceeds from bank loans		88,145	265,124
Repayment of bank loans		(82,294)	(143,113)
Repayment of notes payable		(100,000)	(125,000)
Payment of principal portion of lease liabilities	39	(3,560)	(2,698)
Payment of dividends			
- by subsidiaries to non-controlling interests		(3,029)	(12,498)
- by subsidiaries to loan stockholders		(224)	(224)
- by Company to shareholders		-	(8,818)
Proceeds from issue of bonds	36	50,403	-
<b>Net cash flows used in financing activities</b>		<b>(50,559)</b>	<b>(27,227)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(78,752)</b>	<b>(77,440)</b>
<b>Net foreign exchange difference</b>		<b>(763)</b>	<b>2,061</b>
<b>Cash and cash equivalents at beginning of the financial year</b>		<b>130,802</b>	<b>206,181</b>
<b>Cash and cash equivalents at end of the financial year</b>	32	<b>51,287</b>	<b>130,802</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 1. CORPORATE INFORMATION

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

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

The principal activities of the Company are those of investment holding and the provision of project design and management services. The principal activities of the subsidiaries are set out in Note 17 to the financial statements. There have been no significant changes in the nature of these activities during the year.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of preparation

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)").

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

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

#### *Fundamental accounting concept*

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

As at 31 December 2020, the Group recorded net current liabilities of \$24,188,000 (2019: net current assets of \$30,864,000). Subsequent to 31 December 2020, the Group has converted \$20,000,000 current portion of interest-bearing loans to a 3-year term loan, secured another \$20,000,000 of a 2-year term loan and also obtained an in-principle approval for \$15,000,000 of interest-bearing loans and borrowings to be rolled over and repaid in 2022.

These measures were mentioned when the Group announced on 8 March 2021 that it was actively taking steps to build up its liquidity through collections of outstanding trade receivables, monetising completed inventory in property development costs and renewal or converting its interest-bearing loans and borrowings of \$226,204,000 (2019: \$177,966,000 and notes payable of \$99,926,000) into longer maturities. Included under current liabilities as other payables was a loan from an investment of \$60,295,000 which can be settled simultaneously against redeemable convertible preference shares ("RCPS") of an equivalent amount under long-term investments on the balance sheet. Please refer to Balance sheet and Note 40 for further details.

As a result of these post balance sheet events and steps taken to strengthen the Group's liquidity position, Management of the Group is confident that the continuing use of the going concern assumption in the preparation of the financial statements is appropriate.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and revised standards which are effective for the annual financial periods beginning on or after 1 January 2020. The adoption of these standards, did not have any material effect on the financial performance or position of the Group and the Company.

#### Amendments to SFRS(I) 3: Definition of a Business

The amendment to SFRS(I) 3 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs. These amendments had no impact to the consolidated financial statements of the Group, but may impact future periods should the Group enter into any business combinations.

#### Amendments to SFRS(I) 1-1 and SFRS(I) 1-8 Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the consolidated financial statements of, nor is there expected to be any future impact to the Group.

### 2.3 Standards issued but not yet effective

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 16 on <i>COVID-19 related rent concessions</i>	1 June 2020
SFRS(I)17 <i>Insurance Contracts</i>	1 January 2023
Amendments to SFRS(I) 1-1 on <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to SFRS(I) 10 and SFRS(I) 1-28 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Date to be determined

The directors expect that the adoption of the standards above will have no material impact to the financial statements in the year of initial application.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.4 Significant accounting estimates and judgments

Estimates, assumptions concerning the future and judgments are made in the preparation of the financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

The Group has considered the impact of COVID-19 in preparing its financial statements for the year. The critical accounting estimates and key judgement areas of the Group have required additional consideration and analysis due to the impact of COVID-19. Other than adjusting events that provide evidence of conditions that existed at the end of the financial year, the impact of events that arise after the reporting period will be accounted for in future reporting periods. The impact of COVID-19 increases the level of judgement required across a number of key areas for the Group, in particular the recognition and measurement of the assets as at 31 December 2020 and projected cash flows in the next 12 months. The COVID-19 assumptions and considerations for the critical accounting estimates and key judgement areas of the Group relating to recognition and measurement of the assets as at 31 December 2020 are outlined in further detail in Note 50(d)(iii) Level 3 fair value measurements policies and procedures.

#### **(a) Key sources of estimation uncertainty**

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

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

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

When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. Further details of the key assumptions applied in the impairment assessment of goodwill and trademarks including a sensitivity analysis, are given in Note 15 to the financial statements.

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

The cost of property, plant and equipment is depreciated on a straight-line basis over their useful lives. Management estimates the useful lives of these property, plant and equipment to be within 3 to 50 years. The carrying amounts of the Group's property, plant and equipment at 31 December 2020 are disclosed in Note 13 to the financial statements. Changes in the expected level of usage and technological developments could impact the economic useful lives of these assets, therefore future depreciation charges could be revised.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

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

##### (iii) Provision for loss allowance for trade and non-trade receivables

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

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amounts of the Group's trade and non-trade receivables at the end of each reporting period are disclosed in Note 50(h) to the financial statements.

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

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

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

The assessment of the estimated future repayments, historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast of economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade and non-trade receivables is disclosed in Note 48(a).

The carrying amounts of trade and non-trade receivables as at 31 December 2020 are disclosed in Notes 3, 18, 21, 22, 27, 28, 30 and 31.

##### (iv) Deferred tax assets

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

Where taxable profits are expected in the foreseeable future, deferred tax assets are recognised on the unused tax losses. The carrying values of recognised tax losses and unrecognised tax losses at 31 December 2020 are disclosed in Note 41.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

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

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

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

The Group engaged professional independent property valuers to determine the fair values for its freehold properties and investment properties in Singapore, Thailand, Sri Lanka and Morocco on a regular basis. The fair value is determined using recognised valuation techniques which require the use of estimates such as market comparables, future cash flows and discount rates applicable to these assets. These estimates are based on local market conditions existing at each valuation date. The professional independent property valuers have considered available information as at 31 December 2020 relating to COVID-19 and have made necessary adjustments due to the COVID-19 pandemic on the valuation. The valuation reports also highlighted that given the unprecedented set of circumstances on which to base a judgement, less certainty, and a higher degree of caution, should be attached to their valuations than would normally be the case.

The carrying amount, key assumptions and valuation techniques used to determine the fair value of the freehold and investment properties of the Group are stated in Notes 13, 14 and 50 respectively.

##### (vi) Fair value of financial instruments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses its judgment to select the appropriate valuation model and make assumptions that are mainly based on market conditions existing at the end of each reporting period. The inputs to this model are derived from market data where possible, but where not feasible, a degree of judgment is required in establishing fair values. For details of the valuation method and key assumptions used, refer to Notes 18, 19, 23, 37 and 50(d).

#### (b) Judgments made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgments which have the most significant effect on the amounts recognised in the consolidated financial statements:

##### (i) Investment in associates

Management has assessed and is of the view that the Group exercises significant influence over associates, as disclosed in Note 18, notwithstanding that the Group holds less than 20% voting power in these companies. The Group is deemed to exercise significant influence by virtue of its representation on the board/governing committees of these entities.

##### (ii) Income taxes

The Group has exposure to income taxes in numerous jurisdictions. Significant judgment is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amounts of the Group's income tax payables and net deferred tax liabilities at 31 December 2020 are disclosed in the balance sheet and Note 41 respectively.

##### (iii) Determination of functional currency

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the entities in the Group, judgment is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currencies of the entities in the Group are determined based on management's assessment of the economic environment in which the entities operate and the entities' process of determining sales prices.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.5 Foreign currency

The financial statements are presented in Singapore Dollars, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

#### (a) Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

#### (b) Consolidated financial statements

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

In the case of a partial disposal without loss of control of a subsidiary that includes a foreign operation, the proportionate share of the cumulative amount of the exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For partial disposals of associates or jointly controlled entities that are foreign operations, the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

### 2.6 Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less any impairment losses.

### 2.7 Basis of consolidation and business combinations

#### (a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.7 Basis of consolidation and business combinations (cont'd)

#### (a) Basis of consolidation (cont'd)

Losses within a subsidiary are attributed to the non-controlling interests even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- de-recognises the assets (including goodwill) and liabilities for the subsidiary at their carrying amounts at the date when control is lost;
- de-recognises the carrying amount of any non-controlling interests;
- de-recognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss;
- reclassifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

#### (b) Business combinations and goodwill

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is an asset or liability are recognised in profit or loss.

Non-controlling interests in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of net assets of the acquiree are recognised on the acquisition date at either fair value, or the non-controlling interests' proportionate share of the acquiree's identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interests in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The cash-generating units to which goodwill have been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.8 Transactions with non-controlling interests

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

### 2.9 Joint ventures and associates

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

The Group accounts for its investments in associates and joint ventures using the equity method from the date on which it becomes an associate or joint venture.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities represents goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate's or joint venture's profit or loss in the period in which the investment is acquired.

Under the equity method, the investments in associates or joint ventures are carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates or joint ventures. The profit or loss reflects the share of results of the operations of the associates or joint ventures. Distributions received from associates or joint ventures reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associates or joint venture, the Group recognises its share of such changes in other comprehensive income. Unrealised gains or losses resulting from transactions between the Group and associate or joint venture are eliminated to the extent of the interest in the associates or joint ventures.

Where the Group's share of losses in an associate or joint venture equals or exceeds its interest in the associate or joint venture, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate or joint venture.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in associates or joint ventures. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate or joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and recognises the amount in profit or loss.

The financial statements of the associates and joint ventures are prepared as the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

### 2.10 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The accounting policy for borrowing costs is set out in Note 2.21. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.10 Property, plant and equipment (cont'd)

Subsequent to recognition, property, plant and equipment other than freehold land and buildings are measured at cost or valuation less accumulated depreciation and any accumulated impairment losses. The Group segregates land and buildings into two classes: leasehold and freehold. For leasehold land and buildings, the Group adopts the cost model and no revaluation will be carried out on these classes of assets. For freehold land and buildings, the Group adopts the revaluation model. Fair value is determined based on appraisal undertaken by professional independent property valuers, using market-based evidence.

Valuations are performed with sufficient regularity to ensure that their carrying amounts do not differ materially from their fair values at the end of the reporting period.

When an asset is revalued, any increase in the carrying amount is credited to other comprehensive income and accumulated in equity under the property revaluation reserve. However, the increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset carried in the property revaluation reserve.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The revaluation surplus included in the property revaluation reserve in respect of an asset is transferred directly to accumulated profits on retirement or disposal of the asset.

Freehold land has an unlimited useful life and therefore is not depreciated. Construction-in-progress included in property, plant and equipment are not depreciated as these assets are not available for use. Depreciation of an asset begins when it is available for use and is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Freehold buildings	-	40 to 50 years
Leasehold buildings	-	10 to 50 years
Furniture, fittings and equipment	-	3 to 20 years
Computers	-	3 years
Motor vehicles	-	5 to 10 years

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

### 2.11 Investment properties

Investment properties are properties that are either owned by the Group or leased under a finance lease that are held to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administrative purposes, or in the ordinary course of business. Investment properties comprise completed investment properties and properties that are being constructed or developed for future use as investment properties. Properties held under operating leases are classified as investment properties when the definition of an investment property is met.

Investment properties are initially measured at cost, including transaction costs.

Subsequent to initial recognition, investment properties are measured at fair value. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognised in profit or loss in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner-occupied property to investment property, the property is accounted for in accordance with the accounting policy for property, plant and equipment set out in Note 2.10 up to the date of change in use.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.12 Intangible assets

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives except those classified as other intangible assets are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is de-recognised.

#### (a) Trademarks

The trademarks acquired are measured on initial recognition at cost. Following initial recognition, the trademarks are carried at cost less any accumulated impairment loss. The useful life of trademarks is estimated to be indefinite as management believes that there is no foreseeable limit to the period over which the trademarks are expected to generate net cash flows for the Group.

#### (b) Other intangible assets

Sales commission costs arising from property sales are recognised as an intangible asset when the Group can demonstrate that these are incremental costs directly attributable to securing a property sales contract and are recoverable in the gross margin of the contract. Incremental cost is one that would not have been incurred if the Group had not secured the property sales contract.

Following initial recognition of the sales commission costs as an intangible asset, it is carried at cost and expensed off to profit or loss upon the recognition of revenue from property sales.

#### (c) Club membership

Club membership was acquired separately and is amortised on a straight-line basis over its remaining useful life of underlying assets.

### 2.13 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.13 Impairment of non-financial assets (cont'd)

Impairment losses are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Reversal of an impairment loss is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal in excess of impairment loss previously recognised through profit or loss is treated as a revaluation increase recognised in other comprehensive income. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

### 2.14 Financial instruments

#### (a) Financial assets

##### Initial recognition and measurement

Financial assets are recognised when, and only when the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

##### Subsequent measurement

##### *Investments in debt instruments*

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are:

#### (i) Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at fair value and subsequently at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

#### (ii) Fair value through other comprehensive income ("FVOCI")

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is de-recognised.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.14 Financial instruments (cont'd)

#### (a) Financial assets (cont'd)

##### Subsequent measurement (cont'd)

##### *Investments in debt instruments (cont'd)*

##### (iii) Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

##### *Investments in equity instruments*

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in other comprehensive income. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

##### *Derivatives*

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in fair value of derivatives are recognised in profit or loss.

##### De-recognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is de-recognised where:

- The contractual rights to receive cash flows from the asset has expired; or
- The Group retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients in a 'pass-through' arrangement; or
- The Group has transferred its rights to receive cash flows from the asset and either has transferred substantially all the risks and rewards of the asset, or has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset, is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised directly in other comprehensive income for debt instruments is recognised in profit or loss.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.14 Financial instruments (cont'd)

#### (b) Financial liabilities

##### Initial recognition and measurement

Financial liabilities are recognised when, and only when the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition. Financial liabilities include trade payables, which are normally settled on 30 to 90 days' terms, other payables, amounts due to subsidiaries, associates and related parties, interest-bearing loans and borrowings, and notes payable.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

##### Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised, and through the amortisation process.

##### De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expired. On de-recognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

#### (c) *Offsetting of financial instruments*

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### (d) *Derivative financial instruments*

Derivative financial instruments are initially recognised at fair value on the date the derivative contract is entered into and subsequently re-measured at their fair values at the end of each reporting period.

A derivative financial instrument is carried as an asset when the fair value is positive and as a liability when the fair value is negative.

Any gains or losses arising from the changes in fair value are recognised in profit or loss.

### 2.15 Long-term investments

Investment securities under long-term investments are classified as equity investments at FVOCI.

### 2.16 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.17 Property development costs

Development properties are properties acquired or being constructed for sale in the ordinary course of business, rather than to be held for the Group's own use, rental or capital appreciation.

Development properties are held as inventories and are measured at the lower of cost and net realisable value. Costs comprise cost of land, design fee, infrastructure and construction and related interest and are assigned by using specific identification. Included in the property development costs are completed properties which are held for sale in the ordinary course of business.

Non-refundable commissions paid to sales or marketing agents on the sale are capitalised and amortised to profit or loss when the Group recognises the related revenue.

Net realisable value of the development properties is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date and discounted for the time value of money if material, less the estimated costs of completion and the estimated costs necessary to make the sale.

The costs of development properties recognised in profit or loss on disposal are determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

### 2.18 Impairment of financial assets

The Group recognises an allowance for ECLs for all non-trade financial assets at amortised costs. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages under the general approach. For credit exposures which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, contract assets, amounts due from associates (trade) and amounts due from related parties (trade), the Group applies a simplified approach in calculating ECLs. Therefore, the group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on geographical locations, aging of the debts and historical information that reflects high levels of default risk (e.g. in financial difficulty, outstanding legal law suits and amounts in dispute).

The Group considers a financial asset in default when contractual payments are 90 days past due or if there are significant deterioration in credit rating. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### 2.19 Inventories

Inventories are stated at the lower of cost and net realisable value.

Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- Food and beverage - cost of purchase on a weighted average basis;
- Trading goods and supplies - cost of purchase on a weighted average basis; and
- Materials and others - cost of purchase on a weighted average basis.

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.20 Segment reporting

For management reporting purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 51, including the factors used to identify the reportable segments and the measurement basis of segment information.

### 2.21 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

### 2.22 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### 2.23 Financial guarantee

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are measured at the higher of the amount of expected credit loss determined in accordance with the policy set out in Note 2.18 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised over the period of the guarantee.

### 2.24 Employee benefits

#### (a) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund ("CPF") scheme in Singapore, a defined contribution pension scheme. Contributions to national pension schemes and defined contribution plans are recognised as an expense in the period in which the related service is performed.

#### (b) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to the employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.24 Employee benefits (cont'd)

#### (c) Share-based payment

##### Performance share plan and restricted share plan

The Group's Performance Share Plan ("PSP") and Restricted Share Plan ("RSP") are both equity-settled and cash-settled share-based payment transactions.

The cost of these equity-settled share-based payment transactions is measured by reference to the fair value at the date of grant. This cost is recognised in profit or loss, with a corresponding increase in the share-based payment reserve, over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of shares that will ultimately vest. At the end of each reporting period, the Group revises its estimates of the number of PSP and RSP shares that are expected to vest on vesting date. Any revision of this estimate is included in profit or loss and a corresponding adjustment to equity over the remaining vesting period. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

The cost of cash-settled share-based payment transactions is measured initially at fair value at the grant date. This fair value is recognised in profit or loss over the vesting period with recognition of a corresponding liability. At the end of each reporting period, the Group revises its estimates of the number of PSP and RSP shares that are expected to vest on vesting date. Any revision of this estimate is included in profit or loss and a corresponding adjustment to liability over the remaining vesting period. Until the liability is settled, it is re-measured at each reporting date with changes in fair value recognised in profit or loss and a corresponding adjustment to liability for the period.

The share-based payment reserve is transferred to accumulated profits reserve upon expiry of the plan. Where shares are issued under the PSP or RSP, the share-based payment reserve is transferred to share capital if new shares are issued, or to treasury shares if the plan is satisfied by the reissuance of treasury shares.

No expense is recognised for shares under both PSP and RSP that do not ultimately vest, except where vesting is conditional upon a market or non-vesting condition, which are treated as vested irrespective of whether or not the market condition or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. In the case where the option does not vest as the result of a failure to meet a non-vesting condition that is within the control of the Group or the employee, it is accounted for as a cancellation. In such case, the amount of the compensation cost that otherwise would be recognised over the remainder of the vesting period is recognised immediately in profit or loss upon cancellation.

#### (d) Post employment benefits and other long term employment benefits plans

The subsidiaries in Thailand operate two unfunded benefit schemes, Legal Severance Pay ("LSP") and Long Service Award ("LSA") for qualifying employees.

The LSP scheme is a defined benefit plan which pays employees a lump sum benefit computed based on their number of years of service and their basic salary upon retirement or early termination of their employment contracts.

The LSA scheme is a long-term employee benefit which rewards employees in cash and/or in gold. To be entitled to the award, employees will have to complete certain number of years of service with the Group.

The benefit schemes are assessed using the projected unit credit actuarial valuation method. The cost of providing for the employee benefits are charged to profit or loss so as to spread the service cost over the service lives of employees in accordance with the actuarial valuation carried out during the year. The provision for the employee benefits is measured as the present value of the estimated future cash outflows by reference to the interest rates of government bonds in Thailand that have terms to maturity approximating the terms of the related liabilities. Actuarial gains and losses arising from LSP are recognised in other comprehensive income and for those arising from LSA to be recognised in profit or loss in the year these gains and losses arise.

The unvested past service costs are recognised as an expense on a straight-line basis over the average period until the benefits become vested. If the benefits are already vested, immediately following the introduction of, or changes to, a scheme, past service costs are recognised immediately.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.24 Employee benefits (cont'd)

#### (e) Defined benefits plans

The subsidiaries in Indonesia are required to provide a minimum pension benefit ("MPB") under the Indonesian Labour Law, which represents an underlying defined benefit obligation. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the interest rates of high-quality long-term bonds that are denominated in Indonesian Rupiah in which the benefits will be paid and that have terms of maturity similar to the related pension liability.

Remeasurements, comprising of actuarial gains and losses, are recognised immediately in the balance sheet with a corresponding debit or credit to other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss at the earlier between:

- (i) the date of the plan amendment or curtailment, and
- (ii) the date the related restructuring costs and termination benefits are recognised.

Net interest is calculated by applying the discount rate to the net defined benefit liability. The following changes in the net defined benefit obligation are recognised in the profit or loss:

- (i) Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements, and
- (ii) Net interest expense or income.

### 2.25 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### (a) As lessee

The Group applies a single recognition and measurement approach for all leases, except for leases of 'low value' assets and short-term leases. The Group recognises lease liabilities to make a lease payment and right-of-use assets representing the right to use the underlying assets during the lease term.

##### (i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Land	-	34 to 44 years
Buildings	-	2 to 4 years

If the ownership of the lease asset transfers to the Group at the end of the lease or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. The accounting policy for impairment of non-financial assets is set out in Note 2.13.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.25 Leases (cont'd)

#### (a) As lessee (cont'd)

##### (ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payments occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (eg. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

##### (iii) Short-term leases and leases of 'low value' assets

The Group applies the short-term lease recognition exemption to its short-term leases of equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### (b) As lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. The accounting policy for rental income is set out in Note 2.27(i).

### 2.26 Prepaid island rental and land use rights

Prepaid island rental and land use rights are initially measured at cost. Following initial recognition, prepaid island rental and land use rights are measured at cost less accumulated amortisation and accumulated impairment losses. The prepaid island rental and land use rights are amortised over the lease term as stipulated in the respective island rental and land use rights agreements.

### 2.27 Revenue

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation. The Group assesses its revenue arrangements to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements. The following specific recognition criteria must also be met before revenue is recognised:

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.27 Revenue (cont'd)

#### (a) Hotel investments

Revenue from hotel investments mainly comprises room rental, food and beverage sales and auxiliary activities, and represents the invoiced value of services rendered after deducting discounts. Revenue is recognised at a point in time when the services are rendered.

#### (b) Property sales

##### – Sale of completed development property

Revenue from sale of a development property is recognised at a point in time when control over the property is transferred to the buyer, which is normally on unconditional exchange of contracts. For conditional exchanges, sales are recognised only when all the significant conditions are satisfied.

##### – Sale of development property under construction

Where development property is under construction and agreement has been reached to sell such property when construction is completed, revenue is recognised at a point in time when control over the property is transferred to the buyer.

#### (c) Management services

Management services comprises the management of hotels and resorts, the management of an asset-backed club, the management of private-equity funds and the management of golf courses.

Revenue from management services is recognised at a point in time as and when performance obligations relating to the relevant services are rendered. This is based on allocating the transaction price, including estimating stand-alone selling prices of each of the services provided.

#### (d) Spa operation

Revenue from operating spas is recognised at a point in time as and when the relevant services are rendered.

#### (e) Merchandise sales

Revenue is recognised at a point in time when control of the goods is transferred to the customer, and generally coincides with delivery and acceptance of goods. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or possible return of goods.

Payment of the transaction price is due immediately at the point the customer purchases the goods for retail customer. Otherwise, invoices are issued on a monthly basis and are payable within 30 days.

#### (f) Project and design services

Revenue from the provision of project design and design services is recognised over time based on completion of certain performance obligation according to the stage of completion as certified by qualified professionals.

Progress billings to the customers are based on a payment schedule in the contract and are typically triggered upon achievement of specified project milestones. A contract asset is recognised when the Group has performed under the contract but has not yet billed the customer. Conversely, a contract liability is recognised when the Group has not yet performed under the contract but has received advance payments from the customer.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.27 Revenue (cont'd)

#### (g) Dividend income

Dividend income is recognised in profit or loss when the Group's right to receive payment is established.

#### (h) Interest income

Interest income is recognised using the effective interest method.

#### (i) Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms.

### 2.28 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

### 2.29 Taxes

#### (a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### (b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are recognised for all temporary differences, except:

- Where the deferred tax arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled by the Group and it is probable that the temporary differences will not reverse in the foreseeable future; and
- In respect of deductible temporary differences and carry-forward of unused tax credits and unused tax losses, if it is not probable that taxable profit will be available against which the deductible temporary differences, and carry-forward of unused tax credits and unused tax losses can be utilised.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.29 Taxes (cont'd)

#### (b) Deferred tax (cont'd)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction of goodwill (as long as it does not exceed goodwill) if it is incurred during the measurement period or in profit or loss.

#### (c) Sales tax

Revenue, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

### 2.30 Share capital and share issuance expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

### 2.31 Treasury shares

When shares recognised as equity are reacquired, the amount of consideration paid is recognised directly in equity. Reacquired shares are classified as treasury shares and presented as a deduction from total equity. When treasury shares are subsequently sold or reissued pursuant to equity compensation plans, the cost of treasury shares is reversed from treasury shares account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs, is recognised in equity. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them respectively.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.32 Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- (b) a present obligation that arises from past events but is not recognised because:
  - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

### 2.33 Related parties

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Group and the Company if that person:
  - (i) has control or joint control over the Company;
  - (ii) has significant influence over the Company; or
  - (iii) is a member of the key management personnel of the Group or Company or of a parent of the Company.
- (b) An entity is related to the Group and the Company if any of the following conditions applies:
  - (i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) both entities are joint ventures of the same third party.
  - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.
  - (vi) the entity is controlled or jointly controlled by a person identified in (a).
  - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

## 3. REVENUE

### (a) Disaggregation of revenue

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

Segments	Hotel investments		Property sales		Fee-based segment		Total revenue	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>Primary geographical markets</b>								
Singapore	-	-	-	-	594	964	594	964
South East Asia	44,714	134,374	69,398	114,223	15,091	40,874	129,203	289,471
Indian Oceania	17,031	37,569	-	-	215	706	17,246	38,275
Middle East	-	-	-	-	219	583	219	583
North East Asia	-	-	-	-	6,134	9,048	6,134	9,048
Rest of the world	431	1,747	-	-	4,005	6,866	4,436	8,613
	<b>62,176</b>	<b>173,690</b>	<b>69,398</b>	<b>114,223</b>	<b>26,258</b>	<b>59,041</b>	<b>157,832</b>	<b>346,954</b>
<b>Major product or service lines</b>								
Hotel investments	62,176	173,690	-	-	-	-	62,176	173,690
Property sales	-	-	69,398	114,223	-	-	69,398	114,223
Management services	-	-	-	-	14,127	31,230	14,127	31,230
Spa operation	-	-	-	-	3,250	11,057	3,250	11,057
Project and design services	-	-	-	-	2,571	4,498	2,571	4,498
Merchandise sales	-	-	-	-	4,677	8,201	4,677	8,201
Rental income	-	-	-	-	1,633	4,055	1,633	4,055
	<b>62,176</b>	<b>173,690</b>	<b>69,398</b>	<b>114,223</b>	<b>26,258</b>	<b>59,041</b>	<b>157,832</b>	<b>346,954</b>
<b>Timing of transfer of goods or services</b>								
At a point in time	62,176	173,690	69,398	114,223	23,357	50,179	154,931	338,092
Over time	-	-	-	-	2,901	8,862	2,901	8,862
	<b>62,176</b>	<b>173,690</b>	<b>69,398</b>	<b>114,223</b>	<b>26,258</b>	<b>59,041</b>	<b>157,832</b>	<b>346,954</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 3. REVENUE (CONT'D)

### (b) Contract assets and contract liabilities

Information about receivables, contract assets and contract liabilities from contracts with customers is disclosed as follows:

	Group	
	2020 \$'000	2019 \$'000
Long-term receivables – Trade (Note 21)	41,530	50,288
Trade receivables (Note 27)	38,163	40,305
Contract assets	2,592	2,638
Contract liabilities	(52,853)	(55,034)

The Group has recognised write back on impairment losses on receivables arising from contracts with customers amounting to \$31,000 (2019: \$67,000).

Contract assets primarily relate to the Group's right to consideration for work completed but not yet billed at reporting date for project and design services. Contract assets are transferred to receivables when the rights become unconditional.

Contract liabilities primarily relate to the Group's obligation to transfer services to customers for which the Group has received advances from customers for project and design services, hotel operations and property sales.

Contract liabilities are recognised as revenue as the Group performs under the contract.

#### (i) Significant changes in contract assets are explained as follows:

	Group	
	2020 \$'000	2019 \$'000
Contract asset reclassified to receivables	(2,638)	(1,752)

#### (ii) Significant changes in contract liabilities are explained as follows:

	Group	
	2020 \$'000	2019 \$'000
Revenue recognised that was included in the contract liability balance at the beginning of the year	26,820	30,834

## 3. REVENUE (CONT'D)

### (c) Transaction price allocated to remaining performance obligations

#### Property sales

The Group expects to recognise \$108,821,000 (2019: \$178,222,000) as revenue relating to the transaction price allocated to the unsatisfied (or partially unsatisfied) performance obligations as at 31 December 2020 within the next 3 years.

#### Management services

Other than revenue from the management of hotels and resorts, the Group expects to recognise \$10,407,000 (2019: \$3,831,000) as revenue relating to the transaction price allocated to the unsatisfied (or partially unsatisfied) performance obligations as at 31 December 2020 within the next 5 years.

#### Spa operation

The Group expects to recognise \$1,422,000 (2019: \$1,116,000) as management fees relating to the transaction price allocated to the unsatisfied (or partially unsatisfied) performance obligations as at 31 December 2020 within the next 3 years.

#### Project and design services

The Group expects to recognise \$5,238,000 (2019: \$2,849,000) as revenue relating to the transaction price allocated to the unsatisfied (or partially unsatisfied) performance obligations as at 31 December 2020 within the next 3 years.

The above amounts have not included the following:

- Performance obligations for which the Group has applied the practical expedient not to disclose information about its remaining performance obligations if:
  - The performance obligation is part of a contract that has an original expected duration of one year or less, or
  - The Group recognises revenue from the management of hotels and resorts based on the underlying hotel performance completed to date.
- Variable consideration that is constrained and therefore is not included in the transaction price.

## 4. OTHER INCOME

	Group	
	2020 \$'000	2019 \$'000
Management and service fees	195	205
Net fair value gain on investment properties (Note 14)	-	3,736
Rental income	849	797
Fair value gain on investment securities (Note 23)	6	-
Others	697	1,089
	1,747	5,827

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 5. SALARIES AND RELATED EXPENSES

	Group	
	2020 \$'000	2019 \$'000
Salaries, wages and other related costs	41,181	79,164
Defined and other long-term employee benefits expense (Note 42)	5,250	785
Share-based payment expenses	(70)	245
Contributions to defined contribution plans	2,327	2,841
Severance payments	7,255	-
The above amounts include salaries and related expenses of key management personnel	55,943	83,035

Salaries, wages and other related costs are net of the government grants of \$2,844,000 (2019: \$Nil), which relates to Jobs Support Scheme funded by the Singapore Government under the COVID-19 (Temporary Measures) Act 2020.

