

Unaudited Financial Statement for the Full Year Ended 31 Dec 2020

PART I - Information required for announcements of quarterly (Q1, Q2 & Q3), half year and full year results

1 (a) An income statement for the Group together with a comparative statement for the corresponding period of the immediately preceding financial year

1(a)(i) Consolidated Income Statement

	Note	Year Ended 31 Dec		
		2020 S\$'000	2019 S\$'000	% Change
Revenue				
Hotel operations	1	76,312	135,468	-44%
Rental income from investment properties		18,293	19,234	-5%
Total revenue		94,605	154,702	-39%
Other income		881	555	59%
Total revenue and other income		95,486	155,257	-38%
Costs and expenses				
Staff costs	2	(23,702)	(45,519)	-48%
Depreciation and amortisation		(21,824)	(21,987)	-1%
Hotel operating expenses		(36,961)	(53,440)	-31%
Total costs and expenses		(82,487)	(120,946)	-32%
Profit from operating activities before fair value adjustment and exceptional items		12,999	34,311	-62%
Fair value gain on investment properties	3	14,318	3,990	259%
Gain on disposal of investment property	4	8,139	-	-100%
Impairment of goodwill		-	(658)	100%
Revaluation loss on property, plant and equipment	5	(2,626)	-	-100%
(Impairment loss)/writeback on investment in an associated company	6	(937)	1,959	n/m
Profit from operating activities		31,893	39,602	-19%
Finance costs		(1,679)	(2,453)	-32%
Interest income from fixed deposits		1,632	3,464	-53%
Foreign exchange gain/(loss)		7,073	(1,845)	n/m
Share of results of associates		(697)	(448)	56%
Profit before tax		38,222	38,320	0%
Income tax expense		(894)	(11,853)	-92%
Profit net of tax attributable to owners of the Company		37,328	26,467	41%

n/m = Not meaningful

1 (a)(ii) Notes to the Income Statement

Note 1 Hotel operations was adversely affected by border closures and travel restrictions in all the countries where the Group's hotels operate.

Note 2 Staff costs reduced partly due to various government wage support schemes in the countries where the Group operates in.

Note 3 Fair value gain of investment properties arose mainly due the increase in fair value of the Grand Central Building, Christchurch.

Note 4 Gain on disposal of investment property arose due the disposal of the PWC Centre, Christchurch.

Note 5 Revaluation loss on property, plant and equipment arose from the deficit in valuation of the Hotel Grand Chancellor, Adelaide.

Note 6 Impairment loss on associated company arose from the impairment of investment in Grand Central Enterprises Bhd.

1 (a)(iii) Consolidated Statement of Comprehensive Income

	Note	Year Ended 31 Dec		
		2020 S\$'000	2019 S\$'000	% Change
Profit net of tax		37,328	26,467	41%
Other comprehensive income:				
Items that will not be reclassified to profit or loss				
Net deficit on revaluation of hotel assets, net of tax	1	(62,223)	(17,442)	n/m
Net loss on fair value changes of equity investments at fair value through other comprehensive income		(1,112)	(13)	n/m
		(63,335)	(17,455)	n/m
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation	2	39,706	(9,994)	n/m
		39,706	(9,994)	n/m
		(23,629)	(27,449)	-14%
Other comprehensive income, net of tax				
Total comprehensive income		13,699	(982)	-1495%
Total comprehensive income attributable to:				
Owners of the Company		13,699	(982)	-1495%
		13,699	(982)	-1495%

1 (a)(iv) Notes to the Consolidated Statement of Comprehensive Income

Note 1 Net deficit on revaluation of hotel assets arose due to the downward valuations of the 2 hotels in Singapore and various hotels in Australia and New Zealand.

