

IMPORTANT NOTICE

NOT FOR DISTRIBUTION DIRECTLY OR INDIRECTLY IN OR INTO THE UNITED STATES TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED BELOW) OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached information memorandum (the “**Information Memorandum**”). You are advised to read this disclaimer carefully before accessing, reading or making any other use of the Information Memorandum. In accessing the Information Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

Restrictions: The Information Memorandum is being furnished in connection with an offering of securities exempt from registration under the U.S Securities Act of 1933, as amended (the “**Securities Act**”) solely for the purpose of enabling a prospective investor to consider the purchase of the securities described therein.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES (“U.S.”) OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. ANY SECURITIES TO BE ISSUED HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR ANY OTHER JURISDICTION AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE U.S., OR TO, OR FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAW AND THE SECURITIES ARE BEING OFFERED AND SOLD OUTSIDE OF THE UNITED STATES IN RELIANCE ON REGULATION S OF THE SECURITIES ACT.

THE ATTACHED INFORMATION MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON WITHOUT THE PRIOR WRITTEN CONSENT OF THE ARRANGER AND THE DEALERS (EACH AS DEFINED BELOW) AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. DISTRIBUTION OR REPRODUCTION OF THE ATTACHED INFORMATION MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE SECURITIES LAWS OF OTHER JURISDICTIONS.

UNDER NO CIRCUMSTANCES SHALL THIS INFORMATION MEMORANDUM CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THE SECURITIES IN ANY JURISDICTION IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED IN THE INFORMATION MEMORANDUM.

Confirmation of Your Representation: By accessing this Information Memorandum you confirm to each of Hotel Properties Limited (the “**Issuer**”), Oversea-Chinese Banking Corporation Limited, as arranger (the “**Arranger**”) and Oversea-Chinese Banking Corporation Limited and DBS Bank Ltd., as dealers (together the “**Dealers**”), that (i) you understand and agree to the terms set out herein, (ii) you are not and the email address which you have provided and to which this Information Memorandum has been sent is not in the United States, its territories and possessions, (iii) you consent to delivery of the Information Memorandum and any amendments or supplements thereto by electronic transmission, (iv) you will not transmit the Information Memorandum (or any copy of it or part thereof) or disclose, whether orally or in writing, any of its contents to any other person except with the prior written consent of the Arranger and the Dealers and (v) you acknowledge that you will make your own assessment regarding any credit, investment, legal, taxation or other economic considerations with respect to your decision to subscribe or purchase any of the securities.

By accepting this e-mail and accessing the Information Memorandum, if you are an investor in Singapore, you (A) represent and warrant that you are either (i) an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore (the “SFA”)) pursuant to Section 274 of the SFA or (ii) an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018, and (B) agree to be bound by the limitations and restrictions described therein. Any reference to the SFA is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

The Information Memorandum has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of the Issuer, the Arranger, the Dealers or any person who controls any of them nor any of their respective directors, officers, employees, agents, representatives or affiliates accepts any liability or responsibility whatsoever in respect of any discrepancies between the information memorandum distributed to you in electronic format and the hard copy version.

Under no circumstances shall the Information Memorandum constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. Recipients of the attached document who intend to subscribe for or purchase securities are reminded that any subscription or purchase may only be made on the basis of the information contained in the Information Memorandum. The Information Memorandum or any materials relating to the offering of securities do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering of securities be made by a licensed broker or dealer and the dealers or any affiliate of the dealers is a licensed broker or dealer in that jurisdiction, the offering of securities shall be deemed to be made by the dealers or such affiliate on behalf of Hotel Properties Limited in such jurisdiction. The Information Memorandum may only be communicated to persons in the United Kingdom in circumstances where Section 21(1) of the Financial Services and Markets Act 2000 does not apply.

You are reminded that you have accessed the Information Memorandum on the basis that you are a person into whose possession the Information Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver this information memorandum, electronically or otherwise, to any other person, and in particular to any person or address in the U.S. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.

Actions that You May Not Take: If you receive the Information Memorandum by e-mail, you should not reply by e-mail, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the “Reply” function on your e-mail software, will be ignored or rejected.

You are responsible for protecting against viruses and other destructive items. If you receive the Information Memorandum by e-mail, your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.



HOTEL PROPERTIES LIMITED

(Incorporated with limited liability in the Republic of Singapore on 28 January 1980)
(UEN/Company Registration No.198000348Z)

S\$2,000,000,000
Multicurrency Debt Issuance Programme
(the “Programme”)

This Information Memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of notes (the “**Notes**”) and perpetual securities (the “**Perpetual Securities**”) and, together with the Notes, the “**Securities**”) to be issued from time to time by Hotel Properties Limited (the “**Issuer**”) pursuant to the Programme may not be circulated or distributed, nor may the Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore (the “**SFA**”)) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018.

Any reference to the “SFA” is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

Application has been made to the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for permission to deal in and quotation for any Securities which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Securities have been admitted to the Official List of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Admission to the Official List of the SGX-ST and quotation of any Securities on the SGX-ST is not to be taken as an indication of the merits of the Issuer, its subsidiaries and associated companies (if any), the Programme or such Securities.

The Securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) or with any securities regulatory authority of any state or other jurisdiction of the United States, and the Securities may include Bearer Securities (as defined herein) that are subject to U.S. tax law requirements and restrictions. Subject to certain exceptions, the Securities may not be offered, sold or, in the case of Bearer Securities, delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder).

An investment in Securities issued under the Programme involves certain risks. For a discussion of some of these risks see the section “Risk Factors”.

Arranger



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NOTICE

Oversea-Chinese Banking Corporation Limited (the “**Arranger**”) has been appointed by the Issuer to arrange the Programme described herein. Under the Programme, the Issuer may, subject to compliance with all relevant laws, regulations and directives, from time to time issue the Securities denominated in Singapore dollars and/or any other currencies.

This Information Memorandum contains information with regard to the Issuer, its subsidiaries and associated companies (if any), the Programme and the Securities. The Issuer, having made all reasonable enquiries, confirms that this Information Memorandum contains all information which is material in the context of the Programme and the issue and offering of the Securities, that the information contained herein is true and accurate in all material respects, that the opinions, expectations and intentions expressed in this Information Memorandum have been carefully considered, are based on all relevant considerations and facts existing as at the date of this Information Memorandum, and that there are no other facts the omission of which in the context of the Programme or the issue and offer of the Securities would or might make any such information or expressions of opinion, expectation or intention misleading in any material respect.

Notes may be issued in series having one or more issue dates and the same maturity date, and on identical terms (including as to listing) except (in the case of Notes other than variable rate notes (as described under the section “Summary of the Programme”)) for the issue dates, issue prices and/or the dates of the first payment of interest, or (in the case of variable rate notes) for the issue prices and rates of interest. Each series may be issued in one or more tranches on the same or different issue dates. The Notes will be issued in bearer or registered form and may be listed on a stock exchange. The Notes will initially be represented by either a Temporary Global Security (as defined herein) in bearer form or a Permanent Global Security (as defined herein) in bearer form or a registered Global Certificate (as defined herein) which will be deposited on the issue date with or registered in the name of, or in the name of a nominee of either The Central Depository (Pte) Limited (“**CDP**”) or a common depository (the “**Common Depository**”) for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking, S.A. (“**Clearstream**”) or otherwise delivered as agreed between the Issuer and the relevant Dealer(s) (as defined herein). Subject to compliance with all relevant laws, regulations and directives, the Notes may have maturities of such tenor as may be agreed between the Issuer and the relevant Dealer(s) and may be subject to redemption or purchase in whole or in part. The Notes will bear interest at a fixed, floating, variable or hybrid rate or may not bear interest or may be such other notes as may be agreed between the Issuer and the relevant Dealer(s). The Notes will be repayable at par, at a specified amount above or below par or at an amount determined by reference to a formula, in each case with terms as specified in the Pricing Supplement (as defined herein) issued in relation to the applicable series or tranche of Notes. Details applicable to each series or tranche of Notes will be specified in the applicable Pricing Supplement which is to be read in conjunction with this Information Memorandum.

Perpetual Securities may be issued in series having one or more issue dates, and on identical terms (including as to listing) except for the issue dates, issue prices and/or the dates of the first payment of distribution. Each series may be issued in one or more tranches on the same or different issue dates. The Perpetual Securities will be issued in bearer form or registered form and may be listed on a stock exchange. The Perpetual Securities will initially be represented by either a Temporary Global Security in bearer form or a Permanent Global Security in bearer form or a registered Global Certificate which will be deposited on the issue date with or registered in the name of, or in the name of a nominee of, either CDP or the Common Depository for Euroclear and Clearstream or otherwise delivered as agreed between the Issuer and the relevant Dealer(s). Subject to compliance with all relevant laws, regulations and directives, the Perpetual Securities may be subject to redemption or purchase in whole or in part. The Perpetual Securities may confer a right to receive distributions at a fixed or floating rate. Details applicable to each series or tranche of Perpetual Securities will be specified in the applicable Pricing Supplement which is to be read in conjunction with this Information Memorandum.

The maximum aggregate principal amount of the Securities to be issued, when added to the aggregate principal amount of all Securities outstanding (as defined in the Trust Deed referred to below) shall be \$2,000,000,000 (or its equivalent in any other currencies) or such higher amount as may be increased pursuant to the terms of the Programme Agreement (as defined herein). On 30 December 2025, the maximum aggregate principal amount of all Securities which may be issued from time to time pursuant to the Programme and which remain outstanding was increased from S\$1,000,000,000 to S\$2,000,000,000.

No person has been authorised to give any information or to make any representation other than those contained in this Information Memorandum and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arranger, any of the Dealer(s), the Trustee (as defined herein) or the Agents (as defined herein). The delivery or dissemination of this Information Memorandum at any time after the date of this Information Memorandum does not imply that the information contained in this Information Memorandum or any part of this Information Memorandum is correct at any time after such date.

Save as expressly stated in this Information Memorandum, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of the Issuer or any of its subsidiaries, associated companies (if any) and/or joint venture companies (if any). Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme or issue and offering of the Securities may be used for the purpose of, or constitutes an offer of, or solicitation or invitation by or on behalf of the Issuer, the Arranger, any of the Dealer(s), the Trustee or the Agent(s) to subscribe for or purchase, the Securities in any jurisdiction or under any circumstances in which such offer, solicitation or invitation is unlawful, or not authorised or to any person to whom it is unlawful to make such offer, solicitation or invitation. The distribution and publication of this Information Memorandum or any such other document or information (or any part thereof) and the offer of the Securities in certain jurisdictions may be restricted by law. Persons who distribute or publish this Information Memorandum or any such other document or information (or such part thereof) or into whose possession this Information Memorandum or any such other document or information (or such part thereof) comes are required to inform themselves about and to observe any such restrictions and all applicable laws, orders, rules and regulations.

The Securities have not been, and will not be, registered under the Securities Act and include Securities in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, the Securities may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme shall be deemed to constitute an offer of, or an invitation by or on behalf of the Issuer, the Arranger, any of the Dealer(s), the Trustee or the Agents to subscribe for or purchase any of the Securities.

This Information Memorandum and any other documents or materials in relation to the issue, offering or sale of the Securities have been prepared solely for the purpose of the initial sale by the relevant Dealers of the Securities from time to time to be issued pursuant to the Programme. This Information Memorandum and such other documents or materials are made available to the recipients thereof solely on the basis that they are institutional investors (as defined in Section 4A of the SFA) or accredited investors (as defined in Section 4A of the SFA) and may not be relied upon by any person other than persons to whom the Securities are sold or with whom they are placed by the relevant Dealers as aforesaid or for any other purpose. Recipients of this Information Memorandum shall not reissue, circulate or distribute this Information Memorandum or any part thereof (including copies thereof) in any manner whatsoever.

Neither the issue nor delivery of this Information Memorandum (or any part thereof) nor the issue, offering, purchase, subscription for or sale of the Securities shall, under any circumstances, constitute a representation, or give rise to any implication, that there has been no change in the business, financial position, prospects, results of operations or general affairs of the Issuer or any of its subsidiaries or associated companies (if any), or in the information herein since the date hereof or the date on which this Information Memorandum has been most recently amended or supplemented. Nothing herein is or may be relied upon as a promise or representation of the Issuer's and/or the Group's (as defined herein) future performance or policies.

None of the Arranger, the Dealer(s), the Trustee or the Agents has separately verified the information contained in this Information Memorandum. None of the Arranger, the Dealer(s), the Trustee, the Agents or any of their respective officers or employees is making any representation or warranty expressed or implied as to the merits of the Securities or the subscription for, purchase or acquisition thereof, the creditworthiness or financial condition or otherwise of the Issuer or its subsidiaries or associated companies (if any). Further, none of the Arranger, the Dealer(s), the Trustee or the Agents makes any representation or warranty as to the Issuer or any of its subsidiaries or associated companies (if any), or as to the accuracy, reliability or completeness of the information set out herein (including the legal and regulatory requirements pertaining to Sections 274, 275 and 276 or any other provisions of the SFA) and in the documents which are incorporated by reference in, and form part of, this Information Memorandum.

Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme or the issue of the Securities is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, the Arranger, any of the Dealer(s), the Trustee or the Agents that any recipient of this Information Memorandum or such other document or information (or such part thereof) should subscribe for or purchase any of the Securities or as to the merits of the Securities or the subscription for, purchase or acquisition thereof. A prospective purchaser shall make its own assessment of the foregoing and other relevant matters including the financial condition and affairs and the creditworthiness of the Issuer and its subsidiaries and associated companies (if any), and obtain its own independent legal or other advice thereon, and its investment shall be deemed to be based on its own independent investigation of the financial condition and affairs and its appraisal of the creditworthiness of the Issuer or any of its subsidiaries or associated companies (if any). Accordingly, notwithstanding anything herein, none of the Issuer, the Arranger, the Dealer(s), the Trustee, the Agents or any of their respective officers, employees or agents shall be held responsible for any loss or damage suffered or incurred by the recipients of this Information Memorandum or such other document or information (or such part thereof) as a result of or arising from anything expressly or implicitly contained in or referred to in this Information Memorandum or such other document or information (or such part thereof) and the same shall not constitute a ground for rescission of any purchase or acquisition of any of the Securities by a recipient of this Information Memorandum or such other document or information (or such part thereof).

To the fullest extent permitted by law, none of the Arranger, any of the Dealer(s), the Trustee or the Agents accepts any responsibility for the contents of this Information Memorandum or for any other statement, made or purported to be made by the Arranger, any of the Dealer(s), the Trustee or the Agents or on its behalf in connection with the Issuer, the Group, the Programme or the issue and offering of the Securities. The Arranger, each Dealer, the Trustee and each Agent accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Information Memorandum or any such statement.

In connection with the issue of any tranche or series of Securities, one or more Dealers named as stabilising manager(s) (the "**Stabilising Manager(s)**") (or persons acting on behalf of any Stabilising Manager) in the relevant Pricing Supplement may over-allot Securities or effect transactions with a view to supporting the market price of the Securities at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager) will undertake any stabilisation action. Any stabilisation action may begin at any time, on or after the date on which adequate public disclosure of the terms of the offer of the relevant series of Securities is made and, if begun, may be ended or discontinued at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant series of Securities and 60 days after the date of the allotment of the relevant series of Securities. Any stabilisation action will be in accordance with the law.

The following documents published or issued from time to time after the date hereof shall be deemed to be incorporated by reference in, and to form part of, this Information Memorandum: (1) any annual reports, audited consolidated accounts and/or unaudited financial statements of the Issuer and its subsidiaries and associated companies (if any), and (2) any supplement or amendment to this Information Memorandum issued by the Issuer. This Information Memorandum is to be read in conjunction with all such documents which are incorporated by reference herein and, with respect to any series or tranche of Securities, any Pricing Supplement in respect of such series or tranche. Any statement contained in this Information Memorandum or in a document deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Information Memorandum to the extent that a statement contained in this Information Memorandum or in such subsequent document that is also deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Information Memorandum. Copies of all documents deemed incorporated by reference herein are available for inspection at the respective specified office of the Issuing and Paying Agent (as defined herein) or, as the case may be, the Non-CDP Paying Agent (as defined herein). Copies of the most recent published audited consolidated financial statements and unaudited consolidated financial statements of the Issuer deemed incorporated by reference in this Information Memorandum are available on the website of the SGX-ST at www.sgx.com.

Any purchase, subscription or acquisition of the Securities is in all respects conditional on the satisfaction of certain conditions set out in the Programme Agreement and the issue of the Securities by the Issuer pursuant to the Programme Agreement. Any offer, invitation to offer or agreement made in connection with the purchase or acquisition of the Securities or pursuant to this Information Memorandum shall (without any liability or responsibility on the part of the Issuer, the Arranger, any of the Dealer(s), the Trustee or the Agents) lapse and cease to have any effect if (for any other reason whatsoever) the Securities are not issued by the Issuer pursuant to the Programme Agreement.

The attention of recipients of this Information Memorandum is drawn to the restrictions on resale of the Securities set out under the section "Subscription and Sale" on pages 166 to 173 of this Information Memorandum.

Any person(s) who is/are invited to purchase or subscribe for the Securities or to whom this Information Memorandum is sent shall not make any offer or sale, directly or indirectly, of any Securities or distribute or cause to be distributed any document or other material in connection therewith in any country or jurisdiction except in such manner and in such circumstances as will result in compliance with any applicable laws and regulations.

It is recommended that persons proposing to subscribe for or purchase any of the Securities consult their own legal and other advisers before purchasing or acquiring the Securities. Such persons are also advised to consult their own tax advisers concerning the tax consequences of the acquisition, ownership or disposal of the Securities.

Notification under Section 309B of the SFA: Unless otherwise stated in the Pricing Supplement in respect of any Securities, all Securities issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

MiFID II PRODUCT GOVERNANCE/TARGET MARKET – The applicable Pricing Supplement in respect of any Securities may include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Securities and which channels for distribution of the Securities are appropriate. Any person subsequently offering, selling or recommending the Securities (a "distributor") should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, "MiFID II") is responsible for undertaking its own target market assessment in respect of the Securities (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”), any Dealer subscribing for any Securities is a manufacturer in respect of such Securities, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MiFIR PRODUCT GOVERNANCE/TARGET MARKET – The applicable Pricing Supplement in respect of any Securities may include a legend entitled “UK MiFIR Product Governance” which will outline the target market assessment in respect of the Securities and which channels for distribution of the Securities are appropriate. Any person subsequently offering, selling or recommending the Securities (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Securities (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Securities is a manufacturer in respect of such Securities, but otherwise none of the Arranger, the Dealers or any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – If the applicable Pricing Supplement in respect of any Securities includes a legend entitled “Prohibition of Sales to EEA Retail Investors”, the Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – If the applicable Pricing Supplement in respect of any Securities includes a legend entitled “Prohibition of Sales to UK Retail Investors”, the Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (“**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Securities or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

NOTICE TO CAPITAL MARKET INTERMEDIARIES AND PROSPECTIVE INVESTORS PURSUANT TO PARAGRAPH 21 OF THE HONG KONG SFC CODE OF CONDUCT – Prospective investors should be aware that certain intermediaries in the context of certain offerings of Securities pursuant to this Programme (each such offering, a **“CMI Offering”**), including certain Dealers, may be “capital market intermediaries” (**“CMIs”**) subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the **“SFC Code”**). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as “overall coordinators” (**“OCs”**) for a CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealer(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an association (**“Association”**) with the Issuer, the CMI or the relevant group company. Prospective investors associated with the Issuer or any CMI (including its group companies) should specifically disclose this when placing an order for the relevant Securities and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to the relevant CMI Offering, such order is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). A rebate may be offered by the Issuer to all private banks for orders they place (other than in relation to Securities subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of the relevant CMI Offering based on the principal amount of the Securities distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMIs otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate. Details of any such rebate will be set out in the applicable Pricing Supplement or otherwise notified to prospective investors. If a prospective investor is an asset management arm affiliated with any relevant Dealer, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the relevant Dealer or its group company has more than 50 per cent. interest, in which case it will be classified as a “proprietary order” and subject to appropriate handling by CMIs in accordance with the SFC Code and should disclose, at the same time, if such “proprietary order” may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a “proprietary order”. If a prospective investor is otherwise affiliated with any relevant Dealer, such that its order may be considered to be a “proprietary order” (pursuant to the SFC Code), such prospective investor should indicate to the relevant Dealer when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a “proprietary order”. Where prospective investors disclose such information but do not disclose that such “proprietary order” may negatively impact the price discovery process in relation to the relevant CMI Offering, such “proprietary order” is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the relevant Dealers and/or any other third parties as may be required by the SFC Code, including to the Issuer, any OCs, relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. Failure to provide such information may result in that order being rejected.

FORWARD-LOOKING STATEMENTS

All statements contained in this Information Memorandum that are not statements of historical fact constitute “forward-looking statements”. Some of these statements can be identified by forward-looking terms such as “expect”, “believe”, “plan”, “intend”, “estimate”, “anticipate”, “may”, “will”, “would” and “could” or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the expected financial position, business strategy, plans and prospects of the Issuer and/or the Group (including statements as to the Issuer’s and/or the Group’s revenue, profitability, prospects, future plans and other matters discussed in this Information Memorandum regarding matters that are not historical facts and including the financial forecasts, profit projections, statements as to the expansion plans of the Issuer and/or the Group, expected growth in the Issuer and/or the Group and other related matters), if any, are forward-looking statements and accordingly, are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Issuer and/or the Group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These factors include, among others:

- changes in general political, social and economic conditions;
- changes in currency exchange and interest rates;
- demographic changes;
- changes in competitive conditions; and
- other factors beyond the control of the Issuer and/or the Group.

Some of these factors are discussed in greater detail in this Information Memorandum, in particular, but not limited to, discussion under the section “Risk Factors”.

Given the risks and uncertainties that may cause the actual future results, performance or achievements of the Issuer or the Group to be materially different from the results, performance or achievements expected, expressed or implied by the financial forecasts, profit projections and forward-looking statements in this Information Memorandum, undue reliance must not be placed on those forecasts, projections and statements. The Issuer, the Arranger and the Dealer(s) do not represent or warrant that the actual future results, performance or achievements of the Issuer or the Group will be as discussed in those statements.

Neither the delivery of this Information Memorandum nor the issue of any Securities by the Issuer shall under any circumstances constitute a continuing representation or create any suggestion or implication that there has been no change in the affairs of the Issuer or the Group or any statement of fact or information contained in this Information Memorandum since the date of this Information Memorandum or the date on which this Information Memorandum has been most recently amended or supplemented.

Further, the Issuer, the Arranger and the Dealer(s) disclaim any responsibility, and undertake no obligation, to update or revise any forward-looking statements contained herein to reflect any changes in the expectations with respect thereto after the date of this Information Memorandum or to reflect any change in events, conditions or circumstances on which any such statements are based.

DEFINITIONS

The following definitions have, where appropriate, been used in this Information Memorandum:

- “Agency Agreement”** : The Agency Agreement dated 3 March 2017 between (1) the Issuer, as issuer, (2) The Bank of New York Mellon, Singapore Branch, as issuing and paying agent, CDP transfer agent and CDP registrar, (3) The Bank of New York Mellon, London Branch, as non-CDP Paying Agent and calculation agent, (4) The Bank of New York Mellon (Luxembourg) S.A., as non-CDP transfer agent and non-CDP registrar, and (5) the Trustee, as trustee, as amended, restated and supplemented from time to time.
- “Arranger”** : Oversea-Chinese Banking Corporation Limited.
- “Bearer Securities”** : Securities in bearer form.
- “Business Day”** : In respect of each Security, (i) a day (other than a Saturday or Sunday) on which Euroclear, Clearstream and the Depository, as applicable, are operating, (ii) a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for general business in the country of the Issuing and Paying Agent’s specified office and (iii) (if a payment is to be made on that day) (1) (in the case of Securities denominated in Singapore dollars) a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for general business in Singapore, (2) (in the case of Securities denominated in Euros) a day (other than a Saturday or Sunday) on which the TARGET System is open for settlement in Euros and (3) (in the case of Securities denominated in a currency other than Singapore dollars and Euros) a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for general business in Singapore and the principal financial centre for that currency.
- “Calculation Agent”** : The Bank of New York Mellon, London Branch, or its successors in that capacity.
- “CDP”** : The Central Depository (Pte) Limited.
- “CDP Registrar”** : The Bank of New York Mellon, Singapore Branch, or its successors in that capacity.
- “CDP Transfer Agent”** : The Bank of New York Mellon, Singapore Branch, or its successors in that capacity.
- “Certificate”** : A registered certificate representing one or more Registered Securities of the same Series and, save as provided in the terms and conditions of the Notes or the terms and conditions of the Perpetual Securities, comprising the entire holding by a holder of Registered Securities of that Series.
- “Common Depository”** : In relation to a Series of the Securities, a depository common to Euroclear and Clearstream.
- “Companies Act”** : The Companies Act 1967 of Singapore, as amended, re-enacted or modified from time to time.

- “Conditions”** : In relation to the Notes of any Series, the terms and conditions applicable thereto, which shall be substantially in the form set out in Part III of Schedule 1 of the Trust Deed, as modified, with respect to any Notes represented by a Global Security or a Global Certificate, by the provisions of such Global Security or, as the case may be, Global Certificate, shall incorporate any additional provisions forming part of such terms and conditions set out in the Pricing Supplement(s) relating to the Notes of such Series and shall be endorsed on the Definitive Securities or, as the case may be, Certificates subject to amendment and completion as referred to in the first paragraph appearing after the heading “Terms and Conditions of the Notes” as set out in Part III of Schedule 1 to the Trust Deed, and any reference to a particular numbered Condition shall be construed accordingly.
- In relation to the Perpetual Securities of any Series, the terms and conditions applicable thereto, which shall be substantially in the form set out in Part III of Schedule 5 of the Trust Deed, as modified, with respect to any Perpetual Securities represented by a Global Security or a Global Certificate, by the provisions of such Global Security or, as the case may be, Global Certificate, shall incorporate any additional provisions forming part of such terms and conditions set out in the Pricing Supplement(s) relating to the Perpetual Securities of such Series and shall be endorsed on the Definitive Securities or, as the case may be, Certificates, subject to amendment and completion as referred to in the first paragraph appearing after the heading “Terms and Conditions of the Perpetual Securities” as set out in Part III of Schedule 5 to the Trust Deed, and any reference to a particularly numbered Condition shall be construed accordingly.
- “Couponholders”** : The holders of the Coupons.
- “Coupons”** : The bearer coupons appertaining to an interest or distribution bearing Bearer Security.
- “Dealers”** : Persons appointed as dealers under the Programme.
- “Definitive Security”** : A definitive Bearer Security having, where appropriate, Coupons and/or a Talon attached on issue.
- “Directors”** : The directors (including alternate directors, if any) of the Issuer as at the date of this Information Memorandum.
- “Euro”** : The lawful currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time.
- “FY”** : Financial year ended 31 December.
- “Global Certificate”** : A Certificate representing Registered Securities of one or more Tranches of the same Series that are registered in the name of, or in the name of a nominee of, (i) CDP, (ii) Common Depositary and/or (iii) any other clearing system.
- “Global Security”** : A global Security representing Bearer Securities of one or more Tranches of the same Series, being a Temporary Global Security and/or, as the context may require, a Permanent Global Security, in each case without Coupons or a Talon.