## 6. OTHER OPERATING EXPENSES

The following items have been included in arriving at other operating expenses:

	Group	
	2020 \$'000	2019 \$'000
Utilities and communication	7,716	15,508
Repair and maintenance	6,241	11,362
Printing and stationery	737	1,697
Travelling and transportation	271	2,954
Commission expenses	3,538	9,344
Laundry and valet	896	2,166
Guest expendable supplies	1,441	5,058

## 7. (LOSS)/PROFIT FROM OPERATIONS AND OTHER GAINS

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

	Group	
	2020 \$'000	2019 \$'000
Audit fees:		
- Auditor of the Company	491	428
- Other auditors	650	717
Non-audit fees:		
- Auditor of the Company	51	14
- Other auditors	9	9
Allowance for inventory obsolescence (Note 25)	4	46
Write-off of property, plant and equipment (Note 13)	559	882
Write-off of investment property (Note 14)	-	415
Impairment loss on property, plant and equipment (Note 13)	6,252	5,811
Exchange gain	(1,802)	(2,275)
Loss on disposal of property, plant and equipment, net	9	154
Fair value loss on derivatives (Note 37)	5,702	-
Write-off of property development costs (Note 24)	15,862	-
One-off settlement cost from a claim provision	4,252	-
Net fair value loss on investment properties (Note 14)	27	-

## 8. FINANCE INCOME

	Group	
	2020 \$'000	2019 \$'000
Interest received and receivable from:		
- Banks	517	1,686
- Related parties	108	2
- Interest accretion on amount due from associates (Note 18)	3,033	3,033
- Others	3,358	2,999
	7,016	7,720

The finance income of the Group is mainly derived from loans and receivables.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 9. FINANCE COSTS

	Group	
	2020 \$'000	2019 \$'000
Interest expense on:		
- Bank loans, notes payable and bank overdrafts carried at amortised cost	21,709	26,111
- Lease liabilities (Note 39)	2,325	2,290
- Convertible bonds (Note 36)	1,916	-
- Modification loss on amounts due from associates (Note 18)	419	-
- Modification loss on amounts due from related parties (Note 31)	7,360	-
	<b>33,729</b>	28,401
Less: interest expense capitalised in:		
- Property development costs (Note 24)	(281)	(1,639)
	<b>33,448</b>	26,762

## 10. IMPAIRMENT LOSSES ON FINANCIAL ASSETS

The following items have been included in arriving at impairment losses:

	Group	
	2020 \$'000	2019 \$'000
Impairment losses on financial assets:		
- Long-term amount due from associates (Note 18)	116	-
- Long-term receivables (Note 21)	269	3,618
- Amount due from associates (Note 30)	51	82
- Trade receivables (Note 27)	1,699	165
- Amount due from related parties (Note 31)	-	79
	<b>2,135</b>	3,944

Included in the Long-term receivables and Trade receivables are reversal of impairment losses from amount due from Banyan Tree Assets (China) Holdings Pte Ltd. ("BTAC") of \$758,000 (2019 impairment losses: \$3,593,000).

## 11. INCOME TAX EXPENSE

### Major components of income tax expense

Major components of income taxes for the financial years ended 31 December 2020 and 2019 are:

	Group	
	2020 \$'000	2019 \$'000
<b>Consolidated income statement:</b>		
<b>Current income tax</b>		
Current income taxation	6	4,243
Under/(Over) provision in respect of prior years	698	(691)
	<b>704</b>	3,552
<b>Deferred income tax</b>		
Origination and reversal in temporary differences	457	4,987
Benefits from previously unrecognised tax losses	-	(774)
Expiry or write-off of previously recognised deferred tax assets	5,510	808
	<b>5,967</b>	5,021
<b>Withholding tax expense</b>		
Current year provision	1,264	2,855
Under/(Over) provision in respect of prior years	1	(1)
	<b>1,265</b>	2,854
	<b>7,936</b>	11,427
<b>Statement of comprehensive income:</b>		
Deferred tax (credit)/expense related to other comprehensive income:		
- Adjustment on property revaluation reserve	(413)	9,045
- Actuarial loss on Legal Severance Pay	(314)	-

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 11. INCOME TAX EXPENSE (CONT'D)

### Relationship between tax expense and accounting profit

A reconciliation between tax expense and the product of accounting (loss)/profit multiplied by the applicable corporate tax rate for the financial years ended 31 December 2020 and 2019 respectively are as follows:

	Group	
	2020 \$'000	2019 \$'000
Accounting (loss)/profit before taxation	(94,572)	13,956
Income tax using Singapore tax rate of 17% (2019: 17%)	(16,077)	2,373
Effect of different tax rates in other countries	(3,116)	760
Expenses not deductible for tax purposes	9,171	4,086
Tax exempt income	56	(28)
Under/(Over) provision in respect of prior years	698	(691)
Deferred tax assets not recognised	9,292	1,346
Withholding tax	1,265	2,854
Expiry or write-off of previously recognised deferred tax assets	5,510	808
Share of results of associates	1,137	(81)
Income tax expense recognised in profit or loss	7,936	11,427

Group royalty fees income derived from Indonesia, Thailand and Maldives is subject to withholding tax at 15%, 8% and 10% respectively (2019: 15%, 8% and 10%). The Group also incurred withholding tax on rental income received from Indonesia at 20% (2019: 20%).

## 12. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing profit after taxation for the year that is attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share are calculated by dividing profit after taxation for the year that is attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Potential ordinary shares are weighted for the period they are outstanding. Potential ordinary shares that are cancelled or allowed to lapse during the period are included in the calculation of diluted earnings per share only for the portion of the period during which they are outstanding. Potential ordinary shares that are converted into ordinary shares during the period are included in the calculation of diluted earnings per share from the beginning of the period to the date of conversion; from the date of conversion, the resulting ordinary shares are included in both basic and diluted earnings per share.

The following table reflects the profit after taxation and share data used in the computation of basic and diluted earnings per share for the financial years ended 31 December:

	Group	
	2020 \$'000	2019 \$'000
(Loss)/Profit after taxation attributable to owners of the Company used in computation of basic and diluted earnings per share	(95,838)	651
	No. of shares	No. of shares
Weighted average number of ordinary shares for basic earnings per share computation	840,028,634	839,688,312
Effect of dilution:		
- Contingently issuable shares under Banyan Tree Share Award Scheme 2016	-	1,228,302
Weighted average number of ordinary shares for diluted earnings per share computation	840,028,634	840,916,614

### Earnings per share computation

For the financial year ended 31 December 2020, 930,149 contingently issuable shares under the Banyan Tree Performance Share Plan and 78,173,501 conversion shares under Convertible Bonds had been excluded from the calculation of diluted earnings per share as their effects would be anti-dilutive (i.e. loss per share would have been reduced in the event that dilutive potential shares issued are converted into ordinary shares). Thus, the dilutive earnings per share was the same as the basic earnings per share.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 13. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land \$'000	Freehold buildings \$'000	Leasehold buildings \$'000	Furniture, fittings and equipment \$'000	Computers \$'000	Motor vehicles \$'000	Construction-in-progress \$'000	Total \$'000
<b>Cost or valuation:</b>								
At 1 January 2019	342,344	249,638	40,765	177,014	15,478	11,916	8,902	846,057
Additions	427	3,210	943	5,803	1,300	683	35,497	47,863
Disposals	-	(22)	(2,350)	(1,543)	(661)	(233)	(511)	(5,320)
Write-off	-	-	-	(1,427)	(762)	(69)	(778)	(3,036)
Revaluation surplus	45,085	1,009	-	-	-	-	-	46,094
Elimination of accumulated depreciation on revaluation	-	(1,729)	-	-	-	-	-	(1,729)
Transfer (to)/from property development costs	(6,577)	10,412	-	762	-	-	-	4,597
Transfer in/(out)	-	17,946	483	14,255	620	1,999	(35,303)	-
Net exchange differences	21,208	14,178	464	14,008	679	643	613	51,793
<b>At 31 December 2019 and 1 January 2020</b>	<b>402,487</b>	<b>294,642</b>	<b>40,305</b>	<b>208,872</b>	<b>16,654</b>	<b>14,939</b>	<b>8,420</b>	<b>986,319</b>
Additions	21	299	-	3,003	446	247	5,180	9,196
Disposals	-	-	-	(310)	(163)	(790)	(36)	(1,299)
Write-off	(11)	(45)	-	(20,128)	(838)	(470)	(556)	(22,048)
Revaluation surplus	1,425	(2,387)	-	-	-	-	-	(962)
Elimination of accumulated depreciation on revaluation	-	(2,295)	-	-	-	-	-	(2,295)
Transfer (to)/from property development costs	(1,235)	(9,027)	(323)	-	-	-	-	(10,585)
Transfer in/(out)	-	11,181	-	(6,432)	62	49	(4,860)	-
Net exchange differences	(7,661)	(5,581)	(1,166)	(5,581)	(231)	(302)	(719)	(21,241)
<b>At 31 December 2020</b>	<b>395,026</b>	<b>286,787</b>	<b>38,816</b>	<b>179,424</b>	<b>15,930</b>	<b>13,673</b>	<b>7,429</b>	<b>937,085</b>

Transfer (to)/from property development costs relates to freehold buildings and other related assets that the Group will be using for its hospitality business.

## 13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group (cont'd)	Freehold land \$'000	Freehold buildings \$'000	Leasehold buildings \$'000	Furniture, fittings and equipment \$'000	Computers \$'000	Motor vehicles \$'000	Construction-in-progress \$'000	Total \$'000
<b>Accumulated depreciation and impairment losses:</b>								
At 1 January 2019	-	73,978	19,928	129,771	12,431	10,514	-	246,622
Depreciation charge for the financial year	-	7,886	967	10,390	1,684	504	-	21,431
Disposals	-	(14)	(2,187)	(1,498)	(656)	(232)	-	(4,587)
Write-off	-	-	-	(1,329)	(756)	(69)	-	(2,154)
Impairment loss	2,127	3,684	-	-	-	-	-	5,811
Elimination of accumulated depreciation on revaluation	-	(1,729)	-	-	-	-	-	(1,729)
Transfer to property development costs	-	(386)	-	(536)	-	-	-	(922)
Net exchange differences	-	11,256	(103)	10,549	485	534	-	22,721
<b>At 31 December 2019 and 1 January 2020</b>	<b>2,127</b>	<b>94,675</b>	<b>18,605</b>	<b>147,347</b>	<b>13,188</b>	<b>11,251</b>	<b>-</b>	<b>287,193</b>
Depreciation charge for the financial year	-	8,746	918	11,789	1,518	646	-	23,617
Disposals	-	-	-	(229)	(157)	(790)	-	(1,176)
Write-off	(11)	(43)	-	(20,127)	(838)	(470)	-	(21,489)
Impairment loss	1,721	3,577	-	954	-	-	-	6,252
Elimination of accumulated depreciation on revaluation	-	(2,295)	-	-	-	-	-	(2,295)
Transfer in/(out)	-	3,365	-	(3,364)	(1)	-	-	-
Net exchange differences	3	(3,924)	(295)	(2,248)	(145)	(230)	-	(6,839)
<b>At 31 December 2020</b>	<b>3,840</b>	<b>104,101</b>	<b>19,228</b>	<b>134,122</b>	<b>13,565</b>	<b>10,407</b>	<b>-</b>	<b>285,263</b>
<b>Net carrying amount:</b>								
At 31 December 2019	400,360	199,967	21,700	61,525	3,466	3,688	8,420	699,126
<b>At 31 December 2020</b>	<b>391,186</b>	<b>182,686</b>	<b>19,588</b>	<b>45,302</b>	<b>2,365</b>	<b>3,266</b>	<b>7,429</b>	<b>651,822</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The freehold land and freehold buildings of the Group are carried at valuation. The remaining items of property, plant and equipment are carried at cost.

### Revaluation of freehold land and buildings

Freehold land and buildings in Singapore were revalued on 8 December 2020 and 21 December 2020 by professional independent property valuers.

Freehold land and buildings in Thailand were revalued by a professional independent property valuer on 21 December 2020.

The hotel properties in Morocco, which comprise of freehold land and buildings, were appraised by a professional independent property valuer on 11 December 2020.

The hotel properties in Sri Lanka, which comprise of freehold land and buildings, were appraised by a professional independent property valuer on 31 December 2020.

Revaluation and details of valuation techniques and inputs used are disclosed in Note 50.

If the freehold land, freehold buildings and furniture, fittings and equipment in the freehold properties were measured using the cost model, the carrying amounts would be as follows:

	Group	
	2020 \$'000	2019 \$'000
Freehold land		
- Cost and net carrying amount	89,727	91,513
Freehold buildings		
- Cost	297,470	291,594
- Accumulated depreciation	(114,552)	(101,542)
- Net carrying amount	182,918	190,052
Furniture, fittings and equipment		
- Cost	184,586	199,977
- Accumulated depreciation	(142,119)	(145,723)
- Net carrying amount	42,467	54,254

## 13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

As at 31 December 2020, certain properties with net carrying amount amounting to \$460,103,000 (2019: \$477,603,000) were mortgaged to banks to secure credit facilities for the Group (Note 34).

Company	Furniture, fittings and equipment \$'000	Computers \$'000	Total \$'000
<b>Cost:</b>			
At 1 January 2019, 31 December 2019 and 1 January 2020	17	183	200
Disposals	-	-	-
<b>At 31 December 2020</b>	<b>17</b>	<b>183</b>	<b>200</b>
<b>Accumulated depreciation:</b>			
At 1 January 2019, 31 December 2019 and 1 January 2020	17	183	200
Disposals	-	-	-
<b>At 31 December 2020</b>	<b>17</b>	<b>183</b>	<b>200</b>
<b>Net carrying amount:</b>			
At 31 December 2019	-	-	-
<b>At 31 December 2020</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 14. INVESTMENT PROPERTIES

	Group	
	2020 \$'000	2019 \$'000
<b>Balance sheet:</b>		
At 1 January	63,504	51,801
Additions (subsequent expenditure)	-	3,680
Write-off of investment property (Note 7)	-	(415)
Transfer from property development costs	-	765
Net (loss)/gain from fair value adjustments recognised in profit or loss (Notes 4 and 7)	(27)	3,736
Net exchange differences	(1,412)	3,937
At 31 December	<b>62,065</b>	63,504
<b>Income statement:</b>		
Rental income from investment properties		
- Minimum lease payments	1,578	3,365
Direct operating expense (including repairs and maintenance) arising from:		
- Rental generating properties	1,142	1,972
- Non-rental generating properties	52	51

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 14. INVESTMENT PROPERTIES (CONT'D)

### Valuation of investment properties

Investment properties in Thailand are stated at fair value, which has been determined based on valuation report dated 28 December 2020. The revaluations were performed by a professional independent property valuer with a recognised and relevant professional qualification and with recent experience in the location and category of the properties being valued.

Freehold land and buildings were revalued using the market value approach.

Details of valuation techniques and inputs used are disclosed in Note 50.

### Properties pledged as security

Certain investment properties amounting to \$35,158,000 (2019: \$35,787,000) are mortgaged to secure bank loans (Note 34).

The investment properties held by the Group as at 31 December 2020 are as follows:

Description and Location	Existing Use	Tenure
Shopping centre with more than 50 leased outlets, Phuket, Thailand	Shops	Freehold
Land located at the shopping centre, Phuket, Thailand	Land for shopping centre	Freehold
63 office units in a 24-storey office tower, Bangkok, Thailand	Offices	Freehold
Land located in northern Thailand	Land awaiting development	Freehold

## 15. INTANGIBLE ASSETS

Group	Goodwill \$'000	Trademarks \$'000	Club membership \$'000	Other intangible assets \$'000	Total \$'000
<b>Cost:</b>					
At 1 January 2019	2,603	24,300	3,095	12,286	42,284
Additions	-	-	657	1,454	2,111
Net exchange differences	-	-	-	588	588
At 31 December 2019 and 1 January 2020	<b>2,603</b>	<b>24,300</b>	<b>3,752</b>	<b>14,328</b>	<b>44,983</b>
Additions	-	-	478	1,569	2,047
Net exchange differences	-	-	-	(225)	(225)
<b>At 31 December 2020</b>	<b>2,603</b>	<b>24,300</b>	<b>4,230</b>	<b>15,672</b>	<b>46,805</b>
<b>Accumulated amortisation and impairment losses:</b>					
At 1 January 2019	-	-	267	8,666	8,933
Amortisation	-	-	71	374	445
Net exchange differences	-	-	-	366	366
At 31 December 2019 and 1 January 2020	-	-	<b>338</b>	<b>9,406</b>	<b>9,744</b>
Amortisation	-	-	77	1,916	1,993
Net exchange differences	-	-	-	(130)	(130)
At 31 December 2020	-	-	<b>415</b>	<b>11,192</b>	<b>11,607</b>
<b>Net carrying amount:</b>					
At 31 December 2019	2,603	24,300	3,414	4,922	35,239
<b>At 31 December 2020</b>	<b>2,603</b>	<b>24,300</b>	<b>3,815</b>	<b>4,480</b>	<b>35,198</b>

### Other intangible assets

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

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 15. INTANGIBLE ASSETS (CONT'D)

Company	Club membership \$'000
<b>Cost:</b>	
At 1 January 2019	3,095
Additions	657
At 31 December 2019 and 1 January 2020	3,752
Additions	478
<b>At 31 December 2020</b>	<b>4,230</b>
<b>Accumulated amortisation and impairment losses:</b>	
At 1 January 2019	267
Amortisation	71
At 31 December 2019 and 1 January 2020	338
Amortisation	77
<b>At 31 December 2020</b>	<b>415</b>
<b>Net carrying amount:</b>	
At 31 December 2019	3,414
<b>At 31 December 2020</b>	<b>3,815</b>

### Impairment testing of goodwill

Goodwill acquired through business combination was related to Thai Wah Plaza Limited, which has been identified as the single cash-generating unit ("CGU") for impairment testing.

The recoverable amount of the CGU is determined based on value in use calculations. These calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows for the five-year period are computed using the estimated rates stated below.

Key assumptions used for value in use calculations:

	Thai Wah Plaza Limited	
	2020	2019
Growth rate	3.2%	1.5%
Discount rate	5.9%	7.9%

The above assumptions have been used for analysis of the CGU. Management determined the budgeted growth rate based on past performance and its expectation for market development factoring the impact caused by the COVID-19 pandemic. The discount rate represents the current market assessment of the risks specific to the CGU, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. The discount rate calculation is derived from its weighted average cost of capital ("WACC") which takes into account both debt and equity. The cost of equity is derived from the expected return on investment and the cost of debt is based on servicing obligations over the interest-bearing borrowings. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are derived annually based on publicly available market data.

## 15. INTANGIBLE ASSETS (CONT'D)

### Impairment testing of goodwill (cont'd)

#### Sensitivity to changes in assumptions

With regards to the assessment of value in use, if the growth rate has been revised downward by 50%, the estimated recoverable amount would still exceed the carrying value.

### Impairment testing of trademarks

The trademarks comprise of "Banyan Tree" and "Angsana" brands. Trademarks have been allocated to individual CGUs, which are the Group's reportable operating segments, for impairment testing as follows:

- Property Sales Segment;
- Fee-based Segment

Carrying amounts of trademarks are allocated to each of the Group's CGUs based on a valuation performed by a professional and independent valuer at acquisition date, using the projected discounted cash flows on future royalties from each of the reportable operating segments. The allocated amounts to each CGU are as follows:

	Property Sales Segment		Fee-based Segment		Total	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Carrying amount of trademarks	630	630	23,670	23,670	24,300	24,300

The recoverable amount for all the individual reportable operating segment is determined based on value in use calculation using cash flow projections based on financial budgets approved by management covering a five-year period.

The discount rate applied to the cash flow projections of each reportable operating segment is 8.36% (2019: 7.15%). The growth rate used to extrapolate the cash flows of each business segment beyond the five-year period is 2% (2019: 2%). Management determined the budgeted growth rate based on past performance and its expectation for market development factoring the impact caused by the COVID-19 pandemic. The discount rate, which reflects the WACC rate used, is consistent with forecasts used in industry. The discount rate reflects specific risks relating to the relevant companies.

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of trademarks:

- Budgeted hotel occupancy rates - the basis used to determine the budgeted hotel occupancy rates is the average hotel occupancy rates achieved in the previous years, adjusted for the forecast growth rate.
- Budgeted hotel room rates - the basis used to determine the budgeted hotel room rates is the average room rates achieved in the previous years, adjusted for the forecast growth rate.

#### Sensitivity to changes in assumptions

With regards to the assessment of value in use, if both the discount rate has been 100 basis points higher and growth rate has been revised downwards by 50%, the estimated recoverable amount would still exceed the carrying value.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 16. LAND USE RIGHTS

	Group	
	2020 \$'000	2019 \$'000
<b>Cost:</b>		
At 1 January	2,830	2,478
Additions	-	120
Net exchange differences	(236)	232
At 31 December	2,594	2,830
<b>Accumulated amortisation:</b>		
At 1 January	271	277
Amortisation for the financial year	2	2
Net exchange differences	(17)	(8)
At 31 December	256	271
<b>Net carrying amount</b>	<b>2,338</b>	<b>2,559</b>
<b>Amount to be amortised:</b>		
- Within 1 year	63	1
- Between 2 to 5 years	252	122
- After 5 years	2,023	2,436

The Group has land use rights over the following plots of land:

Location	Tenure	
	2020	2019
<b>People's Republic of China</b>		
Zhongdian Jiantang Hotel	28 years	29 years
<b>Indonesia</b>		
PT. Heritage Resorts & Spas	26 years	27 years
PT. Cassia Resorts Investments	22 years	23 years

## 17. SUBSIDIARIES

	Company	
	2020 \$'000	2019 \$'000
Unquoted shares, at cost	267,189	267,189
Capital contribution through issue of ordinary shares to employees of subsidiaries at no consideration under FRS 102 Share-based Payment	5,863	5,863
Impairment losses	(49,561)	(49,061)
	223,491	223,991
<b>Loans and receivables</b>		
Loans to subsidiaries	419,928	412,439
Less: Expected credit losses	(6,356)	(6,363)
	413,572	406,076
	637,063	630,067

In appointing the auditing firms for the Company and subsidiaries, the Group have complied with Listing Rules 712, 715 and 716.

During the financial year ended 31 December 2020, the Company has re-assessed the carrying amounts of investment in subsidiaries and has recognised an impairment loss of \$500,000 (2019: \$41,705,000).

For the financial year ended 31 December 2020, the Company has reclassified \$13,731,000 from amounts due from subsidiaries to loans to subsidiaries. Included in the loans made to subsidiaries is an unsecured loan of \$103,142,000 (2019: \$101,602,000) bearing interest at a rate of 5.4% to 7.0% (2019: 5.4% to 7.0%) with no fixed terms of repayment. Except for this loan, the loans made to subsidiaries are interest-free, unsecured and the settlement of the amounts were neither planned nor likely to occur in the foreseeable future. As agreed with its subsidiaries, the Company will not demand repayment of the loan and its subsidiaries will have the discretion to determine when the loans will be repaid.

The current terms of the loan are as follows: loans to subsidiaries are unsecured, interest-free and repayable on demand.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 17. SUBSIDIARIES (CONT'D)

### Receivables that are impaired

The Company's loans to subsidiaries that are impaired at the end of the reporting period and the movement of the allowance accounts used to record the impairment are as follows:

	Company	
	2020 \$'000	2019 \$'000
Loans to subsidiaries - nominal amounts	69,922	68,363
Less: Expected credit losses	(6,356)	(6,363)
	63,566	62,000

### Expected credit losses

The movement in allowance for expected credit losses of amount due from subsidiaries is as follows:

	Company	
	2020 \$'000	2019 \$'000
<b>Movement in allowance accounts:</b>		
At 1 January	6,363	6,348
Charge for the financial year	-	15
Exchange differences	(7)	-
<b>At 31 December</b>	<b>6,356</b>	<b>6,363</b>

## 17. SUBSIDIARIES (CONT'D)

Details of the subsidiaries at the end of the financial year are as follows:

Name of subsidiary	Principal activities	Place of Incorporation	Cost of investment		Effective equity held by the Group	
			2020 \$'000	2019 \$'000	2020 %	2019 %
<b>(i) Held by the Company</b>						
<sup>(1)</sup> Banyan Tree Hotels & Resorts Pte Ltd.	Provision of resort, spa, project and golf management services	Singapore	5,466	5,466	100	100
<sup>(1)</sup> Banyan Tree Investments Pte. Ltd.	Property holding	Singapore	15,673	15,673	100	100
<sup>(8)</sup> Banyan Tree Capital Pte. Ltd.	Business management and consultancy services	Singapore	500	500	100	100
<sup>(8)</sup> Prestige Global Services Pte. Ltd.	Own and manage intellectual property for and on behalf of Banyan Tree Group	Singapore	*	*	100	100
<sup>(1)</sup> Banyan Tree Indochina Holdings Pte. Ltd.	Investment holding	Singapore	*	*	100	100
<sup>(8)</sup> Banyan Tree Indochina Management (Singapore) Pte. Ltd.	Investment holding	Singapore	*	*	100	100
<sup>(1)</sup> Banyan Tree Services Pte. Ltd.	Investment holding	Singapore	*	*	100	100
<sup>(8)</sup> Brand Management Pte. Ltd.	Provision of Consultancy services	Singapore	*	*	100	100
<sup>(1)</sup> <sup>(17)</sup> Banyan Tree China Pte. Ltd.	Investment holding	Singapore	152,678	152,678	98.53	98.53
<sup>(8)</sup> ACAP International Investments Pte. Ltd.	Investment holding	Singapore	-	*	-**	100
<sup>(1)</sup> Hill View Resorts Holdings Pte. Ltd.	Investment holding	Singapore	25,692	25,692	100	100
<sup>(15)</sup> Banyan Tree Assets (Thailand) Company Limited	Holding company	Thailand	91	91	100	100
<sup>(9)</sup> Tibet Lhasa Banyan Tree Resorts Limited	Construction and management of hotels and spas	China	5,097	5,097	100	100
<sup>(2)</sup> Banyan Tree Properties (HK) Limited	Investment holding	Hong Kong	*	*	100	100

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 17. SUBSIDIARIES (CONT'D)

Name of subsidiary	Principal activities	Place of Incorporation	Cost of investment		Effective equity held by the Group	
			2020 \$'000	2019 \$'000	2020 %	2019 %
<b>(i) Held by the Company (cont'd)</b>						
<sup>(2)</sup> Maldives Bay Pvt Ltd	Development and management of resorts, hotels and spas	Maldives	<b>49,934</b>	49,934	<b>100</b>	100
<sup>(2)</sup> Maldives Cape Pvt Ltd	Development and management of resorts, hotels and spas	Maldives	*	*	<b>100</b>	100
<sup>(2)</sup> Banyan Tree Resorts & Spas (Morocco) S.A.	Provision of management, operation services and ancillary services related to the hospitality industry	Morocco	<b>9,883</b>	9,883	<b>100</b>	100
<sup>(3)</sup> Beruwela Walk Inn Limited	Operation of Hotel resorts	Sri Lanka	<b>856</b>	856	<b>100</b>	100
<sup>(2)</sup> PT. Heritage Resorts & Spas	Tourism management consultancy services	Indonesia	<b>1,319</b>	1,319	<b>100</b>	100
			<b>267,189</b>	267,189		

## 17. SUBSIDIARIES (CONT'D)

Name of subsidiary	Principal activities	Place of Incorporation	Effective equity held by the Group	
			2020 %	2019 %
<b>(ii) Held through subsidiaries</b>				
<sup>(1)</sup> Hotelspa Pte. Ltd.	Investment holding	Singapore	<b>100</b>	100
<sup>(1)</sup> Banyan Tree Gallery (Singapore) Pte Ltd	Sale of merchandise	Singapore	<b>93</b>	93
<sup>(8)</sup> Banyan Tree Dunhuang (S) Pte. Ltd.	Investment holding	Singapore	<b>100</b>	100
<sup>(1)</sup> Architrave Design & Planning Services Pte. Ltd.	Provision of design, planning and consultancy services for hotels, resorts and spas	Singapore	<b>100</b>	100
<sup>(1)</sup> GPS Development Services Pte. Ltd.	Provision of purchasing and project services for hotels, resorts and spas	Singapore	<b>100</b>	100
<sup>(1)</sup> Banyan Tree Marketing Group Pte. Ltd.	Provision of marketing services	Singapore	<b>100</b>	100
<sup>(1)</sup> BT Development Singapore Pte. Ltd.	Investment holding	Singapore	<b>100</b>	100
<sup>(8)</sup> Banyan Tree Management (S) Pte. Ltd.	Hotel management	Singapore	<b>100</b>	100
<sup>(1)</sup> Banyan Tree Spas Pte. Ltd.	Operation of spas	Singapore	<b>100</b>	100
<sup>(1)</sup> Banyan Tree Businesses Pte. Ltd.	Investment holding	Singapore	<b>100</b>	100
<sup>(1)</sup> Lindere Villas Pte. Ltd.	Investment holding	Singapore	<b>100</b>	100
<sup>(8)</sup> ACAP International Investments Pte. Ltd.	Investment holding	Singapore	<b>100**</b>	-
<sup>(2)</sup> Banyan Tree Mkg (HK) Limited	Provision of marketing services	Hong Kong	<b>100</b>	100
<sup>(2)</sup> <sup>***</sup> Laguna Resorts & Hotels Public Company Limited	Hotel and Property development business	Thailand	<b>86.28</b>	86.28
<sup>(2)</sup> Banyan Tree Resorts & Spas (Thailand) Company Limited	Provision of spa services	Thailand	<b>100</b>	100
<sup>(2)</sup> Banyan Tree Hotels & Resorts (Thailand) Limited	Provision of hotel management services	Thailand	<b>100</b>	100
<sup>(2)</sup> TWR - Holdings Limited	Investment holding and property development	Thailand	<b>86.28</b>	86.28
<sup>(2)</sup> Laguna Holiday Club Limited	Holiday club membership and property development	Thailand	<b>86.28</b>	86.28
<sup>(15)</sup> Laguna (3) Limited	Owns land on which a hotel is situated	Thailand	<b>86.28</b>	86.28

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 17. SUBSIDIARIES (CONT'D)

Name of subsidiary	Principal activities	Place of Incorporation	Effective equity held by the Group	
			2020 %	2019 %
<i>(ii) Held through subsidiaries (cont'd)</i>				
<sup>(2)</sup> Banyan Tree Gallery (Thailand) Limited	Sale of merchandise	Thailand	<b>93</b>	93
<sup>(15)</sup> Pai Samart Development Company Limited	Holds land plots for future development	Thailand	<b>86.28</b>	86.28
<sup>(15)</sup> Mae Chan Property Company Limited	Holds land plots for future development	Thailand	<b>86.28</b>	86.28
<sup>(2)</sup> Phuket Grande Resort Limited	Property development and hotel operations	Thailand	<b>86.28</b>	86.28
<sup>(2)</sup> Laguna Grande Limited	Operation of golf club and property development	Thailand	<b>86.28</b>	86.28
<sup>(2)</sup> Laguna Banyan Tree Limited	Hotel operations, property development, sales and marketing service for holiday club membership	Thailand	<b>86.28</b>	86.28
<sup>(15)</sup> Talang Development Company Limited	Property development	Thailand	<b>43.14</b>	43.14
<sup>(2)</sup> Twin Waters Limited	Property development	Thailand	<b>86.28</b>	86.28
<sup>(15)</sup> Bangtao (1) Limited	Owens land on which the golf course is situated	Thailand	<b>86.28</b>	86.28
<sup>(15)</sup> Bangtao (2) Limited	Owens land on which the golf course is situated	Thailand	<b>86.28</b>	86.28
<sup>(15)</sup> Bangtao (3) Limited	Property development	Thailand	<b>86.28</b>	86.28
<sup>(15)</sup> Bangtao (4) Limited	Owens land on which the golf course is situated	Thailand	<b>86.28</b>	86.28
<sup>(2)</sup> Bangtao Laguna Limited	Owens land on which a hotel is situated and Property development	Thailand	<b>86.28</b>	86.28
<sup>(2)</sup> Bangtao Grande Limited	Hotel operations and property development	Thailand	<b>86.28</b>	86.28
<sup>(2)</sup> Laguna Service Company Limited	Provision of utilities and other services to hotels owned by the subsidiaries	Thailand	<b>62.90</b>	62.90
<sup>(2)</sup> Thai Wah Plaza Limited	Hotel operations, lease of office building space and property development	Thailand	<b>86.28</b>	86.28