Note 2 The foreign currency translation gain in 2020 was mainly due to the effects of appreciation of the Australian dollar and New Zealand dollar against the Singapore dollar on the Australia and New Zealand subsidiaries' net assets respectively in 2020.

n/m = Not meaningful

1 (b)(i) A balance sheet (for the issuer and the group), together with a comparative statement as at the end of the immediately preceding financial year

Statements of Financial Position

Statements of Financial Position		Group		Company	
	Note	31-Dec-20 S\$'000	31-Dec-19 S\$'000	31-Dec-20 S\$'000	31-Dec-19 S\$'000
Non-current assets					
Property, plant and equipment	1	999,086	1,058,155	249,882	278,826
Investment properties	2	263,549	279,324	-	-
Investments in subsidiaries		-	-	344,736	339,705
Investments in associates		7,115	8,762	8,584	10,249
Investment securities		17,340	14,429	17,340	14,429
Deferred tax assets		844	384	-	-
Goodwill		700	649	-	-
Intangible assets		86	82	-	-
		1,288,720	1,361,785	620,542	643,209
Current assets					
Inventories		655	743	14	16
Trade and other receivables		9,070	5,437	674	920
Prepaid operating expenses		2,689	2,853	135	115
Short - term deposits		168,001	184,483	112,055	125,431
Cash and bank balances		60,959	26,084	2,213	2,707
		241,374	219,600	115,091	129,189
Current liabilities					
Trade and other payables		12,451	14,639	4,025	4,075
Accrued operating expenses		2,002	2,372	915	1,092
Deferred income		837	843	-	-
Income tax payable		4,735	4,660	60	175
Lease liabilities		132	119	29	25
Loans and borrowings		27,704	30,825	-	-
		47,861	53,458	5,029	5,367
Net current assets		193,513	166,142	110,062	123,822
Non-current liabilities					
Lease liabilities		4,844	4,657	51	33
Loans and borrowings	3	-	22,438	-	-
Deferred tax liabilities		142,862	150,943	9,229	7,487
Net assets		1,334,527	1,349,889	721,324	759,511
Equity attributable to owners of the parent					
Issued capital		502,537	502,537	502,537	502,537
Fair value adjustment reserve		1,043	2,155	1,043	2,155
Asset revaluation reserve		622,777	685,000	186,442	214,691
Foreign currency translation reserve		(91,001)	(130,707)	-	-
Other reserve		1,432	1,432	-	-
Retained earnings		297,739	289,472	31,302	40,128
Total equity		1,334,527	1,349,889	721,324	759,511

1 (b)(ii) Notes to the Statements of Financial Position

- Note 1 Property, plant and equipment decreased mainly due to valuation decrement on various hotels during the year offset by the translation effects at higher year end Australia and New Zealand exchange rates.
- Note 2 The decrease in investment properties was mainly due to the disposal of one investment property in Christchurch, offset by a valuation gain in the Grand Central Building in Christchurch and higher year end Australia and New Zealand exchange rates.
- Note 3 The non-current loan and borrowings for the Group was fully repaid during the year.

1(b)(iii) Aggregate amount of group's borrowings and debts securities

Amount repayable in one year or less, or on demand

As at 31 Dec 2020		As at 31 Dec 2019	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
27,704	-	30,825	-

Amount repayable after one year

As at 31 Dec 2020		As at 31 Dec 2019	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
-	-	22,438	-

Details of any collateral

The Group's borrowings are principally secured by investment properties owned by the Group.

1(c) A cash flow statement for the Group, together with a comparative statement for the corresponding period of the immediately preceding financial year