“Group”	:	The Issuer and its subsidiaries.
“IRAS”	:	Inland Revenue Authority of Singapore.
“Issuer”	:	Hotel Properties Limited.
“Issuing and Paying Agent”	:	The Bank of New York Mellon, Singapore Branch, or its successors in that capacity.
“ITA”	:	The Income Tax Act 1947 of Singapore, as amended or modified from time to time.
“MAS”	:	The Monetary Authority of Singapore.
“Non-CDP Paying Agent”	:	The Bank of New York Mellon, London Branch, or its successors in that capacity.
“Non-CDP Registrar”	:	The Bank of New York Mellon (Luxembourg) S.A., or its successors in that capacity.
“Non-CDP Transfer Agent”	:	The Bank of New York Mellon (Luxembourg) S.A., or its successors in that capacity.
“Noteholders”	:	The holders of the Notes.
“Notes”	:	The multicurrency medium term notes of the Issuer to be issued by the Issuer pursuant to the Programme Agreement and constituted by the Trust Deed (and shall, where the context so admits, include the Global Securities, the Definitive Securities and any related Coupons and Talons, the Global Certificates and the Certificates).
“Paying Agents”	:	The Issuing and Paying Agent and the Non-CDP Paying Agent, or such other or further institutions as may from time to time be appointed by the Issuer as paying agent for the Securities and Coupons.
“Permanent Global Security”	:	A Global Security representing Bearer Securities of one or more Tranches of the same Series, either on issue or upon exchange of interests in a Temporary Global Security.
“Perpetual Securities”	:	The perpetual securities of the Issuer to be issued by the Issuer pursuant to the Programme and constituted by the Trust Deed (and shall, where the context so admits, include the Global Securities, the Definitive Securities and any related Coupons and Talons, the Global Certificates and the Certificates).
“Perpetual Securityholders”	:	The holders of the Perpetual Securities.
“Pricing Supplement”	:	In relation to a Tranche or Series of Securities, a pricing supplement, to be read in conjunction with this Information Memorandum, specifying the relevant issue details in relation to such Tranche or Series of Securities, as the case may be.
“Principal Subsidiary”	:	Any Relevant Subsidiary of the Issuer: <ul style="list-style-type: none"> (1) whose profits before tax, as shown by the accounts of such Relevant Subsidiary (consolidated in the case of a company which itself has subsidiaries, joint ventures and/or associated companies), based upon which the latest audited consolidated accounts of the Group have been prepared, are at least 10 per cent. of the profits before tax of the Group as shown by such audited consolidated accounts; or

- (2) whose total assets, as shown by the accounts of such Relevant Subsidiary (consolidated in the case of a company which itself has subsidiaries, joint ventures and/or associated companies), based upon which the latest audited consolidated accounts of the Group have been prepared, are at least 10 per cent. of the total assets of the Group as shown by such audited consolidated accounts,

provided that if any such Relevant Subsidiary (the “**transferor**”) shall at any time transfer the whole or a substantial part of its business, undertaking or assets to another Relevant Subsidiary or the Issuer (the “**transferee**”) then:

- (aa) if the whole of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall thereupon cease to be a Principal Subsidiary and the transferee (unless it is the Issuer) shall thereupon become a Principal Subsidiary; and
- (bb) if part only of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall remain a Principal Subsidiary and the transferee (unless it is the Issuer) shall thereupon become a Principal Subsidiary.

Any Relevant Subsidiary which becomes a Principal Subsidiary by virtue of (aa) above or which remains or becomes a Principal Subsidiary by virtue of (bb) above shall continue to be a Principal Subsidiary until the date of issue of the first audited consolidated accounts of the Group prepared as at a date later than the date of the relevant transfer which show the profits before tax or (as the case may be) total assets as shown by the accounts of such Relevant Subsidiary (consolidated in the case of a company which itself has subsidiaries, joint ventures and/or associated companies), based upon which such audited consolidated accounts have been prepared, to be less than 10 per cent. of the consolidated profits before tax or (as the case may be) total assets of the Group, as shown by such audited consolidated accounts. A report by the Auditors (as defined in the Trust Deed), who shall also be responsible for producing any pro-forma accounts required for the above purposes, that in their opinion a Relevant Subsidiary is or is not a Principal Subsidiary shall, in the absence of manifest error, be conclusive.

- “**Programme**” : The S\$2,000,000,000 Multicurrency Debt Issuance Programme of the Issuer established by the Issuer pursuant to the Programme Agreement.
- “**Programme Agreement**” : The Programme Agreement dated 3 March 2017 made between (1) the Issuer, as issuer, (2) the Arranger, as arranger, and (3) Oversea-Chinese Banking Corporation Limited, as dealer, as amended, varied or supplemented from time to time.
- “**Registered Securities**” : Securities in registered form.
- “**Relevant Subsidiary**” : A subsidiary of the Issuer other than any subsidiary which is a joint venture between (1) any member of the Group and (2) another entity which is not a member of the Group and such subsidiary is treated as a jointly-controlled entity as shown in the latest audited consolidated accounts of the Group.

“Securities”	:	The Notes and the Perpetual Securities.
“Securities Act”	:	The Securities Act of 1933 of the United States, as amended or modified from time to time.
“Securityholders”	:	The Noteholders and the Perpetual Securityholders.
“Senior Perpetual Securities”	:	Perpetual Securities which are expressed to rank as senior obligations of the Issuer pursuant to Condition 3(a) of the Perpetual Securities.
“Series”	:	(1) (in relation to Securities other than variable rate notes) a Tranche, together with any further Tranche or Tranches, which are (a) expressed to be consolidated and forming a single series and (b) identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of interest and (2) (in relation to variable rate notes) Notes which are identical in all respects (including as to listing) except for their respective issue prices and rates of interest.
“SFA”	:	Securities and Futures Act 2001 of Singapore, as amended or modified from time to time.
“SGX-ST”	:	Singapore Exchange Securities Trading Limited.
“Subordinated Perpetual Securities”	:	Perpetual Securities which are expressed in the applicable Pricing Supplement to rank as subordinated obligations of the Issuer.
“subsidiary”	:	Any company which is for the time being, a subsidiary (within the meaning of Section 5 of the Companies Act).
“Talons”	:	Talons for further Coupons or, as the context may require, a specific number of them and includes any replacement Talons issued pursuant to the Conditions.
“TARGET System”	:	The Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET 2) System which was launched on 19 November 2007 or any successor thereto.
“Temporary Global Security”	:	A Global Security representing Bearer Securities of one or more Tranches of the same Series on issue.
“Tranche”	:	Securities which are identical in all respects (including as to listing).
“Trust Deed”	:	The Trust Deed dated 3 March 2017 made between (1) the Issuer, as issuer, and (2) the Trustee, as trustee, as amended, varied or supplemented from time to time.
“Trustee”	:	The Bank of New York Mellon, Singapore Branch, or its successors in that capacity.
“UNESCO”	:	United Nations Educational, Scientific and Cultural Organisation.
“United States” or “U.S.”	:	United States of America.
“S\$” and “cents”	:	Singapore dollars and cents respectively.
“%”	:	Per cent.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations. Any reference to a time of day in this Information Memorandum shall be a reference to Singapore time unless otherwise stated. Any reference in this Information Memorandum to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or the SFA or any statutory modification thereof and used in this Information Memorandum shall, where applicable, have the meaning ascribed to it under the Companies Act or, as the case may be, the SFA.

SUMMARY OF THE PROGRAMME

The following summary is derived from, and should be read in conjunction with, the full text of this Information Memorandum (and any relevant supplement to this Information Memorandum), the Trust Deed, the Agency Agreement and the relevant Pricing Supplement.

Issuer	:	Hotel Properties Limited.
Arranger	:	Oversea-Chinese Banking Corporation Limited.
Dealers	:	Oversea-Chinese Banking Corporation Limited, DBS Bank Ltd., and/or such other Dealers as may be appointed by the Issuer in accordance with the Programme Agreement.
Trustee	:	The Bank of New York Mellon, Singapore Branch.
Issuing and Paying Agent, CDP Transfer Agent and CDP Registrar	:	The Bank of New York Mellon, Singapore Branch.
Non-CDP Paying Agent and Calculation Agent	:	The Bank of New York Mellon, London Branch.
Non-CDP Transfer Agent Non-CDP Registrar	:	The Bank of New York Mellon (Luxembourg) S.A.
Description	:	Multicurrency Debt Issuance Programme.
Programme Size	:	The maximum aggregate principal amount of the Securities to be issued, when added to the aggregate principal amount of all Securities outstanding at any time shall be S\$2,000,000,000 (or its equivalent in other currencies) or such higher amount as may be increased pursuant to the terms of the Programme Agreement.

NOTES

Currency	:	Subject to compliance with all relevant laws, regulations and directives, the Notes may be issued in Singapore dollars or any other currency agreed between the Issuer and the relevant Dealer(s).
Method of Issue	:	The Notes may be issued from time to time under the Programme on a syndicated or non-syndicated basis. Each Series may be issued in one or more Tranches, on the same or different issue dates. The specific terms of each Series or Tranche will be specified in the relevant Pricing Supplement.
Issue Price	:	The Notes may be issued at par or at a discount, or premium, to par.
Maturities	:	Subject to compliance with all relevant laws, regulations and directives, the Notes may have maturities of such tenor as may be agreed between the Issuer and the relevant Dealer.

Mandatory Redemption	:	Unless previously redeemed or purchased and cancelled, each Note will be redeemed at its redemption amount on the maturity date shown on its face.
Interest Basis	:	The Notes may bear interest at fixed, floating, variable or hybrid rates or such other rates as may be agreed between the Issuer and the relevant Dealer(s) or may not bear interest.
Fixed Rate Notes	:	Fixed Rate Notes will bear a fixed rate of interest which will be payable in arrear on specified dates and at maturity.
Floating Rate Notes	:	<p>Floating Rate Notes which are denominated in Singapore dollars will bear interest to be determined separately for each Series by reference to S\$ SIBOR or S\$ SWAP RATE (or in any other case such other benchmark as may be agreed between the Issuer and the relevant Dealer(s)), as adjusted for any applicable margin. Interest periods in relation to the Floating Rate Notes will be agreed between the Issuer and the relevant Dealer(s) prior to their issue.</p> <p>Floating Rate Notes which are denominated in other currencies will bear interest to be determined separately for each Series by reference to such other benchmark as may be agreed between the Issuer and the relevant Dealer(s).</p>
Variable Rate Notes	:	Variable Rate Notes will bear interest at a variable rate determined in accordance with the terms and conditions of the Notes. Interest periods in relation to the Variable Rate Notes will be agreed between the Issuer and the relevant Dealer(s) prior to their issue.
Hybrid Notes	:	Hybrid Notes will bear interest, during the fixed rate period to be agreed between the Issuer and the relevant Dealer(s), at a fixed rate of interest which will be payable in arrear on specified dates and, during the floating rate period to be agreed between the Issuer and the relevant Dealer(s), at the rate of interest to be determined by reference to S\$ SIBOR or S\$ SWAP RATE (or such other benchmark as may be agreed between the Issuer and the relevant Dealer(s)), as adjusted for any applicable margin (provided that if the Hybrid Notes are denominated in a currency other than Singapore dollars, such Hybrid Notes will bear interest to be determined separately by reference to such benchmark as may be agreed between the Issuer and the relevant Dealer(s)), in each case payable at the end of each interest period to be agreed between the Issuer and the relevant Dealer(s).
Zero Coupon Notes	:	Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest other than in the case of late payment.

Form and Denomination of Notes	:	The Notes will be issued in bearer form or registered form and in such denominations as may be agreed between the Issuer and the relevant Dealer(s). Each Tranche or Series of bearer Notes may initially be represented by a Temporary Global Security or a Permanent Global Security. Each Temporary Global Security may be deposited on the relevant issue date with CDP, a common depository for Euroclear and Clearstream and/or any other agreed clearing system and will be exchangeable, upon request as described therein, either for a Permanent Global Security or definitive Notes (as indicated in the applicable Pricing Supplement). Each Permanent Global Security may be exchanged, unless otherwise specified in the applicable Pricing Supplement, upon request as described therein, in whole (but not in part) for definitive Notes upon the terms therein. Each Tranche or Series of registered Notes will initially be represented by a Global Certificate. Each Global Certificate may be registered in the name of, or in the name of a nominee of CDP, a Common Depository and/or any other agreed clearing system. Each Global Certificate may be exchanged, upon request as described therein, in whole (but not in part) for Certificates upon the terms therein. Save as provided in the terms and conditions of the Notes, a Certificate shall be issued in respect of each Noteholder's entire holding of registered Notes of one Series.
Custody of the Notes	:	Notes which are to be listed on the SGX-ST may be cleared through CDP. Notes which are to be cleared through CDP are required to be kept with CDP as authorised depository. Notes which are cleared through Euroclear and/or Clearstream are required to be kept with a common depository on behalf of Euroclear and Clearstream.
Status of the Notes	:	The Notes and Coupons of all Series will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank <i>pari passu</i> , without any preference or priority among themselves, and rank <i>pari passu</i> with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Issuer.
Redemption and Purchase	:	If so provided on the face of the Note and the relevant Pricing Supplement, the Notes may be redeemed (either in whole or in part) prior to their stated maturity at the option of the Issuer and/ or the holders of the Notes. Further, if so provided on the face of the Note and the relevant Pricing Supplement, the Notes may be purchased by the Issuer (either in whole or in part) prior to their stated maturity at the option of the Issuer and/or the holders of the Notes.
Redemption upon a Change of Control Event	:	If so provided in the applicable Pricing Supplement, if for any reason, a Change of Control Event (as specified in that applicable Pricing Supplement) occurs, the Issuer will, within seven days of such occurrence, give notice to the Noteholders of the occurrence of such event (provided that any failure by the Issuer to give such notice shall not prejudice any Noteholder of such option) and shall, at the option of the holder of any Note, redeem such Note at its Redemption Amount, together with interest accrued to the date fixed for redemption, on the date falling 45 days from the date of the notice (or if such date is not a business day, on the next day which is a business day).

Redemption upon cessation or suspension of trading of shares : If so provided in the applicable Pricing Supplement, in the event that (i) the shares of the Issuer cease to be traded on the SGX-ST or (ii) trading in the shares of the Issuer on the SGX-ST is suspended for a continuous period of more than seven days (excluding a gazetted public holiday), the Issuer shall, at the option of the holder of any Note, redeem such Note at its Redemption Amount together with interest accrued to (but excluding) the date fixed for redemption on any date on which the interest is due to be paid on such notes or, if earlier, the date falling 45 days after the Effective Date.

For the purposes of this paragraph, “**Effective Date**” means (in the case of (i)) the date of cessation of trading or (in the case of (ii)) the business day immediately following the expiry of such continuous period of seven days.

Redemption for Taxation Reasons : If so provided on the face of the Note and the relevant Pricing Supplement, the Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days’ notice to the Noteholders (which notice shall be irrevocable), at their Redemption Amount or (in the case of Zero Coupon Notes) Early Redemption Amount (as defined in Condition 6(i) of the Notes) (together with interest accrued to (but excluding) the date fixed for redemption), if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8 of the Notes, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the Pricing Supplement, and (ii) such obligations cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Negative Pledge : The Issuer has covenanted with the Trustee in the Trust Deed that so long as any of the Notes remains outstanding (as defined in the Trust Deed), it will not, and will ensure that none of its Principal Subsidiaries will, create or have outstanding any security on or over their respective present or future assets, save for:

- (i) liens or rights of set off arising solely by operation of law (or by an agreement evidencing the same) or in the ordinary course of its business, in either case, in respect of indebtedness which either (1) has been due for less than 14 days or (2) is being contested in good faith and by appropriate means;
- (ii) any security existing as at the date of the Trust Deed and disclosed in writing to the Trustee on or prior to the date of the Trust Deed;

- (iii) any security over the assets of a Principal Subsidiary subsisting as at the date on which it became a Principal Subsidiary;
- (iv) any security over any of its assets acquired or developed by it ((in the case of a development of such asset) whether such assets are acquired before or after the date of the Trust Deed) after the date of the Trust Deed for the sole purpose of financing or refinancing the acquisition or development of such assets (whether such financing or refinancing (which shall include any financing or refinancing by way of intercompany loans) is raised or the development is undertaken, by itself, any related corporation, joint venture partner or any joint venture company in which it has an interest) and securing a principal amount not exceeding the cost of that acquisition or development;
- (v) any security created prior to and subsisting at the time of the acquisition or development of any asset by it after the date of the Trust Deed;
- (vi) any security required to be given pursuant to the terms of any credit facility to secure any existing security referred to in paragraphs (ii), (iii), (iv) and (v) above and any asset acquired by it after the date of the Trust Deed in order to comply with any security margin set out in such credit facility;
- (vii) security arising out of title retention provisions in a supplier's or financier's normal conditions of supply, hire purchase or leasing arrangement in respect of goods acquired by the Issuer or relevant Principal Subsidiary in the ordinary course of its business;
- (viii) any security to be created over any asset referred to in paragraphs (ii), (iii), (iv) and (v) above in connection with the extension, refinancing or increase in the facility limit of the credit facilities secured by such asset provided that the amount secured by such security shall not exceed 65 per cent. of the then current market value of such security (as determined on the basis of a valuation report prepared by an independent valuer);
- (ix) any security created over the Excluded Properties (as defined in Condition 4 of the Notes) provided that the amount secured by such security shall not exceed 65 per cent. of the then market value of such security (as determined on the basis of a valuation report prepared by an independent valuer); and
- (x) any other security as shall be approved by the Noteholders by way of an Extraordinary Resolution (as defined in the Trust Deed).

Financial Covenants : The Issuer has covenanted with the Trustee in the Trust Deed that so long as any of the Notes remains outstanding, it will ensure that:

- (i) the Consolidated Tangible Net Worth (as defined in Condition 4 of the Notes) will not at any time be less than S\$750,000,000; and
- (ii) the ratio of Consolidated Total Debt (as defined in Condition 4 of the Notes) to Consolidated Tangible Net Worth shall not at any time be more than 1.5:1.

Non-disposal : The Issuer has covenanted with the Trustee in the Trust Deed that so long as any of the Notes remains outstanding, it will not, and will ensure that none of its Principal Subsidiaries will, (whether by a single transaction or a number of related transactions) sell, transfer, lease out, lend or otherwise dispose of (whether outright, by a sale-and-repurchase or sale-and-leaseback arrangement, or otherwise) any substantial part of its assets or undertake any other disposal of assets which could have a material adverse effect on the Group, taken as a whole. The following disposals shall not be taken into account under Condition 4(c) of the Notes:

- (i) disposals at arm's length on reasonable commercial terms or disposals in the ordinary course of business, trade or operations provided that each such disposal is not likely to materially and adversely affect the Issuer's ability to perform its obligations under the Trust Deed or the Securities;
- (ii) disposal on reasonable commercial terms of obsolete assets or assets no longer required for the purpose of the relevant person's business;
- (iii) the payment of cash (being the asset) as consideration for the acquisition of any asset on normal commercial terms;
- (iv) disposals pursuant to any solvent reorganisation or solvent restructuring exercise provided that the assets either remain within the Group or are disposed to any entity which is controlled by any member of the Group; and
- (v) any disposal which the Noteholders by way of an Extraordinary Resolution shall have agreed shall not be taken into account;

and, for the purpose of Condition 4(c) of the Notes, the words "substantial part of its assets" shall mean that the value of each of such assets constitutes more than 20 per cent. of the total assets of the Group, determined on the basis of the latest available audited consolidated accounts of the Group.

Events of Default : See Condition 10 of the Notes.

- Taxation : All payments in respect of the Notes and the Coupons by the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer shall pay such additional amounts as will result in the receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, save for certain exceptions. For further details, please see the section on “Taxation – Singapore Taxation” herein.
- Listing : Each Series of the Notes may, if so agreed between the Issuer and the relevant Dealer(s), be listed on the SGX-ST or any stock exchange(s) as may be agreed between the Issuer and the relevant Dealer(s), subject to all necessary approvals having been obtained.
- Board lot size : The Notes will be traded in a minimum board lot size of not less than S\$200,000 (or its equivalent in other currencies) for so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require.
- Selling Restrictions : For a description of certain restrictions on offers, sales and deliveries of Notes and the distribution of offering material relating to the Notes, please see the section on “Subscription and Sale” herein. Further restrictions may apply in connection with any particular Series or Tranche of Notes.
- Governing Law : The Programme and any Notes issued under the Programme will be governed by, and construed in accordance with, the laws of Singapore.

PERPETUAL SECURITIES

- Currency : Subject to compliance with all relevant laws, regulations and directives, Perpetual Securities may be issued in Singapore dollars or any other currency agreed between the Issuer and the relevant Dealer(s).
- Method of Issue : Perpetual Securities may be issued from time to time under the Programme on a syndicated or non-syndicated basis. Each Series may be issued in one or more Tranches, on the same or different issue dates. The specific terms of each Series or Tranche will be specified in the relevant Pricing Supplement.
- Issue Price : Perpetual Securities may be issued at par or at a discount, or premium, to par.
- No Fixed Maturity : The Perpetual Securities are perpetual securities in respect of which there is no fixed redemption date and the Issuer shall only have the right (but not the obligation) to redeem or purchase them in accordance with the provisions of the terms and conditions of the Perpetual Securities.
- Distribution Basis : Perpetual Securities may confer a right to receive distribution at fixed or floating rates.

Fixed Rate Perpetual Securities : Fixed Rate Perpetual Securities will confer a right to receive distribution at a fixed rate which will be payable in arrear on specified dates. If so provided on the face of the Fixed Rate Perpetual Securities, the distribution rate may be reset on such dates and bases as may be set out in the applicable Pricing Supplement.

Floating Rate Perpetual Securities : Floating Rate Perpetual Securities which are denominated in Singapore dollars will confer a right to receive distribution at a rate to be determined separately for each Series by reference to S\$ SIBOR or S\$ SWAP RATE (or in any other case such other benchmark as may be agreed between the Issuer and the relevant Dealer(s)), as adjusted for any applicable margin.

Floating Rate Perpetual Securities which are denominated in other currencies will confer a right to receive distribution to be determined separately for each Series by reference to such other benchmark as may be agreed between the Issuer and the relevant Dealer(s).

Distribution periods in relation to the Floating Rate Perpetual Securities will be agreed between the Issuer and the relevant Dealer(s) prior to their issue.

Distribution Discretion : If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Issuer may, at its sole discretion, elect not to pay a distribution (or to pay only part of a distribution) which is scheduled to be paid on a Distribution Payment Date (as defined in the Conditions of the Perpetual Securities) by giving notice (an “**Optional Payment Notice**”) to the Trustee and the Issuing and Paying Agent and the Perpetual Securityholders (in accordance with Condition 14 of the Perpetual Securities) not more than 20 nor less than 10 business days (or such other notice period as may be specified on the face of the Perpetual Security and the relevant Pricing Supplement) prior to a scheduled Distribution Payment Date.

If a Dividend Pusher is set out thereon, the Issuer may not elect to defer any distribution if during the Reference Period (as specified in the applicable Pricing Supplement) ending on the day before that scheduled Distribution Payment Date, either or both of the following (each such event a “**Compulsory Distribution Payment Event**”) have occurred:

- (i) a dividend, distribution or other payment has been declared or paid on or in respect of any of the Issuer’s Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of the Issuer’s Parity Obligations; or
- (ii) any of the Issuer’s Junior Obligations has been redeemed, reduced, cancelled, bought back or acquired for any consideration or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of the Issuer’s Parity Obligations has been redeemed, reduced cancelled, bought back or acquired for any consideration,

and/or as otherwise specified in the applicable Pricing Supplement.

For the purposes of this paragraph, (i) “**Junior Obligation**” means, in relation to the Issuer, any of its ordinary shares and any class of its share capital and any other instruments or securities (including without limitation any preference shares, preferred units or subordinated perpetual securities) issued, entered into or guaranteed by the Issuer that ranks or is expressed to rank, whether by its terms or by operation of law, junior to the Perpetual Securities and (ii) “**Parity Obligation**” means, in relation to the Issuer, any instrument or security (including without limitation any preference shares) issued, entered into or guaranteed by the Issuer (1) which ranks or is expressed to rank, by its terms or by operation of law, *pari passu* with the Subordinated Perpetual Securities and (2) the terms of which provide that the making of payments thereon or distributions in respect thereof are fully at the discretion of the Issuer and/or, in the case of an instrument or security guaranteed by the Issuer, the issuer thereof.

Non-Cumulative Deferral and Cumulative Deferral :

If Non-Cumulative Deferral is so provided on the face of the Perpetual Security and the relevant Pricing Supplement, any distribution deferred pursuant to Condition 4(IV) of the Perpetual Securities is non-cumulative and will not accrue interest. The Issuer is not under any obligation to pay that or any other distributions that have not been paid in whole or in part. The Issuer may, at its sole discretion, and at any time, elect to pay an amount up to the amount of distribution which is unpaid (“**Optional Distribution**”) (in whole or in part) by complying with the notice requirements in Condition 4(IV)(e) of the Perpetual Securities. There is no limit on the number of times or the extent of the amount with respect to which the Issuer can elect not to pay distributions pursuant to Condition 4(IV) of the Perpetual Securities. Any partial payment of outstanding Optional Distribution by the Issuer shall be shared by the holders of all outstanding Perpetual Securities and the Coupons related to them on a *pro rata* basis.

If Cumulative Deferral is so provided on the face of the Perpetual Security and the relevant Pricing Supplement, any distribution deferred pursuant to Condition 4(IV) of the Perpetual Securities shall constitute “**Arrears of Distribution**”. The Issuer may, at its sole discretion, elect to (in the circumstances set out in Condition 4(IV)(a) of the Perpetual Securities) further defer any Arrears of Distribution by complying with the notice requirement applicable to any deferral of an accrued distribution. The Issuer is not subject to any limit as to the number of times distributions and Arrears of Distribution can or shall be deferred pursuant to Condition 4(IV) of the Perpetual Securities except that Condition 4(IV)(c) of the Perpetual Securities shall be complied with until all outstanding Arrears of Distribution have been paid in full.

If Additional Distribution is so provided on the face of the Perpetual Security and the relevant Pricing Supplement, each amount of Arrears of Distribution shall bear interest as if it constituted the principal of the Perpetual Securities at the Distribution Rate or Rate of Distribution (as the case may be) and the amount of such interest (the “**Additional Distribution Amount**”) with respect to Arrears of Distribution shall be due and payable pursuant to Condition 4 of the Perpetual Securities and shall be calculated by applying the applicable Distribution Rate or Rate of Distribution (as the case may be) to the amount of the Arrears of Distribution and otherwise *mutatis mutandis* as provided in the provisions of Condition 4 of the Perpetual Securities. The Additional Distribution Amount accrued up to any Distribution Payment Date shall be added, for the purpose of calculating the Additional Distribution Amount accruing thereafter, to the amount of Arrears of Distribution remaining unpaid on such Distribution Payment Date so that it will itself become Arrears of Distribution.