## 17. SUBSIDIARIES (CONT'D)

Name of subsidiary	Principal activities	Place of Incorporation	Effective equity held by the Group	
			2020 %	2019 %
<i>(ii) Held through subsidiaries (cont'd)</i>				
<sup>(2)</sup> Thai Wah Tower Company Limited	Lease of office building space	Thailand	<b>86.28</b>	86.28
<sup>(12)</sup> Thai Wah Tower (2) Company Limited	Owens land on which a hotel is situated	Thailand	<b>86.28</b>	86.28
<sup>(2)</sup> Laguna Excursions Limited	Travel operations	Thailand	<b>42.28</b>	42.28
<sup>(2)</sup> Laguna Lakes Limited	Property development	Thailand	<b>81.97</b>	81.97
<sup>(12)</sup> Laguna Village Limited	Dormant company	Thailand	<b>86.28</b>	86.28
<sup>(15)</sup> Vision 9 Farm Limited	Farming and restaurant	Thailand	<b>51.77</b>	-
<sup>(5)</sup> Zhongdian Jiantang Hotel Limited	Hotel services	China	<b>80</b>	80
<sup>(9)</sup> Dunhuang Banyan Tree Hotel Company Limited	Develop, own and operate hotels and resorts in China	China	<b>100</b>	100
<sup>(9)</sup> Tianjin Banyan Tree Capital Investment Management Co., Ltd.	Investment management and related consulting services	China	<b>100</b>	100
<sup>(9)</sup> Rong Yuan (Shanghai) Business Management Co., Ltd.	Provision of marketing and management consulting services	China	<b>100</b>	100
<sup>(5)</sup> BT Development No. 1 Pty Ltd	Development of residential property	Australia	<b>100</b>	100
<sup>(2)</sup> Banyan Tree Resorts Limited	Provision of resort management services	Hong Kong	<b>100</b>	100
<sup>(2)</sup> Banyan Tree Spa (HK) Limited	Provision of spa management services	Hong Kong	<b>100</b>	100
<sup>(4)</sup> Cheer Golden Limited	Investment holding	Hong Kong	<b>86.28</b>	86.28
<sup>(2)</sup> Triumph International Holdings Limited	Investment holding	Hong Kong	<b>80</b>	80
<sup>(2)</sup> Northpoint Investments Limited	Investment holding	Hong Kong	<b>100</b>	100
<sup>(2)</sup> Banyan Tree Investment Holdings (HK) Limited	Investment holding	Hong Kong	<b>100</b>	100
<sup>(2)</sup> Vabbinvest Maldives Pvt Ltd	Operation of holiday resorts	Maldives	<b>100</b>	100

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 17. SUBSIDIARIES (CONT'D)

Name of subsidiary	Principal activities	Place of Incorporation	Effective equity held by the Group	
			2020 %	2019 %
<i>(ii) Held through subsidiaries (cont'd)</i>				
<sup>(11)</sup> Banyan Tree Hotels & Resorts Korea Limited	Provision of hotel management services	Korea	100	100
<sup>(8)</sup> Banyan Tree Indochina (GP) Company Limited	Manage and operate the Banyan Tree Indochina Hospitality Fund, L.P.	Cayman Islands	100	100
<sup>(11)</sup> Jayanne International Limited	Investment holding	British Virgin Islands	100	100
<sup>(11)</sup> Club Management Limited	Provision of resort and hotel management and operation services and ancillary services related to the hospitality industry	British Virgin Islands	100	100
<sup>(14)</sup> PT. AVC Indonesia	Holiday club membership and golf club operations	Indonesia	86.28	86.28
<sup>(2)</sup> PT. Management Banyan Tree Resorts & Spas	Provision of consultation and management services of the international hotels marketing	Indonesia	100	100
<sup>(2)</sup> PT. Banyan Tree Management	Provision of hotel management services	Indonesia	100	100
<sup>(2)</sup> PT Cassia Resorts Investments	Hotel operations and property development	Indonesia	100	100
<sup>(5)</sup> PT Leisure Development Bintan	Hotel operations and property development	Indonesia	100	100
<sup>(2)</sup> Banyan Tree MX S.A. De C.V.	Provision of business management services, resort and hotel management, operation services and ancillary services related to the hospitality industry	Mexico	100	100
<sup>(5)</sup> Banyan Tree Servicios S.A. De C.V.	Provision of business management services, resort and hotel management, operation services and ancillary services related to the hospitality industry	Mexico	100	100
<sup>(2)</sup> Banyan Tree Spas Sdn. Bhd.	Operation of spas	Malaysia	100	100

## 17. SUBSIDIARIES (CONT'D)

Name of subsidiary	Principal activities	Place of Incorporation	Effective equity held by the Group	
			2020 %	2019 %
<i>(ii) Held through subsidiaries (cont'd)</i>				
<sup>(11)</sup> Banyan Tree Japan Yugen Kaisha	Operation of spas	Japan	100	100
<sup>(2)</sup> Banyan Tree (Private) Limited	Operation of spas	Sri Lanka	100	100
<sup>(6)</sup> Heritage Spas South Africa (Pty) Ltd	Operation and investment in resorts, spas and retail outlets	South Africa	100	100
<sup>(2)</sup> Maldives Angsana Pvt Ltd	Operation of holiday resorts	Maldives	100	100
<sup>(5)</sup> Keelbay Pty Ltd	Development of residential property	Australia	100	100
<sup>(7)</sup> Banyan Tree Mkg (UK) Ltd	Provision of marketing services	United Kingdom	100	100
<sup>(2)</sup> BT Investments Holdings Phils. Inc.	Investment holding	Philippines	97.85	97.85
<sup>(2)</sup> Banyan Tree Hotels (Cyprus) Ltd	Provision of management consultancy and hotel design services	Cyprus	100	100
<sup>(13)</sup> Green Transportation SARL AU	Provision of tourist transportation activities	Morocco	100	100

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 17. SUBSIDIARIES (CONT'D)

<sup>(1)</sup> Audited by Ernst & Young LLP, Singapore.

<sup>(2)</sup> Audited by member firms of Ernst & Young Global in the respective countries.

<sup>(3)</sup> Audited by Tudor V.P. & Co.

<sup>(4)</sup> Audited by RSM Nelson Wheeler.

<sup>(5)</sup> Not required to be audited as the company is exempted from audit.

<sup>(6)</sup> Audited by Mazars.

<sup>(7)</sup> Audited by MHA MacIntyre Hudson.

<sup>(8)</sup> Audited by A Garanzia LLP.

<sup>(9)</sup> Audited by Ruihua Certified Public Accountant.

<sup>(10)</sup> These companies are subsidiaries of LRH which in turn are subsidiaries of the Group. Management of the Group is of the view that these companies should be consolidated as subsidiaries in the consolidated financial statements as the Group has control over them through LRH.

<sup>(11)</sup> Not required to be audited under the laws of country of incorporation.

<sup>(12)</sup> Audited by member firms of Ernst & Young Global in 2019.

<sup>(13)</sup> Not required to be audited as the company has not commenced operation as at 31 December 2020.

<sup>(14)</sup> Audited by RSM AAJ Associates.

<sup>(15)</sup> Audited by SD Audit and Consultancy Limited.

<sup>(16)</sup> Incorporated during the year.

<sup>(17)</sup> Effective interest held by the company is 89.31%. Including all the effective interest held by the subsidiaries, the Group effective interest is 98.53%.

\* Cost of investment is less than \$1,000.

\*\* Investment transferred from being held by the holding company to be held by a subsidiary during the year.

\*\*\* As at 31 December 2020, 0.03% (2019: 0.01%) of the issued and paid up capital of Laguna Resorts & Hotels Public Company Limited ("LRH") is held by Thai NVDR Company Limited (a subsidiary wholly-owned by the Stock Exchange of Thailand issuing "Non-Voting Depository Receipt" ("TNVDR")). Pursuant to the provisions of their prospectus, TNVDR will not attend nor vote in any shareholders' meeting of LRH other than delisting.

Taking into account the issued and paid up capital of LRH held by TNVDR, the voting rights held by the Group in the subsidiary amount to 86.31% (2019: 86.29%) and the voting rights held by the non-controlling interest in the subsidiary amount to 13.69% (2019: 13.71%).

Of the effective equity held by the non-controlling interest of 13.72% (2019: 13.72%) in LRH, 0.03% (2019: 0.01%) is held by TNVDR respectively. Taking into account of the issued and paid up capital of LRH held by TNVDR, the voting rights held by the non-controlling interest in the subsidiary amount to 13.69% (2019: 13.71%).

\*\*\*\*Incorporated in 2019 as a wholly owned subsidiary of the Group with registered capital of USD100,000. As of 31 December 2020, the Group has not paid for the registered capital.

## 17. SUBSIDIARIES (CONT'D)

### Interest in subsidiary with material non-controlling interest (NCI)

The Group has the following subsidiary that has NCI that is material to the Group.

Name of subsidiary	Principal place of business	Proportion of ownership interest held by non-controlling interest	Profit/(Loss) allocated to NCI during the reporting period \$'000	Accumulated NCI at the end of reporting period \$'000	Dividends paid to NCI \$'000
<b>31 December 2020:</b>					
Laguna Resorts & Hotels Public Company Limited	Thailand	13.72%	(6,674)	61,731	3,029
<b>31 December 2019:</b>					
Laguna Resorts & Hotels Public Company Limited	Thailand	13.72%	1,894	73,536	12,498

### Summarised financial information about subsidiary with material NCI

Summarised financial information including goodwill on acquisition and consolidation adjustments but before intercompany eliminations of subsidiary with material non-controlling interests are as follows:

#### Summarised balance sheet

	Laguna Resorts & Hotels Public Company Limited	
	2020 \$'000	2019 \$'000
<b>Current</b>		
Assets	252,939	266,457
Liabilities	(200,465)	(200,218)
Net current assets	52,474	66,239
<b>Non-current</b>		
Assets	771,531	812,823
Liabilities	(347,843)	(326,446)
Net non-current assets	423,688	486,377
Net assets	476,162	552,616

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 17. SUBSIDIARIES (CONT'D)

### Summarised financial information about subsidiary with material NCI (cont'd)

#### Summarised statement of comprehensive income

	Laguna Resorts & Hotels Public Company Limited	
	2020 \$'000	2019 \$'000
Revenue	124,474	269,267
(Loss)/Profit before taxation	(35,029)	23,769
Income tax expense	(7,421)	(8,512)
(Loss)/Profit after taxation	(42,450)	15,257
Other comprehensive loss	(3,398)	(370)
Total comprehensive (loss)/income	(45,848)	14,887
<b>Other summarised information</b>		
Net (decrease)/increase in cash and cash equivalents	(2,802)	2,405
Acquisition of significant property, plant and equipment	(7,165)	(41,445)

## 18. ASSOCIATES

	Group		Company	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Quoted and unquoted equity shares, at cost	112,236	114,193	869	869
Share of post-acquisition reserves, net of dividend received	3,042	10,255	-	-
Impairment loss	(679)	(679)	-	-
Net exchange differences	(3,336)	(3,535)	-	-
	111,263	120,234	869	869
<b>Loans and receivables</b>				
Long-term amount due from associates				
– trade	3,862	-	-	-
– non-trade	40,734	41,002	2,660	2,619
Less: Expected credit losses	(253)	-	-	-
	44,343	41,002	2,660	2,619
	155,606	161,236	3,529	3,488
Fair value of investment in an associate for which there is a published price quotation	15,005	16,618	-	-

## 18. ASSOCIATES (CONT'D)

Included within quoted and unquoted equity shares, at cost is an aggregate amount of \$17,831,000 (2019: \$17,831,000) of RCPS which can be offset against the amounts due to associates.

The Group has pledged 10 million ordinary shares of Thai Wah Public Company Limited with a bank to secure a long-term loan of the Group as at 31 December 2020 and 31 December 2019.

### Long-term amounts due from associates – non-trade

As disclosed in 2018, the Group recognised amounts due from associates of \$60,977,000 which were repayable on demand as at 31 December 2017. In the financial year 2018, these amounts were renegotiated to be repayable in interest free instalments from the operating cash flow of these entities over future periods. As per SFRS(I) 9, the modification of these terms has triggered the de-recognition of the existing instrument and recognition of a new instrument. This instrument has been measured at fair value upon initial recognition according to the following inputs:

	31 December 2018
Market interest rate	5.33%
Previous carrying value	\$60,977,000
New instrument carrying value at fair value upon initial recognition	\$42,072,000
Modification loss (recorded within finance costs in 2018)	\$18,905,000

Accordingly, as at 31 December 2018, the associates have recognised a gain on the modification of terms of the previous instrument, and the Group has correspondingly recognised their share of 40% of the gain (\$7,562,000 of modification gain has been recognised within the share of results of the associates in 2018).

Subsequent to the modification loss, as at 31 December 2020, \$3,033,000 (2019: \$3,033,000) interest accretion has been recognised for the long-term amounts due from associates – non-trade of \$40,734,000 (Gross amount: \$53,573,000) for the financial year ended 31 December 2020 by the Group.

### Long-term amounts due from associates – trade

During the financial year ended 31 December 2020, COVID-19 had affected the financial performance of hotels and resorts of one of the associates in Vietnam. The associate has indicated that the expected market recovery might take a few years and has requested to repay the amount owing to the Group out of operating cash flow which is in consideration of the debtors' cash flow projection. The modification of these terms has triggered the de-recognition of the existing instrument and recognition of a new instrument under SFRS(I) 9, and the amount has been reclassified from current to non-current. This instrument has been measured at fair value upon initial recognition according to the following input:

Market interest rate	5.25%
Previous carrying value	\$3,516,000
New instrument carrying value at fair value upon initial recognition (trade)	\$3,097,000
Modification loss (recorded within finance costs in 2020) (Note 9)	\$419,000

Accordingly, the associates have recognised a gain on the modification of terms of the previous instrument, and the Group has correspondingly recognised their share of 17.8% of the gain (\$75,000 of modification gain has been recognised within the share of results of the associates).

Subsequent to the modification loss, as at 31 December 2020, the Group has performed an assessment on expected credit loss on the amounts due from associates of \$3,097,000 and concluded that the amount of expected loss is adequate and not excessive for the financial year ended 31 December 2020.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 18. ASSOCIATES (CONT'D)

### Significant foreign currency denominated balances

	Group	
	2020 \$'000	2019 \$'000
US Dollars	552	664

### Expected credit losses

The movement in allowance for expected credit losses of amount due from associates is as follows:

	Group	
	2020 \$'000	2019 \$'000
<b>Movement in allowance accounts:</b>		
At 1 January	-	-
Charge for the financial year (Note 10)	116	-
Transfer of allowance from Amount due from Associates (Note 30)	137	-
<b>At 31 December</b>	<b>253</b>	<b>-</b>

The details of the material associates at the end of the financial year are as follows:

Name of associate	Principal activities	Place of Incorporation	Proportion of ownership interest	
			2020 %	2019 %
<b>Held through subsidiaries</b>				
<sup>(2)(3)</sup> Thai Wah Public Company Limited	Manufacture and distribution of vermicelli, tapioca starch and other food products	Thailand	10.03	10.03
<sup>(1)(3)</sup> Banyan Tree Indochina Hospitality Fund, L.P.	Business of a real estate development fund, focused on the hospitality sector in Vietnam	Cayman Islands	17.80	17.80

<sup>(1)</sup> Audited by Ernst & Young LLP, Singapore.

<sup>(2)</sup> Audited by member firms of Ernst & Young Global in the respective countries.

<sup>(3)</sup> The results of these associates were equity accounted for in the consolidated financial statements notwithstanding that the Group holds less than 20% of the voting power in these companies. The Group is deemed to exercise significant influence by virtue of its representation on the board/governing committees of these entities. The Group's direct interest in these associates differ from the corresponding effective interest as these associates are held by subsidiaries with non-controlling interests.

## 18. ASSOCIATES (CONT'D)

The summarised financial information in respect of Thai Wah Public Company Limited and Banyan Tree Indochina Hospitality Fund, L.P. and a reconciliation with the carrying amount of the investment in the consolidated financial statements are as follows:

	Thai Wah Public Company Limited		Banyan Tree Indochina Hospitality Fund, L.P.	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>Assets and liabilities:</b>				
Current assets	153,589	145,927	13	59
Non-current assets	203,693	208,158	265,710	303,802
Current liabilities	(43,714)	(44,408)	(1,551)	(1,652)
Non-current liabilities	(84,520)	(71,385)	-	-
Non-controlling interests	(13,696)	(12,355)	-	-
Net assets	215,352	225,937	264,172	302,209
Proportion of the Group's ownership	10.03%	10.03%	17.80%	17.80%
Group's share of net assets	21,600	22,662	47,022	53,793
Goodwill on acquisition	4,327	4,425	-	-
Difference between fair value and cost of identifiable assets and liabilities	6,786	7,076	-	-
Other adjustments	-	-	75	-
Carrying amount of the investment	32,713	34,163	47,097	53,793

The Group has not recognised its share of losses and deficit in the currency translation reserve relating to one of its associates, Tropical Resorts Limited where its share of deficit in equity has exceeded the Group's interest in this associate. At the end of the reporting period, the Group's cumulative share of unrecognised losses and currency translation surplus were \$12,016,000 (2019: \$10,270,000) and \$1,412,000 (2019 currency translation deficit: \$227,000) respectively. The Group's share of the current year's unrecognised loss was \$1,746,000 (2019 unrecognised profit: \$197,000).

The Group has no obligation in respect of these losses.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 18. ASSOCIATES (CONT'D)

Aggregate information about the Group's investments in associates that are not individually material, not adjusted for the proportion of ownership interests held by the Group, are as follows:

	Group	
	2020 \$'000	2019 \$'000
<b>Assets and liabilities *:</b>		
Current assets	83,697	97,931
Non-current assets	155,043	159,032
Total assets	238,740	256,963
Current liabilities	(155,663)	(168,760)
Non-current liabilities	(122,374)	(117,536)
Total liabilities	(278,037)	(286,296)
<b>Results:</b>		
Revenue	30,711	51,205
Loss for the financial year	(20,140)	(100)
Other comprehensive income/(loss)	9,695	(1,570)
Total comprehensive loss*	(10,445)	(1,670)

\* Included in assets and liabilities and total comprehensive loss of associates is Tropical Resorts Limited's net liabilities position of \$104,928,000 as at 31 December 2020 (2019: \$90,481,000) and total comprehensive loss of \$10,906,000 (2019: \$2,803,000).

## 19. LONG-TERM INVESTMENTS

	Group	
	2020 \$'000	2019 \$'000
<b>At fair value through other comprehensive income</b>		
Equity securities (quoted)	2	2
Equity securities (unquoted)	100,243	100,695
	100,245	100,697

## 19. LONG-TERM INVESTMENTS (CONT'D)

### Investments in equity instruments designated at fair value through other comprehensive income

The fair value of each of the investments in equity instruments designated at FVOCI at the end of the reporting period is as follows:

	Group	
	2020 \$'000	2019 \$'000
<b>At fair value through other comprehensive income</b>		
- <u>Equity securities (quoted)</u>		
Others	2	2
- <u>Equity securities (unquoted)</u>		
Mayakoba Thai S.A. De C.V. ("Mayakoba")	10,521	10,521
La Punta Resorts S.A. De C.V. ("La Punta")	1,670	1,720
Banyan Tree Assets (China) Holdings Pte Ltd. ("BTAC")	88,052	88,454
	100,245	100,697

Included within BTAC, at fair value is an aggregate amount of \$72,149,000 of redeemable convertible preference shares ("RCPS") which can be offset against amounts due to BTAC. This investment in BTAC was reclassified from investment in joint venture during the financial year ended 31 December 2018. As at 31 December 2020, an amount of \$11,854,000 (2019: \$11,854,000) of capital injection commitment is outstanding from the majority shareholder of BTAC.

The Group has elected to measure these equity securities at FVOCI due to the Group's intention to hold these equity instruments for long-term appreciation.

As at 31 December 2020, the Group has carried out an assessment on the fair value of the investment in Mayakoba and La Punta using the discount rate and growth rate of 9.0% and 4.0% (2019: 10.4% and 5.0%) respectively, and a fair value loss of \$50,000 (2019: \$2,534,000) for La Punta had been recognised in fair value adjustment reserve through other comprehensive income.

### Sensitivity to changes in assumptions

If growth rate has been 1% lower and discount rate has been 100 basis points higher, the Group's fair value loss for Mayakoba and La Punta would increase by \$2,216,000 and if growth rate has been 1% higher and discount rate has been 100 basis points lower, the Group will record a fair value gain of \$3,817,000.

On 30 December 2019, Banyan Tree China Pte. Ltd. ("BTCN"), a subsidiary of the Group entered into an agreement with Tritonia Company Limited ("TCL") and BTAC to convert a portion of the outstanding debt owing by BTAC to BTCN into ordinary shares ("Capitalisation Agreement"). A total amount of \$4,635,000 owing by BTAC to BTCN was converted into 21 ordinary shares owned by BTCN in BTAC representing 1% ownership interest in BTAC effectively on 31 December 2019.

As a result of the Capitalisation Agreement, the Group recorded a fair value loss of \$679,000 in profit and loss as a result of the de-recognition of the financial liability on 30 December 2019.

As at 31 December 2020, the Group has carried out an assessment on the fair value of investment in BTAC (5.2% ownership interest in BTAC as at 31 December 2020 and 31 December 2019) and recorded a fair value loss of \$402,000 (2019: \$2,767,000) in fair value reserve through other comprehensive income.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 20. PREPAID ISLAND RENTAL

	Group	
	2020 \$'000	2019 \$'000
At 1 January	19,809	22,034
Net exchange differences	(369)	(327)
	19,440	21,707
Less: Amortisation of prepaid island rental during the financial year	(700)	(691)
Less: Amount reclassified to lease liabilities	-	(1,207)
At 31 December	18,740	19,809
Amount chargeable within 1 year (Note 26)	778	789
Amount chargeable after 1 year	17,962	19,020
	18,740	19,809

The above amounts were paid to the owners of the Vabbinfaru Island as finance lease component of the lease arrangements.

At the end of the reporting period, the lease periods are as follows:

Island	Lease period 2020	Lease period 2019
<b>Maldives</b>		
Vabbinfaru Island	1 May 1993 - 9 Apr 2045	1 May 1993 -9 Apr 2045

## 21. LONG-TERM RECEIVABLES

	Group	
	2020 \$'000	2019 \$'000
<b>Loans and receivables</b>		
- trade (property sales) (i)	46,930	49,943
- trade (non-property sales) (ii) (iii)	13,739	18,343
Long-term receivables (current and non-current)	60,669	68,286
Long-term receivables are repayable as follows:		
Within 12 months		
- trade (property sales) (i)	14,787	14,063
- trade (non-property sales) (ii) (iii)	5,891	4,909
- Less: Expected credit losses (non-property sales)	(1,539)	(974)
Long-term receivables (current) (Note 27)	19,139	17,998
Between 2 to 5 years		
- trade (property sales) (i)	32,143	35,880
- trade (non-property sales) (ii) (iii)	11,641	16,898
Less: Expected credit losses (non-property sales)	(2,882)	(3,186)
After 5 years		
- trade (non-property sales) (ii) (iii)	628	696
Long-term receivables (non-current)	41,530	50,288

Long-term receivables consist of:

- (i) Trade receivables from property sales bear interest at rates ranging from 5% to 7%, Minimum Lending Rate ("MLR") plus 0.5% per annum (2019: 3% to 7%, MLR plus 0.5% per annum) and are repayable over an instalment period of 3 to 10 years (2019: 3 to 10 years).
- (ii) The Group has purchased certain properties on behalf of a third party who is in the business of selling club memberships. A subsidiary of the Group acts as the manager of these properties on behalf of the third party. As at 31 December 2020, the trade receivables (non-property sales) due from the third party are \$2,305,000 (current) (2019: \$1,323,000) and \$4,514,000 (non-current) (2019: \$6,147,000). Included in this amount due from the third party, \$6,204,000 (2019: \$6,865,000) bears an interest rate of 6% per annum (2019: 6%), is unsecured and repayable over 13.5 to 15 years, commencing from 2008. The remaining amount due from the third party is interest-free, unsecured and are not expected to be repaid within the next 12 months.
- (iii) Included in the Trade (non-property sales) is a net amount of \$2,641,000 (current) (2019: \$2,688,000) and \$5,282,000 (non-current) (2019: \$8,063,000) which bear interest rate of 5.33%, and the non-current portion is repayable over a period of 2 years.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 21. LONG-TERM RECEIVABLES (CONT'D)

### Significant foreign currency denominated balances

	Group	
	2020 \$'000	2019 \$'000
US Dollars	1,849	1,308

### Expected credit losses

The movement in allowance for expected credit losses of long-term receivables (current and non-current) is as follows:

	Group	
	2020 \$'000	2019 \$'000
<b>Movement in allowance accounts:</b>		
At 1 January	4,160	548
Charge for the financial year (Note 10)	565	3,618
Write-back of allowance for the financial year (Note 10)	(296)	-
Exchange differences	(8)	(6)
At 31 December	4,421	4,160

### Receivables subject to offsetting arrangements

During the period ended 31 December 2020 and 31 December 2019, none of the Group's trade receivables and trade payables are subject to offsetting arrangements.

## 22. OTHER RECEIVABLES – NON-CURRENT

	Group	
	2020 \$'000	2019 \$'000
<b>Loans and receivables</b>		
Deposits	4,883	5,599

Included in the deposits is an amount of \$1,674,000 (2019: \$1,704,000) of long-term restricted deposit pledged with a financial institution as security for bank guarantee and short-term facilities of a subsidiary (Note 34).

## 23. INVESTMENT SECURITIES

	Group and Company	
	2020 \$'000	2019 \$'000
<b>At fair value through profit or loss</b>		
- Equity fund (quoted)	2,006	-

The Group has invested in an equity fund of \$2,000,000 on 25 November 2020. For the financial year ended 31 December 2020, there is a fair value gain adjustment of \$6,000 recorded in profit or loss (Note 4).

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

## 24. PROPERTY DEVELOPMENT COSTS

	Group	
	2020 \$'000	2019 \$'000
<b>Properties under development</b>		
Cost incurred to date	217,275	230,315
Add: Transfer from/(to) property, plant and equipment (Note 13)	10,585	(5,519)
Less: Write-off of property development costs (Note 7)	(15,862)	-
Less: Write-down to realisable value	(4,181)	(4,276)
	207,817	220,520
<b>Properties held for sale</b>	106,274	97,667
	314,091	318,187
<b>Amounts expected to be recovered:</b>		
No more than 12 months	70,668	78,112
More than 12 months	243,423	240,075
	314,091	318,187

During the financial year, borrowing costs of \$281,000 (2019: \$1,639,000) arising from borrowings obtained specifically for the development property were capitalised under properties under development. The rate used to determine the amount of borrowing costs eligible for capitalisation was 2.2% to 5.5% (2019: 3.7% to 4.9%), which is the effective interest rate of the specific borrowing.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 24. PROPERTY DEVELOPMENT COSTS (CONT'D)

Details of the properties as at 31 December 2020 are as follows:

Description	Location of property	Estimated completion %	Existing use of property	Gross floor area (Sq meter)	Estimated completion date	Effective equity held by the Group %
Banyan Tree Phuket Double Pool Villas	Phuket, Thailand	100	Held for sale	1,353	Completed	86.28
Cassia Phuket Phase 1	Phuket, Thailand	100	Held for sale	2,371	Completed	86.28
Cassia Phuket Phase 2	Phuket, Thailand	100	Held for sale	2,110	Completed	86.28
Cassia Phuket Phase 3	Phuket, Thailand	100	Held for sale	358	Completed	86.28
Laguna Park 2 Townhouse and Villas	Phuket, Thailand	66	Under construction	9,316	December 2022	86.28
Laguna Village Residences	Phuket, Thailand	44	Under construction	7,381	December 2024	86.28
Banyan Tree Grand Residence Phase 1	Phuket, Thailand	34	Under construction	12,848	December 2028	86.28
Angsana Beach Front	Phuket, Thailand	91	Under construction	6,953	December 2022	86.28
Angsana Oceanview Residences	Phuket, Thailand	43	Under construction	7,367	December 2025	86.28
Dhawa apartments	Phuket, Thailand	43	Under construction	5,217	December 2022	86.28
Banyan Tree Residences, Brisbane	Brisbane, Australia	-	Under construction	27,375	-	100
Northpoint, Australia	Northpoint, Australia	-	Under construction	4,424	-	100
Banyan Tree Bintan	Bintan, Indonesia	100	Held for sale	6,080	Completed	100
Cassia Bintan Phase 1	Bintan, Indonesia	100	Held for sale	475	Completed	100
Cassia Bintan Phase 2	Bintan, Indonesia	100	Held for sale	3,997	Completed	100
Cassia Bintan Phase 3	Bintan, Indonesia	100	Held for sale	4,258	Completed	100

## 24. PROPERTY DEVELOPMENT COSTS (CONT'D)

Details of the properties as at 31 December 2019 are as follows:

Description	Location of property	Estimated completion %	Existing use of property	Gross floor area (Sq meter)	Estimated completion date	Effective equity held by the Group %
Banyan Tree Phuket Double Pool Villas	Phuket, Thailand	100	Held for sale	1,353	Completed	86.28
Cassia Phuket Phase 1	Phuket, Thailand	100	Held for sale	2,371	Completed	86.28
Cassia Phuket Phase 2	Phuket, Thailand	100	Held for sale	2,110	Completed	86.28
Cassia Phuket Phase 3	Phuket, Thailand	100	Held for sale	1,188	Completed	86.28
Laguna Park 2 Townhouse and Villas	Phuket, Thailand	57	Under construction	10,150	August 2021	86.28
Laguna Village Residences	Phuket, Thailand	37	Under construction	9,394	December 2024	86.28
Banyan Tree Grand Residence Phase 1	Phuket, Thailand	26	Under construction	12,848	December 2024	86.28
Angsana Beach Front	Phuket, Thailand	27	Under construction	15,039	June 2021	86.28
Angsana Oceanview Residences	Phuket, Thailand	16	Under construction	7,367	September 2020	86.28
Dhawa apartments	Phuket, Thailand	27	Under construction	5,217	July 2020	86.28
Banyan Tree Residences, Brisbane	Brisbane, Australia	-	Under construction	27,375	-	100
Northpoint, Australia	Northpoint, Australia	-	Under construction	4,424	-	100
Banyan Tree Bintan	Bintan, Indonesia	100	Held for sale	6,080	Completed	100
Cassia Bintan Phase 1	Bintan, Indonesia	100	Held for sale	475	Completed	100
Cassia Bintan Phase 2	Bintan, Indonesia	100	Held for sale	3,997	Completed	100
Cassia Bintan Phase 3	Bintan, Indonesia	100	Held for sale	4,258	Completed	100

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 25. INVENTORIES

	Group	
	2020 \$'000	2019 \$'000
<b>Balance sheet:</b>		
Food and beverage, at cost	1,224	1,545
Trading goods and supplies, at cost	2,435	2,769
Materials, at cost	1,328	1,653
	<b>4,987</b>	<b>5,967</b>
<b>Income statement inclusive of the following charge:</b>		
- Inventories recognised as an expense in cost of sales	9,682	23,970
- Inventories written down (Note 7)	4	46

## 26. PREPAYMENTS AND OTHER NON-FINANCIAL ASSETS - CURRENT

	Group		Company	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Prepayments	4,681	5,730	13	241
Prepaid island rental – current portion (Note 20)	778	789	-	-
Advances to suppliers	1,608	2,391	-	-
Goods and services tax/value-added tax receivable	2,804	3,004	-	-
Deposit for purchase of land	-	3,333	-	-
Others	3,590	2,608	-	10
	<b>13,461</b>	<b>17,855</b>	<b>13</b>	<b>251</b>

## 27. TRADE RECEIVABLES

	Group	
	2020 \$'000	2019 \$'000
<b>Loans and receivables</b>		
Trade receivables	23,042	24,867
Less: Expected credit losses	(4,018)	(2,560)
	<b>19,024</b>	<b>22,307</b>
Current portion of long-term trade receivables (Note 21)	20,678	18,972
Less: Expected credit losses (Note 21)	(1,539)	(974)
	<b>19,139</b>	<b>17,998</b>
	<b>38,163</b>	<b>40,305</b>

Other than the current portion of long-term trade receivables (Note 21), trade receivables are non-interest bearing and are generally on 30 to 90 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

### Significant foreign currency denominated balances

	Group	
	2020 \$'000	2019 \$'000
US Dollars	5,215	3,350

### Expected credit losses

The movement in allowance for expected credit losses of trade receivables is as follows:

	Group	
	2020 \$'000	2019 \$'000
<b>Movement in allowance accounts:</b>		
At 1 January	2,560	3,541
Charge for the financial year (Note 10)	1,922	165
Write-back of allowance for the financial year (Note 10)	(223)	-
Write-off for the financial year	(134)	(1,058)
Exchange differences	(107)	(88)
At 31 December	<b>4,018</b>	<b>2,560</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 27. TRADE RECEIVABLES (CONT'D)

### Receivables subject to offsetting arrangements

The Group regularly provides spa treatment services to in-house guests of Vineyard Hotel & Spa. The Group will be regularly charged by Vineyard Hotel & Spa for rental, utilities and other miscellaneous expenses incurred on behalf of the Group. Both parties have an arrangement to settle the net amount due to or from each other on a 30 days' term basis.