Statement of Cash Flow

	Year Ended 31 Dec	
	2020 S\$'000	2019 S\$'000
Operating activities		
Profit before tax	38,222	38,320
Adjustments for :-		
Depreciation of property, plant and equipment	21,824	21,987
Dividend income from investment securities	(583)	(604)
(Gain)/loss on disposal of property, plant and equipment	(140)	113
Gain on disposal of investment property	(8,139)	-
Revaluation loss on property, plant and equipment	2,626	-
Impairment loss/(writeback) on investment in an associated company	937	(1,959)
Impairment loss on goodwill	-	658
Credit impairment on trade receivables	113	92
Finance costs	1,679	2,453
Fair value gain on investment properties	(14,318)	(3,990)
Interest income	(1,632)	(3,464)
Foreign exchange (gain)/loss	(7,073)	1,845
Share of results of associates	697	448
Operating cash flows before changes in working capital	34,213	55,899
Decrease/(increase) in inventories	140	(23)
(Increase)/decrease in trade and other receivables	(3,376)	826
Increase in prepaid operating expenses	352	20
(Decrease)/increase in trade and other payables	(3,637)	99
Cash flows from operations	27,692	56,821
Interest received	1,632	3,464
Finance costs	(1,506)	(2,281)
Tax paid	(4,307)	(10,829)
Net cash flows generated from operating activities	23,511	47,175
Investing activities		
Dividend income from investment securities	583	121
Proceeds from disposal of property, plant and equipment	264	143
Proceeds from disposal of investment securities	95	132
Purchase of property, plant and equipment	(13,136)	(24,378)
Purchase of investment securities	(4,118)	(431)
Proceeds from disposal of investment property	56,196	-
Additions to investment properties	(67)	(869)
Net cash flows generated/ (used in) investing activities	39,817	(25,282)
Financing activities		
Cash dividends paid on ordinary shares	(29,061)	(29,061)
Repayments of loans and borrowings	(28,420)	(4,533)
Repayment of principal portion of lease liabilities	(309)	(274)
Net cash flows used in financing activities	(57,790)	(33,868)
Increase/(decrease) in cash and cash equivalents	5,538	(11,975)
Effect of exchange rate changes on cash and cash equivalents	12,855	(3,196)
Cash and cash equivalents at beginning of period	210,567	225,738
Cash and cash equivalents at end of period	228,960	210,567

1(d)(i) A statement for the issuer and the Group showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statements of Changes in Equity

Group

	Share Capital \$'000	Fair Value Adjustment Reserve \$'000	Asset Revaluation Reserve \$'000	Foreign Currency Translation Reserve \$'000	Other Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
Opening balance at 1 Jan 2020	502,537	2,155	685,000	(130,707)	1,432	289,472	1,349,889
Profit net of tax	-	-	-	-	-	37,328	37,328
Other comprehensive income for the year:							
Net loss on fair value changes of equity investments at fair value through other comprehensive income	-	(1,112)	-	-	-	-	(1,112)
Net deficit on revaluation of hotels assets, net of tax	-	-	(62,223)	-	-	-	(62,223)
Foreign currency translation	-	-	-	39,706	-	-	39,706
Total comprehensive income for the year	-	(1,112)	(62,223)	39,706	-	37,328	13,699
Distributions to owners:							
Cash dividends	-	-	-	-	-	(29,061)	(29,061)
Total distributions to owners:	-	-	-	-	-	(29,061)	(29,061)
Closing balance at 31 Dec 2020	502,537	1,043	622,777	(91,001)	1,432	297,739	1,334,527
Opening balance at 1 Jan 2019	502,537	2,168	702,442	(120,713)	1,432	292,066	1,379,932
Profit net of tax	-	-	-	-	-	26,467	26,467
Other comprehensive income for the year:							
Net loss on fair value changes of equity instruments at fair value through other comprehensive income	-	(13)	-	-	-	-	(13)
Net deficit on revaluation of hotels assets, net of tax	-	-	(17,442)	-	-	-	(17,442)
Foreign currency translation	-	-	-	(9,994)	-	-	(9,994)
Total comprehensive income for the year	-	(13)	(17,442)	(9,994)	-	26,467	(982)
Distributions to owners:							
Cash dividends	-	-	-	-	-	(29,061)	(29,061)
Total distributions to owners:	-	-	-	-	-	(29,061)	(29,061)
Closing balance at 31 Dec 2019	502,537	2,155	685,000	(130,707)	1,432	289,472	1,349,889

Company

	Share Capital \$'000	Fair Value Adjustment Reserve \$'000	Asset Revaluation Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
Opening balance at 1 Jan 2020	502,537	2,155	214,691	40,128	759,511
Profit net of tax	-	-	-	20,235	20,235

**Other comprehensive
income for the year:**

Net loss on fair value changes
of equity instruments at fair
value through other
comprehensive income
Net deficit on revaluation of
hotels assets, net of tax

-	(1,112)	-	-	(1,112)
-	-	(28,249)	-	(28,249)

Total comprehensive income for the period	-	(1,112)	(28,249)	20,235	(9,126)
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Distributions to owners:

Cash dividends	-	-	-	(29,061)	(29,061)
Total distributions to owners:	-	-	-	(29,061)	(29,061)