Restrictions in the case of Non-Payment :

If Dividend Stopper is so provided on the face of the Perpetual Security and the relevant Pricing Supplement and on any Distribution Payment Date, payments of all distribution scheduled to be made on such date are not made in full by reason of Condition 4(IV)) of the Perpetual Securities, the Issuer shall not and shall procure that none of its subsidiaries shall:

- (i) declare or pay any dividends, distributions or make any other payment on, and will procure that no dividend, distribution or other payment is made on, any of the Issuer’s Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a pro rata basis) any of the Issuer’s Parity Obligations; or
- (ii) redeem, reduce, cancel, buy-back or acquire for any consideration, and will procure that no redemption, reduction, cancellation, buy-back or acquisition for any consideration is made in respect of, any of the Issuer’s Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of the Issuer’s Parity Obligations,

in each case unless and until (1) (if Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) the Issuer has satisfied in full all outstanding Arrears of Distribution, (2) (if Non-Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) a redemption of all the outstanding Perpetual Securities has occurred, the next scheduled distribution has been paid in full or an Optional Distribution equal to the amount of a distribution payable with respect to the most recent Distribution Payment Date that was unpaid in full or in part, has been paid in full or (3) the Issuer is permitted to do so by an Extraordinary Resolution of the Perpetual Securityholders and/or as otherwise specified in the applicable Pricing Supplement.

Form and Denomination of Perpetual Securities	:	The Perpetual Securities will be issued in bearer form or registered form and in such denominations as may be agreed between the Issuer and the relevant Dealer(s). Each Tranche or Series of bearer Perpetual Securities may initially be represented by a Temporary Global Security or a Permanent Global Security. Each Temporary Global Security may be deposited on the relevant issue date with CDP, a Common Depositary and/or any other agreed clearing system and will be exchangeable, upon request as described therein, either for a Permanent Global Security or definitive Perpetual Securities (as indicated in the applicable Pricing Supplement). Each Permanent Global Security may be exchanged, unless otherwise specified in the applicable Pricing Supplement, upon request as described therein, in whole (but not in part) for definitive Perpetual Securities upon the terms therein. Each Tranche or Series of registered Perpetual Securities will initially be represented by a Global Certificate. Each Global Certificate may be registered in the name of, or in the name of a nominee of CDP, a Common Depositary and/or any other agreed clearing system. Each Global Certificate may be exchanged, upon request as described therein, in whole (but not in part) for Certificates upon the terms therein. A Certificate shall be issued in respect of each Perpetual Securityholder's entire holding of registered Perpetual Securities of one Series.
Custody of the Perpetual Securities	:	Perpetual Securities which are to be listed on the SGX-ST may be cleared through CDP, Euroclear and/or Clearstream. Perpetual Securities which are to be cleared through CDP are required to be kept with CDP as authorised depository. Perpetual Securities which are to be cleared through Euroclear and/or Clearstream are required to be kept with a common depository on behalf of Euroclear and/or Clearstream.
Status of the Senior Perpetual Securities	:	The Senior Perpetual Securities and Coupons relating to them constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank <i>pari passu</i> , without any preference or priority among themselves, and <i>pari passu</i> with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Issuer.
Status of the Subordinated Perpetual Securities	:	The Subordinated Perpetual Securities and Coupons relating to them constitute direct, unconditional, subordinated and unsecured obligations of the Issuer and shall at all times rank <i>pari passu</i> , without any preference or priority among themselves, and <i>pari passu</i> with any Parity Obligations of the Issuer.
Subordination of the Subordinated Perpetual Securities	:	Subject to the insolvency laws of Singapore and other applicable laws, in the event of the winding-up of the Issuer, the rights of the Perpetual Securityholders and Couponholders in respect of the Subordinated Perpetual Securities to payment of principal and distribution on the Subordinated Perpetual Securities and the Coupons relating to them are expressly subordinated and subject in right of payment to the prior payment in full of all claims of senior creditors of the Issuer but at least <i>pari passu</i> with all other subordinated obligations of the Issuer that are not expressed by their terms to rank junior to the Subordinated Perpetual Securities and in priority to the claims of shareholders of the Issuer and/or as otherwise specified in the applicable Pricing Supplement.

- No set-off in relation to Subordinated Perpetual Securities : Subject to applicable law, no holder of Subordinated Perpetual Securities or any Coupons relating to them may exercise, claim or plead any right of set-off, deduction, withholding or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Subordinated Perpetual Securities or Coupons relating to them, and each holder of Subordinated Perpetual Securities or any Coupons relating to them shall, by virtue of his holding of any Subordinated Perpetual Securities or Coupons relating to them, be deemed to have waived all such rights of set-off, deduction, withholding or retention against the Issuer. Notwithstanding the preceding sentence, if any of the amounts owing to any holder of Subordinated Perpetual Securities or any Coupons relating to them by the Issuer in respect of, or arising under or in connection with the Subordinated Perpetual Securities or Coupons relating to them is discharged by set-off, such holder of Subordinated Perpetual Securities or any Coupons relating to them shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or, in the event of its winding-up or administration, the liquidator or, as appropriate, administrator of the Issuer) and, until such time as payment is made, shall hold such amount in trust for the Issuer (or the liquidator or, as appropriate, administrator of the Issuer) and accordingly any such discharge shall be deemed not to have taken place.
- Redemption at the Option of the Issuer : If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Issuer may, on giving irrevocable notice to the Perpetual Securityholders falling within the Issuer's Redemption Option Period shown on the face thereof, redeem all or, if so provided, some of the Perpetual Securities at their Redemption Amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Perpetual Securities shall be at their Redemption Amount, together with distribution accrued (including any Arrears of Distribution and any Additional Distribution Amount) to the date fixed for redemption.
- Redemption for Taxation Reasons : If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount, (together with distribution (including any Arrears of Distribution and any Additional Distribution Amount) accrued to the date fixed for redemption), if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 of the Perpetual Securities, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the Pricing Supplement, and (ii) such obligations cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Perpetual Securities then due.

Redemption for Accounting Reasons : If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including any Arrears of Distribution and any Additional Distribution Amount) accrued to the date fixed for redemption) if, on such Distribution Payment Date or any time after that Distribution Payment Date, as a result of any changes or amendments to Singapore Financial Reporting Standards issued by the Singapore Accounting Standards Council, as amended from time to time (the "SFRS") or any other accounting standards that may replace SFRS for the purposes of the consolidated financial statements of the Issuer (the "**Relevant Accounting Standard**"), the Perpetual Securities will not or will no longer be recorded as "equity" of the Issuer pursuant to the Relevant Accounting Standard.

Redemption for Tax Deductibility : If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including Arrears of Distribution and any Additional Distribution Amount) accrued to the date fixed for redemption), if the Issuer satisfies the Trustee immediately before giving such notice that, as a result of:

- (i) any amendment to, or change in, the laws (or any rules or regulations thereunder) of Singapore or any political subdivision or any taxing authority thereof or therein which is enacted, promulgated, issued or becomes effective otherwise on or after the Issue Date;
- (ii) any amendment to, or change in, an official and binding interpretation of any such laws, rules or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued or becomes effective otherwise on or after the Issue Date;
- (iii) any generally applicable official interpretation or pronouncement which is issued or announced on or after the Issue Date that provides for a position with respect to such laws or regulations that differs from the previously generally accepted position which is announced on or after the Issue Date; or
- (iv) the Issuer receiving a ruling by the Comptroller of Income Tax in respect of the Perpetual Securities on or after the Issue Date,

payments of distributions (including any Arrears of Distribution and any Additional Distribution Amount) by the Issuer are not regarded as sums “payable by way of interest upon any money borrowed” for the purpose of Section 14(1)(a) of the ITA or are no longer, or would in the Distribution Period immediately following that Distribution Payment Date no longer be, so regarded.

- Redemption in the case of: : If so provided on the face of the Perpetual Security and the Minimal Outstanding Amount : relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days’ notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including Arrears of Distribution and any Additional Distribution Amount) accrued to the date fixed for redemption) if, immediately before giving such notice, the aggregate principal amount of the Perpetual Securities outstanding is less than 10 per cent. of the aggregate principal amount originally issued.
- Redemption upon a Change : If so provided in the applicable Pricing Supplement, the Perpetual of Control Event : Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified in the applicable Pricing Supplement, at any time on giving not less than 30 nor more than 60 days’ notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount, (together with distribution (including Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), following the occurrence of a Change of Control Event (as specified in the applicable Pricing Supplement).
- Limited right to institute : Notwithstanding any of the provisions in Condition 9 of the Perpetual proceedings in relation to : Securities, the right to institute proceedings for winding-up is limited to circumstances where payment has become due. In the case of Perpetual Securities : any distribution, such distribution will not be due if the Issuer has elected not to pay that distribution in accordance with Condition 4(IV) of the Perpetual Securities.
- Enforcement Events : If (i) an order is made or an effective resolution is passed for the bankruptcy, winding up, liquidation, receivership or similar proceedings in respect of the Issuer or (ii) the Issuer fails to pay the principal of or any distributions on any of the Perpetual Securities when due and such failure continues for a period of 10 business days in the case of distributions or two business days in the case of principal (together, the “**Enforcement Events**”), the Issuer shall be deemed to be in default under the Trust Deed and the Perpetual Securities and the Trustee may, subject to the provisions of Condition 9(d) of the Perpetual Securities, institute proceedings for the winding-up of the Issuer and/or prove in the winding-up of the Issuer and/or claim in the liquidation of the Issuer for such payment.

- Taxation : All payments in respect of the Perpetual Securities and the Coupons by the Issuer shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer shall pay such additional amounts as will result in the receipt by the Perpetual Securityholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, save for certain exceptions. For further details, please see the section on “Taxation – Singapore Taxation” herein.
- Listing : Each Series of the Perpetual Securities may, if so agreed between the Issuer and the relevant Dealer(s), be listed on the SGX-ST or any stock exchange(s) as may be agreed between the Issuer and the relevant Dealer(s), subject to all necessary approvals having been obtained.
- Board lot size : The Perpetual Securities will be traded in a minimum board lot size of not less than \$200,000 (or its equivalent in other currencies) for so long as the Perpetual Securities are listed on the SGX-ST and the rules of the SGX-ST so require.
- Selling Restrictions : For a description of certain restrictions on offers, sales and deliveries of Perpetual Securities and the distribution of offering material relating to the Perpetual Securities, please see the section on “Subscription and Sale” herein. Further restrictions may apply in connection with any particular Series or Tranche of Perpetual Securities.
- Governing Law and Jurisdiction : The Perpetual Securities, the Coupons and the Talons are governed by, and construed in accordance with, the laws of Singapore.

RISK FACTORS

Prior to making an investment or divestment decision, prospective investors or existing holders of the Securities should carefully consider all the information set forth in this Information Memorandum including the risk factors set out below.

The risk factors set out below do not purport to be complete or comprehensive of all the risk factors that may be involved in the business, assets, financial condition, performance or prospects of the Issuer and/or the Group or the properties owned by the Group or any decision to purchase, own or dispose of the Securities. Additional risk factors which the Issuer is currently unaware of may also impair its business, assets, financial condition, performance or prospects. If any of the following risk factors develops into actual events, the business, assets, financial condition, performance or prospects of the Issuer and/or the Group could be materially and adversely affected. In such cases, the ability of the Issuer to comply with its respective obligations under the Trust Deed and the Securities may be adversely affected and the investors may lose all or part of their investments in the Securities. Prospective investors should read the detailed information elsewhere in this Information Memorandum (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision. Prospective investors should not rely on the information set out herein as the sole basis for any investment decision in relation to the Securities but should seek appropriate and relevant advice concerning the appropriateness of an investment in the Securities for their particular circumstances.

Headings and sub-headings are for convenience only and investment considerations and risk factors that appear under a particular heading or sub-heading may also apply to one or more other headings or sub-headings.

Limitations of this Information Memorandum

This Information Memorandum does not purport to nor does it contain all information that a prospective investor in or existing holder of the Securities may require in investigating the Group, prior to making an investment or divestment decision in relation to the Securities issued under the Programme

Neither this Information Memorandum nor any document or information (or any part thereof) delivered or supplied under or in relation to the Programme or the Securities (or any part thereof) is intended to provide the basis of any credit or other evaluation and should not be considered a recommendation by the Issuer, the Arranger or any of the Dealers that any recipient of this Information Memorandum or any such other document or information (or such part thereof) should subscribe for or purchase or sell any of the Securities.

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This Information Memorandum contains forward-looking statements. These forward-looking statements are based on a number of assumptions which are subject to uncertainties and contingencies, many of which are outside the Issuer's control. The forward-looking information in this Information Memorandum may prove inaccurate. Please see the section entitled "Forward-looking Statements" on page 8 of this Information Memorandum.

RISKS RELATING TO THE GROUP'S BUSINESS, FINANCIAL CONDITION AND/OR RESULTS OF OPERATIONS

The financial performance of the Group is affected by an increase in worldwide terrorism and political instability

The Group comprises companies that are involved in and have interests in the hotel businesses across the world, especially in Asia. It will be affected if there is widespread reduction in business or leisure travel, and a resultant drop in hotel occupancy rates, due to geo-political events such as the risks of political unrest, war, acts of terrorism and other instability.

There has been an increasing number of acts of violence, bombings and similar politically and/or ideologically motivated attacks in recent years. Terrorist activities, acts of violence or war and adverse political developments could materially and adversely affect international financial markets and the Singapore economy and could adversely affect the operations, revenues and profitability of the Group.

The consequences of any of these developments or events are unpredictable, and the Group may not be able to foresee events that could have an adverse effect on its businesses, financial condition, results of operations and prospects.

The prospects of the Group may be adversely affected by natural disasters

Natural disasters that are beyond the Issuer's control may adversely affect the economy, infrastructure and livelihood of the people in those countries or regions. Some countries or regions where the Issuer operates face threats of floods, earthquakes, sandstorms, snowstorms, fires, droughts and haze. Climate change and rising sea levels may also increase the frequency and severity of such adverse weather events and result in long-term environmental changes.

Flooding and any other severe weather and natural disasters may cause substantial structural and physical damage to the Group's properties. In particular, the Group operates in areas such as Vanuatu, the Maldives and Bali, Indonesia which have, in the past, experienced extreme conditions such as earthquakes, volcano eruptions, cyclones and tsunamis. These natural disasters can result in substantial expenses related to, among others, repairing the damage caused, and such damage may not be fully covered by insurance, if any.

The occurrence of extreme weather or natural disasters, or the measures taken by the governments of affected countries against such occurrences, such as restrictions on travel, could severely disrupt the Issuer's and the Group's business operations and undermine investor confidence, thereby materially and adversely affecting its financial condition or results of operations.

The outbreak of an infectious disease, widespread communicable diseases or any other serious public health concerns in Singapore and the jurisdictions in which the Group operates could adversely impact the business, results of operations, financial condition and prospects of the Group

The outbreak of any communicable disease with human-to-human airborne or contact propagation effects (e.g. mutation of Avian Flu H5N1, Ebola, Middle East respiratory syndrome coronavirus, Coronavirus disease ("COVID-19"), etc.) in Singapore and/or the jurisdictions in which the Group operates that escalates into a regional or global pandemic could have a negative impact on the regional and global economy and may result in an adverse development in the supply of or demand for property (including retail, residential and commercial property), in property prices or in the Group's ability to retain or renew existing leases or attract new tenants in its investment properties, the lowering of occupancy rates and an increased insolvency or delay in the payment of rent by the tenants of the Group's investment properties, which would in turn have a material and adverse effect on the Group's business, results of operations, financial conditions and prospects.

Although the global economy has, to a large extent, recovered from the COVID-19 pandemic, any future pandemic, outbreaks of infectious diseases or any other serious health concerns including the resurgence of COVID-19 may have a material adverse impact on the global economy and financial markets and may materially and adversely affect the Group's business, financial condition and results of operations, which may in turn affect Group's ability to fulfil its obligations under the Securities.

There can be no assurance that any precautionary measures taken against infectious diseases would be effective. Further, there is no assurance that the Group will not experience another outbreak of infectious disease and such future outbreak or any other serious public health concern in Singapore or in the jurisdictions in which the Group operates could seriously harm the Group's business.

The Group's hospitality business operations are affected by local laws and requirements, such as hotel licence requirement

The operation of hotels in the countries which the Group operates in or may operate in, which includes Singapore, Malaysia, Thailand, Maldives, Indonesia, Bhutan, Seychelles, South Africa, Tanzania, Vietnam, Vanuatu, the United States of America, the United Kingdom, Italy, Sri Lanka, Japan and Palau, is subject to various local laws, licensing requirements and regulations. These include, without limitation, health and liquor licensing laws and laws and regulations governing relationships with employees in areas such as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits.

For example, in Singapore, the operation of hotels is generally subject to local laws and regulations such as the Hotels Act 1954 of Singapore, under which hotels must be registered and hotel managers must be licensed to manage the hotel.

The withdrawal, suspension or non-renewal of any certificates of registration and/or licences, or the imposition of any penalties as a result of any infringement of or non-compliance with any laws, rules or regulations applicable to the Group's properties, will have an adverse impact on the businesses at its hotels and their results of operations. Further, any changes in such laws, rules and regulations may result in higher costs of compliance, and any failure to comply with new or revised laws, rules and regulations could result in the imposition of fines or other penalties by the relevant authorities. Such compliance costs and penalties could have an adverse impact on the revenue and profits of the hotels or otherwise adversely affect their operations.

The Group's business is affected by the regulatory and political conditions of the countries the Group has assets or operates in

Given that the Group may have plans to expand its business into other countries in the future, the regulatory and political conditions of these countries may also affect the business of the Group.

The real estate industry in the countries where the Group operates is subject to government regulations and approvals over, among other things, land and title acquisition, development planning and design, construction and mortgage financing and refinancing.

For example, the Singapore government had previously sought to regulate or reduce property speculation through measures such as the adoption and enforcement of regulations and the imposition of credit controls, taxes and fees, which could affect property sales and property values. In recent years, the Singapore government has implemented a series of measures to cool the Singapore property market and maintain a stable and sustainable property market where prices move in line with economic fundamentals. For instance, on 13 January 2011, the Singapore government announced the extension of the holding period for imposition of the seller's stamp duty ("SSD") on residential properties from three years to four years based on new rates. The new SSD rates, ranging from 4 per cent. to 16 per cent., will be imposed on residential properties which are acquired (or purchased) on or after 14 January 2011 and disposed of (or sold) within four years of acquisition. The SSD rates were subsequently revised to a range of 4 per cent. to 12 per cent. and imposed on residential properties which are acquired (or purchased) on or after 11 March 2017 and disposed of (or sold) within 3 years of acquisition. On 3 July 2025, the holding period for imposition of SDD on residential properties was increased from three years to four years and the SSD rates were revised to a range between 4 per cent. to 16 per cent.. These changes apply to all residential property purchased on or after 4 July 2025. In December 2011, the Singapore government introduced the additional buyer's stamp duty ("ABSD"), which was further enhanced in

January 2013 and subsequently in July 2018, December 2021 and April 2023. Based on the April 2023 ABSD enhancement, ABSD rates were further raised as follows: ABSD rates applicable to Singapore citizens buying their second or third and subsequent residential property were raised to 20 per cent. and 30 per cent. respectively; ABSD rates applicable to Singapore permanent residents buying their second or third and subsequent residential property were raised to 30 per cent. and 35 per cent. respectively; and the ABSD rate applicable to foreigners purchasing any residential property was doubled from 30 per cent. to 60 per cent. Further, the Group may, where necessary, apply for ABSD remission and if granted, the Inland Revenue Authority of Singapore may impose conditions on the Group. If such conditions are not met, ABSD with interest will be payable. In addition, under the Qualifying Certificate rules under the Residential Property Act 1976 of Singapore, all developers with non-Singaporean shareholders or directors are required to obtain the Temporary Occupation Permit (“**TOP**”) for their residential property developments within 5 years (“**TOP Deadline**”) and to sell all dwelling units within two years from the date of TOP (“**Sale Deadline**”). Additional Qualifying Certificate extension charges of 8 per cent., 16 per cent. and 24 per cent. of the land purchase price for the first, second and subsequent years past the TOP Deadline and/or the Sale Deadline may be incurred if the respective deadlines need to be extended. However, the Ministry of Law in Singapore has, on 6 February 2020, announced that it will, with immediate effect, allow publicly listed housing developers with a substantial connection to Singapore to be treated as a Singapore company within the meaning of the Residential Property Act 1976 when they acquire residential land for development. To this end, publicly listed developers can apply for exemption from the Qualifying Certificate regime on the basis that they have a substantial connection to Singapore.

In addition, the loan-to-value limits on housing loans granted by financial institutions have been tightened for individuals who already have at least one outstanding loan, as well as for non-individuals such as companies. Besides tighter loan-to-value limits, the minimum cash down payment for individuals applying for a second or subsequent housing loan has also been raised. In June 2013, the Monetary Authority of Singapore introduced a new total debt servicing ratio (“**TDSR**”) framework for property loans granted by financial institutions to individuals. The TDSR framework requires financial institutions to take into consideration borrowers’ other outstanding debt obligations when granting property loans. The TDSR is the percentage of total monthly debt obligations to gross monthly income and the general position is that a property loan extended by a financial institution will not exceed a TDSR threshold of 60 per cent. In December 2021, the TDSR framework was further enhanced by the MAS where the aforementioned 60 per cent. threshold has been reduced to 55 per cent. In September 2022, the Singapore government raised the medium-term interest rate floor used by financial institutions to compute a borrower’s TDSR from 3.5 per cent. per annum to 4 per cent. per annum. For housing loans granted by HDB, an interest rate floor of 3 per cent. per annum to compute eligible housing loan amounts was also introduced.

On 10 March 2017, the Singapore government introduced a new additional conveyance duties (“**ACD**”) on qualifying acquisition and disposal of equity interest in residential property holding entities (“**Residential PHE**”). ACD is payable in addition to the stamp duty that is payable on transfer of shares. ACD was enhanced in 2018 and December 2021 and was further enhanced in April 2023. Based on the April 2023 ACD enhancement, ACD of up to 71 per cent. is payable by the buyer of shares in a Residential PHE while ACD of a flat 12 per cent. is payable by the seller of shares in a Residential PHE.

On 8 May 2022, the Singapore government announced a new additional buyer’s stamp duty (“**ABSD (Trust)**”) to address the gap where ABSD does not apply when residential property is transferred into a living trust without an identifiable beneficial owner at the time when the residential property is transferred into the trust. At the time of the said announcement, ABSD (Trust) of 35 per cent. will apply on any transfer of residential property into a living trust where such transfer occurs on or after 9 May 2022. Pursuant to the April 2023 ABSD enhancement, the applicable rate increased from 35 per cent. to 65 per cent. The said ABSD (Trust) is payable upfront, and the trustee may apply to the Inland Revenue Authority of Singapore for a refund provided that certain conditions are met.

In the Budget Statement 2023, the Singapore government announced that to enhance the progressivity of the buyer’s stamp duty (“**BSD**”) regime, higher marginal BSD rates will be introduced for higher-value residential and non-residential properties, increasing BSD rates from up to 4 per cent. previously to up to 6 per cent. for higher-value residential properties, and BSD rates from up to 3 per cent. previously to up to 5 per cent. for higher value non-residential properties. The revised BSD rates will apply to all properties acquired on or after 15 February 2023.

The measures above, and any further legislation or policies to encourage financial prudence which may be introduced by the Singapore government to moderate the property market in Singapore, may affect the purchasing power of potential buyers of residential properties and may dampen the general sentiments of the residential property market, resulting in reduced demand for and consequently fewer sales of residential property units in Singapore.

Regulation of land supply through availability of sites for tender under the Singapore government's Land Sales Programme, which is reviewed on a half yearly basis, and changes in en bloc legislation etc., may also affect land supply and pricing.

There is no assurance that the Singapore government will abolish the existing legislation or policies intended to cool the property market. There is also no assurance that the Singapore government will not introduce further legislation or policies or amend existing legislation or policies to further regulate the growth of the Singapore property market. All these measures may have an adverse effect on the business, financial condition, results of operations and/or prospects of the Group.

Declines in property values may lead to downward revaluations of the properties in which the Group holds interests

The Group holds interests in various properties in various countries and there can be no assurance that property prices in any of these countries will not decrease such that a downward revaluation of the properties is required.

Real estate assets are inherently difficult to value. Valuations involve significant judgment in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. Any changes in the assumptions will have an impact on the valuation. Additionally, the inspections of the Group's properties and other work undertaken in connection with a valuation exercise may not identify all material defects, breaches of contracts, laws and regulations, and other deficiencies and factors that could affect the valuation. There can be no assurance that the Group's property interests will retain the price at which it may be valued or that the Group's investment in such properties will be realised at the valuations or property values that the Group has recorded or reflected in the Group's financial statements or in this Information Memorandum.

The Group's properties are and will be valued with an independent valuation carried out from time to time. The value of properties may fluctuate from time to time due to market and other conditions, including prevailing interest rate conditions. Such adjustments to the value of the properties in its portfolio could have an adverse effect on its net asset value and its profitability. They may also affect the Group's ability to incur more borrowings, or result in it having to reduce debt, if the financial covenants in its financing and other agreements require it to maintain a level of debt relative to its asset value, and such covenants are triggered as a result of adjustments made to the value of its properties in its portfolio.

The Group's business is affected by economic developments, downturns, uncertainties and instability in global market conditions

The businesses that the Group manages are closely linked to economic growth and developments as well as global market conditions. These businesses are cyclical in nature and profitability will rise and fall with the general economic cycles and also be influenced by market conditions. Economic downturns are likely to have a negative impact on leisure travel and sales of property.

In addition, the economies in which the Group operates are affected by global events. Global credit markets have in the past experienced, and may continue to experience, volatility and liquidity disruptions, which have resulted in the consolidation, failure or near failure of a number of institutions in the banking and insurance industries. Global trade wars may also impinge upon the health of the global financial system. In particular, recent and anticipated changes in the United States trade policy have created ongoing uncertainties in international trade relations, and it is unclear what future actions governments will or will not take with respect to tariffs or other international trade agreements and policies. Since being sworn in for his second presidency in January 2025, U.S. President Trump has announced higher tariffs on products from, *inter alia*, Canada, China, Europe and Mexico. The Canadian government, China and the EU have responded by announcing retaliatory tariffs on United States imports. Since then, the United States and some of its trading partners have paused the retaliatory tariffs and have started

trade negotiations. However, it is unclear what action the United States presidential administration or the United States Congress will take or how other governments may respond and there is no guarantee that additional tariffs or trade restrictions will not be imposed in the future. These developments could keep inflationary pressures elevated and delay the pace of policy interest rate cuts by the United States Federal Reserve and other major central banks and pose negative effects, particularly on external trade dependent Asian economies such as Singapore. Economic factors, including, without limitation, changes in interest rates and inflation, changes in gross domestic product, economic growth, employment levels and consumer spending, consumer and investment sentiment, property market volatility and the availability of debt and equity capital could adversely affect the business, financial condition and results of operations of the Group.