The Group's trade receivables and trade payables that are offset are as follows:

Description	2020 \$'000		
	Gross carrying amounts	Gross amounts offset in the balance sheet	Net amounts in the balance sheet
Trade receivables	8	(8)	-
Trade payables	30	(8)	22

Description	2019 \$'000		
	Gross carrying amounts	Gross amounts offset in the balance sheet	Net amounts in the balance sheet
Trade receivables	43	(43)	-
Trade payables	60	(43)	17

## 28. OTHER RECEIVABLES - CURRENT

	Group		Company	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>Loans and receivables</b>				
Deposits	235	324	3	3
Interest receivable	731	67	-	65
Staff advances	152	94	-	-
Insurance recoverable	15	18	-	-
Deferred cash receivable <sup>1</sup>	534	1,302	534	1,302
Other recoverable expenses	5,515	3,993	129	545
Other receivables <sup>2</sup>	10,744	10,449	-	-
Grant receivable <sup>3</sup>	119	-	-	-
	<b>18,045</b>	16,247	<b>666</b>	1,915

<sup>1</sup> According to the sales and purchase agreement for the disposal of the Group's interest in Seychelles Group, part of the total sales consideration is deferred and recorded as deferred cash receivable.

<sup>2</sup> Included in other receivables is an amount receivable from long-term investment of RMB34,000,000 (2019: RMB34,000,000), which can be offset against loan from BTAC.

<sup>3</sup> Grant receivable consists of Job Support Scheme funded by the Singapore Government.

## 28. OTHER RECEIVABLES - CURRENT (CONT'D)

### Significant foreign currency denominated balances

	Group		Company	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
USD	534	1,302	534	1,302
RMB	6,936	6,562	-	-

## 29. AMOUNTS DUE FROM/(TO) SUBSIDIARIES

	Company	
	2020 \$'000	2019 \$'000
<b>Loans and receivables</b>		
Amounts due from subsidiaries		
- non-trade	189,264	186,303
Less: Expected credit losses	(3,836)	(3,836)
	<b>185,428</b>	182,467
<b>Financial liabilities at amortised cost</b>		
Amounts due to subsidiaries (current)		
- non-trade	(17,570)	(20,522)

	Company	
	2020 \$'000	2019 \$'000
<b>Movement in allowance accounts:</b>		
At 1 January	3,836	3,856
Write-back of allowance for the financial year	-	(20)
At 31 December	<b>3,836</b>	3,836

Included in the amounts due from subsidiaries are unsecured loans of \$30,000,000 (2019: \$30,250,000), bearing interest at a rate of 3.17% (2019: 3.95% and 4.24%) and repayable on demand. Except for this loan, the amounts due from/(to) subsidiaries are unsecured, interest-free and repayable on demand.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 30. AMOUNTS DUE FROM/(TO) ASSOCIATES

	Group		Company	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>Loans and receivables</b>				
Amounts due from associates				
- trade	2,756	4,643	1,430	-
- non-trade	-	93	-	19
	<b>2,756</b>	<b>4,736</b>	<b>1,430</b>	<b>19</b>
Less: Expected credit losses	-	(105)	-	-
	<b>2,756</b>	<b>4,631</b>	<b>1,430</b>	<b>19</b>
<b>Financial liabilities at amortised cost</b>				
Amounts due to associates				
- trade	(26)	(39)	-	-
- non-trade	(17,860)	(17,860)	(17,831)	(17,831)
	<b>(17,886)</b>	<b>(17,899)</b>	<b>(17,831)</b>	<b>(17,831)</b>

Included in the amounts due to associates (non-trade) are unsecured loans of \$17,831,000 (2019: \$17,831,000) that are non-interest bearing which can be offset against RCPS. Except for this loan, the amounts due from/(to) associates are unsecured, non-interest bearing and repayable on demand.

### Expected credit losses

The movement in allowance for expected credit losses of amounts due from associates is as follows:

	Group	
	2020 \$'000	2019 \$'000
<b>Movement in allowance accounts:</b>		
At 1 January	105	23
Charge for the financial year (Note 10)	51	82
Transfer of allowance to Associates (Note 18)	(137)	-
Exchange differences	(19)	-
At 31 December	-	105

### Significant foreign currency denominated balances

	Group		Company	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
US Dollars	328	2,757	-	-

## 31. AMOUNTS DUE FROM/(TO) RELATED PARTIES

	Group		Company	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>Loans and receivables – Current</b>				
Amounts due from related parties				
- trade	113	26,076	-	-
- non-trade	19	581	-	-
	<b>132</b>	<b>26,657</b>	<b>-</b>	<b>-</b>
Less: Expected credit losses	-	(1)	-	-
	<b>132</b>	<b>26,656</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities at amortised cost</b>				
Amounts due to related parties				
- trade	(231)	(381)	-	-
- non-trade	(39)	(2,276)	(13)	(15)
	<b>(270)</b>	<b>(2,657)</b>	<b>(13)</b>	<b>(15)</b>

The amounts due from/(to) related parties (current) are unsecured, non-interest bearing and repayable on demand.

	Group		Company	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>Loans and receivables – Non-current</b>				
Amounts due from related parties				
- trade	16,485	-	-	-
- non-trade	589	-	-	-
	<b>17,074</b>	<b>-</b>	<b>-</b>	<b>-</b>
Less: Expected credit losses	-	-	-	-
	<b>17,074</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 31. AMOUNTS DUE FROM/(TO) RELATED PARTIES (CONT'D)

During the financial year ended 31 December 2020, COVID-19 had affected the financial performance of hotels and resorts of one of the related parties in Bintan. The related party has indicated that the expected market recovery might take a few years and has requested to repay the amount owing to the Group out of operating cash flow which is in consideration of the debtors' cash flow projection. The modification of these terms has triggered the de-recognition of the existing instrument and recognition of a new instrument under SFRS(I) 9, and the amount has been reclassified from current to non-current. This instrument has been measured at fair value upon initial recognition according to the following inputs:

Market interest rate	5.25%
Previous carrying value	\$24,434,000
New instrument carrying value at fair value upon initial recognition	\$17,074,000
Modification loss (recorded within finance costs in 2020) (Note 9)	\$7,360,000

Subsequent to the modification loss, as at 31 December 2020, the Group has performed an assessment on expected credit loss on the amounts due from related parties of \$17,074,000, and concluded that the amount of expected credit loss is not material for the financial year ended 31 December 2020.

### Expected credit losses

The movement in allowance for expected credit losses of amounts due from related parties is as follows:

	Group	
	2020 \$'000	2019 \$'000
<b>Movement in allowance accounts:</b>		
At 1 January	1	11
Charge for the financial year (Note 10)	-	79
Write-off for the financial year	-	(90)
Exchange differences	(1)	1
At 31 December	-	1

### Significant foreign currency denominated balances

	Group		Company	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
US Dollars	8,194	17,867	(13)	(12)

## 32. CASH AND SHORT-TERM DEPOSITS

	Group		Company	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>Loans and receivables</b>				
Cash on hand and at bank	51,287	57,476	15,386	14,799
Short-term deposits, unsecured	-	73,326	-	73,325
	51,287	130,802	15,386	88,124

### Significant foreign currency denominated balances

	Group		Company	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
US Dollars	7,657	13,108	3,270	7,919

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Short-term deposits are made for varying periods depending on the immediate cash requirements of the Group and the Company, and earn interests at the respective short-term deposit rates. The range of interest rates for the year ended 31 December 2019 for the Group and the Company were 1.40% to 2.15% and 1.60% to 2.15% respectively. There were no short-term deposits as at 31 December 2020.

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise the following at the end of the reporting period:

	Group	
	2020 \$'000	2019 \$'000
Cash and short-term deposits	51,287	130,802

## 33. OTHER NON-FINANCIAL LIABILITIES - CURRENT

	Group		Company	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Goods and services tax/value-added tax payable	6,394	7,086	402	463
Others	7,903	8,507	607	269
	14,297	15,593	1,009	732

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 34. INTEREST-BEARING LOANS AND BORROWINGS

	Maturity	Group		Company	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>Financial liabilities at amortised cost</b>					
<b>Current liabilities</b>					
Secured bank loans	2021	179,303	126,026	60,600	30,600
Unsecured bank loans	2021	46,901	51,940	30,961	33,000
		226,204	177,966	91,561	63,600
<b>Non-current liabilities</b>					
Secured bank loans	2022-2031	223,330	269,600	15,167	46,033
Unsecured bank loans	2022-2025	9,766	12,060	3,646	-
		233,096	281,660	18,813	46,033
<b>Total</b>		<b>459,300</b>	<b>459,626</b>	<b>110,374</b>	<b>109,633</b>

A reconciliation of liabilities arising from financing activities is as follows:

	2019 \$'000	Cash flows \$'000	Non-cash changes					2020 \$'000
			Accretion of interest/ Amortisation of transaction costs \$'000	Fair value loss \$'000	Foreign exchange movement \$'000	New leases \$'000	Other* \$'000	
<b>Interest bearing loans and borrowings - secured</b>								
- Current	126,026	(4,781)	-	-	(2,039)	-	60,097	179,303
- Non-current	269,600	17,965	-	-	(4,138)	-	(60,097)	223,330
<b>Interest bearing loans and borrowings - unsecured</b>								
- Current	51,940	(10,979)	-	-	-	-	5,940	46,901
- Non-current	12,060	3,646	-	-	-	-	(5,940)	9,766
<b>Convertible bonds</b>								
- Loan liability (Note 36)	-	40,923	1,916	-	-	-	(1,521)	41,318
- Derivative liability (Note 37)	-	9,480	-	5,702	-	-	-	15,182
<b>Notes payable (Note 35)</b>								
- Current	99,926	(100,000)	74	-	-	-	-	-
<b>Leases (Note 39)</b>								
- Current	1,428	(3,560)	2,325	-	(45)	33	1,949	2,130
- Non-current	33,442	-	-	-	(505)	1,310	(1,949)	32,298
<b>Total</b>	<b>594,422</b>	<b>(47,306)</b>	<b>4,315</b>	<b>5,702</b>	<b>(6,727)</b>	<b>1,343</b>	<b>(1,521)</b>	<b>550,228</b>

## 34. INTEREST-BEARING LOANS AND BORROWINGS (CONT'D)

	2018 \$'000	Cash flows \$'000	Non-cash changes					2019 \$'000
			Accretion of interest/ Amortisation of transaction costs \$'000	Foreign exchange movement \$'000	Adoption of SFRS(I)16 \$'000	New leases \$'000	Other* \$'000	
<b>Interest bearing loans and borrowings - secured</b>								
- Current	75,236	17,970	1,310	4,245	-	-	27,265	126,026
- Non-current	197,630	88,291	-	10,944	-	-	(27,265)	269,600
<b>Interest bearing loans and borrowings - unsecured</b>								
- Current	15,250	36,690	-	-	-	-	-	51,940
- Non-current	33,000	(20,940)	-	-	-	-	-	12,060
<b>Notes payable (Note 35)</b>								
- Current	124,690	(125,000)	310	-	-	-	99,926	99,926
- Non-current	99,926	-	-	-	-	-	(99,926)	-
<b>Leases (Note 39)</b>								
- Current	-	(2,698)	2,290	33	106	508	1,189	1,428
- Non-current	-	-	-	(222)	33,390	1,463	(1,189)	33,442
<b>Total</b>	<b>545,732</b>	<b>(5,687)</b>	<b>3,910</b>	<b>15,000</b>	<b>33,496</b>	<b>1,971</b>	<b>-</b>	<b>594,422</b>

\* Other relates to reclassification of non-current portion of loans and borrowings, capitalisation of transaction costs and conversion of Convertible Bonds to new shares.

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

	Group	
	2020 \$'000	2019 \$'000
Freehold land and buildings (Note 13)	446,547	462,992
Investment properties (Note 14)	35,158	35,787
Leasehold buildings (Note 13)	13,556	14,611
Property development costs	131,848	119,478
Unquoted shares	4,048	-
Prepaid island rental	15,735	18,562
Investment in associates	3,731	3,867
Long-term restricted deposit pledged (Note 22)	1,674	1,704
Other assets	1,399	3,092
	<b>653,696</b>	<b>660,093</b>

The secured bank loans of the Company amounting to \$75,767,000 (2019: \$76,633,000) are secured by freehold land and buildings, and property development cost of the Group's subsidiaries.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 35. NOTES PAYABLE

	Interest rate	Maturity	Group and Company	
			2020 \$'000	2019 \$'000
<b>Fixed rate notes:</b>				
- \$100 million	4.850%	5 June 2020	-	99,926

	Group and Company	
	2020 \$'000	2019 \$'000
Notes payable are repayable as follows:		
Within 12 months	-	99,926

The \$100 million fixed rate notes have matured and have been fully repaid on 5 June 2020.

## 36. CONVERTIBLE BONDS

	Group and Company
	2020 \$'000
Face value of convertible bonds issued (Note 34)	50,403
Capitalised transaction costs	(1,291)
Face value, net of transaction cost, of convertible bonds issued	49,112
Derivative liability conversion option of initial recognition (Note 37)	(9,480)
Liability component on initial recognition	39,632
Accretion of interest (Note 9)	1,916
Conversion of convertible bonds into ordinary shares (Note 43)	(230)
Liability component at the end of the financial year	41,318

On 6 August 2020, the Company allotted and issued \$50,402,608 in aggregate principal amount of 7.5% Convertible Bonds maturing on 6 August 2022. The issue of any ordinary shares upon conversion of the Convertible Bonds has been approved by the shareholders at the Annual General Meeting on 6 May 2020. Interest is payable semi-annually in arrears on 6 February and 6 August in each year commencing on 6 February 2021.

Consequently, the maximum number of conversion shares that may be issued pursuant to the conversion of the Convertible Bonds is 201,610,432 shares. During the financial year ended 31 December 2020, there were 920,000 new shares being issued from conversion of \$230,000 of Convertible Bonds at \$0.25 per share. As at 31 December 2020, there are up to 200,690,432 new shares of the Company that may be issued upon the conversion of the Convertible Bonds.

## 36. CONVERTIBLE BONDS (CONT'D)

The estimate of the fair value of the conversion and early redemption option derivatives is measured based on the Binomial Tree model. Details of the assumptions of conversion and early redemption option derivatives are as follows:

Date of valuation	Group and Company	
	31 December 2020	6 August 2020 (date of issuance)
Share price (\$)	0.265	0.225
Exercise price (\$)	0.250	0.250
Expected volatility	37%	32%
Maturity period	1.6 years	2 years
Conversion period	1.57 years	1.97 years

## 37. DERIVATIVE LIABILITY CONVERSION OPTION IN CONVERTIBLE BONDS

	Group and Company
	2020 \$'000
Derivative liability conversion option of initial recognition (Note 36)	9,480
Fair value loss on derivatives (Note 7)	5,702
	15,182

The derivative liability conversion option relates to the conversion option of the Convertible Bonds that is recognised at its fair value, determined by applying the Binomial Tree model. The fair value measurement is categorised in Level 3 of the fair value hierarchy. Details of valuation techniques and inputs used are disclosed in Note 50.

## 38. OTHER PAYABLES – CURRENT

	Group		Company	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>Financial liabilities at amortised cost</b>				
Accrued operating expenses	30,807	33,798	6,515	5,402
Accrued service charges	785	2,117	-	-
Deposits	3,430	1,711	-	-
Loans from an investment	79,005	79,005	60,295	60,295
Sundry creditors	2,585	3,770	57	16
	116,612	120,401	66,867	65,713

Included in the loans from an investment is an amount of \$60,295,000, non-interest bearing, which can be offset against RCPS.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 38. OTHER PAYABLES – CURRENT (CONT'D)

### Derivatives

#### Vanke call and put option

A subsidiary of the Group (“BTCN”) entered into a shareholder’s agreement (“BTAC Shareholder’s Agreement”) with TCL, which allows TCL to exercise a call option (“First Call Option”) to purchase up to 99% of the Group’s interest then held in BTAC on the date falling on and after 6 months after the second completion as defined in BTAC Shareholder’s Agreement, and BTCN to exercise a put option (“First Put Option”) to dispose up to 99% of the Group’s interest then held in BTAC on and from the earlier of (i) BTAC having acquired China Fund Assets\* and BTMC having acquired remaining 10% interest in Banyan Tree Hotels Management (Tianjin) Co., Ltd (“CHMC”) before 30 September 2018, or (ii) 30 September 2018.

On 20 November 2018, BTCN exercised the First Put Option to dispose 18.6% shares in BTAC to TCL. After exercising the First Put Option, BTCN retained 4.2% interest in BTAC. On the same day, BTCN entered into a supplemental agreement to the shareholders’ agreement (“BTAC Supplemental Shareholder’s Agreement”) with TCL which allows TCL to exercise a call option (“Second Call option”) to purchase up to 99% of the Group’s interest then held in BTAC and BTCN to exercise a put option (“Second Put Option”) to dispose up to 99% of the Group’s interest then held in BTAC on the date falling on or after the 8th anniversary of 20 November 2018.

As disclosed in Note 19, on 30 December 2019, BTCN has increased its interest in BTAC to 5.2%, and the Second Put Option remains valid on the revised BTCN’s interest in BTAC as at 31 December 2020.

As at 31 December 2020 and 2019, the Group has assessed that the fair value of all Vanke call and put options are immaterial.

\* China Fund Assets refer to all projects, equity interests and other assets held by China Fund (other than 10% shareholding interest in CHMC held by China Fund).

## 39. LEASES

The Group has lease contracts for land and buildings used in its operations. Leases of land generally have lease terms between 34 and 44 years and buildings generally have lease terms of 2 to 4 years. The Group’s obligations under its leases are secured by the lessor’s title to the leased assets.

The Group also has certain leases of office equipment with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the ‘short-term lease’ and ‘lease of low-value assets’ recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Group
	Land and buildings \$'000
As at 1 January 2019	20,478
Additions	679
Depreciation charge for the financial year	(1,514)
Exchange difference	(84)
As at 31 December 2019 and 1 January 2020	<b>19,559</b>
Additions	<b>1,447</b>
Depreciation charge for the financial year	<b>(1,940)</b>
Exchange difference	<b>(297)</b>
As at 31 December 2020	<b>18,769</b>

## 39. LEASES (CONT'D)

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	Group	
	2020 \$'000	2019 \$'000
As at 1 January	<b>34,870</b>	33,497
Additions	<b>1,343</b>	1,972
Accretion of interest (Note 9)	<b>2,325</b>	2,290
Payments	<b>(3,560)</b>	(2,698)
Exchange difference	<b>(550)</b>	(191)
As at 31 December	<b>34,428</b>	34,870
Current	<b>2,130</b>	1,428
Non-current	<b>32,298</b>	33,442

The maturity analysis of lease liabilities are disclosed in Note 48.

The following are the amounts recognised in profit or loss:

	Group	
	2020 \$'000	2019 \$'000
Depreciation expense of right-of-use assets	<b>1,940</b>	1,514
Interest expense on lease liabilities (Note 9)	<b>2,325</b>	2,290
Expense relating to short-term leases (included in Administrative expenses)	<b>131</b>	315
Variable lease payments (included in Other operating expenses and administrative expenses)	<b>1,948</b>	2,778
Total amount recognised in profit or loss	<b>6,344</b>	6,897

The Group had total cash outflows for leases of \$3,560,000 in 2020 (2019: \$2,698,000). The Group also had non-cash additions to right-of-use assets and lease liabilities of \$1,447,000 and \$1,343,000 (2019: \$679,000 and \$1,972,000) respectively in 2020.

## 40. NET CURRENT (LIABILITIES)/ASSETS

As at 31 December 2020, the Group recorded net current liabilities of \$24,188,000 (2019: net current assets of \$30,864,000). Subsequent to 31 December 2020, the Group has converted \$20,000,000 current loans to a 3-year term loan, secured a new \$20,000,000 2-year term loan and also obtained an in-principle approval for \$15,000,000 of interest-bearing loans and borrowings to be rolled over and repaid in 2022.

In addition, as at date of this report, the Group has received A\$16,000,000 from the completion of the sales of its development land in Brisbane Australia. The Group is also actively pursuing the settlement of amounts due from associates of approximately \$50 million for full settlement in 2021.

As announced on 8 March 2021, the Group is actively building up its liquidity position through various measures, including collections of outstanding trade receivables, monetising completed inventory in property development costs and the conversion of short term loans to longer term loans as well as to term out the maturity profile of its term loans. Included under current liabilities as other payables was a loan from an investment of \$60,295,000 which can be settled simultaneously against RCPS of an equivalent amount under long-term investments on the balance sheet. For more information relating to the RCPS and loans from an investment, please refer to Note 19 and Note 38.

The successful execution of these events will further strengthen the Group’s liquidity and financial position.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 41. DEFERRED TAX

	Group				Company	
	Consolidated balance sheet		Consolidated income statement		Balance sheet	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>Deferred tax liabilities:</b>						
Differences in depreciation for tax purposes	(78)	(78)	-	160	-	-
Revaluation to fair value:						
- Freehold land and buildings	(74,093)	(77,525)	(1,294)	(723)	-	-
- Investment properties	(9,926)	(10,071)	79	2,098	-	-
Temporary differences arising from revenue recognition	(51,374)	(43,770)	8,560	4,692	-	-
Provisions	(96)	(114)	-	(63)	-	-
Other items	(2,450)	(4,522)	(1,984)	(732)	-	-
	(138,017)	(136,080)			-	-
<b>Deferred tax assets:</b>						
Differences in depreciation for tax purposes	1,168	1,013	(176)	(181)	-	-
Temporary differences arising from revenue recognition	17	17	-	-	-	-
Provisions	3,250	2,404	(590)	(441)	-	-
Unutilised tax losses	3,481	6,758	4,056	3,288	-	-
Property development costs	13,319	10,882	(2,674)	(2,794)	-	-
Other items	2,031	2,295	(10)	(283)	-	-
	23,266	23,369			-	-
<b>Deferred tax expense</b>			5,967	5,021		

## 41. DEFERRED TAX (CONT'D)

### Unrecognised tax losses

The Group has tax losses of \$89,888,000 as at 31 December 2020 (2019: \$34,004,000) that are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. These tax losses are subject to the agreement of the taxation authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate.

	Group	
	2020 \$'000	2019 \$'000
<b>Year of expiry:</b>		
Within 1 year	7,402	2,836
Between 2 to 5 years	60,070	11,645
No expiry	22,416	19,523
	89,888	34,004

### Unrecognised temporary differences relating to investments in subsidiaries

At the end of the reporting period, no deferred tax liability (2019: \$Nil) has been recognised for taxes that would be payable on the undistributed earnings of the Group's subsidiaries as the Group has determined that the majority of the undistributed earnings of its subsidiaries will not be distributed in the foreseeable future. The tax impact arising from any potential distribution will not be significant to the Group.

Such temporary differences for which no deferred tax liability has been recognised aggregate to \$92,267,000 (2019: \$143,235,000). The unrecognised deferred tax liability is estimated to be \$9,305,000 (2019: \$14,608,000).

### Tax consequences of proposed dividends

There are no income tax consequences (2019: \$Nil) attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 42. DEFINED AND OTHER LONG-TERM EMPLOYEE BENEFITS

The subsidiaries in Thailand operate two unfunded benefit schemes, Legal Severance Pay ("LSP") and Long Service Award ("LSA") for qualifying employees.

The subsidiaries in Indonesia are required to provide a minimum pension benefit ("MPB") under the Indonesian Labour Law, which represents an underlying defined benefit obligation.

The following tables summarise the components of net benefit expense recognised in profit or loss and amounts recognised in the balance sheets for the plans.

Group	LSP		LSA		MPB		Total	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>Net benefit expense</b>								
Current service cost	128	506	79	84	17	24	224	614
Interest cost on benefit obligation	41	27	21	25	-	-	62	52
Net actuarial loss/(gain) recognised in the year	-	-	1,032	(52)	-	-	1,032	(52)
Loss/(gain) on settlements	4,199	-	(267)	-	-	-	3,932	-
Past service cost	-	156	-	-	-	15	-	171
Net benefit expense	4,368	689	865	57	17	39	5,250	785
Net actuarial loss/(gain) recognised in other comprehensive income	1,534	129	-	-	-	(8)	1,534	121

Changes in present value of the LSP, LSA and MPB obligations are as follows:

Group	LSP		LSA		MPB		Total	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
At 1 January	3,069	2,146	1,080	1,142	87	48	4,236	3,336
Interest cost	41	27	21	25	-	-	62	52
Current service cost	128	506	79	84	17	24	224	614
Benefits paid	(3,997)	(65)	(199)	(197)	-	-	(4,196)	(262)
Actuarial loss/(gain) on obligation	1,534	129	1,032	(52)	-	(8)	2,566	69
Loss/(gain) on settlements	4,199	-	(267)	-	-	-	3,932	-
Past service cost	-	156	-	-	-	15	-	171
Exchange differences	(65)	170	(23)	78	(9)	8	(97)	256
At 31 December	4,909	3,069	1,723	1,080	95	87	6,727	4,236

## 42. DEFINED AND OTHER LONG-TERM EMPLOYEE BENEFITS (CONT'D)

The principal assumptions used in determining the Group's employee benefits are as follows:

	2020	2019
Discount rates	1.40%	2.75%
Future salary increases	2.00%	3.25%
Gold price (per Baht weight of gold)	BHT 26,000	BHT 18,500
Gold inflation	3.00%	3.00%
Attrition rate	Based on LRH Group's withdrawal experiences in prior years	

Amounts for the LSP and LSA obligations for the current and previous two periods are as follows:

	2020 \$'000	2019 \$'000	2018 \$'000
LSP and LSA obligations	6,631	4,149	3,288
Experience adjustments on the plan liabilities			
Effect of changes in demographic assumptions	1,938	-	34
Effect of changes in financial assumptions	271	-	19
Effect of experience adjustments	701	-	950

## 43. SHARE CAPITAL

	Group and Company			
	2020		2019	
	No. of shares	\$'000	No. of shares	\$'000
<b>Issued and fully paid up</b>				
At 1 January	841,364,980	241,520	841,364,980	241,520
New issue during the year	920,000	230	-	-
31 December	842,284,980	241,750	841,364,980	241,520

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

During the financial year ended 31 December 2020, there were 920,000 new shares being issued from conversion of \$230,000 of Convertible Bonds at \$0.25 per share.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 44. TREASURY SHARES AND RESERVES

### (a) Treasury shares

	2020		2019	
	No. of shares	\$'000	No. of shares	\$'000
At 1 January	(1,570,000)	(900)	(2,002,600)	(1,149)
Reissued pursuant to Share-based Incentive Plan	248,500	142	432,600	249
At 31 December	(1,321,500)	(758)	(1,570,000)	(900)

Treasury shares relate to ordinary shares of the Company that is held by the Company. In 2007 and 2018, the Company acquired 3,000,000 and 2,000,000 shares in the Company respectively through purchases on the Singapore Exchange. The total amount paid to acquire the shares was \$5,191,475 and \$1,147,000 respectively, and this was presented as a component within shareholders' equity.

As of 31 December 2020, there are 1,321,500 (2019: 1,570,000) treasury shares held by the Company.

The Company reissued 248,500 (2019: 432,600) treasury shares pursuant to Share-based Incentive Plan at a weighted average exercise price of \$0.244 (2019: \$0.570) per share.

### (b) Share-based payment reserve

The share-based payment reserve represents the equity-settled share grants granted to employees (Note 45). The reserve is made up of (i) the issue of free shares to employees in 2006 and (ii) the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share grants, less value of share grants issued to employees and value of share grants that are expired.

### (c) Legal reserve

The legal reserve is set up in accordance with the Public Limited Companies Act B.E. 2535 under Section 116 in Thailand.

The Group is required to set aside a statutory reserve of at least 5% of its net profit until the reserve reaches 10% of its registered share capital for its listed subsidiary in Thailand.

### (d) Property revaluation reserve

The property revaluation reserve is used to record increases in the fair value of revalued properties, net of deferred tax, and decreases to the extent that such decrease relates to an increase on the same asset previously recognised in other comprehensive income.

### (e) Currency translation reserve

The currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency and exchange differences arising on monetary items that form part of the Group's net investment in foreign subsidiaries.

## 44. TREASURY SHARES AND RESERVES (CONT'D)

### (f) Other reserves

Other reserves include the following:

#### (i) Merger deficit

The merger deficit comprises the difference between the consideration paid, in the form of the acquiring Company's shares and nominal value of the issued share capital of subsidiaries acquired.

#### (ii) Capital reserve

The capital reserve comprises a waiver of debt by the joint venture on amounts due by the Company and accounting of assets in subsidiaries at their fair values as at the acquisition date and cannot be used for dividend payments.

#### (iii) Fair value adjustment reserve

The fair value adjustment reserve records the cumulative fair value changes, net of tax, of equity instruments until they are derecognised.

#### (iv) Premium paid on acquisition of non-controlling interests

Premium paid on acquisition of non-controlling interests represents the effects of changes in interest in subsidiaries when there is no change in control.

#### (v) Loss on reissuance of treasury shares

This represents the loss arising from the purchase, sale, issue or cancellation of treasury shares. No dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members on a winding up) may be made in respect of this reserve.

A breakdown of the Group's and Company's other reserves is as follows:

Group	Merger deficit \$'000	Capital reserve \$'000	Fair value adjustment reserve \$'000	Premium paid on acquisition of non-controlling interests \$'000	Loss on reissuance of treasury shares \$'000	Total other reserves \$'000
At 1 January 2020	(18,038)	7,852	(9,977)	44,452	(3,189)	21,100
Other comprehensive income for the financial year	-	-	(447)	-	-	(447)
Total comprehensive income for the financial year	-	-	(447)	-	-	(447)
<b>Contributions by and distributions to owners</b>						
Treasury shares reissued pursuant to Share-based Incentive Plan	-	-	-	-	(82)	(82)
Total transactions with owners in their capacity as owners	-	-	-	-	(82)	(82)
<b>At 31 December 2020</b>	<b>(18,038)</b>	<b>7,852</b>	<b>(10,424)</b>	<b>44,452</b>	<b>(3,271)</b>	<b>20,571</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 44. TREASURY SHARES AND RESERVES (CONT'D)

### (f) Other reserves (cont'd)

Group	Merger deficit \$'000	Capital reserve \$'000	Fair value adjustment reserve \$'000	Premium paid on acquisition of non-controlling interests \$'000	Loss on reissuance of treasury shares \$'000	Total other reserves \$'000
At 1 January 2019	(18,038)	7,852	(4,676)	44,452	(3,188)	26,402
Other comprehensive income for the financial year	-	-	(5,301)	-	-	(5,301)
Total comprehensive income for the financial year	-	-	(5,301)	-	-	(5,301)
<b>Contributions by and distributions to owners</b>						
Treasury shares reissued pursuant to Share-based Incentive Plan	-	-	-	-	(1)	(1)
Total transactions with owners in their capacity as owners	-	-	-	-	(1)	(1)
At 31 December 2019	(18,038)	7,852	(9,977)	44,452	(3,189)	21,100

Company	Capital reserve \$'000	Loss on reissuance of treasury shares \$'000	Total other reserves \$'000
At 1 January 2020	7,852	(3,189)	4,663
<b>Contributions by and distributions to owners</b>			
Treasury shares reissued pursuant to Share-based Incentive Plan	-	(82)	(82)
Total transactions with owners in their capacity as owners	-	(82)	(82)
<b>At 31 December 2020</b>	<b>7,852</b>	<b>(3,271)</b>	<b>4,581</b>
At 1 January 2019	7,852	(3,188)	4,664
<b>Contributions by and distributions to owners</b>			
Treasury shares reissued pursuant to Share-based Incentive Plan	-	(1)	(1)
Total transactions with owners in their capacity as owners	-	(1)	(1)
At 31 December 2019	7,852	(3,189)	4,663

## 45. EQUITY COMPENSATION BENEFITS

### Banyan Tree Share Option Scheme, Banyan Tree Performance Share Plan and Banyan Tree Share Award Scheme 2016

On 28 April 2006, the shareholders of the Company approved the adoption of two share-based incentive schemes for its directors and employees, the Banyan Tree Share Option Scheme (the "Share Option Scheme") and a performance share plan known as the Banyan Tree Performance Share Plan (the "Plan") (collectively the "Schemes"). The Schemes have expired on 27 April 2016 and the Company adopted the Banyan Tree Share Award Scheme 2016 (the "Share Award Scheme") at the annual general meeting of the Company on 28 April 2016 to replace the Plan. Under the Share Option Scheme (prior to expiry), eligible participants may be granted options to acquire shares in the Company whereas under the Plan (prior to expiry) and the Share Award Scheme, the Company's shares may be issued to eligible participants. The Schemes and the Share Award Scheme provide eligible participants with an opportunity to participate in the equity of the Company and motivate them towards better performance. The Schemes and the Share Award Scheme form an integral and important component of the compensation plan. Ho KwonPing, the Executive Chairman and controlling shareholder\*, was/is not entitled to participate in the Schemes and the Share Award Scheme.