**Closing balance
at 31 Dec 2020**

502,537	1,043	186,442	31,302	721,324
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**Opening balance
at 1 Jan 2019**

Opening balance at 1 Jan 2019	502,537	2,168	214,691	40,989	760,385
Profit net of tax	-	-	-	28,200	28,200

**Other comprehensive
income for the year:**

Net loss on fair value changes
of equity instruments at fair
value through other
comprehensive income

-	(13)	-	-	(13)
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Total comprehensive income for the period	-	(13)	-	28,200	28,187
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Distributions to owners:

Cash dividends	-	-	-	(29,061)	(29,061)
Total distributions to owners:	-	-	-	(29,061)	(29,061)

**Closing balance
at 31 Dec 2019**

502,537	2,155	214,691	40,128	759,511
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- 1(d)(ii) **Details of any changes in the company's share capital arising from right issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There was no change in the number of issued shares in the capital of the Company which stood at 726,535,377 shares since the end of the last financial year.

The Company does not have any treasury shares as at 31 Dec 2020. There was no sale, transfer, disposal, cancellation and/or use of treasury shares for the year ended 31 Dec 2020.

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

The figures have not been audited or reviewed.

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

N.A.

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as that of the audited financial statements for the year ended 31 December 2019.

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

Please refer to item 4 above.

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

Earnings per ordinary share of the Group based on net profit attributable to owners of the parent:
(a) based on the weighted average number of shares
(b) on a fully diluted basis

Year Ended 31 Dec	
2020	2019
5.14 cents	3.64 cents
5.14 cents	3.64 cents

7. **Net asset value (for the issuer and Group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year**

Net asset value per ordinary share based on issued share capital at the end of the period reported on:

Group	
31-Dec-20	31-Dec-19
S\$ 1.84	S\$ 1.86

Company	
31-Dec-20	31-Dec-19
S\$ 0.99	S\$ 1.05

8. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cashflow, working capital, assets or liabilities of the Group during the current financial period reported on**

A) Group Revenue Commentary

The Group's revenue decreased in 2020 mainly due to lower turnover at the Group's hotels. The hotels suffered significantly from the drop in business and leisure travelling resulting from the worldwide Covid-19 pandemic. However, some hotels were able to participate in government led efforts to accommodate either Covid-19 related guests or essential workers, thus cushioning the drop slightly.

The Group's revenue decreased in all the geographical segments which the Group operate in during the year mainly due to a drop in both the hotels' room occupancies and room rates.

B) Group Profit Commentary

i) General

Although operating profits decreased in tandem with the decrease in the Group's revenue as explained above, the Group remained profitable in 2020.

The Group's net profit increased during the year mainly due to the following factors:

- 1) Gain on disposal of the PWC Centre in Christchurch
- 2) Fair value gain on fair value on investment properties
- 3) Foreign exchange gain on the Australia and New Zealand Dollars due to the strengthening of these currencies against the Singapore Dollar

Net profit was also supported by a reduction of various hotel operating expenses such as staff costs and property taxes which were offset by various government incentives received.

ii) Geographical Segments

The sharp decrease in the Group's revenue resulted in the Group's net profit decreasing in all the geographical segments which the Group operates in except for New Zealand. In New Zealand, the net profit improved over last year mainly due to the gain on the disposal of an investment property and fair value gain on the fair value on investment properties.

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

Nil

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

The outbreak of the Covid-19 pandemic worldwide in 2020 had resulted in a severe downturn in the global economy. Whilst there are some signs of a global recovery in 2021, the outlook is still very uncertain. To date, many countries still maintain border closures and/or impose strict travel restrictions. The recovery of the hotel industry is largely dependent upon the post pandemic recovery of the global economy and the resumption of business and leisure travelling.

Based on the reasons mentioned above, the Group expects the hospitality sector in the markets where it operates in, to remain very difficult in 2021. Overall, the 2021 operational performance will remain weak, although rental income from investment properties is expected to be stable.