In recent years, the global financial markets have experienced significant volatility as a result of, among other things:

- the occurrence of severe health epidemics, such as the COVID-19 pandemic, and consequently, logistics and supply chain disruptions;
- interest rate fluctuations as well as changes in policy rates by the United States Federal Reserve and other central banks;
- financial and social difficulties affecting many countries worldwide, in particular in Latin America and Europe;
- a deterioration in economic and trade relations between the United States and its major trading partners, including China (including the imposition of tariffs);
- the slowdown of economic growth in China and other major emerging market economies;
- the volatility in oil prices and prices of other commodities;
- increasing climate-related risks, including extreme weather events, transition risks from decarbonisation policies, and growing regulatory and investor focus on sustainability;
- uncertainties resulting from the United Kingdom's exit from the European Union; and
- political and social instability in various parts of the world including countries in the Middle East, for instance Syria, Iraq and Egypt, and the ongoing Russia-Ukraine war, the Israel-Hamas conflict and the Israel-Iran conflict.

The United Kingdom (“UK”) exited the European Union (“EU”) on 31 January 2020 (“**Brexit**”) and implemented the EU – UK Trade and Cooperation Agreement (“**Trade and Cooperation Agreement**”) which was applied provisionally on 1 January 2021 until its entry into force on 1 May 2021. Under the Trade and Cooperation Agreement, the EU and the UK agreed to comprehensive, zero-tariff, zero-quota free trade. Despite the implementation of the Trade and Cooperation Agreement, Brexit may still lead to a downturn in the UK economy, undermine bilateral cooperation between the UK and EU in key policy areas and increase volatility in the global and UK markets.

The Group has no control over such conditions and developments and can provide no assurance that such conditions and developments will not adversely affect its operations. Economic factors including, without limitation, fluctuations in interest rates, volatility in oil prices, rapidly rising inflation, changes in gross domestic product, economic growth, employment levels and consumer spending, consumer and investment sentiment, commodity prices, property market volatility and availability of debt and equity capital could adversely affect the business, financial condition and results of operations of each of the Group.

As such, the Group's businesses and operations are exposed to fluctuations in economic and market conditions of the countries in which it operates as well as geopolitical tensions, all of which might have an adverse effect on the business, financial condition and results of operations of the Group.

The Group's performance may be affected by changes in commodity prices

The Group faces risks in relation to changes in commodity prices due to the consumption of large quantities of building materials, including raw iron, steel, sand, granite and concrete, in its property development operations. In connection with its property development projects generally, the Group enters into fixed or guaranteed maximum price construction contracts with independent construction companies, each of which affects the development of a significant part of its overall development project. These contracts typically cover both the supply of the building materials and the construction of the facility during the construction period. Therefore, should the price of building materials increase significantly prior to the Group entering into a fixed or guaranteed maximum price construction contract, or should its existing contractors fail to perform under their contracts, the Group may be required to pay more to existing or prospective contractors.

The Group's business is subject to intense competition in the hotel industry

The luxury segment of the hotel and resort industry is also subject to intense competition for guests, the acquisition of new properties, the entry into new hotel management agreements and the continuation and renewal of existing hotel management agreements.

There can be no assurance that new or existing competitors will not offer significantly lower rates than the Group's rates or offer greater convenience, services or amenities or significantly expand or improve facilities in the locations in which it operates, thereby adversely affecting its results of operations. There can also be no assurance that demographic, geographic or other changes in markets will not adversely affect the accessibility or attractiveness of the Group's hotel properties.

The Group's hospitality business is subject to all of the risks common in the hospitality industry

A number of factors, many of which are common to the hospitality industry and beyond the Group's control, could materially and adversely affect the Group's hospitality business, including but not limited to the following:

- major events affecting either economic or political stability on a global and regional level represent an exposure to the Group. Economic events, such as global financial crises, could include recessionary pressures which would have an impact on the Group's revenue, operating costs and profitability. Political risk could include changes in the regulatory environment in which the Group's business activities operate, including restrictions on the repatriation of funds or control over the ownership of assets;
- a deterioration in economic conditions may reduce the ability and willingness of consumers to spend money on, and the level of disposable income available for, leisure and entertainment activities including vacations, which may reduce patronage of the Group's hotels;
- increased competition from other alternative accommodation options such as Airbnb which may offer more attractive rates for guests;
- increases in operating costs due to inflation, labour costs, workers' compensation and health-care related costs, utility costs, insurance and unanticipated costs such as acts of nature and their consequences and other factors;
- the hospitality industry operates in an inherently cyclical marketplace. A weakening of demand, or an increase in market room-supply, may lead to downward pressure on room rates which in turn would lead to a negative effect on operating performance;
- dependence on business and commercial travel, leisure travel and tourism, all of which may fluctuate, tend to be seasonal and are subject to the adverse effects of national and international market conditions;

- sustained levels of occupancy and room rates can be adversely affected by events that reduce domestic or international travel. Such events may include acts of terrorism, war or perceived increased risk of armed conflict, epidemics, pandemics (such as the Covid-19 pandemic), outbreaks of disease or public health scares, natural disasters, increased cost of travel or industrial action. These events may be localised to a particular country, region or could have a wider international perspective. Reduced demand will impact on revenue and operational profitability;
- changes in laws and governmental regulations in relation to real estate, including those governing usage, zoning, taxes and government charges. Such revisions may lead to an increase in management expenses or unforeseen capital expenditure needed to ensure compliance. Rights related to the relevant properties may also be restricted by legislative actions, such as revisions to the laws relating to building standards or town planning laws, or the enactment of new laws related to condemnation and redevelopment or laws relating to the environment such as the level of carbon emissions;
- withdrawal, suspension or non-renewal of any certificates or registration and/or licences, or the imposition of any penalties as a result of any infringement or non-compliance with any applicable laws;
- the nature and length of a typical hotel guest's stay. Hotel guests typically stay on a short-term basis and there is therefore no assurance of long-term occupancy for hotel rooms;
- changes in travel patterns including where resulting from epidemics or pandemics (such as the Covid-19 pandemic), increases in transportation or fuel costs, strikes among workers in the transportation industry and adverse weather patterns, which may deter travellers;
- increases in maintenance or capital improvements; and
- adverse effects of a downturn in the hospitality industry.

All of these factors could materially and adversely affect the Group's business, financial condition, results of operations and prospects.

The growth of third party online and other hotel reservation intermediaries and travel consolidators may adversely affect the Group's margins and profitability

Some of the Group's hotel rooms are booked through third party online and other hotel reservation intermediaries and consolidators to whom the Group pays commissions for such services. They may be able to negotiate higher commissions, reduced room rates, or other significant concessions from the Group. The Group believes that such intermediaries and consolidators attempt to develop and increase customer loyalty toward their reservation systems rather than the Group's. As a result, the growth and increasing importance of these travel intermediaries and consolidators may adversely affect the Group's ability to control the supply and price of its room inventory, which would in turn adversely affect its margins and profitability.

The Group's business is dependent on the reputation of the hotel brands used in its operations, its hotel brands and the protection of its intellectual property rights

Any event that materially damages the reputation of one or more of the hotel brands owned by third parties which are used in the Group's operations ("**External Hotel Brands**") or the Group's brands and/or failure to sustain the appeal of External Hotel Brands or the Group's brands to its customers could have an adverse impact on the value of that brand and subsequent revenues from that brand or business. In addition, the value of External Hotel Brands or the Group's brands is influenced by a number of other factors, some of which may be outside the Group's control, including commoditisation (whereby price and/or quality becomes relatively more important than brand identifications due, in part, to the increased prevalence of third-party intermediaries), consumer preference and perception, failure by the owner of the relevant brand, the Group or its franchisees to ensure compliance with the significant regulations applicable to hotel operations (including fire and health and safety requirements), or other factors affecting consumers' willingness to purchase goods and services, including any factor which adversely affects the reputation of those brands.

In particular, where the Group is unable to enforce adherence to its operating and quality standards, or the significant regulations applicable to hotel operations, pursuant to its management and franchise contracts, there may be a further adverse impact upon brand reputation or customer perception and therefore the value of the External Hotel Brands or the Group's hotel brands. Any widespread infringement, misappropriation or weakening of the control environment could materially harm the value of the External Hotel Brands and the Group's brands, and the Group's ability to develop the business.

The Group's performance is subject to its ability to attract, retain and train qualified managerial and other employees, and loss of key personnel could negatively impact the business of the Group

The Group's performance depends largely on its ability to attract, train, retain and motivate high quality personnel, especially for the management team. Relations with employees could deteriorate due to disputes related to, among other things, wage or benefit levels. The loss of key employees may have a material adverse effect on the Group's performance. If the Group is not able to retain, hire and train qualified managerial and other employees, its business may be materially and adversely affected.

In the Group's hospitality business, its managerial and other employees are critical to maintaining the quality and consistency of its services as well as its established brands and reputation since they manage the Group's hotels and interact with its customers on a daily basis. In general, employee turnover is relatively high in the hospitality industry, as other hotels commonly seek to lure away employees in this competitive industry. As a result, it is important for the Group to retain as well as attract qualified managerial and specialised employees who are experienced in the hospitality services industry. There is a limited supply of such qualified and specialised individuals in Singapore, and in some of the cities where the Group has operations. In addition, the Group needs to hire and train qualified managerial and other employees on a timely basis to keep pace with its rapid growth while maintaining consistent quality of services across its hotels in various geographic locations. The Group must also provide continuous training to its managerial and other employees so that they have up-to-date knowledge of various aspects of the Group's hotel operations and can meet its demand for high-quality services. If the Group fails to do so, the quality of its services may decrease, which in turn may have a material and adverse effect on its business.

Further, the Group's performance depends to a significant degree upon the continued commitment and service of its key management personnel. There is no assurance the Group will be able to retain its key management personnel. The loss of the services of one or more key management personnel for any reason without suitable or timely replacements could have a material adverse impact on the Group's business, financial condition, results of operations and prospects.

The Group may not be able to expand its operations successfully

The expansion of the Group's property division is dependent upon a number of factors, including the identification of appropriate development and ownership opportunities at commercially acceptable prices, the availability of financing for new developments and the expansion of the Group's hotel division, which is contingent on the identification of suitable hotels or resorts, timely completion of construction of new hotels, resorts and properties and the refurbishment of existing hotel and resort properties. The Group may also be required to manage relationships with an increasing number of customers, suppliers, contractors, hotel managers, service providers, lenders and other third parties.

Any expansion involves numerous risks, such as the costs of setting up operations and increased working capital requirements. The availability of adequate financing is crucial to the Group's ability to acquire land and properties and to complete its development projects according to plan. The Group expects to finance future land and property acquisitions for development and redevelopment from a combination of internal funds, bank borrowings and proceeds from debt and equity offerings. By doing so, the Group's gearing may increase.

The Group's ability to arrange adequate financing for land and property acquisitions or property development, redevelopment or renovations on terms that will allow the Group to achieve a commercially acceptable return depends on a number of factors that are beyond the Group's control, including general economic and political conditions, the state of international capital markets, the terms on which financial institutions are willing to extend credit to the Group and the availability of other sources of debt or equity financing.

Additionally, participation in strategic alliances, acquisitions or property development opportunities involves numerous risks, such as difficulties in the assimilation of management, operations and personnel and the possible diversion of management attention from the Group's existing business concerns.

There can be no assurance that the Group will succeed in its expansion plans. If the Group is unsuccessful in doing so, it may be unable to expand its operations and increase its revenues and profits.

The Group is subject to risks associated with the development or redevelopment of and investment in mixed-developments and/or similar developments and investments

In August 2023, the Group received the Grant of Provisional Permission (“PP”) for the redevelopment of the Forum, voco Orchard Singapore and HPL House (collectively referred hereinafter as the “**Forum Properties**”) from the Urban Redevelopment Authority under the Strategic Development Incentive (“SDI”) Scheme, subject to certain terms and conditions. The approval is for a mixed redevelopment comprising hotel, retail, office and residential components and the Group has submitted plans to the authorities for such redevelopment (see the section headed “Description of the Group” – “Principal Business Activities” – “Property Division” – “Singapore” on page 146 of this Information Memorandum). The Group may also develop, redevelop or invest in or operate such or similar developments in the future.

Developments such as these are complex and the Group may be exposed to risks relating to, amongst others, permit, licensing, zoning and building approvals. The failure to obtain such regulatory approvals may delay the development or may have an adverse impact on the development plan or operations. Other risks include construction-related risks associated with building new infrastructure, lack of a proven track record, relevant management expertise, costs overruns, work stoppage, labour disputes, funding or risks associated with employee error, malfeasance, or otherwise.

Once developed, there is no assurance that the different components of the development would have the envisaged synergy. Further, there can be no assurance that each of the different components of the development would be successful. The failure of a component of the development could also have an adverse impact on the other components. For example, if the Group is unable to secure suitable attractions, the hotels component of the development may be negatively affected. In addition, each separate component of the development is subject to its specific industry risks.

In the event that the risks relating to the Group's involvement in these developments materialise, the Group's business, financial condition, prospects and results of operations may be materially and adversely affected.

The Group is subject to risks associated with development or redevelopment of properties

New developments or redevelopments are subject to a number of risks, many of which are outside the Group's control, including:

- (i) market or site deterioration after acquisition;
- (ii) the possibility of discovering previously undetected defects or problems at a site;
- (iii) the possibility of construction delays or cost overruns due to delayed regulatory approvals, labour or material shortages, work stoppages and the unavailability of construction and/or long-term financing;
- (iv) the possibility of exploring self-operation strategies and incurring additional operational challenges and costs;
- (v) the possibility of obtaining successful bids; and
- (vi) the ability to obtain or maintain the necessary verification, licensing or other approvals required in each jurisdiction the Group operates in.

Between the acquisition of the site and the project's completion, travel preferences, political or social conditions of the location or other conditions critical to the success of the development or redevelopment may change, such that the Group is unable to achieve its projected returns after the completion of the project and/or repay its debt financing.

Further, there can be no assurance that the Group will be able to obtain approval and/or planning permission from the relevant authorities for such developments or redevelopments. If the relevant approval and/or planning permission cannot be obtained, the Group may choose to dispose of the site. The price realised on such disposal will depend on, amongst other things, market conditions prevailing at the time of the sale, and may be lower than the price the Group paid to acquire the site.

Any of the above could adversely affect the Group's business, financial condition, prospects and results of operations.

The Group faces risks before realising any benefits, if at all, from property development projects

Property development typically requires substantial capital outlay during the land acquisition and construction phases and may take one or more years before positive cash flows may be generated through the pre-sale or sale of a completed property development. Depending on the size of the development, the time span for completing a property development usually lasts for more than a year.

Consequently, changes in the business environment during the length of the project may affect the revenue and cost of the development, which in turn have a direct impact on the profitability of the project. Factors that may affect the profitability of a project include high financing costs, the failure to complete construction according to original specifications, schedule or budget and poor sales. The sales and value of a development project may be adversely affected by a number of factors, including but not limited to, the international, regional and local economic climate, local real estate conditions, perceptions of property buyers in terms of the convenience and attractiveness of the projects, competition from other available properties and changes in market rates for comparable sales. If any of the property development risks described above materialises, the Group's returns on investments may be lower than originally expected and its business, financial condition and results of operations may be adversely affected.

The Group may encounter problems with its joint ventures that may adversely affect its business

The Group has, and expects to have in the future, interests in joint ventures in connection with its business plans. Depending on the nature, the Group's equity interest and the extent of its involvement in such projects, the Group may not be able to control the decision-making process of joint venture projects without reference to its joint venture partners. There is also no assurance that any new joint venture that the Group enters into will yield its anticipated benefits. Sometimes, its ability to withdraw funds (including dividends) from participation in, and to exercise management control over, joint ventures and investments therein depends on receiving the consent of its joint venture partners. In addition, if there are disagreements between the Group and its joint venture partners regarding the business and operations of the joint ventures, the Group might not be able to resolve them in a manner that will be in its best interests. Any dispute with the Group's joint venture partners which cannot be resolved amicably may escalate and become litigious or result in the early termination of such joint venture which could in turn adversely affect the Group's business, financial condition and results of operations. Political uncertainties or new government regulations such as restrictions on ownership or changes in economic, business and operating conditions may also result in a decline in the Group's investment in these joint venture entities and associated companies or a loss in its ability to influence the management and directors of, and the decisions made by, these joint venture entities and associated companies. The Group's joint venture partners may (i) have economic or business interests that are inconsistent with those of the Group; (ii) take actions contrary to the Group's instructions, requests, policies or objectives; (iii) be unable or unwilling to fulfil their obligations; (iv) have financial difficulties; or (v) have disputes with the Group as to the scope of their responsibilities and obligations. Any of these and other factors may materially and adversely affect the performance of the Group's joint ventures, which may in turn materially and adversely affect its financial condition and results of operations.

The Group may require additional financing for future growth, which may not be available or may only be available on unfavourable terms

The Group may come across investment opportunities from time to time which may require additional funding. Under such circumstances, the Group may have to obtain financing to finance its operations and business activities. Should the Group not be able to secure financing on commercially reasonable or acceptable terms, the Group may not be able to implement its future growth plans fully. Changes in the cost of current and future borrowings, including a rise in interest charged on these borrowings, or the covenants given in relation to such financing, may limit or otherwise have an adverse effect on the Group's financial condition, results of operations and cash flows.

Further, any breach by the Group of covenants given in relation to such financing may give rise to rights exercisable by the lenders. Such rights include, *inter alia*, terminating the relevant financing, enforcing any security granted in relation to such financing or accelerating the repayment of the outstanding loan amounts. Thus, any such breaches may have a material and adverse impact on the Group's results of operations and financial position.

The Group's financial performance may be affected by changes in travel patterns resulting from increases in expenses related to travel, transportation or fuel costs, strikes among workers in the transportation industry or adverse weather patterns

Changes in travel patterns can be erratic and this may adversely affect the revenue and profitability of the Group's hotel division. Increases in expenses related to travel, transportation or fuel costs and oil prices, strikes among workers in the transportation industry or adverse weather patterns may deter travellers and the financial performance of the Group may be adversely affected as a consequence.

The Group is exposed to interest rate and counterparty risks

The Group's exposure to the risk of changes in interest rates relates mainly to its bank borrowings. The Group actively reviews its debt portfolio to achieve the most favourable interest rates available. The Group manages its interest rate exposure by maintaining a prudent mix of fixed and floating rate borrowings. Hedging instruments such as interest rate swaps are also used where appropriate to minimise its exposure to interest rate volatility. However, these hedging instruments may not adequately cover the Group's exposure to interest rate fluctuations and may not have the desired beneficial impact on the operations or financial condition of the Group.

Interest rate hedging involves risks and transaction costs, which could reduce overall returns. Interest rate hedging could also fail to protect the Group or adversely affect the Group because among others:

- the party owing money in the hedging transaction may default on its obligation to pay;
- the credit quality of the party owing money on the hedge may be downgraded to such an extent that it impairs the Issuer's ability to sell or assign its side of the hedging transaction; and
- the value of the derivatives used for hedging may be adjusted from time to time in accordance with accounting rules to reflect changes in fair value. Such changes although unrealised, would reduce the net asset value of the Group if it is due to downward adjustments.

Further, an increase in interest rates in Singapore may negatively impact the Group's residential property developments. High interest rates generally impact the real estate industry by making it costly for consumers to qualify for and secure financing, which can lead to a decrease in the demand for residential sites. Any downturn in the economy or drop in consumer confidence may also result in reduced housing demand, which could negatively impact the demand for the Group's residential property developments.

In addition, other than surplus cash balances placed with reputable banks and financial institutions, the Group may also enter into swap arrangements, which exposes it to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event a counterparty, including a financial institution, is declared bankrupt or becomes insolvent, this may result in delays in obtaining funds or having to liquidate the position, potentially leading to losses.

Any of the above could potentially have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.

The Group is exposed to foreign exchange risks and exchange controls

The Group operates internationally and is exposed to foreign exchange risks arising from various currency exposures including, amongst others, United States dollars, Sterling pounds, Indonesian rupiah, Thai baht, Malaysian ringgit, Euro and Japanese yen. Government and monetary authorities may also impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate.

While the Group maintains natural hedges whenever possible, by borrowing in currencies that match the future revenue stream to be generated from its investments, this may not adequately cover the Group's exposure to currency fluctuations. As a result, the Group's operations and/or financial condition could potentially be adversely affected by currency fluctuations.

Further, as the securities issued under the Programme can be denominated in currencies other than Singapore dollars, fluctuations between the Singapore dollars and such foreign currencies may affect the Issuer's payment obligations under such Securities. There is also no assurance that the Issuer may be able to fully hedge the currency risks associated with such Securities denominated in foreign currencies.

The Group may also enter into cross currency swaps to hedge foreign exchange exposure, and the Group is accordingly exposed to risks similar to the interest rate hedging risks described above.

The Group may be involved in disputes, legal and other proceedings arising from its operations from time to time and may be subject to regulatory reviews and queries

The Group may be involved from time to time in disputes with various parties. These disputes may involve, amongst others, its business operations, which may lead to legal and other proceedings, and may cause the Group to incur additional costs (including legal fees) and delays and to divert management resources. In addition, the Group may have disagreements with regulatory bodies in the course of its operations on legal interpretation of laws and regulations which may subject the Group to administrative proceedings and unfavourable orders, directives or decrees that may have a material adverse effect on the Group's business, reputation, financial condition, results of operations and prospects.

The Group's insurance coverage may not cover all losses and liabilities

The Group maintains insurance coverage against claims arising from various occurrences, such as property damage, business interruption and public liability that occur in connection with the Group's business and operations, environmental disasters as well as limited coverage for terrorism. However, in the event that such claims exceed the insurance coverage of insurance policies which have been taken up, the Group may be liable to cover the shortfall for such amounts claimed. Moreover, certain types of risks (for example, war risks) may be uninsurable or the cost of the insurance may be prohibitive or not economically viable when compared to the risks. If such events were to occur, the Group's financial condition, results of operations and cash flows may be materially and adversely affected.

There is no assurance that the Group's properties can maintain rental rates at prevailing market rates

The rental rates of the Group's properties will depend upon various factors, including but not limited to prevailing supply and demand conditions and the quality and design of the Group's properties. There is no assurance that the Group can procure new leases or renew existing leases at the prevailing market rates. The amount of cash flow available to the Group will depend in part on its ability to continue to lease the properties owned by the Group on economically favourable terms. The Group's cash flow may thus be adversely affected by any significant decline in the rental rates at which the Group is able to lease its properties and to renew existing leases or attract new tenants, which may in turn affect the Group's business, financial condition and results of operations.

The Group may not be able to complete its development projects within budgeted project costs or on time or at all

Property development projects require substantial capital expenditures prior to and during the construction period for, among other things, land acquisition and construction. The construction of property projects may take a year or longer before generating positive net cash flow through sales or pre-sales. As a result, the Group's cash flows and results of operations may be significantly affected by its project development schedules and any changes to those schedules. The schedules of the Group's projects depend on a number of factors, including the performance and efficiency of its third-party contractors and its ability to finance construction. Other factors that could adversely affect the Group's project development schedules include:

- natural catastrophes and adverse weather conditions;

- changes in market conditions, economic downturns, and decreases in business and consumer sentiment in general;
- fluctuating costs in construction materials;
- fluctuating costs for skilled labour;
- delays in obtaining government approvals and permits;
- changes in relevant regulations and government policies;
- relocation of existing residents and/or demolition of existing constructions;
- shortages of materials, equipment, contractors and skilled labour;
- labour disputes;
- construction accidents;
- errors in judgment on the selection and acquisition criteria for potential sites; and
- other unforeseen problems or circumstances.

Construction delays or failure to complete the construction of a project according to its planned specifications, schedule and budget may harm the Group's reputation as a niche property developer or lead to cost overruns, or loss of or delay in recognising revenues, and subsequently, lower margins. Factors such as fluctuating costs in construction materials, equipment, and skilled and unskilled labour would directly affect the operating costs of the Group's projects. This may also result in sales and resulting profits from a particular development not being recognised in the year in which it was originally expected to be recognised, which could adversely affect the Group's results of operations for that year.

If a property project is not completed on time, the purchasers of pre-sold units within the project may be entitled to compensation for late delivery. If the delay extends beyond a certain period, the purchasers may be entitled to terminate their pre-sale agreements. There can be no assurance that the Group will not experience any significant delays in completion or delivery of its projects in the future or that it will not be subject to any liabilities for any such delays.

The Group may be affected by the illiquidity of its property assets

Real estate assets, such as the residential properties, commercial buildings and hotels developed and land sites acquired by the Group, are relatively illiquid. The illiquidity of the Group's real estate assets may limit its ability to convert these property assets into cash in response to changes in the economy, the property market or other conditions or may result in a significant reduction in the price that it might otherwise seek for such assets in the event that it is required to effect an urgent sale. Moreover, the Group may face difficulties in securing timely and commercially favourable financing in asset-based lending transactions secured by real estate due to the illiquid nature of real estate assets. Should such events occur, the Group's profitability and financial performance may be adversely affected, with a consequential adverse effect on the Group's ability to fulfil its payment obligations under the Securities.

In addition, if the Group defaults in its payment obligations towards its secured creditors, mortgagees of any of the affected properties could foreclose or require a forced sale of any of the affected properties with a consequent loss of income and asset value to the Group. The amount to be received upon a foreclosure sale of any affected property would be dependent on numerous factors, including the actual fair market valuation of the relevant property at the time of such sale, the timing and manner of the sale and the availability of buyers. Each of the Group's properties is illiquid and there can be no assurance that any of the Group's properties can or will be liquidated in a short period of time. For all these reasons, there can be no assurance that the proceeds from any foreclosure sale will be sufficient for the Group to meet its obligations pursuant to its borrowings.

The Group is dependent on independent third-party contractors and sales agents

The Group is dependent on independent third-party contractors to provide various construction services for the completion of a property development project. There can be no assurance that the Group will be able to find or engage an independent contractor for any particular project or find a contractor that is willing to undertake a particular project within the Group's budget, which could result in cost increases or project delays. Additionally, while the Group adopts stringent measures in selecting contractors and ensuring that their work is of acceptable quality, there is no assurance that the services and products rendered by the contractors will always be satisfactory and in compliance with the Group's standards and requirements. Should the contractors fail to rectify any unsatisfactory works and should suitable alternative solutions not be found in a timely manner, the projects may not be completed within the budget and time schedule, thus resulting in cost overruns and project delays. Moreover, should the contractors fail to sustain their operations, or if any of them is in breach of their contractual obligations due to adverse changes in their financial conditions or otherwise, the Group may need to replace such contractors or take other actions (such as legal proceedings) to remedy the situation. Should suitable replacements not be secured in a timely manner or if such actions or proceedings become protracted, the Group's projects will be subject to disruption and delay. In such an event, the Group's profitability and financial performance may be adversely affected. In addition, as the Group is expanding its business into new geographical locations, there may be a shortage of third-party contractors that meet its standards and, as a result, the Group may not be able to engage a sufficient number of high-quality third-party contractors in a timely manner, which may adversely affect the construction schedules and development costs of its property projects. Finally, the Group's external contractors may undertake projects from other developers, engage in risky undertakings or otherwise encounter financial or other difficulties which may cause delays in the completion of, or increase the development costs of, the Group's property project. The occurrence of any of the above events may have a material adverse effect on the Group's business, financial condition, results of operations and reputation.