At the date of this report, the Share Award Scheme is the only share incentive scheme in force in the Company. This is administered by the Nominating and Remuneration Committee ("NRC") which comprises three Independent Directors, Chia Chee Ming Timothy as Chairman and Chan Heng Wing and Beh Jit Han Paul as members.

The total number of shares which may be issued and/or transferred pursuant to awards granted under the Share Award Scheme, when added to the total number of shares issued and issuable and/or existing shares transferred and transferable in respect of all awards granted under the Share Award Scheme and all shares, options or awards granted under any share scheme of the Company then in force, shall not exceed 5% of the total number of issued shares (excluding treasury shares) on the day preceding the relevant date of the award.

The Company has not issued any option to any eligible participant pursuant to the Share Option Scheme (expired).

The Plan comprises the Performance Share Plan ("PSP") and the Restricted Share Plan ("RSP"). The Plan and Share Award Scheme participants who have attained from grade of level 5 and from grade of Vice President respectively are eligible to participate. PSP is targeted at a participant who is a key member of Senior Management with the ability to drive the growth of the Company through innovation, creativity and superior performance whereas RSP is intended to enhance the Group's overall compensation packages and strengthen the Group's ability to attract and retain high performing talent. The selection of a participant and the number of shares which are subject of each award to be granted to a participant in accordance with the Plan and Share Award Scheme shall be determined at the absolute discretion of the NRC, which shall take into account criteria such as rank, job performance, level of responsibility and potential for future development and his contribution to the success and development of the Group. A participant may be granted an award under the PSP and RSP although differing performance targets are likely to be set for each award.

Awards represent the right of a participant to receive fully paid shares, their equivalent cash value or combinations thereof free of charge, upon the participant achieving prescribed performance target(s) and/or time-based service conditions. Awards are released once the NRC is satisfied that the prescribed performance target(s) and/or time-based service conditions have been achieved.

The Company has not issued any award under the Plan and Share Award Scheme to any of its controlling shareholders. Since the commencement of the Plan and Share Award Scheme, no participant has been awarded 5% or more of the total shares available.

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

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 45. EQUITY COMPENSATION BENEFITS (CONT'D)

### Banyan Tree Share Option Scheme, Banyan Tree Performance Share Plan and Banyan Tree Share Award Scheme 2016 (cont'd)

The details of the Plan and Share Award Scheme existed as at 31 December 2020 are set out as follows:

	PSP	RSP
<b>Plan and Share Award Scheme Description</b>	Award of fully-paid ordinary shares of the Company or their cash equivalent, conditional on performance targets set at the start of a three-year performance period.	Award of fully-paid ordinary shares of the Company or their cash equivalent, conditional on the Group's performance over a one-year performance period.
<b>Date of Grant:</b>		
FY 2020 Grant	1 April 2020	1 April 2020
FY 2019 Grant	1 April 2019	1 April 2019
FY 2018 Grant	2 April 2018	2 April 2018
FY 2017 Grant	3 April 2017	3 April 2017
<b>Performance Period:</b>		
FY 2020 Grant	1 January 2020 to 31 December 2022	1 January 2020 to 31 December 2020
FY 2019 Grant	1 January 2019 to 31 December 2021	1 January 2019 to 31 December 2019
FY 2018 Grant	1 January 2018 to 31 December 2020	1 January 2018 to 31 December 2018
FY 2017 Grant	1 January 2017 to 31 December 2019	1 January 2017 to 31 December 2017
<b>Performance Conditions:</b>		
FY 2020 Grant, FY 2019 Grant, FY 2018 Grant and FY 2017 Grant	<ul style="list-style-type: none"> <li>Absolute Total Shareholder Return ("TSR") as multiple of Cost of Equity ("COE")</li> <li>Relative TSR against selected hospitality listed peers</li> </ul>	<ul style="list-style-type: none"> <li>Return on Invested Capital ("ROIC")</li> <li>EBITDA*</li> </ul>
<b>Vesting Period:</b>		
FY 2020 Grant, FY 2019 Grant, FY 2018 Grant and FY 2017 Grant	Vesting based on achieving stated performance conditions over a three-year performance period.	Based on achieving stated performance conditions over a one-year performance period, 33 1/3% of award will vest. Balance will vest over the subsequent two years with fulfilment of service requirements.
<b>Payout:</b>	0% to 200% depending on the achievement of pre-set performance targets over the performance period.	0% to 150% depending on the achievement of pre-set performance targets over the performance period.

\* EBITDA denotes Earnings before Interest, Taxes, Depreciation and Amortisation.

## 45. EQUITY COMPENSATION BENEFITS (CONT'D)

### Banyan Tree Share Option Scheme, Banyan Tree Performance Share Plan and Banyan Tree Share Award Scheme 2016 (cont'd)

A prospective Monte Carlo simulation model involving projection of future outcomes using statistical distributions of random variables including share price and volatility of returns was used to value the conditional share awards. The simulation model was based on the following key assumptions for FY 2020 Grant:

	PSP	RSP
<b>Historical Volatility</b>		
Banyan Tree Holdings Limited ("BTH")	28.11%	28.11%
Benchmark Index <sup>1</sup>	25.69%	Not applicable
<b>Risk-free interest rates</b>		
Singapore Sovereign Term	0.85% 36 months	0.62% - 0.85% 12 to 36 months
<b>BTH expected dividend yield</b>	0%	0%
<b>Share price at grant date</b>	\$0.27	\$0.27

For non-market conditions, achievement factors have been estimated based on feedback from the NRC for the purpose of accrual for the RSP until the achievement of the targets can be reasonably ascertained.

<sup>1</sup> Comprises of selected hospitality peer companies.

The details of shares awarded, cancelled and released during the financial year pursuant to the Plan and Share Award Scheme are as follows:

Grant date	PSP					
	Balance as at 1 January 2020 <sup>1</sup>	Shares granted during financial year <sup>1</sup>	Shares cancelled during financial year <sup>2</sup>	Shares released during financial year	Balance as at 31 December 2020 <sup>1</sup>	Estimated fair value at grant date
<b>3 April 2017</b>						
Other Participants	225,000	-	(225,000)	-	-	\$0.386
<b>2 April 2018</b>						
Other Participants	300,000	-	-	-	300,000	\$0.555
<b>1 April 2019</b>						
Other Participants	360,000	-	-	-	360,000	\$0.445
<b>1 April 2020</b>						
Other Participants	-	405,000	-	-	405,000	\$0.129
<b>Total</b>	<b>885,000</b>	<b>405,000</b>	<b>(225,000)</b>	<b>-</b>	<b>1,065,000</b>	

<sup>1</sup> The number of shares comprised in awards granted by the Company under the Banyan Tree Performance Share Plan and Banyan Tree Share Award Scheme 2016, subject to performance conditions being met. It also represents the number of shares required if participants are to be awarded at 100% of the grant, however, the shares to be awarded at the vesting date may range from 0% to 200% depending on the level of achievement of pre-set performance conditions over the performance period.

<sup>2</sup> The number of shares cancelled due to forfeiture arising from not achieving the pre-set performance conditions or resignation during the performance period.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 45. EQUITY COMPENSATION BENEFITS (CONT'D)

### Banyan Tree Share Option Scheme, Banyan Tree Performance Share Plan and Banyan Tree Share Award Scheme 2016 (cont'd)

The details of shares awarded, cancelled and released during the financial year pursuant to the Plan and Share Award Scheme are as follows: (cont'd)

RSP						
Grant date	Balance as at 1 January 2020 <sup>1</sup>	Shares granted during financial year <sup>1</sup>	Shares cancelled during financial year <sup>2</sup>	Shares released during financial year	Balance as at 31 December 2020 <sup>1</sup>	Estimated fair value at grant date
<b>3 April 2017</b>						
Other Participants	222,600	-	-	(222,600)	-	\$0.480
<b>2 April 2018</b>						
Other Participants	405,600	-	(18,200)	(203,300)	184,100	\$0.570
<b>1 April 2019</b>						
Other Participants	581,250	-	(581,250)	-	-	\$0.550
<b>1 April 2020</b>						
Other Participants	-	630,000	(45,000)	-	585,000	\$0.270
<b>Total</b>	<b>1,209,450</b>	<b>630,000</b>	<b>(644,450)</b>	<b>(425,900)</b>	<b>769,100</b>	

<sup>1</sup> The number of shares comprised in awards granted by the Company under the Banyan Tree Performance Share Plan and Banyan Tree Share Award Scheme 2016, subject to performance conditions being met. It also represents the number of shares required if participants are to be awarded at 100% of the grant, however, the shares to be awarded at the vesting date may range from 0% to 150% depending on the level of achievement of pre-set performance conditions over the performance period.

<sup>2</sup> The number of shares cancelled due to forfeiture arising from not achieving the pre-set performance conditions or resignation during the performance period.

The number of contingent shares granted but not released as at 31 December 2020 were 1,065,000 and 769,100 (2019: 885,000 and 1,209,450) for PSP and RSP respectively. Based on the multiplying factor, the actual release of the awards could range from zero to a maximum of 2,130,000 and 1,061,600 (2019: 1,770,000 and 1,500,075) for PSP and RSP respectively.

### Founder's Grant

On 2 May 2006, the independent shareholders of the Company approved the incentive for the Executive Chairman, Ho KwonPing, which has been included in his employment agreement. Pursuant to the incentive, Mr Ho shall be entitled to, for each financial year for a period of ten years beginning from the financial year ended 31 December 2010, an amount equivalent to 5% of the profit before tax of the Group, such amount to be payable in cash or in shares at the sole discretion of the Company (the "Founder's Grant"). The Founder's Grant aims to secure the continuing commitment of Mr Ho to the Group and to reward him for founding, leading and building up the Group. The entitlement has ended at financial year ended 31 December 2019. The Group reported a profit before tax and before provision of the expense for Founder's Grant of \$14,689,846 for the financial year ended 31 December 2019. Accordingly, the amount payable pursuant to the Founder's Grant was \$734,492. Ho KwonPing has requested for payment to be deferred. The Board of Directors has approved the deferred payment on 28 February 2020.

## 46. COMMITMENTS AND CONTINGENCIES

### (a) Capital commitments

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

	Group	
	2020 \$'000	2019 \$'000
Capital commitments in respect of property, plant and equipment	<b>76,657</b>	70,028

### (b) Contingent liabilities

#### Guarantees

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

	Company	
	2020 \$'000	2019 \$'000
Guarantees issued for banking facilities to subsidiaries	<b>67,195</b>	81,103

At the end of the reporting period, the Company has provided financial support amounting to \$96,479,000 (31 December 2019: \$87,329,000) to its subsidiaries in net current liabilities or net liabilities position to enable these companies to continue their operations and meet their liabilities as and when they fall due.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 47. RELATED PARTY TRANSACTIONS

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

	Group	
	2020 \$'000	2019 \$'000
<b>(a) Associates:</b>		
- Management and service fee income	377	1,231
- Reservation fee income	65	234
- Architectural income	-	436
- Spa gallery income	-	755
- Royalty income	92	315
- China Licensing fee	3,084	3,487
- Others	-	35
<b>(b) Related parties</b>		
- Management and service fee income	74	1,143
- Rental income	632	2,535
- Reservation fee income	33	203
- Architectural income	-	284
- Spa gallery income	2	1
- Royalty income	107	625
- Others	21	28
<b>(c) Compensation of key management personnel</b>		
- Salaries and employee benefits	2,807	4,456
- Central Provident Fund contributions	83	125
- Share-based payment expenses	15	78
- Other short-term benefits <sup>1</sup>	675	1,479
Total compensation paid to key management personnel	3,580	6,138
<b>Comprise amounts paid to:</b>		
• Directors of the Company	958	2,827
• Other key management personnel	2,622	3,311
	3,580	6,138

<sup>1</sup> Other short-term benefits include amount payable to Ho KwonPing under the Founder's Grant of \$Nil (2019: \$734,492).

## 48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk. The Board reviews and agrees policies and procedures, factoring in the challenges posed by the COVID-19 pandemic situation on the Group's operations for the management of these risks, which are executed by the President and Group Managing Director. The Audit and Risk Committee provides independent oversight to the effectiveness of the risk management process. It is, and has been throughout the current and previous financial year, the Group's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

### (a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from long-term receivables, trade receivables, contract assets, amounts due from associates and amounts due from related parties. For other financial assets (including cash and short-term deposits), the Group and the Company minimise credit risk by dealing with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group has generally determined the default event on a financial asset to be when the counterparty fails to make contractual payments, within 90 days when they fall due, which are derived based on the Group's historical information.

The Group considers "low risk" to be financial asset with an investment grade credit rating. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition. The Group considers available reasonable and supportive forward looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- Actual or expected significant changes in the operating results of the borrower
- Significant increases in credit risk on other financial instruments of the same borrower
- Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrower in the group and changes in the operating results of the borrower.

The Group determined that its financial assets are credit-impaired when:

- There is significant difficulty of the issuer or the borrower
- A breach of contract, such as a default or past due event
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation

The Group categorises a loan or receivable for potential write-off when a debtor fails to make contractual payments more than 90 days past due. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans and receivables have been written off, the Group continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

### (a) Credit risk (cont'd)

The following are credit risk management practices and quantitative and qualitative information about amounts arising from expected credit losses for each class of financial assets.

#### (i) Debt securities at amortised cost, debt securities at fair value through other comprehensive income and loans at amortised cost

The Group uses three categories of internal credit risk ratings for debt instruments and loans which reflect their credit risk and how the loss provision is determined for each of those categories. These internal credit risk ratings are determined through incorporating both qualitative and quantitative information that builds on information from external credit rating companies, supplemented with information specific to the counterparty and other external information that could affect the counterparty's behaviour.

The Group computes expected credit loss for this group of financial assets using the probability of default approach. In calculating the expected credit loss rates, the Group considers implied probability of default from external rating agencies where available and historical loss rates for each category of counterparty, and adjusts for forward looking macroeconomic data.

A summary of the Group's internal grading category in the computation of the Group's expected credit loss model for the debt instruments and loans is as follows:

Category	Definition of category	Basis for recognition of expected credit loss provision	Basis for calculating interest revenue
Grade I	Customer has a low risk of default and capacity to meet contractual cash flows.	12-month expected credit losses	Gross carrying amount
Grade II	Customer debts for which there is a significant increase in credit risk; as significant increase in credit risk is presumed if debts repayments are 30 days past due and/or there is an indication that the customers are in financial difficulty.	Lifetime expected credit losses	Gross carrying amount
Grade III	Existence of objective evidences that the customers are in financial difficulty and/or debts amount are in dispute and/or past 360 days past due.	Lifetime expected credit losses	Amortised cost of carrying amount (net of credit allowance)

There are no significant changes to estimation techniques or assumptions made during the reporting period.

## 48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

### (a) Credit risk (cont'd)

#### (ii) Financial assets at amortised cost

The loss allowance provision for financial assets at amortised cost is as follows:

	Group	
	Financial assets at amortised cost	
	2020 \$'000	2019 \$'000
As at 1 January	6,826	4,124
Loss allowance measured at:		
12-month ECL	167	161
Lifetime ECL		
- Trade amounts	1,968	3,783
Write-offs	(134)	(1,148)
Exchange difference	(135)	(94)
As at 31 December	8,692	6,826

The gross carrying amount of financial assets at amortised cost is as follows:

		Group	
		2020 \$'000	2019 \$'000
12-month ECL	Financial assets at amortised cost	70,337	70,019
Lifetime ECL	Financial assets at amortised cost	107,873	124,173
<b>Total</b>		<b>178,210</b>	<b>194,192</b>

The gross carrying amount of contract assets, long-term amount due from associates, long-term receivables, other receivables, trade receivables, amount due from associates and amount due from related parties of the Group are disclosed in Notes 3, 18, 21, 22, 27, 28, 30 and 31.

The gross carrying amount of loans of the Company as at 31 December 2020, without taking into account any collaterals held or other credit enhancements which represents the maximum exposure to loss, is \$428,439,000 (2019: \$428,123,000).

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

### (a) Credit risk (cont'd)

#### (iii) Long-term receivables, trade receivables, contract assets, amounts due from associates and amounts due from related parties

The Group provides for lifetime expected credit losses for all trade-related balances including long-term receivables, trade receivables, contract assets, amounts due from associates and amounts due from related parties using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed in accordance to days past due by grouping of customers based on similar loss pattern and geographical region. The loss allowance provision as at 31 December 2020 and 31 December 2019 is determined as follows, the expected credit losses below also incorporate forward looking information based on specific economic data.

Summarised below is the information about the credit risk exposure on the Group's trade-related balances using provision matrix, grouped by geographical region:

#### South East Asia:

	Contract assets \$'000	Current \$'000	91 – 120 days \$'000	121 – 180 days \$'000	181 – 365 days \$'000	> 365 days \$'000	Total \$'000
<b>31 December 2020</b>							
Gross carrying amount	2,592	36,350	332	3,170	5,021	15,962	63,427
Loss allowance provision	-	173	31	16	497	222	939

	Contract assets \$'000	Current \$'000	91 – 120 days \$'000	121 – 180 days \$'000	181 – 365 days \$'000	> 365 days \$'000	Total \$'000
<b>31 December 2019</b>							
Gross carrying amount	2,638	42,567	474	8,038	2,157	15,188	71,061
Loss allowance provision	-	-	-	4	-	3	7

#### North East Asia:

	Contract assets \$'000	Current \$'000	91 – 120 days \$'000	121 – 180 days \$'000	181 – 365 days \$'000	> 365 days \$'000	Total \$'000
<b>31 December 2020</b>							
Gross carrying amount	-	27,385	541	650	2,419	1,008	32,003
Loss allowance provision	-	2,839	116	167	613	845	4,580

	Contract assets \$'000	Current \$'000	91 – 120 days \$'000	121 – 180 days \$'000	181 – 365 days \$'000	> 365 days \$'000	Total \$'000
<b>31 December 2019</b>							
Gross carrying amount	-	30,470	411	478	2,153	774	34,286
Loss allowance provision	-	3,631	68	37	184	733	4,653

## 48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

### (a) Credit risk (cont'd)

#### (iii) Long-term receivables, trade receivables, contract assets, amounts due from associates and amounts due from related parties (cont'd)

#### Other geographical areas:

	Contract assets \$'000	Current \$'000	91 – 120 days \$'000	121 – 180 days \$'000	181 – 365 days \$'000	> 365 days \$'000	Total \$'000
<b>31 December 2020</b>							
Gross carrying amount	-	10,696	72	84	271	1,320	12,443
Loss allowance provision	-	15	35	141	167	1,150	1,508

	Contract assets \$'000	Current \$'000	91 – 120 days \$'000	121 – 180 days \$'000	181 – 365 days \$'000	> 365 days \$'000	Total \$'000
<b>31 December 2019</b>							
Gross carrying amount	-	15,793	618	829	684	901	18,825
Loss allowance provision	-	574	144	176	456	323	1,673

#### Grand Total:

	Contract assets \$'000	Current \$'000	91 – 120 days \$'000	121 – 180 days \$'000	181 – 365 days \$'000	> 365 days \$'000	Total \$'000
<b>31 December 2020</b>							
Gross carrying amount	2,592	74,431	945	3,904	7,711	18,290	107,873
Loss allowance provision	-	3,027	182	324	1,277	2,217	7,027

	Contract assets \$'000	Current \$'000	91 – 120 days \$'000	121 – 180 days \$'000	181 – 365 days \$'000	> 365 days \$'000	Total \$'000
<b>31 December 2019</b>							
Gross carrying amount	2,638	88,830	1,503	9,345	4,994	16,863	124,173
Loss allowance provision	-	4,205	212	217	640	1,059	6,333

#### Exposure to credit risk

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is represented by:

- the carrying amount of each class of financial assets recognised in the balance sheets; and
- a nominal amount of \$67,195,000 (2019: \$81,103,000) relating to corporate guarantees provided by the Company for the bank loans taken by its subsidiaries.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

### (a) Credit risk (cont'd)

#### Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. The Group does not apply hedge accounting.

#### Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the business segment and geographical profile of its trade receivables, amounts due from associates and related parties on an ongoing basis excluding other receivables of \$22,928,000 (2019: \$21,846,000) and contract assets of \$2,592,000 (2019: \$2,638,000). The credit risk concentration profile of the Group's trade receivables, amounts due from associates, and related parties at the end of the reporting period is as follows:

Group	Note	2020		2019	
		\$'000	% of total	\$'000	% of total
<b>By geographical regions:</b>					
South East Asia		46,078	32	59,965	36
Indian Oceania		76	1	892	1
Middle East		1,950	1	1,144	1
North East Asia		80,977	56	87,766	54
Rest of the world		14,917	10	13,115	8
		<b>143,998</b>	<b>100</b>	<b>162,882</b>	<b>100</b>
<b>By industry sectors:</b>					
Hotel Investments		19,821	14	25,544	16
Property Sales		55,708	38	23,070	14
Fee-based Segment		54,474	38	98,084	60
Head Office		13,995	10	16,184	10
		<b>143,998</b>	<b>100</b>	<b>162,882</b>	<b>100</b>
<b>Trade receivables</b>					
Non-current	21	41,530		50,288	
Current	27	38,163		40,305	
		<b>79,693</b>		<b>90,593</b>	

## 48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

### (a) Credit risk (cont'd)

#### Credit risk concentration profile (cont'd)

	Note	2020 \$'000	2019 \$'000
<b>Amounts due from associates</b>			
Current	30	2,756	4,631
Non-current	18	44,343	41,002
		<b>47,099</b>	<b>45,633</b>
<b>Amounts due from related parties</b>			
Current	31	132	26,656
Non-current	31	17,074	-
		<b>17,206</b>	<b>26,656</b>

#### Financial assets that are neither past due nor impaired

Trade and other receivables and amounts due from associates and related parties that are neither past due nor impaired are creditworthy debtors with good payment record with the Group. Cash and short-term deposits, and long-term investments that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

### (b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group maintains sufficient cash and short-term deposits, and internally generated cash flows to finance their activities. Management finances the Group's liquidity through internally generated cash flows and refinancing and minimises liquidity risk by keeping committed stand-by credit facilities available.

At the end of the reporting period, approximately 49.2% (2019: 49.7%) of the Group's notes payable, interest-bearing loans and borrowings will mature in less than one year based on the carrying amount reflected in the financial statements. 83.1% (2019: 78.1%) of the Company's notes payable, interest-bearing loans and borrowings will mature in less than one year at the end of the reporting period.

The following table summarises the maturity profiles of the Group's and the Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted payments except for financial liabilities where the timing of repayment cannot be reliably estimated as disclosed in the respective notes above.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

### (b) Liquidity risk (cont'd)

Group	Note	2020 Effective rate %	1 year \$'000	2 to 5 years \$'000	After 5 years \$'000	Total \$'000
<b>2020</b>						
<b>Financial assets</b>						
Long-term receivables	21	5.33	-	5,978	-	5,978
Trade receivables	21/27	-	33,241	32,137	628	66,006
Trade receivables	21/27	6.00	2,586	3,876	-	6,462
Trade receivables	27	5.33	2,832	-	-	2,832
Other receivables	22/28	-	18,045	-	4,883	22,928
Amounts due from associates	30	-	2,756	-	-	2,756
Amounts due from associates	18	5.33	-	35,039	18,238	53,277
Amounts due from related parties	31	-	132	-	-	132
Amounts due from related parties	31	5.25	-	11,332	13,103	24,435
Investment securities	23	0.32	2,006	-	-	2,006
Cash and short-term deposits	32	-	51,287	-	-	51,287
Total undiscounted financial assets			112,885	88,362	36,852	238,099
<b>Financial liabilities</b>						
Trade payables		-	(32,166)	-	-	(32,166)
Other payables	38	-	(116,612)	-	-	(116,612)
Other payables		-	-	-	(3,034)	(3,034)
Lease liabilities	39	5.00 - 7.00	(3,767)	(11,690)	(52,607)	(68,064)
Amounts due to associates	30	-	(17,886)	-	-	(17,886)
Amounts due to related parties	31	-	(270)	-	-	(270)
<b>Loans and borrowings</b>						
- S\$ floating rate loan	34	COF + 1.75	(15,359)	-	-	(15,359)
- S\$ floating rate loan	34	COF + 2.00	(31,844)	(11,726)	(4,990)	(48,560)
- S\$ floating rate loan	34	SIBOR + 2.00	(10,253)	-	-	(10,253)
- S\$ floating rate loan	34	SIBOR + 2.50	(10,309)	-	-	(10,309)
- S\$ floating rate loan	34	SIBOR + 3.25	(6,407)	(6,258)	-	(12,665)
- S\$ floating rate loan	34	SOR + 2.25	(27,654)	-	-	(27,654)
- S\$ floating rate loan	34	SOR + 2.50	(30,801)	-	-	(30,801)
- S\$ floating rate loan	34	3.00	(5,150)	-	-	(5,150)
- S\$ fixed rate loan	34	2.50	(1,145)	(3,736)	-	(4,881)
- US\$ floating rate loan	34	4.72	(2,755)	(17,438)	-	(20,193)
- BHT floating rate loan	34	2.50 to 4.81	(49,705)	-	-	(49,705)
- BHT floating rate loan	34	5.84	(1,225)	-	-	(1,225)
- BHT floating rate loan	34	5.47	(928)	-	-	(928)
		MLR - 0.75 to				
- BHT floating rate loan	34	MLR - 1.50	(41,121)	(131,386)	(99,404)	(271,911)
- BHT fixed rate loan	34	2.00	(5,756)	(45)	-	(5,801)
- BHT fixed rate loan	34	1.85	(1,658)	-	-	(1,658)
Convertible bonds	36	7.50	(3,763)	(53,935)	-	(57,698)
Total undiscounted financial liabilities			(416,534)	(236,214)	(160,035)	(812,783)
Total net undiscounted financial liabilities			(303,649)	(147,852)	(123,183)	(574,684)

## 48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

### (b) Liquidity risk (cont'd)

Group	Note	2019 Effective rate %	1 year \$'000	2 to 5 years \$'000	After 5 years \$'000	Total \$'000
<b>2019</b>						
<b>Financial assets</b>						
Long-term receivables	21	5.33	-	9,294	-	9,294
Trade receivables	21/27	-	36,294	35,994	562	72,850
Trade receivables	21/27	6.00	1,689	6,083	139	7,911
Trade receivables	27	5.33	2,879	-	-	2,879
Other receivables	22/28	-	16,247	-	5,599	21,846
Amounts due from associates	30	-	4,631	-	-	4,631
Amounts due from associates	18	5.33	3,033	27,572	27,338	57,943
Amounts due from related parties	31	-	26,656	-	-	26,656
Cash and short-term deposits	32	-	130,802	-	-	130,802
Total undiscounted financial assets			222,231	78,943	33,638	334,812
<b>Financial liabilities</b>						
Trade payables		-	(31,120)	-	-	(31,120)
Other payables	38	-	(120,401)	-	-	(120,401)
Other payables		-	-	-	(2,810)	(2,810)
Lease liabilities	39	5.00 - 7.00	(4,032)	(13,753)	(55,941)	(73,726)
Amounts due to associates	30	-	(17,899)	-	-	(17,899)
Amounts due to related parties	31	-	(2,657)	-	-	(2,657)
<b>Loans and borrowings</b>						
- S\$ floating rate loan	34	COF + 1.75	(18,748)	-	-	(18,748)
- S\$ floating rate loan	34	COF + 2.00	(32,392)	(12,454)	(6,116)	(50,962)
- S\$ floating rate loan	34	SIBOR + 2.00	(10,406)	-	-	(10,406)
- S\$ floating rate loan	34	SIBOR + 2.30	(5,205)	-	-	(5,205)
- S\$ floating rate loan	34	SIBOR + 2.50	(10,443)	-	-	(10,443)
- S\$ floating rate loan	34	SIBOR + 3.25	(6,896)	(13,020)	-	(19,916)
- S\$ floating rate loan	34	SIBOR + 3.30	(3,157)	-	-	(3,157)
- S\$ floating rate loan	34	SOR + 2.25	(4,122)	(29,020)	-	(33,142)
- S\$ floating rate loan	34	SOR + 2.50	(1,194)	(31,195)	-	(32,389)
- US\$ floating rate loan	34	6.45	(3,372)	(19,990)	-	(23,362)
		MLR - 0.75 to				
- BHT floating rate loan	34	MLR - 1.50	(50,834)	(124,297)	(98,558)	(273,689)
- BHT floating rate loan	34	3.80	(51,241)	-	-	(51,241)
- BHT floating rate loan	34	6.37	(957)	-	-	(957)
Notes payable	35	4.85	(102,021)	-	-	(102,021)
Total undiscounted financial liabilities			(477,097)	(243,729)	(163,425)	(884,251)
Total net undiscounted financial liabilities			(254,866)	(164,786)	(129,787)	(549,439)

# Notes to the Financial Statements

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## 48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

### (b) Liquidity risk (cont'd)

Company	Note	2020 Effective rate %	1 year \$'000	2 to 5 years \$'000	After 5 years \$'000	Total \$'000
<b>2020</b>						
<b>Financial assets</b>						
Long-term receivables	21	5.33	-	7,244	-	7,244
Trade receivables	27	-	4,317	-	-	4,317
Other receivables	28	-	666	-	-	666
Amounts due from subsidiaries	17/29	3.17 to 7.00	36,535	125,480	-	162,015
Amounts due from subsidiaries	17/29	-	155,428	-	310,430	465,858
Amounts due from associates	30	-	1,430	-	-	1,430
Amounts due from associates	18	5.33	-	2,021	1,326	3,347
Amounts due from associates	18	5.25	-	29	-	29
Investment securities	23	0.32	2,006	-	-	2,006
Cash and short-term deposits	32	-	15,386	-	-	15,386
Total undiscounted financial assets			215,768	134,774	311,756	662,298
<b>Financial liabilities</b>						
Other payables	38	-	(66,867)	-	-	(66,867)
Amounts due to subsidiaries	29	-	(17,570)	-	(130,476)	(148,046)
Amounts due to associates	30	-	(17,831)	-	-	(17,831)
Amounts due to related parties	31	-	(13)	-	-	(13)
Loans and borrowings						
- S\$ floating rate loan	34	COF + 1.75	(15,359)	-	-	(15,359)
- S\$ floating rate loan	34	COF + 2.00	(31,844)	(11,726)	(4,990)	(48,560)
- S\$ floating rate loan	34	SIBOR + 2.50	(10,309)	-	-	(10,309)
- S\$ floating rate loan	34	SOR + 2.50	(30,801)	-	-	(30,801)
- S\$ floating rate loan	34	3.00	(5,150)	-	-	(5,150)
- S\$ fixed rate loan	34	2.50	(1,145)	(3,736)	-	(4,881)
Convertible bonds	36	7.50	(3,763)	(53,935)	-	(57,698)
Total undiscounted financial liabilities			(200,652)	(69,397)	(135,466)	(405,515)
Total net undiscounted financial assets			15,116	65,377	176,290	256,783

## 48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

### (b) Liquidity risk (cont'd)

Company	Note	2019 Effective rate %	1 year \$'000	2 to 5 years \$'000	After 5 years \$'000	Total \$'000
<b>2019</b>						
<b>Financial assets</b>						
Long-term receivables	21	5.33	-	15,898	-	15,898
Trade receivables	27	-	4,008	-	-	4,008
Other receivables	28	-	1,915	-	-	1,915
Amounts due from subsidiaries	17/29	3.95 to 7.00	31,532	129,117	-	160,649
Amounts due from subsidiaries	17/29	-	152,217	-	310,837	463,054
Amounts due from associates	30	-	19	-	-	19
Amounts due from associates	18	5.33	-	1,732	1,718	3,450
Cash and short-term deposits	32	-	88,124	-	-	88,124
Total undiscounted financial assets			277,815	146,747	312,555	737,117
<b>Financial liabilities</b>						
Other payables	38	-	(65,713)	-	-	(65,713)
Amounts due to subsidiaries	29	-	(20,522)	-	(136,073)	(156,595)
Amounts due to associates	30	-	(17,831)	-	-	(17,831)
Amounts due to related parties	31	-	(15)	-	-	(15)
Loans and borrowings						
- S\$ floating rate loan	34	COF + 1.75	(18,748)	-	-	(18,748)
- S\$ floating rate loan	34	COF + 2.00	(32,392)	(12,454)	(6,116)	(50,962)
- S\$ floating rate loan	34	SIBOR + 2.30	(5,205)	-	-	(5,205)
- S\$ floating rate loan	34	SIBOR + 2.50	(10,443)	-	-	(10,443)
- S\$ floating rate loan	34	SOR + 2.50	(1,194)	(31,195)	-	(32,389)
Notes payable	35	4.85	(102,021)	-	-	(102,021)
Total undiscounted financial liabilities			(274,084)	(43,649)	(142,189)	(459,922)
Total net undiscounted financial assets			3,731	103,098	170,366	277,195

BHT : Thai Baht  
SIBOR : Singapore inter-bank offered rate  
MLR : Minimum lending rate  
COF : Cost of fund of lending bank  
SOR : Swap offered rate

# Notes to the Financial Statements

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## 48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

### (b) Liquidity risk (cont'd)

The table below shows the maximum amount of financial guarantee contracts, allocated to the earliest period in which the guarantee could be called.