11. (a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Name of Dividend	Final - Ordinary
Dividend Type	Scrip at option of shareholder
Dividend Amount per Share (in cents)	2.0 cents per ordinary share , one - tier

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend	Final - Ordinary
Dividend Type	Cash
Dividend Amount per Share (in cents)	4.0 cents per ordinary share , one - tier

(c) Date payable

To be advised

(d) Book closure date

To be advised

12. If no dividend has been declared/recommended, a statement to that effect

N.A.

**Part II - Additional Information Required for the Full Year Announcement
(This part is not applicable to Q1, Q2, Q3 and Half Year Results)**

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

The Group operates in five geographical areas namely:

- Singapore
- Malaysia
- Australia
- New Zealand
- China

Inter-segment pricing is on an arm's length basis.

FY 2020	Singapore S\$'000	* Malaysia S\$'000	Australia S\$'000	New Zealand S\$'000	** China S\$'000	Group S\$'000
Revenue	19,402	97	49,987	24,253	866	94,605
Segment results	1,977	(375)	3,592	20,102	(605)	24,691
Finance costs	-	-	-	(1,679)	-	(1,679)
Interest income from fixed deposits	1,018	481	102	26	5	1,632
Gain on disposal of investment property	-	-	-	8,139	-	8,139
Share of results of associates	-	(697)	-	-	-	(697)
Impairment loss of investment in an associated company	-	(937)	-	-	-	(937)
Income tax expense	-	-	-	-	-	(894)
Unallocated foreign exchange gain	-	-	-	-	-	7,073
Profit for the year attributable to owners of the Company	-	-	-	-	-	37,328

FY 2019	Singapore S\$'000	* Malaysia S\$'000	Australia S\$'000	New Zealand S\$'000	** China S\$'000	Group S\$'000
Revenue	34,944	327	88,026	30,264	1,141	154,702
Segment results	8,331	(334)	23,138	7,156	(648)	37,643
Finance costs	(6)	-	(3)	(2,444)	-	(2,453)
Interest income from fixed deposits	2,106	663	608	82	5	3,464
Share of results of associates	-	(448)	-	-	-	(448)
Writeback on investment in an associated company	-	1,959	-	-	-	1,959
Income tax expense	-	-	-	-	-	(11,853)
Unallocated foreign exchange loss	-	-	-	-	-	(1,845)
Profit for the year attributable to owners of the Company	-	-	-	-	-	26,467

* The Kedah hotel makes up the Malaysia segment.

** The hotel in Sihui, Guangdong province makes up the China segment.

Business Segments

The Group operates predominantly in two main business segments, namely hotel operations and commercial property investments.

	Revenue	
	2020 S\$'000	2019 S\$'000
Hotel operations	76,312	135,468
Commercial property investments	18,293	19,234
Total	94,605	154,702

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

Please refer to paragraph 8 above.

15. A breakdown of revenue

Group		
S\$'000		Change (%)
Latest year to 31/12/2020	Previous year to 31/12/2019	
Revenue reported for the first half year	45,912	72,909
Operating profit after tax before deducting minority interests reported for first half year	3,434	9,933
Revenue reported for the second half year	48,693	81,793
Operating profit after tax before deducting minority interests reported for second half year	33,894	16,534
		105%

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

Total annual dividend, net of tax

Latest Full Year	Previous Full Year
S\$'000	S\$'000
Scrip dividend	14,531
Cash dividend	0
Total	29,061
	29,061

17. Interested Person Transactions

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

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

Name	Age	Family relationship with any director and /or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held if any, during the year
Tan Hwa Lian	58	Daughter of Tan Eng Teong, niece of Tan Teck Lin and Tan Eng How	Executive Director - Overseeing the day to day operations of the Group hotels - 26/8/2003	No change
Hellen Tan Hwa Lam	57	Daughter of Tan Eng Teong, sister of Tan Hwa Lian, niece of Tan Teck Lin and Tan Eng How	Financial Controller - Overseeing and administering the entire accounting and finance functions of the Company - 1982	No change
Michelle Tan Hwa Imm	54	Daughter of Tan Teck Lin, cousin of Tan Hwa Lian, niece of Tan Eng Teong and Tan Eng How	Executive Director of the associated company, Grand Central Enterprises Bhd - 31/05/2001	No change

BY ORDER OF THE BOARD

Lim Bee Lian Eliza
Secretary
1 March 2021