Similarly, the Group may from time to time engage third-party sales agents to market and sell its property development projects to potential customers. These agents may also act as agents for other developers in the same markets in which the Group operates, and there can be no assurance that they will not favour the interests of such developers over the interests of the Group in lease or sale opportunities, or otherwise act in the Group's best interests. The competition in the markets for such agents may result in the Group being unable to engage sufficient numbers of agents to market and sell its property developments. These factors could disrupt the Group's business and negatively affect its financial condition, results of operation and prospects.

The Group could incur significant costs related to environmental matters

The Group is subject to various laws and regulations relating to the protection of health and the environment that may require a current or previous owner of real estate to investigate and clean up hazardous or toxic substances at a property. For example, owners and operators of real estate may be liable for the costs of removal or remediation of certain hazardous substances or other regulated materials on or in such property. Such laws often impose liability without regard as to whether the owner or operator knew of, or was responsible for, the presence of such substances or materials. The cost of investigation, remediation or removal of these substances may be substantial. Environmental laws and regulations may also impose compliance obligations on owners and operators of properties with respect to the management of hazardous substances and other regulated materials which also result in an increment of compliance costs. Failure to comply with these laws can result in penalties or other sanctions.

Existing environmental reports and investigations with respect to any of the Group's properties may not reveal (i) all environmental liabilities, (ii) whether prior owners or operators of the properties had created any material environmental condition not known to the Group or (iii) whether a material environmental condition exists in any one or more of the properties. There also exists the risk that material environmental conditions, liabilities or compliance concerns may have arisen after the review was completed or may arise in the future. Finally, future laws, ordinances or regulations and future interpretations of existing laws, ordinances or regulations may impose additional material environmental liability. The Group may be subject to liabilities or penalties relating to environmental matters which could adversely affect the Group's business, results of operations, financial condition, cashflow or prospects.

The Group also faces several environmental transition risks as it navigates the evolving landscape of sustainability and climate-related challenges. As governments intensify their commitments to climate goals, the Group must comply with stricter environmental regulations where failure to comply could result in increased operational costs, penalties or reputational damage. The Group also faces additional costs in undertaking capital expenditure to retrofit buildings and upgrade systems in order to obtain the necessary green certifications.

The Group is dependent on the condition and performance of the property industry in the countries it operates in

The Group's real estate business is subject to the economic conditions and performance of the property industry in the countries it operates in, where property prices are largely affected by supply and demand for properties. The demand for retail, commercial and residential space could be adversely affected by any of the following:

- weakness in the national and regional economies;
- a decline in the number of tourist arrivals to the Group's target markets;
- adverse financial condition of certain large corporations and retailing companies;
- supply exceeding demand for retail, commercial or residential space in the Group's target markets;
- an increase in consumer purchases through catalogues or the Internet and reduction in the demand;
- for tenants to occupy the Group's retail properties as a result of the Internet and e-commerce;
- the timing of, and costs associated with, property improvements and rentals;
- any changes in taxation and zoning laws;
- adverse government regulation;
- higher interest rates;
- competition from other property companies; and/or
- absence of financing for purchase of properties.

To the extent that any of these factors occur, they are likely to impact the demand for the Group's properties, pricing, market rents for retail and commercial space which will then affect the business, financial condition, results of operations and prospects of the Group and the value of the Group's properties. The Group may also incur losses in its property development business by retaining unsold properties or selling them below cost in a depressed market. In the event that the Group is unable to sell its unsold properties, the Group may incur holding costs, including interest costs, maintenance costs and Qualifying Certificate penalties.

The Group is subject to risks in relation to pre-sold properties

The Group faces risks relating to pre-sale of properties. For example, the Group may fail to complete a fully or partially pre-sold property development, in which case, the Group may be liable for potential losses that buyers may suffer as a result. There can be no assurance that these losses would not exceed the purchase price paid in respect of the pre-sold units. In addition, if a pre-sold property development is not completed on time, the buyers of pre-sold units may be entitled to compensation for late delivery. Failure to complete a property development on time may be attributed to factors such as longer time taken and higher costs involved in completing construction, which are in turn adversely affected by factors such as delays in obtaining requisite licences, permits or approval from government agencies or authorities, shortages of labour, adverse weather conditions, natural disasters, labour disputes, dispute with contractors, accidents and changes in government priorities and policies. If the delay extends

beyond the contractually-specified period, these buyers may even be entitled to terminate the pre-sale agreements and claim damages. There is no assurance that the Group will not experience any significant delays in completion or delivery or that the Group will not be subject to any liabilities for any such delays. Further, a high default rate of the buyers under their respective sale agreements could have an adverse effect on the Group's property development business, cashflow and financial position.

The Group is subject to risks relating to the quality and extent of the title or to interests in the properties in the Group's portfolio

The quality, nature and extent of the title to the properties in the Group's portfolio vary, depending on a number of factors, including:

- the stage of development of the property;
- the extent to which the contract pursuant to which the property interest was acquired has been performed, the extent to which the terms and conditions thereunder have been complied with, and the amount of the purchase consideration which has been paid;
- the extent of compliance by the Group or any other relevant party (including previous owners, the vendor of the property and the entity in which the Group invested that has acquired or is acquiring the property) with all relevant laws and regulations relating to the ownership, use, sale, development or construction of the property;
- the manner in which the interest in the property is held, whether through a joint venture, a development agreement, under a master lease, an option to purchase or a sale and purchase agreement, through asset-backed securities or otherwise;
- in the case where the property interests are leasehold interests, the extent of compliance by the Group or any other relevant party (including previous lessees or lessors, the vendor of the property and the entity in which the Group has invested that has acquired or is acquiring the property) with the terms and conditions of the state or head lease or any other document under which the title of the property is derived;
- the capacity, power, authority and general creditworthiness of the counterparties to the contractual and other arrangements through which the Group has acquired its interest in the property;
- the laws and regulations that apply to the property; and
- the country and location of the property.

The limitations described above on the quality, nature and extent of the title to the land and properties in the Group's portfolio of property interests could impact the Group's ability to deal with and have control over its property interests, and the conditions under which it may own, develop, operate or manage the property. No assurance can be given that the quality, nature and extent of the title to the Group's property interests will not be challenged or adversely impacted or will not adversely affect the Group's ability to deal with its property interests and in turn the value of its investments in these properties.

Acquisition of the Group's real estate portfolio may be subject to risks associated with the acquisition of properties

While the Group believes that reasonable due diligence investigations have been conducted prior to the acquisition of its properties, there can be no assurance that its real estate holdings will not have defects or deficiencies requiring significant capital expenditures, repair or maintenance expenses, or payment or other obligations to third parties. The information that the Group relies upon as part of the due diligence investigations of its properties may be subject to inaccuracies and deficiencies, as certain building defects and deficiencies may be difficult or impossible to ascertain due to the limitations inherent in the scope of the inspections, the technologies or techniques used and other factors. In particular, no assurance can be given as to the absence of latent or undiscovered defects or deficiencies, inaccuracies or deficiencies in such reviews, surveys or inspection reports, any of which may have a material adverse impact on the Group's business, financial condition, results of operations and prospects.

In addition, some of the properties may be in breach of laws and regulations (including those in relation to real estate) or may fail to comply with certain regulatory requirements in ways that the Group's due diligence investigations did not uncover. As a result, the Group may incur additional financial or other obligations in relation to such breaches or failures, which will have an adverse effect on its business, financial condition, results of operations and prospects.

The Group's land may be subject to compulsory acquisition

Ownership of land comprises a significant part of the Group's assets and its property development business. Under the Land Acquisition Act 1966 of Singapore, the State may compulsorily acquire land whenever any particular land is needed (i) for any public purpose; (ii) by any person, corporation or statutory board, for any work or an undertaking which, in the opinion of the Minister of Law, is of public benefit, public utility, or in the public interest; or (iii) for any residential, commercial or industrial purpose.

In determining the amount of compensation to be awarded for land acquired, only certain matters may be considered and no others. These matters include: (i) the market value of the acquired land as of the date of the publication of the relevant notice or declaration of intention to acquire the land; (ii) any damage caused by the acquisition of the property to the landowner's other property; and (iii) any re-location cost incurred by the landowner.

If the compensation awarded pursuant to a compulsory acquisition of the Group's land is lower than its market value, it could have an adverse effect on the Group's business, financial condition, results of operations and prospects.

In addition, real property that the Group owns which is located outside of Singapore may be compulsorily acquired by the respective governments of the countries in which they are located for public use or for public interest. The owner of such real property that has been compulsorily acquired may be compensated in accordance with the laws of the respective jurisdictions. In the event that any of the Group's real property located outside of Singapore is compulsorily acquired, the compensation given in respect of the acquired property could be less than the property's market value, which could adversely affect the Group's business, financial condition, results of operations and prospects.

The Group is exposed to market fluctuations on its investments

The fair values of quoted investments are determined based on market prices at the end of the reporting period. For securities traded on active liquid markets, fair value is generally determined by reference to stock exchange quoted market bid prices at the close of business on the balance sheet date. The fair values of unquoted investments are determined based on the net asset values of these investments which approximate the fair value. The Group is therefore exposed to market fluctuations in respect of its investments, which may result in volatility in its financial results.

The Group's risk management procedures may fail to identify or anticipate future risks

Although the Group has risk management procedures in place, the methods used to manage risk may not identify or anticipate current or future risks or the extent of future exposures, which could be significantly greater than historical measures indicate. Risk management methods depend on the evaluation of information regarding markets, customers or other matters that is publicly available or otherwise accessible to the Group. Failure (or the perception that the Group has failed) to develop, implement and monitor the Group's risk management policies and procedures and, when necessary, pre-emptively upgrade them could result in risks not being managed properly which could materially and adversely affect the Group's business, prospects, results of operations and/or financial condition.

Failure to maintain the integrity of internal and/or customer data could result in harm to the Group's reputation and/or subject the Group to costs, liabilities, fines, or lawsuits

The Group's hospitality business involves collecting and retaining large volumes of internal and customer data, including credit card numbers and other personal information as its various information technology systems enter, process, summarise and report such data. The Group also maintains information about various aspects of its business operations as well as its employees. The integrity and protection of the Group's customer, employee and company data are critical to its business and the Group is required to

comply with data protection laws in the countries in which it operates. A theft, loss, fraudulent or unlawful use of customer, employee or company data, or any other breach of applicable data protection laws, could harm the Group's reputation or result in remedial and other costs, liabilities, fines, or lawsuits which would affect the Group's business, results of operations, financial condition, cashflow or prospects.

Interruption or failure of the Group's information systems could impair its ability to effectively provide its services, which could damage its reputation

The Group's ability to provide consistent and high-quality services and to monitor its operations on a real-time basis across its various business segments depends on the continued operation of its information technology systems, including its online booking/distribution, central reservations, and customer relationship management systems. Any damage to or failure of the Group's systems could interrupt its inventory management, affect service efficiency, consistency, and quality, or reduce its customer satisfaction. The Group uses non-proprietary technology platforms through third-party vendors. These technology platforms play an important role in its management of its revenues, inventory and membership programmes.

Cyber risks such as computer viruses, malware, phishing attempts, ransomware, hacking and scams as well as other events such as fires, floods and earthquakes or other attempts to harm this system, or other similar events, all have the potential to cause difficulties with the technology platforms. Such difficulties could require that reservation and billing activities be conducted off-line or manually. Some of these third-party vendor's systems are not fully redundant, and its disaster-recovery planning does not account for all possible scenarios. Furthermore, the Group's systems and technologies, including its website and database, could contain undetected errors or "bugs" that could adversely affect their performance or could become outdated. The Group may not be able to replace or introduce upgraded systems as quickly as its competitors or within the budgeted costs for such upgrades. If the Group experiences system failures, its quality of service, customer satisfaction, and operational efficiency could be severely harmed, which could also adversely affect its reputation.

RISKS RELATING TO THE SECURITIES

Limited liquidity of the Securities issued under the Programme

There can be no assurance regarding the future development of the market for the Securities issued under the Programme, the ability of the Securityholders, or the price at which the Securityholders may be able to sell their Securities.

The Securities may have no established trading market when issued, and one may never develop. Even if a market for the Securities does develop, there can be no assurance as to the liquidity or sustainability of such market. Therefore, investors may not be able to sell their Securities easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Securities that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Securities would generally have a more limited secondary market and more price volatility than conventional debt securities. If an active market for the Securities fails to develop or be sustained, the value of the Securities could fall. If the Securities are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar Securities, general economic conditions and the financial condition of the Issuer. If the Securities are trading at a discount, investors may not be able to receive a favourable price for their Securities, and in some circumstances investors may not be able to sell their Securities at their fair market value or at all.

A lack of liquidity may have a material adverse effect on the market value of the Securities. Although the issue of additional Securities may increase the liquidity of the Securities, there can be no assurance that the price of such Securities will not be adversely affected by the issue in the market of such additional Securities.

Although an application will be made for the listing and quotation of any Securities to be issued under the Programme and which are agreed at or prior to the time of issue thereof to be so listed on the SGX-ST, there is no assurance that such application will be accepted, that any particular Tranche of Securities will be so admitted or that an active trading market will develop. In addition, the debt capital markets have been subject to disruptions that have caused volatility in prices of securities similar to the Securities to be issued under the Programme. Accordingly, there is no assurance as to the development or liquidity of any trading market, or that disruptions will not occur, for any particular Tranche of Securities.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should seek independent legal advice to determine whether and to what extent: (a) Securities are legal investments for the potential investor, (b) Securities can be used as collateral for various types of borrowing and (c) other restrictions apply to its purchase or pledge of any Securities. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Securities under any applicable risk-based capital or similar rules.

The secondary market generally

Securities may have no established trading market when issued and such a market may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Securities easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Securities that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Securities generally would have a more limited secondary market and more price volatility than conventional debt securities. Liquidity may have a severely adverse effect on the market value of Securities.

Fluctuation of the market value of the Securities issued under the Programme

Trading prices of the Securities are influenced by numerous factors, including the operating results, the financial condition and/or the future prospects of the Issuer, its subsidiaries and/or associated companies (if any), political, economic, financial and any other factors that can affect the capital markets, the industry, the Issuer, its subsidiaries and/or associated companies (if any) generally. Adverse economic developments, in Singapore as well as countries in which the Issuer, its subsidiaries and/or associated companies (if any) operate or have business dealings, could have a material adverse effect on the operating results, the financial condition and/or the future prospects of the Issuer, its subsidiaries and/or associated companies (if any).

Further, recent geopolitical instability and global trade tensions have resulted in substantial and continuing volatility in international capital markets. Any further deterioration in global financial conditions could have a material adverse effect on worldwide financial markets, which may also adversely affect the market price of any Series or Tranche of Securities.

Interest rate risk

Securityholders may suffer unforeseen losses due to fluctuations in interest rates. Generally, a rise in interest rates may cause a fall in note and/or perpetual security prices, resulting in a capital loss for the Securityholders. However, the Securityholders may reinvest the interest payments at higher prevailing interest rates. Conversely, when interest rates fall, note and/or perpetual security prices may rise. The Securityholders may enjoy a capital gain but interest payments received may be reinvested at lower prevailing interest rates.

Inflation risk

Securityholders may suffer erosion on the return of their investments due to inflation. Securityholders would have an anticipated rate of return based on expected inflation rates on the purchase of the Securities. An unexpected increase in inflation could reduce the actual returns.

The Securities may not be a suitable investment for all investors

Each potential investor in the Securities must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Securities, the merits and risks of investing in the relevant Securities and the information contained or incorporated by reference in this Information Memorandum or any applicable supplement to this Information Memorandum;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Securities and the impact such investment will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Securities, including Securities with principal, distribution or interest payable in one or more currencies, or where the currency for principal, distribution or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Securities and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Securities are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Securities which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Securities will perform under changing conditions, the resulting effects on the value of such Securities and the impact this investment will have on the potential investor's overall investment portfolio.

Securities may be issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Modification

The terms and conditions of the Securities contain provisions for calling meetings of Securityholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Securityholders including Securityholders who did not attend and vote at the relevant meeting and Securityholders who voted in a manner contrary to the majority.

The terms and conditions of the Securities also provide that the Trustee may (but is not obliged to) agree and may (it being entitled to rely on, at the expense of the Issuer, external legal, financial or other professional advice or opinion for this purpose) at any time or times without any consent or sanction of the Securityholders or the Couponholders concur with the Issuer in making any modification, at the Issuer's expense (i) to the Trust Deed which in the opinion of the Trustee it may be expedient to make, provided the Trustee is of the opinion that such modification will not be materially prejudicial to the interests of the Securityholders or (ii) to the Trust Deed which in the opinion of the Trustee is of a formal, minor or technical nature, is made to correct a manifest error or to comply with mandatory provisions of Singapore law or is required by Euroclear, Clearstream and/or the Depository. Any such modification shall be binding on the Securityholders and the Couponholders and, unless the Trustee otherwise agrees in writing, the Issuer shall cause such modification to be notified to the Securityholders as soon as practicable thereafter in accordance with the terms and conditions of the Securities.

The Securities may be represented by Global Securities or Global Certificates and holders of a beneficial interest in a Global Security or Global Certificate must rely on the procedures of the relevant Clearing System (as defined below)

Securities issued under the Programme may be represented by one or more Global Securities or Global Certificates. Such Global Securities or Global Certificates will be deposited with or registered in the name of, or in the name of a nominee of, a Common Depository, or lodged with CDP (each of Euroclear, Clearstream and CDP, a “**Clearing System**”). Except in the circumstances described in the relevant Global Security or Global Certificate, investors will not be entitled to receive Definitive Securities or Certificates. The relevant Clearing System will maintain records of their accountholders in relation to the Global Securities and Global Certificates. While the Securities are represented by one or more Global Securities or Global Certificates, investors will be able to trade their beneficial interests only through the relevant Clearing System.

While the Securities are represented by one or more Global Securities or Global Certificates, the Issuer will discharge its payment obligations under the Securities by making payments to the Common Depository or, as the case may be, to CDP, for distribution to their accountholders or, as the case may be, to the Issuing and Paying Agent for distribution to the holders as appearing in the records of the relevant Clearing System. A holder of a beneficial interest in a Global Security or Global Certificate must rely on the procedures of the relevant Clearing System to receive payments under the relevant Securities. The Issuer bears no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Securities or Global Certificates.

Holders of beneficial interests in the Global Securities and Global Certificates will not have a direct right to vote in respect of the relevant Securities. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant Clearing System to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Securities and the Global Certificates will not have a direct right under the Global Securities and the Global Certificates to take enforcement action against the Issuer in the event of a default or an enforcement event under the relevant Securities but will have to rely upon their rights under the Trust Deed.

Changes in market interest rates may adversely affect the value of fixed rate Securities

Investment in fixed rate Securities involves the risk that subsequent changes in market interest rates may adversely affect the value of fixed rate Securities.

Exchange rate risks and exchange controls may result in Securityholders receiving less interest, distributions and/or principal than expected

The Issuer will pay principal and interest or distributions on the Securities in the currency specified. This presents certain risks relating to currency conversions if Securityholders’ financial activities are denominated principally in a currency or currency unit (the “**Investor’s Currency**”) other than the currency in which the Securities are denominated. These include the risk that exchange rates may significantly change (including changes due to devaluation of the currency in which the Securities are denominated or revaluation of the Investor’s Currency) and the risk that authorities with jurisdiction over the Investor’s Currency may impose or modify exchange controls. An appreciation in the value of the Investor’s Currency relative to the currency in which the Securities are denominated would decrease (a) the Investor’s Currency equivalent yield on the Securities, (b) the Investor’s Currency equivalent value of the principal payable on the Securities, if any, and (c) the Investor’s Currency equivalent market value of the Securities.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, Securityholders may receive less principal, interest and/or distributions than expected, or no principal, interest and/or distributions at all.

The Securities are not secured

The Securities and Coupons relating to them constitute direct, unconditional, unsubordinated (except in the case of Subordinated Perpetual Securities) and unsecured obligations of the Issuer. Accordingly, on a winding-up or insolvency of the Issuer at any time prior to maturity of any Securities, the Securityholders will not have recourse to any specific assets of the Issuer or, as the case may be, its subsidiaries

and/or associated companies (if any) as security for outstanding payment or other obligations under the Securities and/or Coupons owed to the Securityholders. There can be no assurance that there would be sufficient value in the assets of the Issuer, after meeting all claims ranking ahead of the Securities, to discharge all outstanding payment and other obligations under the Securities and/or Coupons, as the case may be, owed to the Securityholders.

The value of the Securities could be adversely affected by a change in Singapore law or administrative practice

The conditions of the Securities are based on Singapore law in effect as at the date of this Information Memorandum. No assurance can be given as to the impact of any possible judicial decision or change to Singapore law or administrative practice after the date of this Information Memorandum and any such change could materially adversely impact the value of any Securities affected by it.

Performance of contractual obligations by the Issuer is dependent on other parties

The ability of the Issuer to make payments in respect of the Securities may depend upon the due performance by the other parties to the Programme Agreement, the Trust Deed and the Agency Agreement of their obligations thereunder including the performance by the Trustee, the Paying Agents and/or the Calculation Agent of their respective obligations. Whilst the non-performance of any relevant parties will not relieve the Issuer of its obligations to make payments in respect of the Securities, the Issuer may not, in such circumstance, be able to fulfill its obligations to the Securityholders.

The Trustee may request Securityholders to provide an indemnity and/or security and/or pre-funding to its satisfaction

In certain circumstances (including pursuant to Condition 11 of the Notes and Condition 9 of the Perpetual Securities, as the case may be), the Trustee may request Securityholders to provide an indemnity and/or security and/or pre-funding to its satisfaction before it takes action on behalf of Securityholders. The Trustee shall not be obliged to take any such action if not indemnified and/or secured and/or pre-funded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or pre-funding can be a lengthy process and may impact on when such actions can be taken.

The Trustee may not be able to take action, notwithstanding the provision of an indemnity and/or security and/or pre-funding to it, in breach of the terms of the Trust Deed and in circumstances where there is uncertainty or dispute as to the applicable laws or regulations and, to the extent permitted by the agreements and the applicable law, it will be for the Securityholders to take such action directly.

Application of applicable Singapore insolvency and related laws to the Issuer may result in a material adverse effect on the Securityholders

There can be no assurance that the Issuer will not become bankrupt, unable to pay its debts or insolvent, or be the subject of judicial management, schemes of arrangement, winding-up or liquidation orders or other insolvency-related proceedings or procedures. In the event of an insolvency or near insolvency of the Issuer, the application of certain provisions of Singapore insolvency and related laws may have a material adverse effect on the Securityholders. Without being exhaustive, below are some matters that could have a material adverse effect on the Securityholders.

Where the Issuer is insolvent or close to insolvent and the Issuer undergoes certain insolvency procedures, there may be a moratorium against actions and proceedings which may apply in the case of judicial management, schemes of arrangement and/or winding-up in relation to the Issuer. It may also be possible that if a company related to the Issuer proposes a creditor scheme of arrangement and obtains an order for a moratorium, the Issuer may also seek a moratorium even if the Issuer is not itself proposing a scheme of arrangement. These moratoriums can be lifted with court permission and in the case of judicial management, with the consent of the judicial manager. Accordingly, if for instance there is any need for the Trustee to bring an action against the Issuer, the need to obtain court permission or the judicial manager's consent may result in delays in being able to bring or continue legal proceedings that may be necessary in the process of recovery.

Further, Securityholders may be made subject to a binding scheme of arrangement where the majority in number (or such number as the court may order) representing at least 75% in value of creditors and the court approve such scheme. In respect of such schemes of arrangement, there are cram-down provisions that may apply to a dissenting class of creditors. The court may notwithstanding a single class of dissenting creditors approve a scheme provided an overall majority in number representing at least 75% in value of the creditors meant to be bound by the scheme and who were present and voting (either in person or by proxy) at the relevant meeting have agreed to it and provided that the scheme does not unfairly discriminate and is fair and equitable to each dissenting class and the court is of the view that it is appropriate to approve the scheme. In such scenarios, Securityholders may be bound by a scheme of arrangement to which they may have dissented.

The Insolvency, Restructuring and Dissolution Act 2018 of Singapore (the “**IRD Act**”) was passed in the Parliament of Singapore on 1 October 2018 and came into force on 30 July 2020. The IRD Act includes a prohibition against terminating, amending or claiming an accelerated payment or forfeiture of the term under, any agreement (including a security agreement) with a company that commences certain insolvency or rescue proceedings (and before the conclusion of such proceedings), by reason only that the proceedings are commenced or that the company is insolvent. This prohibition is not expected to apply to any contract or agreement that is, or that is directly connected with the Securities. However, it may apply to other related contracts that are not found to be directly connected with the Securities.

The regulation and reform of “benchmark” rates of interest and indices may adversely affect the value of Securities linked to or referencing such “benchmarks”

The Programme allows for the issuance of Securities that reference certain interest rates or other types of rates or indices which are deemed to be “benchmarks”. The Pricing Supplement for the Securities will specify which benchmark is applicable.

Reference rates and indices which are deemed to be, or used as, “benchmarks” are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Securities linked to or referencing such a benchmark.

Regulation (EU) 2016/1011 (the “**EU Benchmarks Regulation**”) applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the European Union (“**EU**”). Among other things, it (a) requires benchmark administrators to be authorised or registered (or, if non-EU based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (b) prevents certain uses by EU supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed). The EU Benchmarks Regulation, as it forms part of domestic law by virtue of the EUWA (the “**UK Benchmarks Regulation**”) among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the UK Financial Conduct Authority (the “**FCA**”) or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, could have a material impact on any Securities linked to or referencing a benchmark, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the national or international or other proposals for reforms, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. For example, the sustainability of the London Interbank Offered Rate (“**LIBOR**”) has been questioned as a result of the absence of relevant active underlying markets and possible disincentives (including as a result of regulatory reforms) for market participants to continue contributing to such benchmarks. The

UK FCA has through a series of announcements indicated that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. Following FCA's announcement on 5 March 2021, LIBOR was discontinued on 30 June 2023 and was replaced by the Secured Overnight Financing Rate ("**SOFR**").

As the Singapore dollar Swap Offer Rate ("**SOR**") methodology relies on US\$ LIBOR in its computation, the discontinuation of LIBOR on 30 June 2023 impacted the sustainability of SOR. On 30 August 2019, the MAS announced that it had established an industry-led steering committee to oversee an industry-wide interest rate benchmark transition from SOR to the Singapore Overnight Rate Average ("**SORA**"). On 5 August 2020, the MAS announced several initiatives to support the adoption of SORA, including prescribing SORA as a financial benchmark under the SFA. The initiatives aim to catalyse greater activity in SORA markets, safeguard the benchmark's integrity and enhance market confidence in SORA. Similarly, the Association of Banks in Singapore has also proposed to discontinue certain tenors for Singapore Interbank Offered Rate ("**SIBOR**") and to amend the methodology for determining SIBOR.

The Association of Banks in Singapore, the Singapore Foreign Exchange Market Committee and Steering Committee for SOR & SIBOR transition to SORA ("**SC-STs**") (together, the "**Committees**") laid out transition roadmaps for shifting away from the use of SOR and SIBOR to the use of SORA as the main interest rate benchmark for Singapore dollar financial markets. Following industry consultations by the Committees, SOR was discontinued by end-June 2023 and the issuance of SOR-linked loans and securities that mature after end-2021 has ceased since end-April 2021, with financial institutions and their customers to cease usage of SOR in new derivative contracts (except for specified purposes relating to the risk management and transition of legacy SOR positions to SORA) by end-September 2021. Similarly, the Committees have discontinued SIBOR, with 6-month SIBOR having been discontinued on 31 March 2022 and 1-month and 3-month SIBOR having been discontinued on 31 December 2024.