Company	1 year \$'000	2 to 5 years \$'000	After 5 years \$'000	Total \$'000
<b>31 December 2020</b>				
Financial guarantees	<b>67,195</b>	-	-	<b>67,195</b>
<b>31 December 2019</b>				
Financial guarantees	81,103	-	-	81,103

### (c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from their interest-bearing financial liabilities.

The Group's policy is to manage interest cost using a mix of fixed and floating rate debts. At the end of the reporting period, approximately 3% (2019: 18%) of the Group's interest-bearing financial liabilities are at fixed rates of interest. The table in Note 48(b) summarises the interest-bearing financial liabilities of the Group and the Company.

#### *Sensitivity analysis for interest rate risk*

At the end of the reporting period, if interest rates had been 75 (2019: 75) basis points lower/higher with all other variables held constant, the Group's profit before taxation would have been \$3,355,000 (2019: \$3,447,000) higher/lower, arising mainly as a result of lower/higher interest expense on floating rate interest-bearing financial liabilities.

### (d) Foreign currency risk

The Group has transactional currency exposures arising from sales that are denominated in a currency other than the respective functional currencies of Group entities, primarily SGD, United States Dollars ("USD"), Thai Baht ("Baht") and Chinese Renminbi ("RMB"). The foreign currencies in which these transactions are denominated are mainly USD. As at 31 December 2020, approximately 29% (2019: 19%) of the Group's receivables are denominated in foreign currencies.

In addition, the Group has a Currency Management Plan which aims to mitigate impact on the Group's revenue from unfavourable exchange rates movements. The plan requires all operating entities in the Group to list its major wholesalers and their respective currencies. All contracts should endeavour to be in the currency of the market source. Market source refers to the country of origin or domicile of the business. The contracts are then reviewed and managed on a quarterly basis to mitigate the exposure of the Group's operations to foreign currency fluctuation.

The Group is also exposed to currency translation risk arising from its net investments in foreign operations, including Thailand, PRC and Maldives. The Group's net investments in Thailand, PRC and Maldives are not hedged as currency positions in Thai Baht, Chinese Renminbi and United States Dollar are considered to be long-term in nature.

#### *Sensitivity analysis for foreign currency risk*

The following table demonstrates the sensitivity of the Group's (loss)/profit before taxation to a reasonably possible change in the USD and RMB exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

## 48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

### (d) Foreign currency risk (cont'd)

#### *Sensitivity analysis for foreign currency risk (cont'd)*

		Group	
		(Loss)/Profit before taxation	
		2020 \$'000	2019 \$'000
USD/Baht	- strengthened 5% (2019: 5%)	<b>14</b>	21
	- weakened 5% (2019: 5%)	<b>(14)</b>	(21)
USD/SGD	- strengthened 5% (2019: 5%)	<b>1,569</b>	1,692
	- weakened 5% (2019: 5%)	<b>(1,569)</b>	(1,692)
RMB/SGD	- strengthened 5% (2019: 5%)	<b>347</b>	326
	- weakened 5% (2019: 5%)	<b>(347)</b>	(326)

## 49. CAPITAL MANAGEMENT

Capital includes debt and equity items as disclosed in the table below.

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 December 2020 and 2019.

As disclosed in Note 44(c), subsidiaries of the Group are required to set aside Legal Reserves in accordance to the Public Limited Companies Act B.E. 2535 under Section 116 in Thailand. The imposed capital requirement has been complied with by the subsidiaries for the financial years ended 31 December 2020 and 2019.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital. The Group's policy is to keep the gearing ratio below 100%. The Group includes within net debt, interest-bearing loans and borrowings, notes payable, convertible bonds less cash and short-term deposits. Total capital refers to the total equity of the Group.

		Group	
		2020 \$'000	2019 \$'000
Interest-bearing loans and borrowings (Note 34)		<b>459,300</b>	459,626
Notes payable (Note 35)		-	99,926
Convertible bonds (Note 36)		<b>41,318</b>	-
Less: Cash and short-term deposits (Note 32)		<b>(51,287)</b>	(130,802)
Net debt		<b>449,331</b>	428,750
Total capital		<b>627,600</b>	747,413
Gearing ratio		<b>72%</b>	57%

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 50. FAIR VALUE OF ASSETS AND LIABILITIES

### (a) Fair value hierarchy

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

Level 1 - Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date;

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 - Unobservable inputs for the asset or liability.

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

### (b) Assets and liabilities measured at fair value

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

Group 2020				
Fair value measurements at the end of the reporting period using				
Note	Quoted prices in active markets for identical instruments (Level 1) \$'000	Significant observable inputs other than quoted prices (Level 2) \$'000	Significant unobservable inputs (Level 3) \$'000	Total \$'000
<b>Assets measured at fair value</b>				
<b>Financial assets:</b>				
<u>Equity securities at FVOCI</u>				
- Equity shares (quoted)	19	2	-	2
- Equity shares (unquoted)	19	-	28,094	28,094
Total equity securities at FVOCI		2	-	28,096
<u>Equity securities at FVTPL</u>				
- Investment securities	23	-	2,006	2,006
Total equity securities at FVTPL		-	2,006	2,006
<b>Financial assets as at 31 December 2020</b>		<b>2</b>	<b>2,006</b>	<b>28,094</b>
			<b>28,094</b>	<b>30,102</b>

## 50. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

### (b) Assets and liabilities measured at fair value (cont'd)

Group 2020				
Fair value measurements at the end of the reporting period using				
Note	Quoted prices in active markets for identical instruments (Level 1) \$'000	Significant observable inputs other than quoted prices (Level 2) \$'000	Significant unobservable inputs (Level 3) \$'000	Total \$'000
<b>Assets measured at fair value (cont'd)</b>				
<b>Non-financial assets:</b>				
<u>Investment properties</u>				
Freehold land				
- Thailand, Phuket	-	-	13,422	13,422
- Northern Thailand	-	-	8,920	8,920
Freehold buildings				
- Thailand, Phuket	-	-	748	748
- Thailand, Bangkok	-	-	38,975	38,975
Total investment properties	14	-	62,065	62,065
<u>Property, plant and equipment</u>				
Freehold land				
- Singapore	-	-	47,856	47,856
- Thailand, Phuket	-	-	289,695	289,695
- Thailand, Bangkok	-	-	43,648	43,648
- Morocco	-	-	4,914	4,914
- Sri Lanka	-	-	5,073	5,073
Freehold buildings				
- Singapore	-	-	4,520	4,520
- Thailand, Phuket	-	-	120,848	120,848
- Thailand, Bangkok	-	-	50,870	50,870
- Morocco	-	-	6,189	6,189
- Sri Lanka	-	-	259	259
Total property, plant and equipment	13	-	573,872	573,872
<b>Non-financial assets as at 31 December 2020</b>		<b>-</b>	<b>635,937</b>	<b>635,937</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 50. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

### (b) Assets and liabilities measured at fair value (cont'd)

Group 2020				
Fair value measurements at the end of the reporting period using				
Note	Quoted prices in active markets for identical instruments (Level 1) \$'000	Significant observable inputs other than quoted prices (Level 2) \$'000	Significant unobservable inputs (Level 3) \$'000	Total \$'000
<b>Liabilities measured at fair value</b>				
<b>Financial liabilities:</b>				
<u>Derivatives</u>				
Derivative liability conversion option in convertible bonds	37	-	-	15,182
<b>Financial liabilities as at 31 December 2020</b>		-	-	<b>15,182</b>

Group 2019				
Fair value measurements at the end of the reporting period using				
Note	Quoted prices in active markets for identical instruments (Level 1) \$'000	Significant observable inputs other than quoted prices (Level 2) \$'000	Significant unobservable inputs (Level 3) \$'000	Total \$'000
<b>Assets measured at fair value</b>				
<b>Financial assets:</b>				
<u>Equity securities at FVOCI</u>				
- Equity shares (quoted)	19	2	-	2
- Equity shares (unquoted)	19	-	28,546	28,546
Total equity securities at FVOCI		2	28,546	28,548
<b>Financial assets as at 31 December 2019</b>		2	28,546	<b>28,548</b>

## 50. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

### (b) Assets and liabilities measured at fair value (cont'd)

Group 2019				
Fair value measurements at the end of the reporting period using				
Note	Quoted prices in active markets for identical instruments (Level 1) \$'000	Significant observable inputs other than quoted prices (Level 2) \$'000	Significant unobservable inputs (Level 3) \$'000	Total \$'000
<b>Assets measured at fair value (cont'd)</b>				
<b>Non-financial assets:</b>				
<u>Investment properties</u>				
<u>Freehold land</u>				
- Thailand, Phuket	-	-	13,585	13,585
- Northern Thailand	-	-	9,122	9,122
<u>Freehold buildings</u>				
- Thailand, Phuket	-	-	782	782
- Thailand, Bangkok	-	-	40,015	40,015
Total investment properties	14	-	63,504	63,504
<u>Property, plant and equipment</u>				
<u>Freehold land</u>				
- Singapore	-	-	46,786	46,786
- Thailand, Phuket	-	-	299,320	299,320
- Thailand, Bangkok	-	-	44,257	44,257
- Morocco	-	-	4,615	4,615
- Sri Lanka	-	-	5,382	5,382
<u>Freehold buildings</u>				
- Singapore	-	-	4,654	4,654
- Thailand, Phuket	-	-	132,743	132,743
- Thailand, Bangkok	-	-	55,826	55,826
- Morocco	-	-	6,440	6,440
- Sri Lanka	-	-	304	304
Total property, plant and equipment	13	-	600,327	600,327
<b>Non-financial assets as at 31 December 2019</b>		-	663,831	<b>663,831</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 50. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

### (c) Level 2 fair value measurements

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

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

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

#### Derivatives

The valuation of derivatives are based on a variety of commonly used valuation methods and makes assumptions based on market conditions existing at each reporting date. The valuation models incorporate various market observable inputs including the risk free rate, volatility of quoted equity instruments and quoted price of equity instruments.

### (d) Level 3 fair value measurements

#### (i) Information about significant unobservable inputs used in Level 3 fair value measurements

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

Description	Fair value at 31 December 2020 \$'000	Valuation techniques	Unobservable inputs	Range (weighted average)
<b>Recurring fair value measurements</b>				
<b>At FVOCI:</b>				
La Punta Resorts S.A. De C.V.	1,670	Discounted cash flow	Growth rate Discount rate	4.0% 9.0%
Mayakoba Thai S.A. De C.V.	10,521	Discounted cash flow	Growth rate Discount rate	4.0% 9.0%
<b>Investment properties:</b>				
<u>Freehold land</u> Thailand, Phuket	13,422	Market value approach	Yield adjustments*	7.3%
Northern Thailand	8,920	Market value approach	Yield adjustments*	28.9% to 55.7%
<u>Freehold buildings</u> Thailand, Phuket	748	Market value approach	Yield adjustments*	9.3%
Thailand, Bangkok	38,975	Market value approach	Yield adjustments*	7.4%

\* The yield adjustments are made for any difference in the nature, location or condition of the specific property.

## 50. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

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

#### (i) Information about significant unobservable inputs used in Level 3 fair value measurements (cont'd)

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3): (cont'd)

Description	Fair value at 31 December 2020 \$'000	Valuation techniques	Unobservable inputs	Range (weighted average)
<b>Recurring fair value measurements (cont'd)</b>				
<b>Property, plant and equipment:</b>				
<u>Freehold land</u> Singapore	47,856	Market value approach	Yield adjustments*	15.0% to 24.0%
Thailand, Phuket	289,695	Market value approach	Yield adjustments*	10.0% to 82.3% (23.9%)
Thailand, Bangkok	43,648	Market value approach	Yield adjustments*	11.5%
Morocco	4,914	Market value approach	Yield adjustments*	0.7% to 6.3%
Sri Lanka	5,073	Market value approach	Yield adjustments*	Rs 550,000 perch to Rs 1,250,000 perch (Rs 936,250 perch)

\* The yield adjustments are made for any difference in the nature, location or condition of the specific property.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 50. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

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

#### (i) Information about significant unobservable inputs used in Level 3 fair value measurements (cont'd)

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3): (cont'd)

Description	Fair value at 31 December 2020 \$'000	Valuation techniques	Unobservable inputs	Range (weighted average)
<b>Recurring fair value measurements (cont'd)</b>				
<b>Property, plant and equipment: (cont'd)</b>				
<u>Freehold buildings</u> Singapore	4,520	Market value approach	Yield adjustments*	15.0% to 24.0%
Thailand, Phuket	111,118	Replacement cost approach	Standard construction cost per Sq meter	Baht 600 to Baht 78,000 per Sq meter (Baht 12,607)
	9,730	Market value approach	Yield adjustments*	0.5% to 9.3%
Thailand, Bangkok	50,870	Replacement cost approach	Standard construction cost per Sq meter	Baht 1,000 to Baht 47,000 per Sq meter (Baht 23,346)
Morocco	6,189	Market value approach	Yield adjustments*	0.7% to 6.3%
Sri Lanka	259	Replacement cost approach	Standard construction cost per Sq feet	Rs 2,000 psf to Rs 6,000 psf (Rs 5,076 psf)
<b>At fair value through profit or loss:</b>				
<b>Derivatives:</b>				
Derivative liability conversion option in convertible bonds	15,182	Binomial Tree model	Risky rate	20.2%

\* The yield adjustments are made for any difference in the nature, location or condition of the specific property.

#### Unquoted equity instrument – Long-term investment in BTAC

The fair value of the unquoted equity shares in BTAC is determined by reference to the recent transaction price among unrelated willing buyer and seller. The key unobservable inputs include adjustments made to the most recent transaction price among unrelated willing buyer and seller.

## 50. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

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

#### (i) Information about significant unobservable inputs used in Level 3 fair value measurements (cont'd)

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

Description	Fair value at 31 December 2019 \$'000	Valuation techniques	Unobservable inputs	Range (weighted average)
<b>Recurring fair value measurements</b>				
<b>At FVOCI:</b>				
La Punta Resorts S.A. De C.V.	1,720	Discounted cash flow	Growth rate Discount rate	5.0% 10.4%
Mayakoba Thai S.A. De C.V.	10,521	Discounted cash flow	Growth rate Discount rate	5.0% 10.4%
<b>Investment properties:</b>				
<u>Freehold land</u> Thailand, Phuket	13,585	Market value approach	Yield adjustments*	53.2%
Northern Thailand	9,122	Market value approach	Yield adjustments*	28.9% to 39.6%
<u>Freehold buildings</u> Thailand, Phuket	782	Replacement cost approach	Standard construction cost per Sq feet	Baht 1,000 to Baht 25,000 per Sq meter (Baht 19,666)
Thailand, Bangkok	40,015	Market value approach	Yield adjustments*	10.0%

\* The yield adjustments are made for any difference in the nature, location or condition of the specific property.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 50. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

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

#### (i) Information about significant unobservable inputs used in Level 3 fair value measurements (cont'd)

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3): (cont'd)

Description	Fair value at 31 December 2019 \$'000	Valuation techniques	Unobservable inputs	Range (weighted average)
<b>Recurring fair value measurements (cont'd)</b>				
<b>Property, plant and equipment:</b>				
<u>Freehold land</u>				
Singapore	46,786	Market value approach	Yield adjustments*	6.0% to 30.0%
Thailand, Phuket	299,320	Market value approach	Yield adjustments*	10.0% to 82.3% (33.6%)
Thailand, Bangkok	44,257	Market value approach	Yield adjustments*	10.8%
Morocco	4,615	Market value approach	Yield adjustments*	5.9%
Sri Lanka	5,382	Market value approach	Yield adjustments*	Rs 550,000 perch to Rs 1,250,000 perch (Rs 908,000 perch)

\* The yield adjustments are made for any difference in the nature, location or condition of the specific property.

## 50. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

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

#### (i) Information about significant unobservable inputs used in Level 3 fair value measurements (cont'd)

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3): (cont'd)

Description	Fair value at 31 December 2019 \$'000	Valuation techniques	Unobservable inputs	Range (weighted average)
<b>Recurring fair value measurements (cont'd)</b>				
<b>Property, plant and equipment: (cont'd)</b>				
<u>Freehold buildings</u>				
Singapore	4,654	Market value approach	Yield adjustments*	6.0% to 30.0%
Thailand, Phuket	124,270	Replacement cost approach	Standard construction cost per Sq meter	Baht 600 to Baht 75,000 per Sq meter (Baht 12,666)
	8,473	Market value approach	Yield adjustments*	0.5% to 6.6%
Thailand, Bangkok	55,826	Replacement cost approach	Standard construction cost per Sq meter	Baht 1,000 to Baht 47,000 per Sq meter (Baht 23,346)
Morocco	6,440	Market value approach	Yield adjustments*	5.9%
Sri Lanka	304	Replacement cost approach	Standard construction cost per Sq meter	Rs 2,000 psf to Rs 6,000 psf (Rs 5,076 psf)

\* The yield adjustments are made for any difference in the nature, location or condition of the specific property.

#### Unquoted equity instrument – Long-term investment in BTAC

The fair value of the unquoted equity shares in BTAC is determined by reference to the recent transaction price among unrelated willing buyer and seller. The key unobservable inputs include adjustments made to the most recent transaction price among unrelated willing buyer and seller.

Significant increases/(decreases) in net cash flow, standard construction cost and yield adjustments in isolation would result in a significantly higher/(lower) fair value measurement.

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

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 50. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

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

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

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

	Fair value measurements using significant unobservable inputs (Level 3)					Fair value measurements using significant unobservable inputs (Level 3)										Financial liabilities at fair value through profit or loss	Total \$'000
	Property, plant and equipment					Property, plant and equipment					Investment properties				Financial assets at FVOCI		
	Freehold land					Freehold buildings					Freehold land		Freehold buildings				
	Singapore \$'000	Morocco \$'000	Thailand, Phuket \$'000	Thailand, Bangkok \$'000	Sri Lanka \$'000	Singapore \$'000	Morocco \$'000	Thailand, Phuket \$'000	Thailand, Bangkok \$'000	Sri Lanka \$'000	Thailand, Phuket \$'000	Northern Thailand \$'000	Thailand, Phuket \$'000	Thailand, Bangkok \$'000	Equity shares (unquoted) \$'000		
Opening balance	46,786	4,615	299,320	44,257	5,382	4,654	6,440	132,743	55,826	304	13,585	9,122	782	40,015	100,695	-	764,526
Total gains or losses for the period																	
- Included in profit or loss	-	2	(1,723)	-	-	-	(72)	(3,505)	-	-	140	-	(17)	(150)	-	(5,702)	(11,027)
- Included in other comprehensive income	1,070	-	355	-	-	52	-	(309)	(2,109)	(21)	-	-	-	-	(451)	-	(1,413)
Purchases, issues, sales and settlements																	
- Purchases	-	-	21	-	-	-	-	266	32	-	-	-	-	-	-	-	319
- Write off	-	-	-	-	-	-	-	(2)	-	-	-	-	-	-	-	-	(2)
- Transferred from property development costs	-	-	(1,235)	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,235)
- Transfer in/(out)	-	-	(374)	374	-	-	-	(1,211)	-	-	-	-	-	-	-	-	(1,211)
Depreciation	-	-	-	-	-	(186)	(638)	(5,563)	(2,351)	(8)	-	-	-	-	-	-	(8,746)
Exchange differences	-	297	(6,669)	(983)	(309)	-	459	(1,571)	(528)	(16)	(303)	(202)	(17)	(890)	(1)	-	(10,733)
Arising from issuance of Convertible bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(9,480)	(9,480)
<b>Closing balance</b>	<b>47,856</b>	<b>4,914</b>	<b>289,695</b>	<b>43,648</b>	<b>5,073</b>	<b>4,520</b>	<b>6,189</b>	<b>120,848</b>	<b>50,870</b>	<b>259</b>	<b>13,422</b>	<b>8,920</b>	<b>748</b>	<b>38,975</b>	<b>100,243</b>	<b>(15,182)</b>	<b>720,998</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 50. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

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

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

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

Group 2019	Fair value measurements using significant unobservable inputs (Level 3)					Fair value measurements using significant unobservable inputs (Level 3)										Financial assets at FVOCI	Total \$'000
	Property, plant and equipment					Property, plant and equipment					Investment properties						
	Freehold land					Freehold buildings					Freehold land		Freehold buildings				
Singapore \$'000	Morocco \$'000	Thailand, Phuket \$'000	Thailand, Bangkok \$'000	Sri Lanka \$'000	Singapore \$'000	Morocco \$'000	Thailand, Phuket \$'000	Thailand, Bangkok \$'000	Sri Lanka \$'000	Thailand, Phuket \$'000	Northern Thailand \$'000	Thailand, Phuket \$'000	Thailand, Bangkok \$'000	Equity shares (unquoted) \$'000			
Opening balance	45,153	6,863	243,635	41,307	5,386	5,099	9,644	109,305	51,281	331	10,260	8,025	1,006	32,510	102,000	671,805	
Total gains or losses for the period																	
- Included in profit or loss	-	(2,127)	-	-	-	-	(3,193)	(491)	-	-	2,488	503	(628)	1,373	-	(2,075)	
- Included in other comprehensive income	1,440	-	43,592	-	53	(65)	-	(262)	1,351	(15)	-	-	-	-	(5,301)	40,793	
Purchases, issues, sales and settlements																	
- Purchases	-	-	427	-	-	-	271	2,699	240	-	-	-	-	3,680	81	7,398	
- Capitalisation of receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,956	3,956	
- Sales	-	-	-	-	-	-	-	(7)	-	-	-	-	-	-	-	(7)	
- Write off	-	-	-	-	-	-	-	-	-	-	-	-	(415)	-	-	(415)	
- Transferred from property development costs	-	-	-	-	-	-	-	10,797	-	-	-	-	765	-	-	11,562	
- Transferred from construction-in-progress	-	-	-	-	-	-	92	16,279	1,575	-	-	-	-	-	-	17,946	
Depreciation	-	-	-	-	-	(188)	(312)	(5,073)	(2,305)	(9)	-	-	-	-	-	(7,887)	
Exchange differences	193	(121)	11,666	2,950	(57)	(192)	(62)	(504)	3,684	(3)	837	594	54	2,452	(41)	21,450	
<b>Closing balance</b>	<b>46,786</b>	<b>4,615</b>	<b>299,320</b>	<b>44,257</b>	<b>5,382</b>	<b>4,654</b>	<b>6,440</b>	<b>132,743</b>	<b>55,826</b>	<b>304</b>	<b>13,585</b>	<b>9,122</b>	<b>782</b>	<b>40,015</b>	<b>100,695</b>	<b>764,526</b>	

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 50. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

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

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

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

	Fair value measurements using significant unobservable inputs (Level 3)					Fair value measurements using significant unobservable inputs (Level 3)					Financial liabilities at fair value through profit or loss	Total			
	Property, plant and equipment					Property, plant and equipment							Investment properties		
	Freehold land					Freehold buildings							Freehold land	Freehold buildings	
	Singapore	Morocco	Thailand, Phuket	Thailand, Bangkok	Sri Lanka	Singapore	Morocco	Thailand, Phuket	Thailand, Bangkok	Sri Lanka			Thailand, Phuket	Northern Thailand	Thailand, Phuket
Group 2020	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total gains or losses for the period included in profit or loss:															
- Net gain/(loss) from fair value adjustment of investment properties	-	-	-	-	-	-	-	-	-	-	140	-	(17)	(150)	-
- Net loss from fair value adjustment of derivative liability conversion option in convertible bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(5,702)
- Impairment loss	-	2	(1,723)	-	-	-	(72)	(3,505)	-	-	-	-	-	-	-
	-	2	(1,723)	-	-	-	(72)	(3,505)	-	-	140	-	(17)	(150)	(5,702)
Other comprehensive income:															
- Net surplus/(deficit) on revaluation of land and buildings	1,070	-	355	-	-	52	-	(309)	(2,109)	(21)	-	-	-	-	-
	1,070	-	355	-	-	52	-	(309)	(2,109)	(21)	-	-	-	-	(962)

	Fair value measurements using significant unobservable inputs (Level 3)					Fair value measurements using significant unobservable inputs (Level 3)					Financial liabilities at fair value through profit or loss	Total			
	Property, plant and equipment					Property, plant and equipment							Investment properties		
	Freehold land					Freehold buildings							Freehold land	Freehold buildings	
	Singapore	Morocco	Thailand, Phuket	Thailand, Bangkok	Sri Lanka	Singapore	Morocco	Thailand, Phuket	Thailand, Bangkok	Sri Lanka			Thailand, Phuket	Northern Thailand	Thailand, Phuket
Group 2019	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total gains or losses for the period included in profit or loss:															
- Net gain/(loss) from fair value adjustment of investment properties	-	-	-	-	-	-	-	-	-	-	2,488	503	(628)	1,373	-
- Impairment loss	-	(2,127)	-	-	-	-	(3,193)	(491)	-	-	-	-	-	-	-
	-	(2,127)	-	-	-	-	(3,193)	(491)	-	-	2,488	503	(628)	1,373	(2,075)
Other comprehensive income:															
- Net surplus/(deficit) on revaluation of land and buildings	1,440	-	43,592	-	53	(65)	-	(262)	1,351	(15)	-	-	-	-	-
	1,440	-	43,592	-	53	(65)	-	(262)	1,351	(15)	-	-	-	-	46,094

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 50. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

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

#### (iii) Valuation policies and procedures

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

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

For financial year ended 31 December 2020, the President office has decided to include all the freehold land and buildings, in addition to 100% of the investment properties for the purpose of valuation, due to indication of impairment arising from the COVID-19 pandemic.

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

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

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

As a result of the COVID-19 pandemic, assessing fair value as at the reporting date involved considering uncertainties around the underlying assumptions and inputs to fair value given the forward-looking nature of these assumptions. The COVID-19 pandemic has also created unprecedented economic uncertainty, in particular the absence of a significant level of market transactions which are ordinarily a key source of evidence for assessing the fair value of investment properties. As such, the 31 December 2020 valuation process has been adjusted for the current financial year compared to the process that would typically be followed and adopted in more normalised market conditions. In view of uncertainties and lack of market transactions brought upon by COVID-19, the Group performed independent valuation for all its investment properties and 98% of freehold land and building for the current financial year.

## 50. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

### (e) Assets and liabilities not carried at fair value but for which fair value is disclosed

	Note	Fair value measurements at the end of the reporting period using			
		Group		Company	
		Quoted prices in active markets for identical assets (Level 1) \$'000	Carrying amount \$'000	Quoted prices in active markets for identical assets (Level 1) \$'000	Carrying amount \$'000
<b>2020</b>					
<b>Assets</b>					
Associates	18	15,005	32,713	-	-
<b>2019</b>					
<b>Assets</b>					
Associates	18	16,618	34,163	-	-

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

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

Long-term receivables, notes payable and interest-bearing loans and borrowings carry interest which approximates market interest rate. Accordingly, their notional amounts approximate their fair values.