In order to mitigate further build up in the stock of legacy SIBOR contracts, the SC-STs has recommended that financial institutions and their customers cease usage of SIBOR in new contracts by end-September 2021. On 31 March 2021, SC-STs also published a report which set out recommended timelines for the cessation of SOR and SIBOR linked financial products, which was updated on 5 August 2021 and 18 July 2022. On 14 December 2022, the SC-STs published an implementation paper setting out technical details for the implementation of SC-STs' supplementary guidance on adjustment spreads for the conversion of SOR contracts to SORA. SC-STs' supplementary guidance applies to the active transition of unhedged SOR loans and is to be used up till end-2024. The implementation paper only covers the setting of adjustment spreads for the conversion of wholesale SOR contracts to Compounded-in-arrears SORA and does not apply to the setting of adjustment spreads for the conversion of legacy SOR retail loans to Compounded-in-advance SORA. The SC-STs has also published an adjustment spread calculator which market participants have been encouraged to use for the purpose of supporting the active transition of SOR loans to SORA. On 25 February 2025, the SC-STs announced the successful completion of the interest rate benchmark transition exercise from SOR and SIBOR to SORA.

The elimination of the LIBOR, SOR and SIBOR benchmarks or any other benchmark, or changes in the manner of administration of any benchmark, could require an adjustment to the terms and conditions of the Securities, or result in other consequences, in respect of any Securities linked to such benchmark. Such factors may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to the benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the "benchmark".

Following the implementation of any such potential reforms, the manner of administration of benchmarks may change, with the result that they may perform differently than in the past, or the benchmark could be eliminated entirely, or there could be other consequences that cannot be predicted. The elimination of the LIBOR, SOR and SIBOR benchmarks or any other benchmark, or changes in the manner of administration of any benchmark, could require or result in an adjustment to the interest and distribution calculation provisions of the terms and conditions of the Securities, or result in adverse consequences to holders of any securities linked to such benchmark (including but not limited to Floating Rate Securities or Securities whose interest rates are linked to LIBOR, SOR or SIBOR or any other such benchmark that is subject to reform). Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative rates and as to potential changes to such benchmark may adversely affect such benchmark during the term of the relevant Securities, the return on the relevant Securities and the trading market for securities based on the same benchmark.

Any of the above changes or any other consequential changes as a result of international, national or other proposals for reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Securities linked to or referencing a benchmark.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation and/or the UK Benchmark Regulations, as applicable, or any of the national or international reforms and the possible application of the benchmark replacement provisions of the Securities in making any investment decision with respect to any Securities linked to or referencing a benchmark.

The market continues to develop in relation to risk free rates (including overnight rates) as reference rates for Floating Rate Securities

Investors should be aware that the market continues to develop in relation to risk-free rates as reference rates in the capital markets and their adoption as alternatives to the relevant interbank offered rates. This relates not only to the substance of the calculation and the development and adoption of market infrastructure for the issuance and trading of bonds referencing such rates, but also how widely such rates and methodologies might be adopted. Please refer to the risk factor entitled *“The regulation and reform of “benchmark” rates of interest and indices may adversely affect the value of Securities linked to or referencing such “benchmarks”*” for further details of the recent interest rates and benchmarks reform.

The market or a significant part thereof may adopt an application of risk-free rates that differs significantly from that set out in the Conditions and used in relation to any Securities that reference risk-free rates issued under the Programme. The Issuer may in the future also issue Securities referencing risk free rates that differ materially in terms of interest determination when compared with any previous Securities referencing the same risk-free rate issued by it under the Programme. The development of risk-free rates as interest reference rates for the bond markets and of the market infrastructure for adopting such rates could result in reduced liquidity or increased volatility or could otherwise affect the market price of any Securities issued under the Programme which references any such risk-free rate from time to time.

Furthermore, the basis of deriving certain risk-free rates, such as SORA, may mean that interest on the Securities which reference any such risk-free rate would only be capable of being determined after the end of the relevant observation period and immediately prior to the Interest Payment Date or, as the case may be, Distribution Payment Date. It may be difficult for investors in Securities which reference any such risk-free rate to accurately estimate the amount of interest, or, as the case may be, distribution which will be payable on such Securities, and some investors may be unable or unwilling to trade such Securities without changes to their IT systems, both of which could adversely impact the liquidity of the Securities. Further, in contrast to SIBOR-linked securities, if Securities referencing SORA become due and payable as a result of an event of default, or, as the case may be, enforcement event under the Conditions, the rate of interest payable for the final Interest Period, or, as the case may be, Distribution Period in respect of such Securities may only be determined on the date which the Securities become due and payable. Investors should consider these matters when making their investment decision with respect to any such Securities.

In addition, the manner of adoption or application of risk-free rates in the bond markets may differ materially compared with the application and adoption of such risk-free rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of risk-free rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Securities referencing such risk-free rates.

In particular, investors should be aware that several different methodologies have been used in risk free rate securities issued to date. No assurance can be given that any particular methodology, including the compounding formula in the terms and conditions of the Securities, will gain widespread market acceptance. In addition, market participants and relevant working groups are still exploring alternative reference rates based on risk free rates, including various ways to produce term versions of certain risk-free rates (which seek to measure the market’s forward expectation of an average of these reference rates over a designated term, as they are overnight rates) or different measures of such risk-free rates. If the relevant risk-free rates do not prove to be widely used in securities like the Securities, the trading price of such Securities linked to such risk-free rates may be lower than those of securities referencing indices that are more widely used.

Risk free rates offered as alternatives to interbank offered rates also have a limited history. For that reason, future performance of such rates may be difficult to predict based on their limited historical performance. The level of such rates during the term of the Securities may bear little or no relation to historical levels. Prior observed patterns, if any, in the behaviour of market variables and their relation to such rates, such as correlations, may change in the future. Investors should not rely on historical performance data as an indicator of the future performance of such risk-free rates nor should they rely on any hypothetical data.

Since risk free rates are relatively new market indices, Securities linked to any such risk-free rate may have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for debt securities indexed to any risk-free rate, such as the spread over the index reflected in interest or distribution rate provisions, may evolve over time, and trading prices of such Securities may be lower than those of later-issued indexed debt securities as a result. Further, if any risk-free rate to which a series of Securities is linked does not prove to be widely used in securities like the Securities, the trading price of such Securities linked to a risk-free rate may be lower than those of Securities linked to indices that are more widely used. Investors in such Securities may not be able to sell such Securities at all or may not be able to sell such Securities at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk. There can also be no guarantee that any risk-free rate to which a series of Securities is linked will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in the Securities referencing such risk free rate. If the manner in which such risk-free rate is calculated is changed, that change may result in a reduction of the amount of interest payable on such Securities and the trading prices of such Securities.

RISKS RELATING TO THE NOTES

Singapore taxation risk

The Notes to be issued from time to time under the Programme during the period from the date of this Information Memorandum to 31 December 2028 are intended to be “qualifying debt securities” for the purposes of the ITA, subject to the fulfilment of certain conditions more particularly described in the section “Taxation – Singapore Taxation”.

However, there is no assurance that such Notes will continue to enjoy the tax concessions in connection therewith should the relevant tax laws be amended or revoked at any time.

The Notes may be subject to optional redemption by the Issuer

An optional redemption feature is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, the market value of such Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

RISKS RELATING TO THE PERPETUAL SECURITIES

Perpetual Securities may be issued for which investors have no right to require redemption

The Perpetual Securities have no fixed final maturity date. Perpetual Securityholders have no right to require the Issuer to redeem Perpetual Securities at any time, and an investor who acquires Perpetual Securities may only dispose of such Perpetual Securities by sale. Perpetual Securityholders who wish to sell their Perpetual Securities may be unable to do so at a price at or above the amount they have paid for them, or at all. Therefore, holders of Perpetual Securities should be aware that they may be required to bear the financial risks of an investment in Perpetual Securities for an indefinite period of time.

If specified in the relevant Pricing Supplement, Perpetual Securityholders may not receive distribution payments if the Issuer elects not to pay all or a part of a distribution under the terms and conditions of the Perpetual Securities

If Optional Payment is specified in the relevant Pricing Supplement, the Issuer may, at its sole discretion, elect not to pay any scheduled distribution on the Perpetual Securities in whole or in part for any period of time. The Issuer is not subject to any limit as to the number of times or the amount with respect to which the Issuer can elect not to pay distributions under the Perpetual Securities. While the Issuer may, at its sole discretion, and at any time, elect to pay an Optional Distribution, being an optional amount equal to the amount of distribution which is unpaid in whole or in part, there is no assurance that the Issuer will do so, and distributions which are not paid in whole or in part may remain unpaid for an indefinite period of time. Any non-payment of a distribution in whole or in part shall not constitute a default for any purpose. Any election by the Issuer not to pay a distribution in whole or in part, will likely have an adverse effect on the market price of the Perpetual Securities. In addition, as a result of the potential non-cumulative distribution feature of the Perpetual Securities and the Issuer's ability to elect not to pay a distribution in whole or in part, the market price of the Perpetual Securities may be more volatile than the market prices of other debt securities on which original issue discount or interest accrues that are not subject to such election not to pay and may be more sensitive generally to adverse changes in the Group's financial condition.

If specified in the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the Issuer's option at date(s) specified in the relevant Pricing Supplement or on the occurrence of certain other events

The Perpetual Securities have no fixed final redemption date. If specified in the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Issuer on certain date(s) specified in the relevant Pricing Supplement at their principal amount (or such other redemption amount stated in the relevant Pricing Supplement) together with all outstanding Arrears of Distribution, Additional Distribution Amounts and distribution accrued to the date fixed for redemption. In addition, if specified in the relevant Pricing Supplement, the Issuer may, at its option, redeem the Perpetual Securities in whole, but not in part, on any Distribution Payment Date, or any time after such Distribution Payment Date, upon the occurrence of certain other events. See the section "Terms and Conditions of the Perpetual Securities – Redemption and Purchase".

The date on which the Issuer elects to redeem the Perpetual Securities may not accord with the preference of individual Perpetual Securityholders. This may be disadvantageous to Perpetual Securityholders in light of market conditions or the individual circumstances of the holder of Perpetual Securities. In addition, an investor may not be able to reinvest the redemption proceeds in comparable securities at an effective distribution rate at the same level as that of the Perpetual Securities.

There are limited remedies for default under the Perpetual Securities

Any scheduled distribution will not be due if the Issuer elects not to pay all or a part of that distribution pursuant to the terms and conditions of the Perpetual Securities. Notwithstanding any of the provisions relating to non-payment defaults, the right to institute winding-up proceedings is limited to circumstances where payment has become due and the Issuer fails to make the payment when due and such failure continues for a period of 10 business days in the case of distributions or two business days in the case of principal. The only remedy against the Issuer available to any Perpetual Securityholder for recovery of amounts in respect of the Perpetual Securities following the occurrence of a payment default after any sum becomes due in respect of the Perpetual Securities will be proving in such winding-up and/or claiming in the liquidation of the Issuer in respect of any payment obligations of the Issuer arising from the Perpetual Securities.

The Issuer may raise or redeem other capital which affects the price of the Perpetual Securities

The Issuer may raise additional capital through the issue of other securities or other means. There is no restriction, contractual or otherwise, on the amount of securities or other liabilities which the Issuer may issue or incur and which rank senior to, or *pari passu* with, the Perpetual Securities. Similarly, subject to compliance with the terms and conditions of the Perpetual Securities, the Issuer may redeem securities that rank junior to, *pari passu* with, or senior to the Perpetual Securities. The issue of any such securities or the incurrence of any such other liabilities or the redemption of any such securities may reduce the

amount (if any) recoverable by holders of Perpetual Securities on a winding-up of the Issuer, and may increase the likelihood of a deferral of distribution under the Perpetual Securities. The issue of any such securities or the incurrence of any such other liabilities or the redemption of any such securities might also have an adverse impact on the trading price of the Perpetual Securities and/or the ability of holders of Perpetual Securities to sell their Perpetual Securities.

The Subordinated Perpetual Securities are subordinated obligations

The obligations of the Issuer under the Subordinated Perpetual Securities will constitute unsecured and subordinated obligations of the Issuer. In the event of the winding-up of the Issuer, the rights of the holders of Subordinated Perpetual Securities to receive payments in respect of the Subordinated Perpetual Securities will rank *pari passu* with the holders of all Parity Obligations, but junior to the claims of all other creditors, including, for the avoidance of doubt, the holders of Senior Perpetual Securities and/or Notes. In the event of a shortfall of funds or a winding-up, there is a real risk that an investor in the Subordinated Perpetual Securities will lose all or some of its investment and will not receive a full return of the principal amount or any unpaid Arrears of Distribution, Additional Distribution Amounts or accrued distribution.

In addition, subject to the limit on the aggregate principal amount of Securities that can be issued under the Programme (which can be amended from time to time by the Issuer without the consent of the Securityholders), there is no restriction on the amount of unsubordinated securities or other liabilities which the Issuer may issue or incur and which rank senior to, or *pari passu* with, the Subordinated Perpetual Securities. The issue of any such securities or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by holders of Subordinated Perpetual Securities on a winding-up of the Issuer and/or may increase the likelihood of a non-payment of distribution under the Subordinated Perpetual Securities.

Tax treatment of the Perpetual Securities is unclear

It is not clear whether any particular tranche of the Perpetual Securities (the “**Relevant Tranche of the Perpetual Securities**”) will be regarded as debt securities by the IRAS for the purposes of the ITA, whether distribution payments made under each tranche of the Perpetual Securities (including any Arrears of Distribution and Additional Distribution Amounts) will be regarded as interest payable on indebtedness and whether the tax concessions and exemptions available for qualifying debt securities under the qualifying debt securities scheme (as set out in the section “Taxation – Singapore Taxation”) would apply to the Relevant Tranche of the Perpetual Securities.

If the Relevant Tranche of the Perpetual Securities is not regarded as debt securities for the purposes of the ITA, distribution payments made under each tranche of the Perpetual Securities (including any Arrears of Distribution and Additional Distribution Amounts) are not regarded as interest payable on indebtedness or holders thereof are not eligible for the tax concessions or exemptions under the qualifying debt securities scheme, the tax treatment to holders may differ. Investors and holders of the Relevant Tranche of the Perpetual Securities should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of the Relevant Tranche of the Perpetual Securities.

A change in the law governing the subordination provisions of the Perpetual Securities may adversely affect Securityholders

The provisions of the Conditions of the Perpetual Securities that relate to subordination are governed by Singapore law. No assurance can be given as to the impact of any possible judicial decision or change to such law or administrative practice after the date of issue of the relevant Perpetual Securities.

A change in the accounting treatment of the Perpetual Securities may entitle the Issuer to redeem such Securities

Any changes or amendments to the International Financial Reporting Standards, issued by the International Accounting Standards Board (as amended from time to time, the “**IFRS**”) or any other accounting standards that may replace IFRS for the purposes of the consolidated financial statements of the Issuer which results in the Perpetual Securities not being regarded as “equity” of the Issuer will allow the Issuer to redeem such Perpetual Securities if so provided in the relevant Pricing Supplement.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, will be endorsed on the Notes in definitive form issued in exchange for the Global Security(ies) or the Global Certificate(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Notes. Unless otherwise stated, all capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. Those definitions will be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme, details of the relevant Series being shown on the face of the relevant Notes and in the relevant Pricing Supplement.

The Notes are constituted by a trust deed dated 3 March 2017 made between (1) Hotel Properties Limited, as issuer (the “**Issuer**”) and (2) The Bank of New York Mellon, Singapore Branch (the “**Trustee**”, which expression shall wherever the context so admits include such company and all other persons for the time being the trustee or trustees of the Trust Deed), as trustee for the Noteholders (as defined below) (as amended, restated and supplemented from time to time, the “**Trust Deed**”), and (where applicable) the Notes are issued with the benefit of a deed of covenant dated 3 March 2017 (as amended and supplemented from time to time, the “**Deed of Covenant**”) executed by the Issuer relating to Notes cleared or to be cleared through the CDP System (as defined in the Trust Deed) (“**CDP Notes**”). These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates, Coupons and Talons referred to below. The Issuer has entered into an agency agreement dated 3 March 2017 made between (1) the Issuer, as issuer, (2) The Bank of New York Mellon, Singapore Branch, as issuing and paying agent (in such capacity, the “**Issuing and Paying Agent**”), transfer agent in respect of CDP Notes (in such capacity, the “**CDP Transfer Agent**”) and registrar in respect of CDP Notes (in such capacity, the “**CDP Registrar**”), (3) The Bank of New York Mellon, London Branch, as paying agent in respect of Notes cleared or to be cleared through Euroclear (as defined below) and/or Clearstream, Luxembourg (as defined below) (“**Non-CDP Notes**”) (in such capacity, the “**Non-CDP Paying Agent**” and, together with the Issuing and Paying Agent and any other paying agents that may be appointed, the “**Paying Agents**”) and as calculation agent (in such capacity, the “**Calculation Agent**”), (4) The Bank of New York Mellon (Luxembourg) S.A., as transfer agent in respect of Non-CDP Notes (in such capacity, the “**Non-CDP Transfer Agent**”) and, together with the CDP Transfer Agent and any other transfer agents that may be appointed, the “**Transfer Agents**”) and registrar in respect of Non-CDP Notes (in such capacity, the “**Non-CDP Registrar**”, and together with the CDP Registrar, the “**Registrars**”), and (5) the Trustee, as trustee for the Noteholders (as amended, restated and supplemented from time to time, the “**Agency Agreement**”). The Noteholders and the holders (the “**Couponholders**”) of the coupons (the “**Coupons**”) appertaining to the interest-bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “**Talons**”) are bound by and are deemed to have notice of all of the provisions of the Trust Deed, the Agency Agreement and the Deed of Covenant.

For the purposes of these Conditions, all references to (a) the Issuing and Paying Agent shall, in the case of a Series (as defined below) of Non-CDP Notes, be deemed to be a reference to the Non-CDP Paying Agent, (b) the Registrar shall, in the case of a Series of CDP Notes, be deemed to be a reference to the CDP Registrar and, in the case of a Series of Non-CDP Notes, be deemed to be a reference to the Non-CDP Registrar and (c) the Transfer Agent shall, in the case of a Series of CDP Notes, be deemed to be a reference to the CDP Transfer Agent and, in the case of a Series of Non-CDP Notes, be deemed to be a reference to the Non-CDP Transfer Agent, and (unless the context otherwise requires) all such references shall be construed accordingly.

Copies of the Trust Deed, the Agency Agreement and the Deed of Covenant are available for inspection at the principal office of the Trustee for the time being and at the respective offices of the Paying Agents for the time being.

1. Form, Denomination and Title

(a) Form and Denomination

- (i) The Notes of the Series of which this Note forms part (in these Conditions, the “**Notes**”) are issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”), in each case in the Denomination Amount shown hereon.
- (ii) This Note is a Fixed Rate Note, a Floating Rate Note, a Variable Rate Note, a Hybrid Note or a Zero Coupon Note (depending upon the Interest Basis shown on its face).
- (iii) Bearer Notes are serially numbered and issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Notes that do not bear interest in which case references to interest (other than in relation to default interest referred to in Condition 7(h)) in these Conditions are not applicable.
- (iv) Registered Notes are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

(b) Title

- (i) Title to the Bearer Notes and the Coupons and Talons appertaining thereto shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”).
- (ii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note, Coupon or Talon shall be deemed to be and may be treated as the absolute owner of such Note, Coupon or Talon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Note, Coupon or Talon shall be overdue and notwithstanding any notice of ownership, theft or loss thereof or any writing thereon made by anyone, and no person shall be liable for so treating the holder.
- (iii) For so long as any of the Notes is represented by a Global Security (as defined below) or, as the case may be, a Global Certificate (as defined below) and such Global Security or Global Certificate is held by a common depository for Euroclear Bank S.A./N.V. (“**Euroclear**”) and Clearstream Banking, S.A. (“**Clearstream, Luxembourg**”), The Central Depository (Pte) Limited (the “**Depository**”) and/or any other clearing system, each person who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg, the Depository and/or such other clearing system as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by Euroclear, Clearstream, Luxembourg, the Depository and/or such other clearing system as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Paying Agents, the Transfer Agents, the Registrars, the Calculation Agent and all other agents of the Issuer and the Trustee as the holder of such principal amount of Notes other than with respect to the payment of principal, premium, interest, distribution, redemption, purchase and any other amounts in respect of the Notes, for which purpose the bearer of the Global Security or, as the case may be, the person whose name is shown on the Register shall be treated by the Issuer, the Paying Agents, the Transfer Agents, the Registrars, the Calculation Agent, all other agents of the Issuer and the Trustee as the holder of such Notes in accordance with and subject to the terms of the Global Security or, as the case may be, the Global Certificate (and the expressions “**Noteholder**” and “**holder of Notes**” and related expressions shall be construed accordingly). Notes which are represented by

the Global Security or, as the case may be, the Global Certificate will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg, the Depository and/or such other clearing system. For so long as any of the Notes is represented by a Global Security or a Global Certificate (each as defined below) and such Global Security or, as the case may be, Global Certificate is held by the Depository, the record date for purposes of determining entitlements to any payment of principal, interest and any other amounts in respect of the Note shall, unless otherwise specified by the Issuer, be the date falling five (5) business days prior to the relevant payment date (or such other date as may be prescribed by the Depository).

- (iv) In these Conditions, “**Global Security**” means the relevant Temporary Global Security representing each Series or the relevant Permanent Global Security representing each Series, “**Global Certificate**” means the relevant Global Certificate representing such Series that is registered in the name of, or in the name of a nominee of, (1) a common depository for Euroclear and/or Clearstream, Luxembourg, (2) the Depository and/or (3) any other clearing system, “**Noteholder**” means the bearer of any Bearer Note or the person in whose name a Registered Note is registered (as the case may be) and “**holder**” (in relation to a Note, Coupon or Talon) means the bearer of any Bearer Note, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be), “**Series**” means (A) (in relation to Notes other than Variable Rate Notes) a Tranche, together with any further Tranche or Tranches, which are (aa) expressed to be consolidated and forming a single series and (bb) identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of interest and (B) (in relation to Variable Rate Notes) Notes which are identical in all respects (including as to listing) except for their respective issue prices and rates of interest and “**Tranche**” means Notes which are identical in all respects (including as to listing).
- (v) Words and expressions defined in the Trust Deed or used in the applicable Pricing Supplement (as defined in the Trust Deed) shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

2. **No Exchange of Notes and Transfers of Registered Notes**

- (a) **No Exchange of Notes:** Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Denomination Amount may not be exchanged for Bearer Notes of another Denomination Amount. Bearer Notes may not be exchanged for Registered Notes.
- (b) **Transfer of Registered Notes:** Subject to Conditions 2(e) and 2(f) below, one or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any other Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer) duly completed and executed and any other evidence as the Registrar or such other Transfer Agent may require to prove the title of the transferor and the authority of the individuals that have executed the form of transfer. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Registered Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Registered Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee, and by the Registrar, with the prior written approval of the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

- (c) **Exercise of Options or Partial Redemption in Respect of Registered Notes:** In the case of an exercise of the Issuer's or Noteholders' option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any other Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.
- (d) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Condition 2(b) or 2(c) shall be available for delivery within five business days of receipt of the form of transfer or Exercise Notice (as defined in Condition 6(e)(i)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Registrar or such other Transfer Agent (as the case may be) to whom delivery or surrender of such form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the Registrar or the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "**business day**" means a day (other than a Saturday or Sunday) on which banks are open for business in the place of the specified office of the Registrar or the relevant Transfer Agent (as the case may be).
- (e) **Transfers Free of Charge:** Transfers of Notes and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity and/or security and/or prefunding as the Registrar or the relevant Transfer Agent may require) in respect of tax or charges.
- (f) **Closed Periods:** No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(d), (ii) after any such Note has been called for redemption or (iii) during the period of seven days ending on (and including) any Record Date (as defined in Condition 7(b)(ii)).

3. Status

The Notes and Coupons of all Series constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Issuer.

4. Covenants

- (a) **Negative Pledge:** The Issuer has covenanted with the Trustee in the Trust Deed that so long as any of the Notes remains outstanding (as defined in the Trust Deed), it will not, and will ensure that none of its Principal Subsidiaries will, create or have outstanding any security on or over their respective present or future assets, save for:
- (i) liens or rights of set off arising solely by operation of law (or by an agreement evidencing the same) or in the ordinary course of its business, in either case, in respect of indebtedness which either (1) has been due for less than 14 days or (2) is being contested in good faith and by appropriate means;

- (ii) any security existing as at the date of the Trust Deed and disclosed in writing to the Trustee on or prior to the date of the Trust Deed;
 - (iii) any security over the assets of a Principal Subsidiary subsisting as at the date on which it became a Principal Subsidiary;
 - (iv) any security over any of its assets acquired or developed by it ((in the case of a development of such asset) whether such assets are acquired before or after the date of the Trust Deed) after the date of the Trust Deed for the sole purpose of financing or refinancing the acquisition or development of such assets (whether such financing or refinancing (which shall include any financing or refinancing by way of intercompany loans) is raised or the development is undertaken, by itself, any related corporation, joint venture partner or any joint venture company in which it has an interest) and securing a principal amount not exceeding the cost of that acquisition or development;
 - (v) any security created prior to and subsisting at the time of the acquisition or development of any asset by it after the date of the Trust Deed;
 - (vi) any security required to be given pursuant to the terms of any credit facility to secure any existing security referred to in paragraphs (ii), (iii), (iv) and (v) above and any asset acquired by it after the date of the Trust Deed in order to comply with any security margin set out in such credit facility;
 - (vii) security arising out of title retention provisions in a supplier's or financier's normal conditions of supply, hire purchase or leasing arrangement in respect of goods acquired by the Issuer or relevant Principal Subsidiary in the ordinary course of its business;
 - (viii) any security to be created over any asset referred to in paragraphs (ii), (iii), (iv) and (v) in connection with the extension, refinancing or increase in the facility limit of the credit facilities secured by such asset provided that the amount secured by such security shall not exceed 65 per cent. of the then current market value of such security (as determined on the basis of a valuation report prepared by an independent valuer);
 - (ix) any security created over the Excluded Properties provided that the amount secured by such security shall not exceed 65 per cent. of the then current market value of such security (as determined on the basis of a valuation report prepared by an independent valuer); and
 - (x) any other security as shall be approved by the Noteholders by way of an Extraordinary Resolution (as defined in the Trust Deed).
- (b) **Financial Covenants:** The Issuer has covenanted with the Trustee in the Trust Deed that so long as any of the Notes remains outstanding, it will ensure that:
- (i) the Consolidated Tangible Net Worth will not at any time be less than S\$750,000,000; and
 - (ii) the ratio of Consolidated Total Debt to Consolidated Tangible Net Worth shall not at any time be more than 1.5:1 .
- (c) **Non-disposal:** The Issuer has covenanted with the Trustee in the Trust Deed that so long as any of the Notes remains outstanding, it will not, and will ensure that none of its Principal Subsidiaries will, (whether by a single transaction or a number of related transactions) sell, transfer, lease out, lend or otherwise dispose of (whether outright, by a sale-and-repurchase or sale-and-leaseback arrangement, or otherwise) any substantial part of its assets or undertake any other disposal of assets which could have a material adverse effect on the Group, taken as a whole. The following disposals shall not be taken into account under this Condition 4(c):

- (i) disposals at arm's length on reasonable commercial terms or disposals in the ordinary course of business, trade or operations provided that each such disposal is not likely to materially and adversely affect the Issuer's ability to perform its obligations under the Trust Deed or the Securities;
- (ii) disposal on reasonable commercial terms of obsolete assets or assets no longer required for the purpose of the relevant person's business;
- (iii) the payment of cash (being the asset) as consideration for the acquisition of any asset on normal commercial terms;
- (iv) disposals pursuant to any solvent reorganisation or solvent restructuring exercise provided that the assets either remain within the Group or are disposed to any entity which is controlled by any member of the Group; and
- (v) any disposal which the Noteholders by way of an Extraordinary Resolution shall have agreed shall not be taken into account;

and, for the purpose of this Condition 4(c), the words "substantial part of its assets" shall mean that the value of each of such assets constitutes more than 20 per cent. of the total assets of the Group, determined on the basis of the latest available audited consolidated accounts of the Group.