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

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

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

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 50. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

### (h) Classification of financial instruments

Set out below is a comparison by category of carrying amounts of all the Group's and Company's financial instruments that are carried in the financial statements:

Group	Note	Financial assets at amortised cost \$'000	Financial assets at FVOCI \$'000	Fair value through Profit or Loss \$'000	Non-financial assets \$'000	Total \$'000
<b>Year ended 31 December 2020</b>						
<b>Non-current assets</b>						
Property, plant and equipment	13	-	-	-	651,822	651,822
Right-of-use assets	39	-	-	-	18,769	18,769
Investment properties	14	-	-	-	62,065	62,065
Intangible assets	15	-	-	-	35,198	35,198
Land use rights	16	-	-	-	2,338	2,338
Associates	18	44,343	-	-	111,263	155,606
Long-term investments	19	-	100,245	-	-	100,245
Deferred tax assets	41	-	-	-	23,266	23,266
Prepaid island rental	20	-	-	-	17,962	17,962
Prepayments		-	-	-	433	433
Long-term receivables	21	41,530	-	-	-	41,530
Other receivables	22	4,883	-	-	-	4,883
Amounts due from related parties	31	17,074	-	-	-	17,074
		<b>107,830</b>	<b>100,245</b>	<b>-</b>	<b>923,116</b>	<b>1,131,191</b>
<b>Current assets</b>						
Property development costs	24	-	-	-	314,091	314,091
Inventories	25	-	-	-	4,987	4,987
Prepayments and other non-financial assets	26	-	-	-	13,461	13,461
Trade receivables	27	38,163	-	-	-	38,163
Other receivables	28	18,045	-	-	-	18,045
Contract assets	3	2,592	-	-	-	2,592
Amounts due from associates	30	2,756	-	-	-	2,756
Amounts due from related parties	31	132	-	-	-	132
Investment securities	23	-	-	2,006	-	2,006
Cash and short-term deposits	32	51,287	-	-	-	51,287
		<b>112,975</b>	<b>-</b>	<b>2,006</b>	<b>332,539</b>	<b>447,520</b>
<b>Total assets</b>		<b>220,805</b>	<b>100,245</b>	<b>2,006</b>	<b>1,255,655</b>	<b>1,578,711</b>

## 50. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

### (h) Classification of financial instruments (cont'd)

Group	Note	Liabilities at amortised cost \$'000	Non-financial liabilities \$'000	Fair value through Profit or Loss \$'000	Total \$'000
<b>Year ended 31 December 2020</b>					
<b>Current liabilities</b>					
Tax payable		-	9,290	-	9,290
Other non-financial liabilities	33	-	14,297	-	14,297
Interest-bearing loans and borrowings	34	226,204	-	-	226,204
Trade payables		32,166	-	-	32,166
Other payables	38	116,612	-	-	116,612
Contract liabilities	3	-	52,853	-	52,853
Lease liabilities	39	2,130	-	-	2,130
Amounts due to associates	30	17,886	-	-	17,886
Amounts due to related parties	31	270	-	-	270
		<b>395,268</b>	<b>76,440</b>	<b>-</b>	<b>471,708</b>
<b>Non-current liabilities</b>					
Deferred tax liabilities	41	-	138,017	-	138,017
Defined and other long-term employee benefits	42	-	6,727	-	6,727
Deposits received		-	1,939	-	1,939
Other non-financial liabilities		-	7,792	-	7,792
Interest-bearing loans and borrowings	34	233,096	-	-	233,096
Convertible bonds	36	41,318	-	-	41,318
Derivative liability conversion option in convertible bonds	37	-	-	15,182	15,182
Other payables		3,034	-	-	3,034
Lease liabilities	39	32,298	-	-	32,298
		<b>309,746</b>	<b>154,475</b>	<b>15,182</b>	<b>479,403</b>
<b>Total liabilities</b>		<b>705,014</b>	<b>230,915</b>	<b>15,182</b>	<b>951,111</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 50. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

### (h) Classification of financial instruments (cont'd)

Group	Note	Financial assets at amortised cost \$'000	Financial assets at FVOCI \$'000	Non-financial assets \$'000	Total \$'000
<b>Year ended 31 December 2019</b>					
<b>Non-current assets</b>					
Property, plant and equipment	13	-	-	699,126	699,126
Right-of-use assets	39	-	-	19,559	19,559
Investment properties	14	-	-	63,504	63,504
Intangible assets	15	-	-	35,239	35,239
Land use rights	16	-	-	2,559	2,559
Associates	18	41,002	-	120,234	161,236
Long-term investments	19	-	100,697	-	100,697
Deferred tax assets	41	-	-	23,369	23,369
Prepaid island rental	20	-	-	19,020	19,020
Prepayments		-	-	385	385
Long-term receivables	21	50,288	-	-	50,288
Other receivables	22	5,599	-	-	5,599
		96,889	100,697	982,995	1,180,581
<b>Current assets</b>					
Property development costs	24	-	-	318,187	318,187
Inventories	25	-	-	5,967	5,967
Prepayments and other non-financial assets	26	-	-	17,855	17,855
Trade receivables	27	40,305	-	-	40,305
Other receivables	28	16,247	-	-	16,247
Contract assets	3	2,638	-	-	2,638
Amounts due from associates	30	4,631	-	-	4,631
Amounts due from related parties	31	26,656	-	-	26,656
Cash and short-term deposits	32	130,802	-	-	130,802
		221,279	-	342,009	563,288
<b>Total assets</b>		<b>318,168</b>	<b>100,697</b>	<b>1,325,004</b>	<b>1,743,869</b>

## 50. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

### (h) Classification of financial instruments (cont'd)

Group	Note	Liabilities at amortised cost \$'000	Non-financial liabilities \$'000	Fair value through Profit or Loss \$'000	Total \$'000
<b>Year ended 31 December 2019</b>					
<b>Current liabilities</b>					
Tax payable		-	10,400	-	10,400
Other non-financial liabilities	33	-	15,593	-	15,593
Interest-bearing loans and borrowings	34	177,966	-	-	177,966
Notes payable	35	99,926	-	-	99,926
Trade payables		31,120	-	-	31,120
Other payables	38	120,401	-	-	120,401
Contract liabilities	3	-	55,034	-	55,034
Lease liabilities	39	1,428	-	-	1,428
Amounts due to associates	30	17,899	-	-	17,899
Amounts due to related parties	31	2,657	-	-	2,657
		451,397	81,027	-	532,424
<b>Non-current liabilities</b>					
Deferred tax liabilities	41	-	136,080	-	136,080
Defined and other long-term employee benefits	42	-	4,236	-	4,236
Deposits received		-	2,108	-	2,108
Other non-financial liabilities		-	3,696	-	3,696
Interest-bearing loans and borrowings	34	281,660	-	-	281,660
Other payables		2,810	-	-	2,810
Lease liabilities	39	33,442	-	-	33,442
		317,912	146,120	-	464,032
<b>Total liabilities</b>		<b>769,309</b>	<b>227,147</b>	<b>-</b>	<b>996,456</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 50. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

### (h) Classification of financial instruments (cont'd)

Company	Note	Financial assets at amortised cost \$'000	Fair value through Profit or Loss \$'000	Non-financial assets \$'000	Total \$'000
<b>Year ended 31 December 2020</b>					
<b>Non-current assets</b>					
Intangible assets	15	-	-	3,815	3,815
Subsidiaries	17	413,572	-	223,491	637,063
Associates	18	2,660	-	869	3,529
Long-term receivables		5,720	-	-	5,720
		<b>421,952</b>	<b>-</b>	<b>228,175</b>	<b>650,127</b>
<b>Current assets</b>					
Prepayments and other non-financial assets	26	-	-	13	13
Trade receivables		4,317	-	-	4,317
Other receivables	28	666	-	-	666
Amounts due from subsidiaries	29	185,428	-	-	185,428
Amounts due from associates	30	1,430	-	-	1,430
Investment securities	23	-	2,006	-	2,006
Cash and short-term deposits	32	15,386	-	-	15,386
		<b>207,227</b>	<b>2,006</b>	<b>13</b>	<b>209,246</b>
<b>Total assets</b>		<b>629,179</b>	<b>2,006</b>	<b>228,188</b>	<b>859,373</b>

## 50. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

### (h) Classification of financial instruments (cont'd)

Company	Note	Liabilities at amortised cost \$'000	Non-financial liabilities \$'000	Fair value through Profit or Loss \$'000	Total \$'000
<b>Year ended 31 December 2020</b>					
<b>Current liabilities</b>					
Tax payable		-	16	-	16
Other non-financial liabilities	33	-	1,009	-	1,009
Interest-bearing loans and borrowings	34	91,561	-	-	91,561
Other payables	38	66,867	-	-	66,867
Amounts due to subsidiaries	29	17,570	-	-	17,570
Amounts due to associates	30	17,831	-	-	17,831
Amounts due to related parties	31	13	-	-	13
		<b>193,842</b>	<b>1,025</b>	<b>-</b>	<b>194,867</b>
<b>Non-current liabilities</b>					
Interest-bearing loans and borrowings	34	18,813	-	-	18,813
Convertible bonds	36	41,318	-	-	41,318
Derivative liability conversion option in convertible bonds	37	-	-	15,182	15,182
Amounts due to subsidiaries		130,476	-	-	130,476
		<b>190,607</b>	<b>-</b>	<b>15,182</b>	<b>205,789</b>
<b>Total liabilities</b>		<b>384,449</b>	<b>1,025</b>	<b>15,182</b>	<b>400,656</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 50. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

### (h) Classification of financial instruments (cont'd)

Company	Note	Financial assets at amortised cost \$'000	Non-financial assets \$'000	Total \$'000
<b>Year ended 31 December 2019</b>				
<b>Non-current assets</b>				
Intangible assets	15	-	3,414	3,414
Subsidiaries	17	406,076	223,991	630,067
Associates	18	2,619	869	3,488
Long-term receivables		12,553	-	12,553
		421,248	228,274	649,522
<b>Current assets</b>				
Prepayments and other non-financial assets	26	-	251	251
Trade receivables		4,008	-	4,008
Other receivables	28	1,915	-	1,915
Amounts due from subsidiaries	29	182,467	-	182,467
Amounts due from associates	30	19	-	19
Cash and short-term deposits	32	88,124	-	88,124
		276,533	251	276,784
<b>Total assets</b>		697,781	228,525	926,306
<b>Year ended 31 December 2019</b>				
<b>Current liabilities</b>				
Other non-financial liabilities	33	-	732	732
Interest-bearing loans and borrowings	34	63,600	-	63,600
Notes payable	35	99,926	-	99,926
Other payables	38	65,713	-	65,713
Amounts due to subsidiaries	29	20,522	-	20,522
Amounts due to associates	30	17,831	-	17,831
Amounts due to related parties	31	15	-	15
		267,607	732	268,339
<b>Non-current liabilities</b>				
Interest-bearing loans and borrowings	34	46,033	-	46,033
Amounts due to subsidiaries		136,073	-	136,073
		182,106	-	182,106
<b>Total liabilities</b>		449,713	732	450,445

## 51. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on the nature of products and services provided, with each reportable operating segment representing strategic business units that offers different products and serves different markets. The reportable operating segments are as follows:

The Hotel investments segment relates to hotel and restaurant operations.

The Property sales segment comprises hotel residences, Laguna property sales and development project/site sales. Hotel residences business relates mainly to the sale of hotel villas or suites, which are part of hotel operations, to investors under a leaseback scheme. Laguna property sales business relates to the development and sale of properties which are standalone vacation homes in Laguna Phuket. Development project/site sales relates to pure development land sales or development land sales which are fully or partially developed with infrastructure.

The Fee-based segment comprises the management of hotels and resorts, the management of an asset-backed destination club, the management of private-equity funds, the management and operation of spas, the sales of merchandise, the provision of architectural and design services, the management and ownership of golf courses, and rental of retail outlets and offices.

The Head Office segment relates to expenses incurred by corporate office.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained below, is measured differently from operating profit or loss in the consolidated financial statements.

### Geographical information

Revenue derived from management of hotels and resorts, and provision of architectural and design services are reported based on the geographical location of the Group's customers while all other revenue streams are based on the geographical location of the Group's assets. Non-current assets are based on the geographical location of the Group's assets.

The South East Asia segment comprises countries such as Thailand, Indonesia, Malaysia and Vietnam.

The Indian Oceania segment comprises countries such as Seychelles, Maldives, Sri Lanka and India.

The Middle East segment comprises countries such as Dubai, Kuwait and Qatar.

The North East Asia segment comprises countries such as China, Japan, Hong Kong and Macau.

The rest of the world segment comprises countries such as Australia, Guam, Morocco, Americas and Europe.

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 51. SEGMENT INFORMATION (CONT'D)

### Allocation basis and transfer pricing

Segments' results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Income taxes are managed on a group basis and are not allocated to operating segments. Unallocated income comprises of other sources of income which are not directly attributable to the identified operating segments.

Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties. Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

Segment accounting policies are the same as the policies of the Group as described in Note 2. The Group generally accounts for inter-segment sales and transfers as if the sales or transfers were to third parties at current market prices.

### Information about major customers

There is no concentration of revenue derived from any one single customer for both years ended 31 December 2020 and 2019.

### (a) Operating segments

The following tables present revenue and results information regarding the Group's reportable operating segments for the financial years ended 31 December 2020 and 2019:

	Hotel Investments \$'000	Property sales \$'000	Fee-based segment \$'000	Head Office \$'000	Total \$'000
<b>Year ended 31 December 2020</b>					
<b>Revenue:</b>					
Segment revenue					
Sales	62,340	69,398	38,089	-	169,827
Inter-segment sales	(164)	-	(11,831)	-	(11,995)
Sales to external customers	62,176	69,398	26,258	-	157,832
<b>Results:</b>					
Segment results	(37,123)	(1,157)	(10,474)	(14,447)	(63,201)
Unallocated income					1,747
Loss from operations and other gains					(61,454)
Finance income	59	2,293	3,375	1,289	7,016
Finance costs	(10,525)	(2,745)	(1,093)	(19,085)	(33,448)
Share of results of associates	37	-	-	(6,723)	(6,686)
Loss before taxation					(94,572)
Income tax expense					(7,936)
Loss for the financial year					(102,508)

## 51. SEGMENT INFORMATION (CONT'D)

### (a) Operating segments (cont'd)

	Hotel Investments \$'000	Property sales \$'000	Fee-based segment \$'000	Head Office \$'000	Total \$'000
<b>Year ended 31 December 2019</b>					
<b>Revenue:</b>					
Segment revenue					
Sales	173,877	114,223	83,025	-	371,125
Inter-segment sales	(187)	-	(23,984)	-	(24,171)
Sales to external customers	173,690	114,223	59,041	-	346,954
<b>Results:</b>					
Segment results	(2,349)	27,971	13,630	(12,560)	26,692
Unallocated income					5,827
Profit from operations and other gains					32,519
Finance income	121	2,049	53	5,497	7,720
Finance costs	(8,587)	(2,063)	(3,032)	(13,080)	(26,762)
Share of results of associates	(29)	-	-	508	479
Profit before taxation					13,956
Income tax expense					(11,427)
Profit for the financial year					2,529

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 51. SEGMENT INFORMATION (CONT'D)

### (a) Operating segments (cont'd)

The following tables present certain assets, liabilities and other information regarding the Group's reportable segments for the financial years ended 31 December 2020 and 2019:

	Hotel Investments \$'000	Property sales \$'000	Fee-based segment \$'000	Head Office \$'000	Total \$'000
<b>Year ended 31 December 2020</b>					
<b>Assets and liabilities:</b>					
Segment assets	575,350	451,370	259,592	113,527	1,399,839
Associates	-	-	4,041	151,565	155,606
Deferred tax assets	3,332	15,850	2,883	1,201	23,266
Total assets					1,578,711
Segment liabilities	78,998	72,501	38,116	113,573	303,188
Interest-bearing loans and borrowings	239,042	72,851	4,605	184,120	500,618
Current and deferred tax liabilities	60,287	75,381	7,672	3,965	147,305
Total liabilities					951,111
<b>Other segment information:</b>					
Capital expenditure	8,544	8	284	360	9,196
Depreciation of property, plant and equipment and right-of-use assets	21,804	1,604	1,858	291	25,557
Amortisation expense	702	-	-	77	779
Other non-cash items	1,058	780	624	(327)	2,135

## 51. SEGMENT INFORMATION (CONT'D)

### (a) Operating segments (cont'd)

	Hotel Investments \$'000	Property sales \$'000	Fee-based segment \$'000	Head Office \$'000	Total \$'000
<b>Year ended 31 December 2019</b>					
<b>Assets and liabilities:</b>					
Segment assets	601,028	459,152	294,073	205,011	1,559,264
Associates	-	-	247	160,989	161,236
Deferred tax assets	8,573	13,067	1,670	59	23,369
Total assets					1,743,869
Segment liabilities	94,105	67,337	32,424	96,558	290,424
Interest-bearing loans and borrowings	211,571	100,230	2,160	145,665	459,626
Notes payable	-	-	-	99,926	99,926
Current and deferred tax liabilities	81,112	53,113	8,229	4,026	146,480
Total liabilities					996,456
<b>Other segment information:</b>					
Capital expenditure	46,370	158	1,204	251	47,983
Depreciation of property, plant and equipment and right-of-use assets	19,606	952	2,014	373	22,945
Amortisation expense	693	-	-	71	764
Other non-cash items	104	-	225	3,615	3,944

# Notes to the Financial Statements

For the financial year ended 31 December 2020

## 51. SEGMENT INFORMATION (CONT'D)

### (b) Geographical information

The following tables present revenue information based on the geographical location of customers or resorts and non-current assets information based on the geographical location of assets:

	Revenue		Non-current assets	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Singapore	594	964	86,191	81,213
South East Asia	129,203	289,471	722,426	783,363
Indian Oceania	17,246	38,275	53,735	57,168
Middle East	219	583	-	-
North East Asia	6,134	9,048	26,102	26,497
Rest of the world	4,436	8,613	11,396	11,385
	157,832	346,954	899,850	959,626

Non-current assets information presented above consist of property, plant and equipment, right-of-use assets, investment properties, intangible assets, land use rights, associates, prepaid island rental and prepayments as presented in the consolidated balance sheet.

## 52. EVENTS OCCURRING AFTER THE REPORTING PERIOD

On 18 January 2021, LRH secured a new working capital loan of Bht130 million (\$5.7 million) to support its hotel's operating shortfall and capital expenditures. The drawdown would be available on a monthly basis based on capital expenditure requirements. Principal repayment is on a quarterly basis with 2-year grace period while interest payment will be on a monthly basis. Interest rate is at 2% per annum for the first two years and subsequently at MLR-1.5% for the subsequent 5 years.

On 11 February 2021, the Group completed and received A\$16 million (\$16.1 million) from the sale of its development land in Brisbane Australia.

On 26 February 2021, the Group executed agreements for a new \$20 million interest-bearing loan with maturity in November 2022 and conversion of existing \$20 million current portion of interest bearing loan into non-current with maturity in March 2024.

On 10 March 2021, LRH obtained an in-principle approval for \$15 million of interest-bearing loans and borrowings to be rolled over and repaid in 2022.

## 53. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the financial year ended 31 December 2020 were authorised for issue in accordance with a resolution of the directors on 24 March 2021.

# Additional Information

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PROXY FORM	

# Worldwide Resorts

## BANYAN TREE

### Africa

**Banyan Tree Tamouda Bay**  
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reservations-tamoudabay@  
banyantree.com

Amadeus - PH TTUBTH  
Galileo - PH B9256  
Sabre - PH 305950  
Worldspan - PH TNGBT

### Americas

**Banyan Tree Cabo Marqués**  
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cabomarques@banyantree.com

Amadeus - BY ACAABO  
Galileo - BY F8555  
Sabre - BY 384580  
Worldspan - BY ANACA

**Banyan Tree Mayakoba**  
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Juárez Km. 298 Playa del Carmen  
Quintana Roo  
Mexico  
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+01800 953 0565  
Fax : +52 984 877 3689  
reservations-mayakoba@  
banyantree.com

Amadeus - BY PCMMAY  
Galileo - BY F8556  
Sabre - BY 383336  
Worldspan - BY YAPCM

### Asia Pacific

**Banyan Tree Anji**  
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Tel : +86 572 5891818  
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anji@banyantree.com

Amadeus - BY HZCNJI  
Galileo - BY E7662  
Sabre - BY 320523  
Worldspan - BY ANHZC

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bangkok@banyantree.com

Amadeus - BY BKK800  
Galileo - BY 12675  
Sabre - BY 29728  
Worldspan - BY 1800

**Banyan Tree Bintan**  
Jalan Teluk Berembang  
Laguna Bintan Resorts, Lagoi 29155  
Indonesia  
Tel : +62 770 693 100/  
+62 770 692 956  
Fax : +62 770 693 200  
reservations-bintan@banyantree.com

Amadeus - BY SINBTB  
Galileo - BY 67415  
Sabre - BY 22153  
Worldspan - BY SINBT

**Banyan Tree Chongqing Beibei**  
No. 101 Hot Spring Road  
Chengjiang, Beibei District  
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People's Republic of China  
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Fax : +86 023 6030 9999  
reservations-chongqingbeibei@  
banyantree.com

Amadeus - BY CKGCHB  
Galileo - BY 36816  
Sabre - BY 187057  
Worldspan - BY CKGBT

**Banyan Tree Club & Spa Seoul**  
60, Jangchungdan-Ro  
Jung-Gu, Seoul 100-857  
South Korea  
Tel : +82 2 2250 8000  
Fax : +82 2 2250 8009  
clubandspa-seoul@banyantree.com

Amadeus - BY SELBTS  
Galileo - BY 9764  
Sabre - BY 18431  
Worldspan - BY SELBT

**Banyan Tree Hangzhou**  
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Zhejiang Province 310030  
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Tel : +86 571 8586 0000  
Fax : +86 571 8586 2222  
hangzhou@banyantree.com

Amadeus - BY HGHBTB  
Galileo - BY 83242  
Sabre - BY 59881  
Worldspan - BY HGHBT

**Banyan Tree Huangshan**  
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Amadeus - BY TXNHSH  
Galileo - BY B6211  
Sabre - BY 284268  
Worldspan - BY BTCNH

**Banyan Tree Jiuzhaigou**  
No.1 Baohai Road  
Baohua Town  
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Sichuan Province 623400  
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Tel : +86 837 889 8888  
Fax : +86 837 777 6577  
jiuzhaigou@banyantree.com

Amadeus - BY JZHBAN  
Galileo - BY E4880  
Sabre - BY 319808  
Worldspan - BY ANJZH

**Banyan Tree Krabi**  
279 Tambon Nongtalay  
Amphoe Muang  
Krabi 81180,  
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reservations-krabi@banyantree.com

Amadeus - BY KBVTRE  
Galileo - BY G2804  
Sabre - BY 389804  
Worldspan - BY KRKBV

**Banyan Tree Kuala Lumpur**  
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Malaysia  
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Fax : +603 2113 1999  
kualalumpur@banyantree.com

Amadeus - BY KULBAN  
Galileo - BY E7248  
Sabre - BY 322193  
Worldspan - BY BYKUL

**Banyan Tree Lăng Cô,  
Central Vietnam**  
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reservations-langco@  
banyantree.com

Amadeus - BY DADLRR  
Galileo - BY 49463  
Sabre - BY 165309  
Worldspan - BY BTLAN

**Banyan Tree Lijiang**  
Yuerong Road, Shuhe  
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People's Republic of China  
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Fax : +86 888 533 6666  
lijiang@banyantree.com

Amadeus - BY LJG899  
Galileo - BY 12616  
Sabre - BY 4867  
Worldspan - BY 1899

**Banyan Tree Macau**  
Galaxy Macau™ Resort  
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macau@banyantree.com

Amadeus - BY MFMBTM  
Galileo - BY 88408  
Sabre - BY 138120  
Worldspan - BY MFMBT

**Banyan Tree Phuket**  
33, 33/27 Moo 4  
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phuket@banyantree.com

Amadeus - BY HKT887  
Galileo - BY 12654  
Sabre - BY 177  
Worldspan - BY 1887

**Banyan Tree Spa Sanctuary Phuket**  
33, 33/27 Moo 4  
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phuket@banyantree.com

Amadeus - BY HKT887  
Galileo - BY 12654  
Sabre - BY 177  
Worldspan - BY 1887

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phuket@banyantree.com

Amadeus - BY HKT887  
Galileo - BY 12654  
Sabre - BY 177  
Worldspan - BY 1887

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ringha@banyantree.com

Amadeus - BY KMGBTR  
Galileo - BY 14853  
Sabre - BY 7158  
Worldspan - BY KMGBT

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Fax : +66 077 915 388  
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Amadeus - BY USMBTS  
Galileo - BY 62546  
Sabre - BY 12424  
Worldspan - BY USMBT

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Amadeus - BY SYXBTT  
Galileo - BY 81509  
Sabre - BY 79610  
Worldspan - BY SYXBT

# Worldwide Resorts

## Banyan Tree Shanghai On The Bund

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Hongkou District  
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People's Republic of China  
Tel : +86 212 509 1188  
Fax : +86 215 509 1199  
shanghai@thebund@  
banyantree.com

Amadeus - BY SHASTB  
Galileo - BY 52477  
Sabre - BY 166891  
Worldspan - BY TCNSO

## Banyan Tree Tengchong

Mayugu International Hot  
Springs Resorts  
Beihai Town, Tengchong County  
Yunnan Province 679100  
People's Republic of China  
Tel : +86 875 899 9888  
Fax : +86 875 899 8999  
tengchong@banyantree.com

Amadeus - BY BSDANG  
Galileo - BY 32883  
Sabre - BY 185650  
Worldspan - BY TCZAN

## Banyan Tree Tianjin Riverside

No. 34 Haihe East Road  
Hebei District  
Tianjin Province 300010  
People's Republic of China  
Tel : +86 22 5861 9999  
Fax : +86 22 5861 9998  
gs-tianjin@banyantree.com

Amadeus - BY TSNTIA  
Galileo - BY 50809  
Sabre - BY 168407  
Worldspan - BY TSNTR

## Banyan Tree Yangshuo

No. 168 Zhengdong Street  
Fuli Town  
Yangshuo County, Guilin City  
Guangxi Province 541905  
People's Republic of China  
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Fax : +86 773 322 8999  
reservations-yangshuo@  
banyantree.com

Amadeus - BY KWLBTY  
Galileo - BY B0865  
Sabre - BY 271059  
Worldspan - BY BTCNY

## South Asia

### Banyan Tree Vabbinfaru

Vabbinfaru Island  
North Malé Atoll  
Republic of Maldives  
Tel : +960 664 3147  
Fax : +960 664 3843  
reservations-vabbinfaru@  
banyantree.com

Amadeus - BY MLE896  
Galileo - BY 12644  
Sabre - BY 39760  
Worldspan - BY 1896

## ANGSANA

### Africa

#### Angsana Balaclava Mauritius

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Balaclava  
Republic of Mauritius  
Tel : +230 204 1888  
Fax : +230 204 1986  
balaclava@angsana.com

Amadeus - BY MRUABB  
Galileo - BY 57595  
Sabre - BY 143709  
Worldspan - BY MRUAB

#### Angsana Riads Collection Morocco

Riad Dar Zaouia  
N. 1 Riad Zitoun Jdid Derb  
Nakouss Derb Zaouia  
40000 Marrakech  
Morocco  
Tel : +212 524 388 905/6  
Fax : +212 524 386 611  
marrakech@angsana.com

Amadeus - BY RAKANN  
Galileo - BY 13790  
Sabre - BY 81704  
Worldspan - BY RAKAN

#### Angsana Riads Si Said\*

N. 1-2-4 Derb Abbes El Fassi  
Riad Zitoun Jdid, Medina  
40000 Marrakech  
Morocco

Amadeus - BY RAKANN  
Galileo - BY 13790  
Sabre - BY 81704  
Worldspan - BY RAKAN

\* Key area for guest check-in

### Americas

#### Angsana Cayo Santa Maria

Cayo Las Brujas, Caibarien,  
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reservas@dhawa.co.cu

### Asia Pacific

#### Angsana Bintan

Jalan Teluk Berembang  
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Amadeus - BY SINANG  
Galileo - BY 11741  
Sabre - BY 55936  
Worldspan - BY 80378

#### Angsana Hangzhou

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Zijingang Road  
Hangzhou  
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People's Republic of China  
Tel : +86 571 8500 2000  
Fax : +86 571 8500 2111  
hangzhou@angsana.com

Amadeus - BY HGHAHH  
Galileo - BY 33066  
Sabre - BY 142420  
Worldspan - BY HGHAH

#### Angsana Laguna Phuket

10 Moo 4 Srisoonthorn Road  
Phuket 83110  
Thailand  
Tel : +66 76 358 500  
Fax : +66 76 324 108  
reservations-lagunaphuket@  
angsana.com

Amadeus - BY HKTALP  
Galileo - BY 69833  
Sabre - BY 33348  
Worldspan - BY HKTAL

#### Angsana Lăng Cô, Central Vietnam

Cu Du Village,  
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Phu Loc District,  
Thua Thien Hue Province  
Vietnam  
Tel : +84 234 3695 800  
Fax : +84 234 3695 900  
reservations-langco@angsana.com

Amadeus - BY DADALL  
Galileo - BY 58225  
Sabre - BY 165714  
Worldspan - BY DADAL

#### Angsana Teluk Bahang

11, Jalan Teluk Bahang,  
Penang 11050,  
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Amadeus - BY PENANA  
Galileo - BY G2371  
Sabre - BY 389163  
Worldspan - BY LUPEN

#### Angsana Villas Resort Phuket

142/3 Moo.6, Cherngtaly, Thalang  
Phuket 83110  
Thailand  
Tel : +66 76 336 900  
Fax : +66 76 336 970  
reservations-villasresort@  
angsana.com

Amadeus - BY HKTTLP  
Galileo - BY 67747  
Sabre - BY 10325  
Worldspan - BY ANTLP

#### Angsana Xi'an Lintong

No. 8 East Yue Chun Road,  
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reservations-xianlintong@  
angsana.com

Amadeus - BY SIAANG  
Galileo - BY B6121  
Sabre - BY 284134  
Worldspan - BY ANCNX

#### Angsana Xishuangbanna

Manxing Lake Menghai,  
Xingshuangbanna Dai  
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People's Republic of China  
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Fax : +86 (0)691 899 8777  
xishuangbanna@angsana.com

Amadeus - BY JHGNNNA  
Galileo - BY F2081  
Sabre - BY 325316  
Worldspan - BY SAJHG

#### Angsana Zhuhai Phoenix Bay

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Hi-Tech Zone, Zhuhai,  
Guangdong Province 519000  
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Fax : +86 (0)756 6331 000  
zhuhai@angsana.com

Amadeus - BY ZUHANA  
Galileo - BY E4909  
Sabre - BY 320092  
Worldspan - BY PHZUH

#### Maison Souvannaphoum Hotel by Angsana

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Fax : +856 71 212 577  
maison@angsana.com

Amadeus - BY LPQMSH  
Galileo - BY 20916  
Sabre - BY 38056  
Worldspan - BY VTEM5

# Worldwide Resorts

## South Asia

### Angsana Bangalore

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Fax : +91 80 2846 8897  
bangalore@angsana.com

### Angsana Ihuru

North Malé Atoll  
Republic of Maldives  
Tel : +960 664 3502  
Fax : +960 664 5933  
reservations-ihuru@angsana.com

Amadeus - BY MLEANG  
Galileo - BY 37922  
Sabre - BY 60405  
Worldspan - BY MLEIH

### Angsana Velavaru

South Nilandhe Atoll (Dhaalu Atoll)  
Republic of Maldives  
Tel : +960 676 0028  
Fax : +960 676 0061  
reservations-maldives@angsana.com

Amadeus - BY MLEANN  
Galileo - BY 13765  
Sabre - BY 74305  
Worldspan - BY MLEAN

## CASSIA

## Asia Pacific

### Cassia Bintan

Jalan Teluk Berembang  
Laguna Bintan Resorts  
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Indonesia  
Tel : +62 770 692 959  
Fax : +65 6462 2463  
reservations-bintan@cassia.com

Amadeus - BY TNJCAS  
Galileo - BY E4822  
Sabre - BY 320041  
Worldspan - BY CATNJ

### Cassia Phuket

64 Moo 4 Srisoonthorn Road  
Tambon, Chernohtalay, Amphur  
Thalang, Phuket 83110,  
Thailand  
Tel : +66 76 356999  
reservations-phuket@cassia.com

Amadeus - BY HKTCAT  
Galileo - BY B6859  
Sabre - BY 284831  
Worldspan - BY CATHP

## DHAWA

## Americas

### Dhawa Cayo Santa Maria

Cayo Las Brujas Caibarien, Villa Clara  
Cuba  
dhawa-cuba.com  
Tel : +53 42 350893

## OTHER HOTELS & RESORTS

## Americas

### Hacienda Xcanatun by Angsana

20 Street s/n, Xcanatun  
Yucatan 97302  
Mexico  
Tel : +52 999 9302140  
hacienda-xcanatun@angsana.com

Amadeus - BY MIDANA  
Galileo - BY G3558  
Sabre - BY 390451  
Worldspan - BY HAMID

## Asia Pacific

### Pavilion Hotel Kuala Lumpur

Managed by Banyan Tree  
170, Jalan Bukit Bintang,  
Kuala Lumpur 55100  
Malaysia  
Tel : +603 2117 2888  
Fax : +603 2117 2999  
pavilionhotel-kualalumpur@  
banyantree.com

Amadeus - BY KULBNY  
Galileo - BY N0001  
Sabre - BY 324277  
Worldspan - BY BNKUL

# Worldwide Offices

## CORPORATE OFFICE

### Banyan Tree Hotels & Resorts

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corporate@banyantree.com

## WORLDWIDE SALES

## Americas

### North America

Meetings & Events  
Tel : 1 (650) 344-8777  
Annaceleste.brenner@banyantree.com

Leisure  
Tel: 1 (646) 861-3627  
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## Asia Pacific

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sales-beijing@banyantree.com  
sales-beijing@angsana.com

### Guangzhou

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sales-guangzhou@angsana.com

### Hong Kong

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sales-hongkong@angsana.com

### Japan

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Fax : +81 3 6869 4737  
sales-tokyo@banyantree.com  
sales-tokyo@angsana.com

### Shanghai

Tel : +86 139 1662 0627

### Taiwan

Tel : +886 2 2546 9833  
Fax : +886 2 2546 9849  
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sales-taiwan@angsana.com

## Europe

### Austria, Germany & Switzerland

Tel : +49 177 5535 712  
sales-germany@banyantree.com  
sales-germany@angsana.com

### United Kingdom

Tel : +44 7500 887 369  
sales-london@banyantree.com  
sales-london@angsana.com

## WORLDWIDE RESERVATIONS TOLL-FREE NUMBERS

## Americas

### Mexico

Tel : 800 872 0462

### United States

Tel : 1 844 838 2229

## Asia Pacific

### Australia

Tel : 1 800 960 288

### China

Tel : 400 120 0188

### Malaysia

Tel : 1-800-81-6000

### Singapore

Tel : 800 852 6688

### South Korea

Tel : 080-899-3188

### Taiwan

Tel : 80 909 9288

### Thailand

Tel : 1800 852 8818

## Europe

### Russia

Tel : 8 800 301-16-88

### United Kingdom

Tel : 808 101 7667

# Corporate Information

## BOARD OF DIRECTORS

Ho KwonPing (Executive Chairman)  
Chia Chee Ming Timothy  
Fang Ai Lian  
Chan Heng Wing  
Tham Kui Seng  
Karen Tay Koh  
Beh Jit Han Paul  
Tan Chian Khong  
Arnoud De Meyer  
Gaurav Bhushan  
Chew Van Hoong Jason  
Mohamed Al-Hashmi (Alternate Director to Chew Van Hoong Jason)  
Ho Ren Hua  
Ding Changfeng

## AUDIT & RISK COMMITTEE

Fang Ai Lian (Chairman)  
Tham Kui Seng  
Karen Tay Koh  
Tan Chian Khong

## NOMINATING & REMUNERATION COMMITTEE

Chia Chee Ming Timothy (Chairman)  
Chan Heng Wing  
Beh Jit Han Paul

## MANAGEMENT TEAM

Claire Chiang  
Ho KwonCjan  
Eddy See Hock Lye  
Shankar Chandran  
Dharmali Kusumadi  
Stuart Reading  
KC Moy  
Alan Chin  
Cindy Lee  
Ho Ren Yung  
Philip Lim  
Gavin Herholdt  
Bobby Ong  
Carolyn Zhang  
Anthony Loh  
Sachiko Shiina  
Peter Wang  
Henry Ngai

## REGISTERED ADDRESS

Banyan Tree Holdings Limited  
211 Upper Bukit Timah Road  
Singapore 588182  
Tel : +65 6849 5888  
Fax : +65 6462 0186

## SHARE REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.  
50 Raffles Place  
#32-01  
Singapore Land Tower  
Singapore 048623

## AUDITOR

Ernst & Young LLP  
One Raffles Quay  
North Tower Level 18  
Singapore 048583

Partner in charge  
(since financial year ended  
31 December 2016)  
Simon Yeo

## SOLICITOR

WongPartnership LLP

## BANKERS

Malayan Banking Berhad  
Shanghai Pudong Development Bank Co., Ltd. Singapore Branch  
Qatar National Bank (Q.P.S.C.)  
The Siam Commercial Bank Public Company Limited  
The Hong Kong and Shanghai Banking Corporation Limited

## COMPANY SECRETARY

Moy Keen Choy ("KC Moy")  
Tel : +65 6849 5888  
Fax : +65 6462 0186  
moy.keenchoy@banyantree.com

## BUSINESS DEVELOPMENT

bd@banyantree.com

## BRAND AND COMMERCIAL

211 Upper Bukit Timah Road  
Singapore 588182  
Tel : +65 6849 5888  
pr@banyantree.com

# Statistics Of Shareholdings

as at 15 March 2021

Issued and Paid-up Capital - S\$248,377,414  
Class of Shares - Ordinary Shares  
Voting Rights - One vote per share except for treasury shares

## Distribution Of Shareholdings

Size of shareholdings	No. of shareholders	%	No. of shares	%
1 – 99	20	0.63	695	0.00
100-1000	441	14.00	377,012	0.04
1,001 – 10,000	1,698	53.87	9,153,128	1.09
10,001 – 1,000,000	974	30.90	50,150,871	5.96
1,000,001 and above	19	0.60	781,981,374	92.91
	<b>3,152</b>	<b>100.00</b>	<b>841,663,080*</b>	<b>100.00</b>

\* The total number of issued shares excludes 1,321,500 treasury shares. Percentage of 1,321,500 treasury shares against total number of issued shares (excluding treasury shares) is 0.16%.