For the purposes of these Conditions:

"Consolidated Tangible Net Worth" means the amount (expressed in Singapore dollars) for the time being, calculated in accordance with generally accepted accounting principles in Singapore, equal to the aggregate of: (1) the total equity of the Issuer and (2) all loans made to the Issuer by its shareholders on a subordinated basis, all as shown in the then latest audited or unaudited consolidated balance sheet of the Group less (but without double counting) any amount included in the total equity of the Issuer which is attributable to:

- (aa) goodwill and other intangible assets;
- (bb) (to the extent not already provided for) any sums set aside for future taxation; and
- (cc) any dividend or other distribution declared or made by the Issuer;

"Consolidated Total Debt" means in relation to the Group, an amount (expressed in Singapore dollars) for the time being, calculated on a consolidated basis, in accordance with generally accepted accounting principles in Singapore, equal to the aggregate of:

- (1) bank overdrafts and all other indebtedness in respect of any borrowings maturing within 12 months;
- (2) the principal amount of the Notes or any bonds or debentures of any member of the Group whether issued for cash or a consideration other than cash;
- (3) the liabilities of the Issuer under the Trust Deed or the Notes;
- (4) all other indebtedness whatsoever of the Group for borrowed moneys and which is regarded by generally accepted accounting principles in Singapore as debt or other liability of the Group and which is not included as part of total equity; and
- (5) any redeemable preference shares issued by any member of the Group and which is regarded by generally accepted accounting principles in Singapore as debt or other liability of the Group and which is not included as part of total equity;

“Excluded Properties” means the following properties:

- (1) Hard Rock Hotel Pattaya located at 429 Moo 9, Pattaya Beach Road, Chonburi 20150, Thailand;
- (2) The Metropolitan Bangkok located at 27 South Sathorn Rd, Khwaeng Thung Maha Mek, Khet Sathon, Krung Thep Maha Nakhon 10120, Thailand;
- (3) The Boathouse, Phuket located at 182 Koktanode Road, Kata Beach, Phuket 83100, Thailand;
- (4) a plot of land at Rawai Sub-district, Phuket, Thailand located at Laem Ka Beach, Viset Road (4024) Rawai Subdistrict, Muang Phuket District, Phuket Province, Thailand;
- (5) Maamunagau Island located at Raa Atoll, Republic of Maldives; and
- (6) Foththeyobodufushi Island located at Vaavu Atoll, Republic of Maldives;

“Group” means the Issuer and its subsidiaries and “member of the Group” shall be construed accordingly;

“Principal Subsidiaries” means any Relevant Subsidiary of the Issuer:

- (1) whose profits before tax, as shown by the accounts of such Relevant Subsidiary (consolidated in the case of a company which itself has subsidiaries, joint ventures and/or associated companies), based upon which the latest audited consolidated accounts of the Group have been prepared, are at least 10 per cent. of the profits before tax of the Group as shown by such audited consolidated accounts; or
- (2) whose total assets, as shown by the accounts of such Relevant Subsidiary (consolidated in the case of a company which itself has subsidiaries, joint ventures and/or associated companies), based upon which the latest audited consolidated accounts of the Group have been prepared, are at least 10 per cent. of the total assets of the Group as shown by such audited consolidated accounts,

provided that if any such Relevant Subsidiary (the **“transferor”**) shall at any time transfer the whole or a substantial part of its business, undertaking or assets to another Relevant Subsidiary or the Issuer (the **“transferee”**) then:

- (aa) if the whole of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall thereupon cease to be a Principal Subsidiary and the transferee (unless it is the Issuer) shall thereupon become a Principal Subsidiary; and
- (bb) if part only of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall remain a Principal Subsidiary and the transferee (unless it is the Issuer) shall thereupon become a Principal Subsidiary.

Any Relevant Subsidiary which becomes a Principal Subsidiary by virtue of (aa) above or which remains or becomes a Principal Subsidiary by virtue of (bb) above shall continue to be a Principal Subsidiary until the date of issue of the first audited consolidated accounts of the Group prepared as at a date later than the date of the relevant transfer which show the profits before tax or (as the case may be) total assets as shown by the accounts of such Relevant Subsidiary (consolidated in the case of a company which itself has subsidiaries, joint ventures and/or associated companies), based upon which such audited consolidated accounts have been prepared, to be less than 10 per cent. of the consolidated profits before tax or (as the case may be) total assets of the Group, as shown by such audited consolidated accounts. A report by the Auditors (as defined in the Trust Deed), who shall also be responsible for producing any pro-forma accounts required for the above purposes, that in their opinion a Relevant Subsidiary is or is not a Principal Subsidiary shall, in the absence of manifest error, be conclusive;

“Relevant Subsidiary” means a subsidiary of the Issuer other than any subsidiary which is a joint venture between (1) any member of the Group and (2) another entity which is not a member of the Group and such subsidiary is treated as a jointly-controlled entity as shown in the latest audited consolidated accounts of the Group; and

“subsidiary” means any company which is for the time being a subsidiary (within the meaning of Section 5 of the Companies Act, Chapter 50 of Singapore) of the Issuer.

5. (I) Interest on Fixed Rate Notes

(a) Interest Rate and Accrual

Each Fixed Rate Note bears interest on its Calculation Amount (as defined in Condition 5(II) (d)) from the Interest Commencement Date in respect thereof and as shown on the face of such Note at the rate per annum (expressed as a percentage) equal to the Interest Rate shown on the face of such Note payable in arrear on each Interest Payment Date or Interest Payment Dates shown on the face of such Note in each year and on the Maturity Date shown on the face of such Note if that date does not fall on an Interest Payment Date.

The first payment of interest will be made on the Interest Payment Date next following the Interest Commencement Date (and if the Interest Commencement Date is not an Interest Payment Date, will amount to the Initial Broken Amount shown on the face of such Note), unless the Maturity Date falls before the date on which the first payment of interest would otherwise be due. If the Maturity Date is not an Interest Payment Date, interest from the preceding Interest Payment Date (or from the Interest Commencement Date, as the case may be) to the Maturity Date will amount to the Final Broken Amount shown on the face of the Note.

Interest will cease to accrue on each Fixed Rate Note from the due date for redemption thereof unless, upon due presentation of that Fixed Rate Note if it is a Bearer Note or, in the case of a Registered Note, the Certificate representing that Fixed Rate Note and subject to the provisions of the Trust Deed, payment of the Redemption Amount shown on the face of the Note is improperly withheld or refused, in which event interest at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(I) to the Relevant Date (as defined in Condition 8).

(b) Calculations

In the case of a Fixed Rate Note, interest in respect of a period of less than one year will be calculated on the Day Count Fraction shown on the face of the Note. The amount of interest payable per Calculation Amount for any Fixed Rate Interest Period in respect of any Fixed Rate Note shall be calculated by multiplying the product of the Interest Rate and the Calculation Amount, by the Day Count Fraction shown on the Note and rounding the resultant figure to the nearest sub-unit of the Relevant Currency.

For the purposes of these Conditions, **“Fixed Rate Interest Period”** means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

(II) Interest on Floating Rate Notes or Variable Rate Notes

(a) Interest Payment Dates

Each Floating Rate Note or Variable Rate Note bears interest on its Calculation Amount from the Interest Commencement Date in respect thereof and as shown on the face of such Note, and such interest will be payable in arrear on each interest payment date (**“Interest Payment Date”**). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Date(s) or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which (save as mentioned in these Conditions)

falls the number of months specified as the Interest Period (as defined below) on the face of the Note (the “**Specified Number of Months**”) after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date (and which corresponds numerically with such preceding Interest Payment Date or the Interest Commencement Date, as the case may be), provided that the Agreed Yield (as defined in Condition 5(II)(c)) in respect of any Variable Rate Note for any Interest Period relating to that Variable Rate Note shall be payable on the first day of that Interest Period. If any Interest Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day, then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

The period beginning on the Interest Commencement Date and ending on the first Interest Payment Date and each successive period beginning on an Interest Payment Date and ending on the next succeeding Interest Payment Date is herein called an “**Interest Period**”.

Interest will cease to accrue on each Floating Rate Note or Variable Rate Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of the Redemption Amount is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(II) to the Relevant Date.

(b) Rate of Interest - Floating Rate Notes

- (i) Each Floating Rate Note bears interest at a floating rate determined by reference to a Benchmark as stated on the face of such Floating Rate Note, being (in the case of Notes which are denominated in Singapore dollars) SIBOR (in which case such Note will be a SIBOR Note) or Swap Rate (in which case such Note will be a Swap Rate Note) or in any case (or in the case of Notes which are denominated in a currency other than Singapore dollars) such other Benchmark as is set out on the face of such Note.

Such floating rate may be adjusted by adding or subtracting the Spread (if any) stated on the face of such Note. The “Spread” is the percentage rate per annum specified on the face of such Note as being applicable to the rate of interest for such Note. The rate of interest so calculated shall be subject to Condition 5(V)(a) below.

The rate of interest payable in respect of a Floating Rate Note from time to time is referred to in these Conditions as the “**Rate of Interest**”.

- (ii) The Rate of Interest payable from time to time in respect of each Floating Rate Note will be determined by the Calculation Agent on the basis of the following provisions:
 - (1) in the case of Floating Rate Notes which are SIBOR Notes:
 - (A) the Calculation Agent for the relevant Series of Floating Rate Notes will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period which shall be the offered rate for deposits in Singapore dollars for a period equal to the duration of such Interest Period which

appears on the Bloomberg Screen Swap Offer and SIBOR (ABSIRFIX) Page under the column headed "SGD SIBOR" (or such other replacement page thereof for the purpose of displaying SIBOR or such other Screen Page (as defined below) as may be provided hereon) and as adjusted by the Spread (if any);

- (B) if on any Interest Determination Date, no such rate appears on the Bloomberg Screen Swap Offer and SIBOR (ABSIRFIX) Page (or such other replacement page as aforesaid) or if the Bloomberg Screen Swap Offer and SIBOR (ABSIRFIX) Page (or such other replacement page as aforesaid) is unavailable for any reason, the Calculation Agent will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period which shall be the offered rate for deposits in Singapore dollars for a period equal to the duration of such Interest Period which appears on the Reuters Screen ABSIRFIX01 Page under the caption "ABS SIBOR FIX - SIBOR AND SWAP OFFER RATES - RATES AT 11:00 HRS SINGAPORE TIME" and under the column headed "SGD SIBOR" (or such other replacement page thereof for the purpose of displaying SIBOR or such other Screen Page as may be provided hereon) and as adjusted by the Spread (if any);
- (C) (in the event that the Calculation Agent has notified the Issuer that it is able to do so) if on any Interest Determination Date, no such rate appears on the Reuters Screen ABSIRFIX01 Page under the column headed "SGD SIBOR" (or such other replacement page thereof or if no rate appears on such other Screen Page as may be provided hereon) or if the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or such other Screen Page as may be provided hereon) is unavailable for any reason, the Calculation Agent will request the principal Singapore offices of each of the Reference Banks to provide the Calculation Agent with the rate at which deposits in Singapore dollars are offered by it at approximately the Relevant Time on the Interest Determination Date to prime banks in the Singapore interbank market for a period equivalent to the duration of such Interest Period commencing on such Interest Payment Date in an amount comparable to the aggregate principal amount of the relevant Floating Rate Notes. The Rate of Interest for such Interest Period shall be the arithmetic mean (rounded up, if necessary, to the next 1/16 per cent.) of such offered quotations and as adjusted by the Spread (if any), as determined by the Calculation Agent;
- (D) (in the event that the Calculation Agent has notified the Issuer that it is able to do so) if on any Interest Determination Date, two but not all the Reference Banks provide the Calculation Agent with such quotations, the Rate of Interest for the relevant Interest Period shall be determined in accordance with (C) above on the basis of the quotations of those Reference Banks providing such quotations;
- (E) (in the event that the Calculation Agent has notified the Issuer that it is able to do so) if on any Interest Determination Date, one only or none of the Reference Banks provides the Calculation Agent with such quotation, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines to be the arithmetic mean (rounded up, if necessary, to the next 1/16 per cent.) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Interest Determination Date and as adjusted by the Spread (if any); and

- (F) if the Calculation Agent is unable to determine the Rate of Interest for an Interest Period in accordance with paragraphs (b)(ii)(1)(A) to (b)(ii)(1)(E) above, the Rate of Interest for such Interest Period shall be the Rate of Interest in effect for the last preceding Interest Period to which paragraph (b)(ii)(1)(A), (b)(ii)(1)(B), (b)(ii)(1)(C), (b)(ii)(1)(D) or (b)(ii)(1)(E) above shall have applied;
- (2) in the case of Floating Rate Notes which are Swap Rate Notes:
- (A) the Calculation Agent for the relevant Series of Floating Rate Notes will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period as being the rate which appears on the Bloomberg Screen Swap Offer and SIBOR (ABSIRFIX) Page under the column headed "SGD Swap Offer" (or such replacement page thereof for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Interest Determination Date and for a period equal to the duration of such Interest Period and as adjusted by the Spread (if any);
- (B) if on any Interest Determination Date no such rate is quoted on the Bloomberg Screen Swap Offer and SIBOR (ABSIRFIX) Page (or such other replacement page as aforesaid) or the Bloomberg Screen Swap Offer and SIBOR (ABSIRFIX) Page (or such other replacement page as aforesaid) is unavailable for any reason, the Calculation Agent will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period as being the rate which appears on the Reuters Screen ABSFZX1 Page under the caption "SGD SOR rates as of 11:00 hrs London Time" and under the column headed "SGD SOR" (or such replacement page thereof for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Interest Determination Date and for a period equal to the duration of such Interest Period and as adjusted by the Spread (if any);
- (C) if on any Interest Determination Date, no such rate is quoted on Reuters Screen ABSFZX1 Page (or such other replacement page as aforesaid) or Reuters Screen ABSFZX1 Page (or such other replacement page as aforesaid) is unavailable for any reason, the Calculation Agent will determine the Rate of Interest for such Interest Period as being the rate (or, if there is more than one rate which is published, the arithmetic mean of those rates (rounded up, if necessary, to the next 1/16 per cent.)) for a period equal to the duration of such Interest Period published by a recognised industry body where such rate is widely used (after taking into account the industry practice at that time), or by such other relevant authority as the Calculation Agent may select;
- (D) (in the event that the Calculation Agent has notified the Issuer that it is able to do so) if on any Interest Determination Date, the Calculation Agent is otherwise unable to determine the Rate of Interest under paragraphs (b)(ii)(2)(A), (b)(ii)(2)(B) and (b)(ii)(2)(C) above, the Rate of Interest shall be determined by the Calculation Agent to be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the next 1/16 per cent.) of the rates quoted by the Singapore offices of the Reference Banks or those of them (being at least two in number) to the Calculation Agent at or about 11.00 a.m. (Singapore time) on the first business day following such Interest Determination Date as being their cost (including the cost occasioned by or attributable to complying with

reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Interest Period, an amount equal to the aggregate principal amount of the relevant Floating Rate Notes for such Interest Period by whatever means they determine to be most appropriate and as adjusted by the Spread (if any), or if on such day one only or none of the Singapore offices of the Reference Banks provides the Calculation Agent with such quotation, the Rate of Interest for the relevant Interest Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the next 1/16 per cent.) of the prime lending rates for Singapore dollars quoted by the Singapore offices of the Reference Banks at or about 11.00 a.m. (Singapore time) on such Interest Determination Date and as adjusted by the Spread (if any); and

- (E) if the Calculation Agent is unable to determine the Rate of Interest for an Interest Period in accordance with paragraphs (b)(ii)(2)(A) to (b)(ii)(1)(B) above, the Rate of Interest for such Interest Period shall be the Rate of Interest in effect for the last preceding Interest Period to which paragraph (b)(ii)(2)(A), (b)(ii)(2)(B), (b)(ii)(2)(C) or (b)(ii)(2)(D) above shall have applied; and
- (3) in the case of Floating Rate Notes which are not SIBOR Notes or Swap Rate Notes or which are denominated in a currency other than Singapore dollars, the Calculation Agent will determine the Rate of Interest in respect of any Interest Period at or about the Relevant Time on the Interest Determination Date in respect of such Interest Period as follows:
- (A) if the Primary Source (as defined below) for the Floating Rate Notes is a Screen Page (as defined below), subject as provided below, the Rate of Interest in respect of such Interest Period shall be:
 - (aa) the Relevant Rate (as defined below) (where such Relevant Rate on such Screen Page is a composite quotation or is customarily supplied by one entity); or
 - (bb) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Screen Page, in each case appearing on such Screen Page at the Relevant Time on the Interest Determination Date,and as adjusted by the Spread (if any);
 - (B) (in the event that the Calculation Agent has notified the Issuer that it is able to do so) if the Primary Source for the Floating Rate Notes is Reference Banks or if paragraph (b)(ii)(3)(A)(aa) applies and no Relevant Rate appears on the Screen Page at the Relevant Time on the Interest Determination Date or if paragraph (b)(ii)(3)(A)(bb) applies and fewer than two Relevant Rates appear on the Screen Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the rate per annum which the Calculation Agent determines to be the arithmetic mean (rounded up, if necessary, to the next 1/16 per cent.) of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre (as defined below) at the Relevant Time on the Interest Determination Date and as adjusted by the Spread (if any);

- (C) (in the event that the Calculation Agent has notified the Issuer that it is able to do so) if paragraph (b)(ii)(3)(B) applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date ; and
 - (D) if the Calculation Agent is unable to determine the Rate of Interest for an Interest Period in accordance with paragraphs (b)(ii)(3)(A) to (b)(ii)(3)(C) above, the Rate of Interest for such Interest Period shall be the Rate of Interest in effect for the last preceding Interest Period to which paragraph (b)(ii)(3)(A), (b)(ii)(3)(B) or (b)(ii)(3)(C) above shall have applied.
- (iii) On the last day of each Interest Period, the Issuer will pay interest on each Floating Rate Note to which such Interest Period relates at the Rate of Interest for such Interest Period.
 - (iv) For the avoidance of doubt, in the event that the Rate of Interest in relation to any Interest Period is less than zero, the Rate of Interest in relation to such Interest Period shall be equal to zero.

(c) Rate of Interest - Variable Rate Notes

- (i) Each Variable Rate Note bears interest at a variable rate determined in accordance with the provisions of this paragraph (c). The interest payable in respect of a Variable Rate Note on the first day of an Interest Period relating to that Variable Rate Note is referred to in these Conditions as the “**Agreed Yield**” and the rate of interest payable in respect of a Variable Rate Note on the last day of an Interest Period relating to that Variable Rate Note is referred to in these Conditions as the “**Rate of Interest**”.
- (ii) The Agreed Yield or, as the case may be, the Rate of Interest payable from time to time in respect of each Variable Rate Note for each Interest Period shall, subject as referred to in paragraph (c)(iv) below, be determined as follows:
 - (1) not earlier than 9.00 a.m. (Singapore time) on the ninth business day nor later than 3.00 p.m. (Singapore time) on the third business day prior to the commencement of each Interest Period, the Issuer and the Relevant Dealer (as defined below) shall endeavour to agree on the following:
 - (A) whether interest in respect of such Variable Rate Note is to be paid on the first day or the last day of such Interest Period;
 - (B) if interest in respect of such Variable Rate Note is agreed between the Issuer and the Relevant Dealer to be paid on the first day of such Interest Period, an Agreed Yield in respect of such Variable Rate Note for such Interest Period (and, in the event of the Issuer and the Relevant Dealer so agreeing on such Agreed Yield, the Interest Amount (as defined below) for such Variable Rate Note for such Interest Period shall be zero); and
 - (C) if interest in respect of such Variable Rate Note is agreed between the Issuer and the Relevant Dealer to be paid on the last day of such Interest Period, a Rate of Interest in respect of such Variable Rate Note for such Interest Period (an “**Agreed Rate**”) and, in the event of the Issuer and the Relevant Dealer so agreeing on an Agreed Rate, such Agreed Rate shall be the Rate of Interest for such Variable Rate Note for such Interest Period; and

- (2) if the Issuer and the Relevant Dealer shall not have agreed either an Agreed Yield or an Agreed Rate in respect of such Variable Rate Note for such Interest Period by 3.00 p.m. (Singapore time) on the third business day prior to the commencement of such Interest Period, or if there shall be no Relevant Dealer during the period for agreement referred to in (1) above, the Rate of Interest for such Variable Rate Note for such Interest Period shall automatically be the rate per annum equal to the Fall Back Rate (as defined below) for such Interest Period.
- (iii) The Issuer has undertaken to the Issuing and Paying Agent and the Calculation Agent that it will as soon as possible after the Agreed Yield or, as the case may be, the Agreed Rate in respect of any Variable Rate Note is determined but not later than 10.30 a.m. (Singapore time) on the next following business day:
- (1) notify the Issuer, the Issuing and Paying Agent and the Calculation Agent of the Agreed Yield or, as the case may be, the Agreed Rate for such Variable Rate Note for such Interest Period; and
- (2) cause such Agreed Yield or, as the case may be, Agreed Rate for such Variable Rate Note to be notified by the Issuing and Paying Agent to the relevant Noteholder at its request.
- (iv) For the purposes of sub-paragraph (ii) above, the Rate of Interest for each Interest Period for which there is neither an Agreed Yield nor Agreed Rate in respect of any Variable Rate Note or no Relevant Dealer in respect of the Variable Rate Note(s) shall be the rate (the “**Fall Back Rate**”) determined by reference to a Benchmark as stated on the face of such Variable Rate Note(s), being (in the case of Variable Rate Notes which are denominated in Singapore dollars) SIBOR (in which case such Variable Rate Note(s) will be SIBOR Note(s)) or Swap Rate (in which case such Variable Rate Note(s) will be Swap Rate Note(s)) or (in any other case or in the case of Variable Rate Notes which are denominated in a currency other than Singapore dollars) such other Benchmark as is set out on the face of such Variable Rate Note(s).

Such rate may be adjusted by adding or subtracting the Spread (if any) stated on the face of such Variable Rate Note. The “Spread” is the percentage rate per annum specified on the face of such Variable Rate Note as being applicable to the rate of interest for such Variable Rate Note. The rate of interest so calculated shall be subject to Condition 5(V)(a) below.

The Fall Back Rate payable from time to time in respect of each Variable Rate Note will be determined by the Calculation Agent in accordance with the provisions of Condition 5(II)(b)(ii) above (*mutatis mutandis*) and references therein to “**Rate of Interest**” shall mean “**Fall Back Rate**”.

- (v) If interest is payable in respect of a Variable Rate Note on the first day of an Interest Period relating to such Variable Rate Note, the Issuer will pay the Agreed Yield applicable to such Variable Rate Note for such Interest Period on the first day of such Interest Period. If interest is payable in respect of a Variable Rate Note on the last day of an Interest Period relating to such Variable Rate Note, the Issuer will pay the Interest Amount for such Variable Rate Note for such Interest Period on the last day of such Interest Period.
- (vi) For the avoidance of doubt, in the event that the Rate of Interest in relation to any Interest Period is less than zero, the Rate of Interest in relation to such Interest Period shall be equal to zero.

(d) **Definitions**

As used in these Conditions:

“**Benchmark**” means the rate specified as such in the applicable Pricing Supplement;

“**business day**” means, in respect of each Note, (i) a day (other than a Saturday or Sunday) on which Euroclear, Clearstream, Luxembourg and the Depository, as applicable, are operating, (ii) a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for general business in the country of the Issuing and Paying Agent’s specified office and (iii) (if a payment is to be made on that day):

- (1) (in the case of Notes denominated in Singapore dollars) a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for general business in Singapore;
- (2) (in the case of Notes denominated in Euros) a day (other than a Saturday or Sunday) on which the TARGET System is open for settlement in Euros; and
- (3) (in the case of Notes denominated in a currency other than Singapore dollars and Euros) a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for general business in Singapore and the principal financial centre for that currency;

“**Calculation Amount**” means the amount specified as such on the face of any Note, or if no such amount is so specified, the Denomination Amount of such Note as shown on the face thereof;

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest in accordance with Condition 5:

- (i) if “Actual/Actual” is specified in the applicable Pricing Supplement, the actual number of days in (in the case of Fixed Rate Notes or Hybrid Notes during the Fixed Rate Period) the Fixed Rate Interest Period or (in the case of Floating Rate Notes, Variable Rate Notes or Hybrid Notes during the Floating Rate Period) the Interest Period divided by 365 (or, if any portion of that Fixed Rate Interest Period or, as the case may be, Interest Period falls in a leap year, the sum of (1) the actual number of days in that portion of the Fixed Rate Interest Period or, as the case may be, Interest Period falling in a leap year divided by 366 and (2) the actual number of days in that portion of the Fixed Rate Interest Period or, as the case may be, Interest Period falling in a non-leap year divided by 365);
- (ii) if “Actual/360” is specified in the applicable Pricing Supplement, the actual number of days in (in the case of Fixed Rate Notes or Hybrid Notes during the Fixed Rate Period) the Fixed Rate Interest Period or (in the case of Floating Rate Notes, Variable Rate Notes or Hybrid Notes during the Floating Rate Period) the Interest Period in respect of which payment is being made divided by 360; and
- (iii) if “Actual/365 (Fixed)” is specified in the applicable Pricing Supplement, the actual number of days in (in the case of Fixed Rate Notes or Hybrid Notes during the Fixed Rate Period) the Fixed Rate Interest Period or (in the case of Floating Rate Notes, Variable Rate Notes or Hybrid Notes during the Floating Rate Period) the Interest Period in respect of which payment is being made divided by 365;

“**Euro**” means the currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time;

“**Interest Commencement Date**” means the Issue Date or such other date as may be specified as the Interest Commencement Date on the face of such Note;

“Interest Determination Date” means, in respect of any Interest Period, that number of business days prior thereto as is set out in the applicable Pricing Supplement or on the face of the relevant Note;

“Primary Source” means the Screen Page specified as such in the applicable Pricing Supplement and (in the case of any Screen Page provided by any information service other than the Bloomberg agency or the Reuters Monitor Money Rates Service (“**Reuters**”)) agreed to by the Calculation Agent;

“Reference Banks” means the institutions specified in the applicable Pricing Supplement or, if none, three major banks selected by the Calculation Agent in the interbank market that is most closely connected with the Benchmark;

“Relevant Currency” means the currency in which the Notes are denominated;

“Relevant Dealer” means, in respect of any Variable Rate Note, the Dealer party to the Programme Agreement referred to in the Agency Agreement with whom the Issuer has concluded or is negotiating an agreement for the issue of such Variable Rate Note pursuant to the Programme Agreement;

“Relevant Financial Centre” means, in the case of interest to be determined on an Interest Determination Date with respect to any Floating Rate Note or Variable Rate Note, the financial centre with which the relevant Benchmark is most closely connected or, if none is so connected, Singapore;

“Relevant Rate” means the Benchmark for a Calculation Amount of the Relevant Currency for a period (if applicable or appropriate to the Benchmark) equal to the relevant Interest Period;

“Relevant Time” means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the interbank market in the Relevant Financial Centre;

“Screen Page” means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Bloomberg agency and Reuters) as may be specified hereon for the purpose of providing the Benchmark, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Benchmark; and

“TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET 2) System which was launched on 19 November 2007 or any successor thereto.