## Substantial Shareholders<sup>1</sup>

Size of shareholdings	Direct interest No. of shares	% <sup>2</sup>	Deemed interest No. of shares	% <sup>2</sup>
Ho KwonPing <sup>3</sup>	-	-	301,948,882	35.88
Claire Chiang <sup>4</sup>	-	-	293,319,882	34.85
Ho KwonCjan <sup>5</sup>	16,000,000	1.90	49,629,000	5.90
Bibace Investments Ltd <sup>6</sup>	-	-	286,519,882	34.04
Bibace Management Company Limited (acting as trustee of The Bibace Trust) <sup>7</sup>	-	-	286,519,882	34.04
Bibace Management Company Limited (acting as trustee of Merit Trust) <sup>7</sup>	-	-	286,519,882	34.04
Bibace Management Company Limited (acting as trustee of Ho Ren Hua Family Line Trust) <sup>7</sup>	-	-	286,519,882	34.04
Bibace Management Company Limited (acting as trustee of Ho Ren Yung Family Line Trust) <sup>7</sup>	-	-	286,519,882	34.04
Bibace Management Company Limited (acting as trustee of Ho Ren Chun Family Line Trust) <sup>7</sup>	-	-	286,519,882	34.04
Banyan Tree Global Foundation Limited <sup>8</sup>	-	-	286,519,882	34.04
Qatar Holding LLC <sup>9</sup>	-	-	205,870,443	24.46
Qatar Investment Authority <sup>10</sup>	-	-	205,870,443	24.46

<sup>1</sup> As shown in the Register of Substantial Shareholders and based on the notifications and information received by the Company.

<sup>2</sup> Percentage shareholding is based on issued share capital as at 15 March 2021 (excluding treasury shares).

<sup>3</sup> Ho KwonPing, a named beneficiary of The Bibace Trust, is deemed to have an interest in the shares held by HSBC (Singapore) Nominees Pte Ltd and Raffles Nominees (Pte.) Limited (acting as nominee for Bibace Investments Ltd ("Bibace")) as a result of The Bibace Trust's shareholding interest in Bibace. He is also deemed to have an interest in the shares held by Recourse Investments Ltd., HSBC (Singapore) Nominees Pte. Ltd. (acting as nominee for RHYC Pte. Ltd.) and Raffles Nominees (Pte.) Limited (acting as nominee for KAP Holdings Ltd.) as well as the Shares held by Raffles Nominees (Pte.) Limited (acting as nominee for Li-Ho Holdings (Private) Limited).

<sup>4</sup> Claire Chiang, a named beneficiary of The Bibace Trust, is deemed to have an interest in the shares held by HSBC (Singapore) Nominees Pte Ltd and Raffles Nominees (Pte.) Limited (acting as nominee for Bibace) as a result of The Bibace Trust's shareholding interest in Bibace. She is also deemed to have an interest in the shares held by Recourse Investments Ltd. and Raffles Nominees (Pte.) Limited (acting as nominee for KAP Holdings Ltd.).

<sup>5</sup> Ho KwonCjan is deemed to have an interest in the shares held by ICD (HK) Limited, Freesia Investments Ltd and Raffles Nominees (Pte.) Limited (acting as nominee for Li-Ho Holdings (Private) Limited).

<sup>6</sup> Bibace is deemed to have an interest in the shares held by its nominees, HSBC (Singapore) Nominees Pte Ltd and Raffles Nominees (Pte.) Limited.

<sup>7</sup> Bibace Management Company Limited (acting as trustee of The Bibace Trust) is deemed to have an interest in the shares in which Bibace has an interest as a result of The Bibace Trust's shareholding interest in Bibace. Bibace Management Company Limited (acting as trustee of each of the Merit Trust, the Ho Ren Hua Family Line Trust, the Ho Ren Yung Family Line Trust and the Ho Ren Chun Family Line Trust) is deemed to have an interest in the same shares as it is a named beneficiary of The Bibace Trust in these capacities.

<sup>8</sup> Banyan Tree Global Foundation Limited, a named beneficiary of The Bibace Trust, is deemed to have an interest in the shares held by HSBC (Singapore) Nominees Pte Ltd and Raffles Nominees (Pte.) Limited (acting as nominee for Bibace) as a result of The Bibace Trust's shareholding interest in Bibace.

<sup>9</sup> Qatar Holding LLC ("QH") is deemed to have an interest in the shares held through third party nominees.

<sup>10</sup> Qatar Investment Authority is deemed to have an interest in the shares held by its wholly-owned subsidiary, QH.

# Statistics Of Shareholdings

as at 15 March 2021

## Twenty Largest Shareholders

(as shown in the Register of Members and Depository Register)

No	Size of shareholdings	No. of shares	%
1	HSBC (Singapore) Nominees Pte Ltd	329,052,182	39.10
2	DBSN Services Pte. Ltd.	205,987,243	24.47
3	Citibank Nominees Singapore Pte Ltd	49,744,073	5.91
4	BNP Paribas Nominees Singapore Pte. Ltd.	42,066,000	5.00
5	UOB Kay Hian Private Limited	40,780,500	4.85
6	ICD (Hk) Limited	31,000,000	3.68
7	Raffles Nominees (Pte.) Limited	23,318,042	2.77
8	Ho Kwoncjn	16,000,000	1.90
9	Dbis Nominees (Private) Limited	12,194,686	1.45
10	Freesia Investments Ltd	10,000,000	1.19
11	Recourse Investments Ltd.	6,000,000	0.71
12	Phillip Securities Pte Ltd	4,595,600	0.55
13	Maybank Kim Eng Securities Pte.ltd	2,641,366	0.31
14	United Overseas Bank Nominees (Private) Limited	2,080,800	0.25
15	OCBC Nominees Singapore Private Limited	1,606,600	0.19
16	Ang Koon San Sunny	1,488,000	0.18
17	Merrill Lynch (Singapore) Pte. Ltd.	1,280,482	0.15
18	Ariel P Vera	1,120,500	0.13
19	ABN Amro Clearing Bank N.v.	1,025,300	0.12
20	Morgan Stanley Asia (Singapore) Securities Pte Ltd	861,400	0.10
	<b>Total</b>	<b>782,842,774</b>	<b>93.01</b>

As at 15 March 2021, approximately of 32.20% of the Company's issued ordinary shares (excluding treasury shares) is held by the public and, therefore Rule 723 of Listing Manual is complied with.

# Notice of Annual General Meeting

## Banyan Tree Holdings Limited

(Incorporated in the Republic of Singapore)  
(Company Registration No. 200003108H)  
(the "Company")

NOTICE IS HEREBY GIVEN that the Twenty-first Annual General Meeting ("**AGM**") of the Company will be held by way of electronic means on Wednesday, 28 April 2021 at 2.30 p.m. to transact the business set out below. Please refer to the section titled "IMPORTANT INFORMATION" below for details.

### Ordinary Business

- 1 To receive and adopt the Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2020 and the Independent Auditor's Report thereon.
- 2 To re-elect the following directors of the Company ("**Directors**") who are retiring by rotation in accordance with Regulations 100 and 101 of the Constitution of the Company (the "**Constitution**") and who, being eligible, offer themselves for re-election:-
  - i. Mr Chia Chee Ming Timothy
  - ii. Mr Gaurav Bhushan

(Ms Fang Ai Lian, Mr Chan Heng Wing and Mr Tham Kui Seng are also due to retire by rotation at the AGM but they have decided not to seek re-election thereat.)
- 3 To re-elect each of the following Directors who will cease to hold office in accordance with Regulation 106 of the Constitution and who, being eligible, offers himself for re-election:
  - i. Mr Ding ChangFeng
  - ii. Mr Beh Jit Han Paul
  - iii. Mr Ho Ren Hua
  - iv. Mr Tan Chian Khong
  - v. Mr Arnoud De Meyer
- 4 To approve payment of Directors' Fees of S\$535,155 for the financial year ended 31 December 2020 (FY2019: S\$524,470).
- 5 To re-appoint Ernst & Young LLP as the Auditor of the Company to hold office until the next AGM and to authorise the Directors of the Company to fix their remuneration.

### Special Business

- 6 To consider and, if thought fit, to pass the following ordinary resolutions, with or without modifications:
  - 6.1 That authority be and is hereby given to the Directors, pursuant to Section 161 of the Companies Act (Chapter 50 of Singapore) (the "**Companies Act**"), to:
    - (a) (i) issue shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or
    - (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) securities, warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and
  - (b) (notwithstanding the authority conferred by this Resolution 6.1 may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution 6.1 was in force,

provided that:

- (1) the aggregate number of Shares to be issued pursuant to this Resolution 6.1 (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution 6.1) shall not exceed 50 per cent. (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro rata basis to shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution 6.1) shall not exceed 20 per cent. (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by Singapore Exchange Securities Trading Limited (the “SGX-ST”)) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this Resolution 6.1 is passed, after adjusting for:
  - (i) any new Shares arising from the conversion or exercise of any convertible securities or Share options or vesting of Share awards which are outstanding or subsisting at the time this Resolution 6.1 is passed; and
  - (ii) any subsequent bonus issue, consolidation or sub-division of Shares;
- (3) in exercising the authority conferred by this Resolution 6.1, the Company shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of the Listing Manual of the SGX-ST (the “Listing Manual”) for the time being in force (in each case, unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and otherwise, and the Constitution for the time being of the Company; and
- (4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution 6.1 shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier.

6.2 That the Directors be and are hereby authorised to:

- (a) grant awards in accordance with the provisions of the Banyan Tree Share Award Scheme 2016; and
- (b) allot and issue from time to time such number of fully paid-up Shares as may be required to be issued pursuant to the vesting of awards under the Banyan Tree Share Award Scheme 2016,

provided that the total number of Shares which may be issued and/or transferred pursuant to awards granted under the Banyan Tree Share Award Scheme 2016, when added to the total number of Shares issued and issuable and/or existing Shares transferred and transferrable in respect of all awards granted under the Banyan Tree Share Award Scheme 2016 and all Shares, options and awards granted under any share scheme of the Company then in force, shall not exceed five per cent. (5%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) on the day preceding the relevant date of the award, and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM or the date by which the next AGM is required by law to be held, whichever is the earlier.

6.3 That:

- (a) approval be and is hereby given, for the purposes of Chapter 9 of the Listing Manual, for the Company, its subsidiaries and its associated companies which are entities at risk as defined under Chapter 9 of the Listing Manual, to enter into any of the transactions falling within the types of interested person transactions described in Appendix 1 to the Letter to Shareholders dated 13 April 2021 (the “Letter”), with any person who falls within the classes of interested persons described in Appendix 1 to the Letter, provided that such transactions are made on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders and in accordance with the review procedures for interested person transactions as set out in Appendix 1 to the Letter (the “IPT Mandate”);
- (b) the IPT Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the date that the next AGM of the Company is held or required by law to be held, whichever is the earlier;
- (c) the Audit and Risk Committee of the Company be and is hereby authorised to take such action as it deems proper in respect of such procedures and/or to modify or implement such procedures as may be necessary to take into consideration any amendment to Chapter 9 of the Listing Manual which may be prescribed by the SGX-ST from time to time; and
- (d) the Directors be and are hereby authorised to complete and do all such acts and things (including, without limitation, executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the IPT Mandate and/or this Resolution.

6.4 That:

- (a) for the purposes of the Companies Act, the authority conferred on the Directors to exercise all the powers of the Company to purchase or otherwise acquire Shares not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:
  - (i) market purchase(s) (each a “Market Purchase”) on the SGX-ST; and/or
  - (ii) off-market purchase(s) (each an “Off-Market Purchase”) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act;and otherwise in accordance with all other laws and regulations, including but not limited to the provisions of the Companies Act and the Listing Manual as may for the time being be applicable, be and is hereby approved generally and unconditionally (the “Share Buyback Mandate”);
- (b) unless varied or revoked by the Company in a general meeting, the authority conferred on the Directors pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earlier of:
  - (i) the date on which the next AGM is held or required by law to be held; and
  - (ii) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Buyback Mandate are carried out to the full extent mandated;

(c) in this Resolution:

**“Maximum Limit”** means that number of Shares representing not more than one per cent. (1%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the passing of this Resolution, unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the total number of issued Shares shall be taken to be the total number of issued Shares as altered (excluding any treasury shares and subsidiary holdings); and

**“Maximum Price”**, in relation to a Share to be purchased or acquired, means the purchase price (excluding related expenses) which shall not exceed:

- (i) in the case of a Market Purchase, 105 per cent. (105%) of the Average Closing Price; and
- (ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120 per cent. (120%) of the Highest Last Dealt Price,

where:

**“Relevant Period”** means the period commencing from the date on which this Resolution is passed and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier, after the date of this Resolution;

**“Average Closing Price”** means the average of the closing market prices of the Shares over the last five (5) Market Days (a **“Market Day”** being a day on which the SGX-ST is open for trading in securities), on which transactions in the Shares were recorded, before the day on which the purchase or acquisition of Shares was made, and deemed to be adjusted for any corporate action that occurs during the relevant five (5) Market Days and the day on which the purchase or acquisition is made;

**“Highest Last Dealt Price”** means the highest price transacted for a Share as recorded on the Market Day on which there were trades in the Shares immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase; and

**“day of the making of the offer”** means the day on which the Company announces its intention to make an offer for the purchase of Shares from shareholders of the Company, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

- (d) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.

7 To transact any other business as may properly be transacted at an AGM.

By Order of the Board

**Moy Keen Choy**  
Company Secretary  
Singapore, 13 April 2021

## Explanatory Notes

In relation to Ordinary Resolution 2(i), Mr Chia Chee Ming Timothy will, upon re-election as Director, continue to serve as a member of the Nominating and Remuneration Committee and will be considered independent for the purposes of Rule 704(8) of the Listing Manual and remain as the Lead Independent Director.

In relation to Ordinary Resolution 2(ii), Mr Gaurav Bhushan will, upon re-election as Director, continue to serve as a Non-Independent Non-Executive Director.

In relation to Ordinary Resolution 3(i), Mr Ding ChangFeng will, upon re-election as Director, continue to serve as a Non-Independent Non-Executive Director.

In relation to Ordinary Resolution 3(ii), Mr Beh Jit Han Paul will, upon re-election as Director, continue to serve as a member of the Nominating and Remuneration Committee and will be considered independent for the purposes of Rule 704(8) of the Listing Manual .

In relation to Ordinary Resolution 3(iii), Mr Ho Ren Hua will, upon re-election as Director, continue to serve as a Non-Independent Non-Executive Director.

In relation to Ordinary Resolution 3(iv), Mr Tan Chian Khong will, upon re-election as Director, continue to serve as a member of the Audit & Risk Committee and will be considered independent for the purposes of Rule 704(8) of the Listing Manual.

In relation to Ordinary Resolution 3(v), Mr Arnoud De Meyer will, upon re-election as Director, be considered independent for the purposes of Rule 704(8) of the Listing Manual.

Ordinary Resolution 4, if passed, relates to the payment of Directors’ fees for the financial year ended 31 December 2020. Directors’ fees are for services rendered by the Non-Executive Directors on the Board as well as the various Board Committees. The amount also includes complimentary accommodation, spa and gallery benefits provided to the Non-Executive Directors.

Detailed information on the Directors who are proposed to be re-elected can be found under the “Board of Directors” and “Corporate Governance Report” in the Company’s Annual Report 2020.

## Statement pursuant to Regulation 61 of the Company’s Constitution

Ordinary Resolution 6.1, if passed, will empower the Directors, from the date of the passing of Ordinary Resolution 6.1 to the date of the next AGM, to issue Shares and to make or grant Instruments (such as warrants or debentures) convertible into Shares, and to issue Shares in pursuance of such Instruments, up to an amount not exceeding in total 50 per cent. (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings), with a sub-limit of 20 per cent. (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) for issues other than on a pro rata basis to shareholders. For the purpose of determining the aggregate number of Shares that may be issued, the percentage of issued Shares shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time that Ordinary Resolution 6.1 is passed, after adjusting for (a) new Shares arising from the conversion or exercise of any convertible securities or Share options or vesting of Share awards which are outstanding or subsisting at the time that Ordinary Resolution 6.1 is passed; and (b) any subsequent bonus issue, consolidation or sub-division of Shares.

Ordinary Resolution 6.2, if passed, will empower the Directors, from the date of this AGM until the next AGM, or the date by which the next AGM is required by law to be held or when varied or revoked by the Company in a general meeting, whichever is the earlier, to grant awards, and to allot and issue new Shares, pursuant to the Banyan Tree Share Award Scheme 2016, provided that the total number of Shares which may be issued and/or transferred pursuant to awards granted under the Banyan Tree Share Award Scheme 2016, when added to the total number of Shares issued and issuable and/or existing Shares transferred and transferrable in respect of all awards granted under the Banyan Tree Share Award Scheme 2016 and all Shares, options and awards granted under any share scheme of the Company then in force, shall not exceed five per cent. (5%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) on the day preceding the relevant date of the award.

Ordinary Resolution 6.3, if passed, will authorise the Interested Person Transactions as described in the Letter and recurring in the year, and will empower the Directors to do all acts necessary to give effect to the IPT Mandate. This authority shall, unless revoked or varied by the Company in general meeting, continue in force until the date on which the next AGM is held or is required by law to be held, whichever is the earlier.

Ordinary Resolution 6.4, if passed, will empower the Directors to exercise all powers of the Company to purchase or otherwise acquire (whether by way of Market Purchases or Off-Market Purchases) Shares on the terms of the Share Buyback Mandate as set out in the Letter. This authority shall, unless revoked or varied by the Company in general meeting, continue in force until the date on which the next AGM is held or is required by law to be held, whichever is the earlier.

# Proxy Form

## IMPORTANT:

- Alternate arrangements relating to, among others, attendance, submission of questions in advance and/or voting at the AGM are set out in the Notice of AGM dated 13 April 2021.
- This Proxy Form is not valid for use by investors who hold shares in the Company (“Shares”) through relevant intermediaries (as defined in Section 181 of the Companies Act (Chapter 50 of Singapore)), including CPF/SRS investors, and shall be ineffective for all intents and purposes if used or purported to be used by them. Such investors (including CPF/SRS investors), if they wish to vote, should contact their respective relevant intermediaries as soon as possible to specify voting instructions. CPF/SRS investors should approach their respective CPF Agent Banks or SRS Operators at least seven working days before the AGM to specify voting instructions.

## Personal Data Privacy

By submitting an instrument appointing a proxy, the shareholder accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 13 April 2021.

**Banyan Tree Holdings Limited**  
(Incorporated in the Republic of Singapore)  
(Company Registration No. 200003108H)

Apart from using its internal sources of funds, the Company may obtain or incur borrowings to finance its purchases or acquisitions of Shares. The Directors do not propose to exercise the Share Buyback Mandate to such extent that it would result in any material adverse effect to the financial position of the Company or the Group, or result in the Company being delisted from the SGX-ST. The amount of financing required for the Company to purchase its Shares pursuant to the Share Buyback Mandate and the impact on the Company’s financial position, cannot be realistically ascertained as at the date of this Notice as this will depend on factors such as the aggregate number of Shares purchased and the purchase prices paid at the relevant times.

An illustration of the financial impact of the Share purchases by the Company pursuant to the Share Buyback Mandate on the audited financial statements of the Group for the financial year ended 31 December 2020 is set out in the Letter.

## IMPORTANT INFORMATION:

Shareholders of the Company (“Shareholders”) should take note of the following arrangements for the AGM:

- Attendance in Person:** The AGM will be conducted only by electronic means and Shareholders will not be able to physically attend the AGM. The proceedings of the AGM will be broadcast through a “live” webcast (“Webcast”) comprising both video (audio-visual) and audio-only feeds. Please pre-register for the Webcast if you wish to attend the AGM.
- Live Audio and Video Webcast:** All Shareholders as well as investors who hold shares through relevant intermediaries (as defined in Section 181(1C) of the Companies Act (“Investors”) (including Central Provident Fund (“CPF”) and Supplementary Retirement Scheme (“SRS”) (“CPF/SRS investors”)), who wish to follow the proceedings of the AGM through the Webcast must **pre-register online at** <http://smartagm.sg/BANYANTREEAGM2021> for verification purposes. The Website will be open for pre-registration from 13 April 2021 and **will close at 2.30 p.m., 23 April 2021**. Following verification, details on how to join the Webcast/ live audio will be sent to you on or around 12.00 p.m., 27 April 2021 via the e-mail address provided on pre-registration. Please use the provided access and/or identification credentials/telephone number to access the Webcast/ live audio.

Please contact the Company at [ir@banyantree.com](mailto:ir@banyantree.com) if you have queries on the Webcast/live audio.

- Submission of Questions:** Shareholders and Investors will not be able to ask questions “live” via the webcast. All Shareholders and Investors can submit questions relating to the business of the AGM either (i) via post to the Share Registrar’s office at 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623, or (ii) via electronic mail to [ir@banyantree.com](mailto:ir@banyantree.com). Questions must be submitted not less than 3 working days before the time appointed for the holding of the AGM (i.e. **by 2.30 p.m., 23 April 2021**). The Company will endeavour to respond to substantial and relevant questions received from Shareholders via SGXNET and the Company’s website prior to the AGM, or during the AGM.
- Voting Solely via Appointing Chairman as Proxy (Submit a Proxy Form):** Shareholders will only be able to vote at the AGM by appointing the Chairman as proxy to vote on their behalf. Duly completed Proxy Forms must be deposited with the Company (i) via post to the Share Registrar’s office at 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623, or (ii) via electronic mail to [ir@banyantree.com](mailto:ir@banyantree.com) (e.g. a clear scanned signed form in PDF) and received by the Company by 2.30 p.m. on 25 April 2021 (being 72 hours before the time fixed for the AGM). The Proxy Form can be downloaded from SGXNET or the Company’s website. In the Proxy Form, a Shareholder should specifically direct the proxy on how he/she is to vote for or vote against (or abstain from voting on) the resolutions to be tabled at the AGM.

Shareholders are strongly encouraged to submit completed Proxy Forms electronically via email in view of the current COVID-19 situation.

- Investors who hold Shares through Relevant Intermediaries (including CPF/SRS Investors):** Investors (including CPF/SRS investors) should not make use of the Proxy Form and should instead approach their respective relevant intermediary as soon as possible to specify voting instructions. CPF/SRS investors who wish to vote should approach their respective CPF Agent Bank / SRS Operator at least **seven working days** before the AGM (i.e. **by 16 April 2021**), to ensure that their votes are submitted.

## ACCESS TO DOCUMENTS OR INFORMATION RELATING TO BUSINESS OF THE AGM

All documents and information relating to the business of the AGM (including the Annual Report, Letter to Shareholders and the Proxy Form) have been published on SGXNET ([www.sgx.com](http://www.sgx.com)) and the Company’s website at <http://investor.banyantree.com/>. Printed copies will **not** be sent to Shareholders.

## FURTHER UPDATES

Shareholders should note that the manner of conduct of the AGM may be subject to further changes based on the evolving COVID-19 situation, any legislative amendments and any directives or guidelines from government agencies or regulatory authorities. Any changes to the manner of conduct of the AGM will be announced by the Company on SGXNET. Shareholders are advised to check SGXNET and the Company’s website regularly for further updates.

## Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company - (i) consents to the collection, use and disclosure of personal data by the Company, its agents and/or service providers for: (1) processing, administering and/or analysing information of proxy(ies) and/or representative(s) appointed by the member for the AGM (including any adjournment thereof) (2) preparing and/or compiling attendance lists, minutes and/or other documents relating to the AGM (including any adjournment thereof), (3) the Company (and/or its agents or its service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines, (4) recording and transmitting images and voice recordings when broadcasting the AGM proceedings through the Webcast, and (5) such purposes as set out in Company’s Privacy Policy as set out at [www.banyantree.com/en/privacy-policy](http://www.banyantree.com/en/privacy-policy) (collectively, the “Purposes”); (ii) represents and warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company, its agents and/or service providers, the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure, by the Company, its agents and/or service providers, of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) shall indemnify the Company in respect of any claims, actions, proceedings, penalties, liabilities, claims, demands, losses, damages, costs and expenses brought against Company or suffered or incurred by Company as a result of the member’s breach of warranty set forth herein.

I/We, \_\_\_\_\_ (Name)  
of \_\_\_\_\_ (Address)

being a member/members of Banyan Tree Holdings Limited (the “Company”), hereby appoint the chairman of the AGM (as defined below) as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting (the “AGM”) of the Shareholders of the Company to be held by way of electronic means on Wednesday, 28 April 2021 at 2.30 p.m. and at any adjournment thereof. I/We direct my/our proxy to vote for or vote against (or to abstain from voting on) the Resolutions to be proposed at the AGM as indicated hereunder.

Members should specifically indicate in this Proxy Form how they wish to vote for or against (or abstain from voting on) the resolutions to be tabled at the AGM. If no specific direction as to voting or abstention is given, the proxy will vote or abstain from voting at his discretion, as he will on any matter arising at the AGM and at any adjournment thereof.

Resolution No.	Resolution relating to:	No. of Votes For*	No. of Votes Against*	No. of Votes Abstain*
<b>As Ordinary Business</b>				
1	Directors’ Statement and Audited Financial Statements for the financial year ended 31 December 2020 and the Independent Auditor’s Report thereon			
2	Re-election of Directors pursuant to Regulations 100 and 101 of the Constitution of the Company (the “Constitution”)	(i) Mr Chia Chee Ming Timothy		
		(ii) Mr Gaurav Bhushan		
3	Re-election of Directors pursuant to Regulation 106 of the Constitution	(i) Mr Ding ChangFeng		
		(ii) Mr Beh Jit Han Paul		
		(iii) Mr Ho Ren Hua		
		(iv) Mr Tan Chian Khong		
		(v) Mr Arnoud De Meyer		
4	Approval of Directors’ Fees			
5	Re-appointment of Ernst & Young LLP as Auditor			
<b>As Special Business</b>				
6.1	Authority to issue new Shares			
6.2	Authority to grant awards and allot and issue Shares pursuant to vesting of awards under the Banyan Tree Share Award Scheme 2016			
6.3	The Proposed Renewal of the Shareholders’ Mandate for Interested Person Transactions			
6.4	The Proposed Renewal of the Share Buyback Mandate			

\* If you wish to exercise all your Votes “For”, “Against” or to “Abstain”, please indicate with a “√” within the box provided. Alternatively, please indicate the number of Votes as appropriate.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2021

Total number of Shares in	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature(s) of Member(s) or Common Seal

**Important: Please read notes on the reverse carefully before completing this form.**



Affix  
postage  
stamp

**Banyan Tree Holdings Limited**  
**c/o Boardroom Corporate & Advisory Services Pte Ltd**  
50 Raffles Place #32-01  
Singapore Land Tower  
Singapore 048623  
Attention: Company Secretary

**Notes:**

1. Please insert the total number of shares of the Company (“Shares”) held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act (Chapter 289 of Singapore)), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy shall be deemed to relate to all the Shares held by you.
2. In accordance with the alternative arrangements under the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, Shareholders will not be able to attend the AGM in person. Shareholders (whether individual or corporate) who wish to have their votes cast at the AGM must submit a proxy form appointing the chairman of the AGM (“Chairman”) as their proxy to vote on his/her/its behalf.
3. The Chairman need not be a member of the Company.
4. The instrument appointing the Chairman as proxy must be deposited with the Company: (i) via post to the Share Registrar’s office at 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623, or (ii) via electronic mail to [ir@banyantree.com](mailto:ir@banyantree.com) (e.g. a clear scanned signed form in PDF) and received by the Company by 2.30 p.m. on 25 April 2021 (being 72 hours before the time fixed for the AGM).
5. The instrument appointing the Chairman as proxy must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing the Chairman as proxy is executed by a corporation, it must be executed either under its seal, executed as a deed in accordance with the Companies Act (Chapter 50) of Singapore or under the hand of an attorney or an officer duly authorised, or in some other manner as may be approved by the Directors, if the instrument is submitted by electronic communication.
6. Where an instrument appointing the Chairman as proxy is signed by an attorney on behalf of the appointor, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
7. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the Shareholder, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.
8. This Proxy Form is not valid for use by investors who hold Shares through relevant intermediaries (as defined in Section 181 of the Companies Act (Chapter 50 of Singapore)), including CPF/SRS investors, and shall be ineffective for all intents and purposes if used or purported to be used by them. Such investors (including CPF/SRS investors), if they wish to vote, should contact their respective relevant intermediaries as soon as possible to specify voting instructions. CPF/SRS investors should approach their respective CPF Agent Banks or SRS Operators at least seven working days before the AGM to specify voting instructions. Refer to the Notice of AGM dated 13 April 2021 for further instructions.

**NOTE ABOUT PRINTING:**

In line with Banyan Tree Group continuing efforts to promote environmental sustainability, this report is printed on Forest Stewardship Council™ (FSC™) certified paper. If you would like additional copies or to share this report, we encourage you to join the majority of our shareholders and enjoy the soft copy in order to reduce consumption of resources from printing and distributing hard copies. The portable document format (PDF) soft copy is available for download via Banyan Tree Group website:

[banyantree.com](http://banyantree.com)



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BANYAN TREE  
GROUP

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