(III) Interest on Hybrid Notes

(a) Interest Rate and Accrual

Each Hybrid Note bears interest on its Calculation Amount from the Interest Commencement Date in respect thereof and as shown on the face of such Note.

(b) Fixed Rate Period

- (i) In respect of the Fixed Rate Period shown on the face of such Note, each Hybrid Note bears interest on its Calculation Amount from the first day of the Fixed Rate Period at the rate per annum (expressed as a percentage) equal to the Interest Rate shown on the face of such Note payable in arrear on each Interest Payment Date or Interest Payment Dates shown on the face of the Note in each year and on the last day of the Fixed Rate Period if that date does not fall on an Interest Payment Date.

- (ii) The first payment of interest will be made on the Interest Payment Date next following the first day of the Fixed Rate Period (and if the first day of the Fixed Rate Period is not an Interest Payment Date, will amount to the Initial Broken Amount shown on the face of such Note), unless the last day of the Fixed Rate Period falls before the date on which the first payment of interest would otherwise be due. If the last day of the Fixed Rate Period is not an Interest Payment Date, interest from the preceding Interest Payment Date (or from the first day of the Fixed Rate Period, as the case may be) to the last day of the Fixed Rate Period will amount to the Final Broken Amount shown on the face of the Note.
- (iii) Where the due date of redemption of any Hybrid Note falls within the Fixed Rate Period, interest will cease to accrue on the Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of principal (or Redemption Amount, as the case may be) is improperly withheld or refused, in which event interest at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(III) to the Relevant Date.
- (iv) In the case of a Hybrid Note, interest in respect of a period of less than one year will be calculated on the Day Count Fraction shown on the face of the Note during the Fixed Rate Period.

(c) Floating Rate Period

- (i) In respect of the Floating Rate Period shown on the face of such Note, each Hybrid Note bears interest on its Calculation Amount from the first day of the Floating Rate Period, and such interest will be payable in arrear on each interest payment date (“**Interest Payment Date**”). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Date(s) or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which (save as mentioned in these Conditions) falls within the number of months specified as the Interest Period on the face of the Note (the “**Specified Number of Months**”) after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the first day of the Floating Rate Period (and which corresponds numerically with such preceding Interest Payment Date or the first day of the Floating Rate Period, as the case may be). If any Interest Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day, then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.
- (ii) The period beginning on the first day of the Floating Rate Period and ending on the first Interest Payment Date and each successive period beginning on an Interest Payment Date and ending on the next succeeding Interest Payment Date is herein called an “**Interest Period**”.

- (iii) Where the due date of redemption of any Hybrid Note falls within the Floating Rate Period, interest will cease to accrue on the Note from the due date for redemption thereof unless, upon due presentation thereof, payment of principal (or Redemption Amount, as the case may be) is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(III) and the Agency Agreement to the Relevant Date.
- (iv) The provisions of Condition 5(II)(b) shall apply to each Hybrid Note during the Floating Rate Period as though references therein to Floating Rate Notes are references to Hybrid Notes.

(IV) Zero Coupon Notes

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note (determined in accordance with Condition 6(i)). As from the Maturity Date, the rate of interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as defined in Condition 6(i)).

(V) Calculations

(a) Determination of Rate of Interest and Calculation of Interest Amounts

The Calculation Agent will, as soon as practicable after the Relevant Time on each Interest Determination Date determine the Rate of Interest and calculate the amount of interest payable (the “**Interest Amounts**”) in respect of each Calculation Amount of the relevant Floating Rate Notes, Variable Rate Notes or (where applicable) Hybrid Notes for the relevant Interest Period. The amount of interest payable per Calculation Amount in respect of any Floating Rate Note, Variable Rate Note or (where applicable) Hybrid Note shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount, by the Day Count Fraction shown on the Note and rounding the resultant figure to the nearest sub-unit of the Relevant Currency. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(b) Notification

The Calculation Agent will cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to the Issuing and Paying Agent, the Trustee and the Issuer not later than the fourth business day after their determination. In the case of Floating Rate Notes, the Calculation Agent will also cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to Noteholders in accordance with Condition 16 as soon as possible after their determination. The Interest Amounts and the Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period by reason of any Interest Payment Date not being a business day. If the Floating Rate Notes, Variable Rate Notes or, as the case may be, Hybrid Notes become due and payable under Condition 10, the Rate of Interest and Interest Amounts payable in respect of the Floating Rate Notes, Variable Rate Notes or, as the case may be, Hybrid Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest and Interest Amounts need to be made unless the Trustee requires otherwise.

(c) Determination or Calculation by the Trustee

If the Calculation Agent does not at any material time determine or calculate the Rate of Interest for an Interest Period or any Interest Amount, the Trustee shall do so. In doing so, the Trustee shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects, it shall do so in such manner as it shall deem fair and reasonable in all the circumstances.

(d) Calculation Agent and Reference Banks

The Issuer will procure that, so long as any Floating Rate Note, Variable Rate Note or Hybrid Note remains outstanding, there shall at all times be three Reference Banks (or such other number as may be required) and, so long as any Floating Rate Note, Variable Rate Note, Hybrid Note or Zero Coupon Note remains outstanding, there shall at all times be a Calculation Agent. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank or the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for any Interest Period or to calculate the Interest Amounts, the Issuer will appoint another bank with an office in the Relevant Financial Centre to act as such in its place. The Calculation Agent may not resign from its duties without a successor having been appointed as aforesaid.

6. Redemption and Purchase

(a) Final Redemption

Unless previously redeemed or purchased and cancelled as provided below, this Note will be redeemed at its Redemption Amount on the Maturity Date shown on its face (if this Note is shown on its face to be a Fixed Rate Note, Hybrid Note (during the Fixed Rate Period) or Zero Coupon Note) or on the Interest Payment Date falling in the Redemption Month shown on its face (if this Note is shown on its face to be a Floating Rate Note, Variable Rate Note or Hybrid Note (during the Floating Rate Period)).

(b) Purchase at the Option of Issuer

If so provided hereon, the Issuer shall have the option to purchase all or any of the Fixed Rate Notes, Floating Rate Notes, Variable Rate Notes or Hybrid Notes at their Redemption Amount on any date on which interest is due to be paid on such Notes and the Noteholders shall be bound to sell such Notes to the Issuer accordingly. To exercise such option, the Issuer shall give irrevocable notice to the Noteholders within the Issuer's Purchase Option Period shown on the face hereof. Such Notes may be held, resold or surrendered to the Issuing and Paying Agent for cancellation. The Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 10, 11 and 12.

In the case of a purchase of some only of the Notes, the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes or, in the case of Registered Notes, shall specify the principal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be purchased, which shall have been drawn by or on behalf of the Issuer in such place and in such manner as may be agreed between the Issuer and the Trustee, subject to compliance with any applicable laws. So long as the Notes are listed on any Stock Exchange (as defined in the Trust Deed), the Issuer shall comply with the rules of such Stock Exchange in relation to the publication of any purchase of such Notes.

(c) Purchase at the Option of Noteholders

(i) Each Noteholder shall have the option to have all or any of his Variable Rate Notes purchased by the Issuer at their Redemption Amount on any Interest Payment Date and the Issuer will purchase such Variable Rate Notes accordingly. To exercise such option, a Noteholder shall deposit (in the case of Bearer Notes) such Variable Rate Notes to be purchased (together with all unmatured Coupons and unexchanged Talons) with the Issuing and Paying Agent and any other Paying Agent at its specified office or (in the case of Registered Notes) the Certificate representing such Variable Rate Note(s) to be purchased with the Registrar or any other Transfer Agent at its specified office, together with a duly completed option exercise notice in the form obtainable from the Issuing and Paying Agent, any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the Noteholders' VRN Purchase Option Period shown on the face hereof. Any Variable Rate Notes or Certificates representing such Variable Rate Notes so deposited may not be withdrawn

(except as provided in the Agency Agreement) without the prior consent of the Issuer. Such Variable Rate Notes may be held, resold or surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Variable Rate Note (together with all unmatured Coupons and unexchanged Talons) to the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Variable Rate Notes to the Registrar. The Variable Rate Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 10, 11 and 12.

- (ii) If so provided hereon, each Noteholder shall have the option to have all or any of his Fixed Rate Notes, Floating Rate Notes or Hybrid Notes purchased by the Issuer at their Redemption Amount on any date on which interest is due to be paid on such Notes and the Issuer will purchase such Notes accordingly. To exercise such option, a Noteholder shall deposit (in the case of Bearer Notes) such Note to be purchased (together with all unmatured Coupons and unexchanged Talons) with the Issuing and Paying Agent or any other Paying Agent at its specified office or (in the case of Registered Notes) the Certificate representing such Note(s) to be purchased with the Registrar or any other Transfer Agent at its specified office, together with a duly completed option exercise notice in the form obtainable from the Issuing and Paying Agent, any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the Noteholders' Purchase Option Period shown on the face hereof. Any Notes or Certificates so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer. Such Notes may be held, resold or surrendered for cancellation, in the case of Bearer Notes, by surrendering such Note (together with all unmatured Coupons and unexchanged Talons) to the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar. The Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 10, 11 and 12.

(d) Redemption at the Option of the Issuer

If so provided hereon, the Issuer may, on giving irrevocable notice to the Noteholders falling within the Issuer's Redemption Option Period shown on the face hereof, redeem all or, if so provided, some of the Notes at their Redemption Amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Notes shall be at their Redemption Amount, together with interest accrued to the date fixed for redemption.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption of the Notes, the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes or, in the case of Registered Notes, shall specify the principal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn by or on behalf of the Issuer in such place and in such manner as may be agreed between the Issuer and the Trustee, subject to compliance with any applicable laws. So long as the Notes are listed on any Stock Exchange, the Issuer shall comply with the rules of such Stock Exchange in relation to the publication of any redemption of such Notes.

(e) Redemption at the Option of Noteholders

- (i) If so provided hereon, the Issuer shall, at the option of the holder of any Note, redeem such Note on the date or dates so provided at its Redemption Amount, together with interest accrued to the date fixed for redemption. To exercise such option, the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with the Issuing and Paying Agent or any other Paying Agent at its specified office or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any other Transfer Agent at its specified office, together with a

duly completed option exercise notice (“**Exercise Notice**”) in the form obtainable from the Issuing and Paying Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Issuer (as applicable) within the Noteholders’ Redemption Option Period shown on the face hereof. Any Note or Certificate so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

- (ii) If so provided in the applicable Pricing Supplement, if for any reason, a Change of Control Event (as specified in that applicable Pricing Supplement) occurs, the Issuer will, within seven days of such occurrence, give notice to the Noteholders of the occurrence of such event (the “**Change of Control Notice**”) (provided that any failure by the Issuer to give such notice shall not prejudice any Noteholder of such option) and shall, at the option of the holder of any Note, redeem such Note at its Redemption Amount, together with interest accrued to the date fixed for redemption, on the date falling 45 days from the date of the Notice (or if such date is not a business day, on the next day which is a business day). To exercise such option, the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with the Issuing and Paying Agent or any other Paying Agent at its specified office or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any other Transfer Agent at its specified office, together with a duly completed option exercise notice in the form obtainable from any Paying Agent, the Registrar, any other Transfer Agent or the Issuer (as applicable), no later than 30 days from the date of the Change of Control Notice. Any Note or Certificate so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(f) Redemption for Taxation Reasons

If so provided hereon, the Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date or, if so specified on the face of the Note, at any time on giving not less than 30 nor more than 60 days’ notice to the Noteholders (which notice shall be irrevocable), at their Redemption Amount or (in the case of Zero Coupon Notes) Early Redemption Amount (as defined in Condition 6(i) below) (together with interest accrued to (but excluding) the date fixed for redemption), if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the Pricing Supplement, and (ii) such obligations cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee and the Issuing and Paying Agent a certificate signed by two directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or is likely to become obliged to pay such additional amounts as a result of such change or amendment.

(g) Redemption upon Cessation or Suspension of Trading of Shares

If so provided in the applicable Pricing Supplement, in the event that (i) the shares of the Issuer cease to be traded on the SGX-ST or (ii) trading in the shares of the Issuer on the SGX-ST is suspended for a continuous period of more than seven days (excluding a gazetted public holiday), the Issuer shall, at the option of the holder of any Note, redeem such Note at its Redemption Amount together with interest accrued to (but excluding) the date fixed for redemption on any date on which the interest is due to be paid on such notes or, if earlier, the date falling 45 days after the Effective Date.

The Issuer shall within seven days after the Effective Date, give notice to the Trustee, the Issuing and Paying Agent and the Noteholders of the occurrence of the event specified in this Condition 6(g) (provided that any failure by the Issuer to give such notice shall not prejudice any Noteholder of such option). To exercise such option, the holder must deposit such Note (together with all unmatured Coupons) with the Issuing and Paying Agent at its specified office, together with an Exercise Notice in the form obtainable from the Principal Paying Agent or the Issuer (as applicable) not later than 21 days after the Effective Date. Any Note so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

In this Condition 6(g), “**Effective Date**” means (in the case of (i)) the date of cessation of trading or (in the case of (ii)) the business day immediately following the expiry of such continuous period of seven days.

(h) Purchases

The Issuer or any of its subsidiaries (as defined below) may at any time purchase Notes at any price (provided that they are purchased together with all unmatured Coupons and unexchanged Talons relating to them) in the open market or otherwise, provided that in any such case such purchase or purchases is in compliance with all relevant laws, regulations and directives.

Notes purchased by the Issuer or any of its subsidiaries may be surrendered by the purchaser through the Issuer to, in the case of Bearer Notes, the Issuing and Paying Agent and, in the case of Registered Notes, the Registrar for cancellation or may at the option of the Issuer or, as the case may be, the relevant subsidiary be held or resold.

For the purposes of these Conditions, “**directive**” includes any present or future directive, regulation, request, requirement, rule or credit restraint programme of any relevant agency, authority, central bank department, government, legislative, minister, ministry, official public or statutory corporation, self-regulating organisation, or stock exchange.

(i) Early Redemption of Zero Coupon Notes

- (i) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or formula, upon redemption of such Note pursuant to Condition 6(f) or upon it becoming due and payable as provided in Condition 10, shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified thereon.
- (ii) Subject to the provisions of sub-paragraph (iii) below, the Amortised Face Amount of any such Note shall be the scheduled Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (iii) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(f) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (ii) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph will continue to be made (as well after as before judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Redemption Amount of such Note on the Maturity Date together with any interest which may accrue in accordance with Condition 5(IV).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown on the face of the Note.

(j) Cancellation

All Notes purchased by or on behalf of the Issuer or any of its subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Coupons and all unexchanged Talons to the Issuing and Paying Agent at its specified office and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes or Certificates so surrendered for cancellation may not be reissued or resold.

7. Payments

(a) Principal and Interest in respect of Bearer Notes

Payments of principal and interest (which shall include the Redemption Amount and the Early Redemption Amount) in respect of Bearer Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Notes or Coupons, as the case may be, at the specified office of any Paying Agent by a cheque drawn in the currency in which payment is due on, or, at the option of the holders, by transfer to an account maintained by the payee in that currency with, a bank in the principal financial centre for that currency.

(b) Principal and Interest in respect of Registered Notes

(i) Payments of principal in respect of Registered Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in Condition 7(b) (ii).

(ii) Interest on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the "**Record Date**"). Payments of interest on each Registered Note shall be made by a cheque drawn in the currency in which payment is due on and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any other Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account maintained by the holder in that currency with, a bank in the principal financial centre for that currency.

(c) Payments subject to law etc.

All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 8 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 8) any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(d) Appointment of Agents

The Issuing and Paying Agent, the Non-CDP Paying Agent, the Calculation Agent, the CDP Transfer Agent, the Non-CDP Transfer Agent, the CDP Registrar and the Non-CDP Registrar initially appointed by the Issuer and their specified offices are listed below. The Issuer reserves the right at any time to vary or terminate the appointment of the Issuing and Paying Agent, the Non-CDP Paying Agent, any other Paying Agent, the CDP Transfer Agent, the Non-CDP Transfer Agent, any other Transfer Agent, the CDP Registrar, the Non-CDP Registrar and the Calculation Agent and to appoint additional or other Paying Agents, Transfer Agents, Registrars and Calculation Agents, provided that it will at all times maintain (i) an Issuing and Paying Agent having a specified office in Singapore and (in the case of Non-CDP Cleared Notes) a Non-CDP Paying Agent, as the case may be, (ii) a Transfer Agent in relation to Registered Notes, (iii) a Registrar in relation to Registered Notes and (iv) a Calculation Agent where the Conditions so require.

Notice of any such change or any change of any specified office will promptly be given to the Noteholders in accordance with Condition 16.

The Agency Agreement may be amended by the Issuer, the Issuing and Paying Agent, the Non-CDP Paying Agent, the CDP Transfer Agent, the Non-CDP Transfer Agent, the CDP Registrar, the Non-CDP Registrar and the Trustee, without the consent of the holder of any Note or Coupon, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein or in any manner which the Issuer, the Issuing and Paying Agent, the Non-CDP Paying Agent, the CDP Transfer Agent, the Non-CDP Transfer Agent, the CDP Registrar, the Non-CDP Registrar and the Trustee may mutually deem necessary or desirable and which does not, in the reasonable opinion of the Issuer, the Issuing and Paying Agent, the Non-CDP Paying Agent, the CDP Transfer Agent, the Non-CDP Transfer Agent, the CDP Registrar, the Non-CDP Registrar and the Trustee, adversely affect the interests of the holders of the Notes or the Coupons.

(e) Unmatured Coupons and Unexchanged Talons

- (i) Bearer Notes which comprise Fixed Rate Notes and Hybrid Notes should be surrendered for payment together with all unexpired Coupons (if any) relating to such Notes (and, in the case of Hybrid Notes, relating to interest payable during the Fixed Rate Period), failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Redemption Amount due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of five years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).
- (ii) Subject to the provisions of the relevant Pricing Supplement upon the due date for redemption of any Bearer Notes comprising a Floating Rate Note, Variable Rate Note or Hybrid Note, unexpired Coupons relating to such Note (and, in the case of Hybrid Notes, relating to interest payable during the Floating Rate Period) (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Bearer Note, any unexpired Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Where any Bearer Note comprising a Floating Rate Note, Variable Rate Note or Hybrid Note is presented for redemption without all unexpired Coupons, and where any Bearer Note is presented for redemption without any unexpired Talon relating to it (and, in the case of Hybrid Notes, relating to interest payable during the Floating Rate Period), redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (v) If the due date for redemption or repayment of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate.

(f) Talons

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent on any business day in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

(g) Non-business days

Subject as provided in the relevant Pricing Supplement or subject as otherwise provided in these Conditions, if any date for the payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day and shall not be entitled to any further interest or other payment in respect of any such delay.

(h) Default Interest

If on or after the due date for payment of any sum in respect of the Notes, payment of all or any part of such sum is not made against due presentation of the Notes (in the case of Bearer Notes) or the Certificates representing the Notes or, as the case may be, the Coupons, the Issuer shall pay interest on the amount so unpaid from such due date up to the day of actual receipt by the relevant Noteholders or, as the case may be, Couponholders (as well after as before judgment) at a rate per annum determined by the Issuing and Paying Agent to be equal to two per cent. per annum above (in the case of a Fixed Rate Note or a Hybrid Note during the Fixed Rate Period) the Interest Rate applicable to such Note, (in the case of a Floating Rate Note or a Hybrid Note during the Floating Rate Period) the Rate of Interest applicable to such Note or (in the case of a Variable Rate Note) the variable rate by which the Agreed Yield applicable to such Note is determined or, as the case may be, the Rate of Interest applicable to such Note, or in the case of a Zero Coupon Note, as provided for in the relevant Pricing Supplement. So long as the default continues then such rate shall be re-calculated on the same basis at intervals of such duration as the Issuing and Paying Agent may select, save that the amount of unpaid interest at the above rate accruing during the preceding such period shall be added to the amount in respect of which the Issuer is in default and itself bear interest accordingly. Interest at the rate(s) determined in accordance with this paragraph shall be calculated on the Day Count Fraction shown on the face of the Note and the actual number of days elapsed, shall accrue on a daily basis and shall be immediately due and payable by the Issuer.

8. Taxation

All payments in respect of the Notes and the Coupons by the Issuer shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer shall pay such additional amounts as will result in the receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, except that no such additional amounts shall be payable in respect of any Note or Coupon presented (or in respect of which the Certificate representing it is presented) for payment:

- (a) by or on behalf of a holder who is subject to such taxes, duties, assessments or governmental charges by reason of being connected with Singapore (including, without limitation, the holder being a resident of, or a permanent establishment in, Singapore), otherwise than by reason only of the holding of such Note or Coupon or the receipt of any sums due in respect of such Note or Coupon; or
- (b) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days.

As used in these Conditions, "**Relevant Date**" in respect of any Note or Coupon means the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date falling seven days after that on which notice is duly given to the Noteholders in accordance with Condition 16 that, upon further presentation of the Note (or relative Certificate) or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon presentation, and references to "**principal**" shall be deemed to include any premium payable in respect of the Notes, all Redemption Amounts, Early Redemption Amounts and all other amounts in the nature of principal payable pursuant to

Condition 6, “**interest**” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 and any reference to “**principal**” and/or “**premium**” and/or “**Redemption Amounts**” and/or “**interest**” and/or “**Early Redemption Amounts**” shall be deemed to include any additional amounts which may be payable under these Conditions.

9. Prescription

Claims against the Issuer for payment in respect of the Notes and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within five years from the appropriate Relevant Date for payment.

10. Events of Default

If any of the following events (“**Events of Default**”) occurs and is not waived, the Trustee at its discretion may (but is not obliged to), and if so requested by holders of at least 25 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution (as defined in the Trust Deed) shall, in each case, subject to it being indemnified and/or secured and/or pre-funded to its satisfaction, give notice to the Issuer that the Notes are immediately repayable, whereupon the Redemption Amount of such Notes or (in the case of Zero Coupon Notes) the Early Redemption Amount of such Notes together with accrued interest to the date of payment shall become immediately due and payable:

- (a) the Issuer does not pay (i) any principal payable by it under any of the Notes or (ii) any interest payable by it under any of the Notes or any sum payable by it under the Issue Documents (as defined in the Trust Deed), in each case when due and payable unless (1) its failure to pay is caused by administrative or technical error and (2) payment is made within two business days of its due date;
- (b) the Issuer does not perform or comply with any one or more of its obligations (other than the payment obligation of the Issuer referred to in paragraph (a)) under any of the Issue Documents or any of the Notes and, if that default is capable of remedy, it is not remedied within 21 days of the earlier of (i) the Trustee giving written notice of the failure to perform or comply to the Issuer and (ii) the Issuer becoming aware of the failure to perform or comply;
- (c) any representation, warranty or statement by the Issuer in any of the Issue Documents or any of the Notes or in any document delivered under any of the Issue Documents or any of the Notes is not complied with in any respect or is or proves to have been incorrect in any respect when made or deemed repeated and, if that event or circumstance resulting in that default is capable of remedy, it is not remedied within 21 days of the earlier of (i) the Trustee giving written notice of the failure to perform or comply to the Issuer and (ii) the Issuer becoming aware of the failure to perform or comply;
- (d) (i) any other indebtedness of the Issuer or any of the Principal Subsidiaries in respect of borrowed money is or is declared to be or is capable of being rendered due and payable prior to its stated maturity by reason of any default, event of default or the like (however described) or is not paid when due or, as a result of any default, event of default or the like (however described) any facility relating to any such indebtedness is or is declared to be or is capable of being cancelled or terminated before its normal expiry date or any person otherwise entitled to use any such facility is not so entitled;
or
(ii) the Issuer or any of the Principal Subsidiaries fails to pay when properly called upon to do so any guarantee of indebtedness for borrowed moneys,

provided however that no Event of Default will occur under this paragraph (d) unless and until the aggregate amount of the indebtedness in respect of which one or more of the events mentioned above in this paragraph (d) has/have occurred equals or exceeds S\$10,000,000 or its equivalent in foreign currencies;

- (e) the Issuer or any of the Principal Subsidiaries is (or is, or could be, deemed by law or a court to be) insolvent or unable to pay its debts when they fall due, stops, suspends or threatens to stop or suspend payment of all or a material part of its indebtedness, begins negotiations or takes any other step with a view to the deferral, rescheduling or other readjustment of all or a material part of its indebtedness (or of any part which it will or might otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors or a moratorium is agreed or declared in respect of or affecting all or a material part of the indebtedness of the Issuer or any of the Principal Subsidiaries;
- (f) a distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or any part of the assets of the Issuer or any of the Principal Subsidiaries and is not discharged or stayed within 21 days;
- (g) any security on or over all or a material part of the assets of the Issuer or any of the Principal Subsidiaries becomes enforceable and any step is taken to enforce that security;
- (h) an order is made, a resolution is passed, a meeting is convened or a petition is filed or any other step is taken for the winding-up of the Issuer or any of the Principal Subsidiaries (except (i) for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by the Noteholders by way of an Extraordinary Resolution before that event occurs and (ii) (in the case of a Principal Subsidiary only) for a voluntary liquidation of such Principal Subsidiary not involving insolvency) or for the appointment of a liquidator (including a provisional liquidator), receiver, judicial manager, trustee, administrator, agent or similar officer of the Issuer or any of the Principal Subsidiaries or over any part of the assets of the Issuer or any of the Principal Subsidiaries or a receiver of the Issuer or any of the Principal Subsidiaries is appointed pursuant to an instrument to which it is a party;
- (i) the Issuer or any of the Principal Subsidiaries ceases or threatens to cease to carry on all or a substantial part of its business (otherwise than for the purposes of or pursuant to a consolidation, amalgamation, merger or reconstruction as is referred to in paragraph (h) above) or (otherwise than in the ordinary course of its business or save for disposals which are not restricted under Clause 7.3 of the Trust Deed) disposes or threatens to dispose of the whole or any substantial part of its property or assets;
- (j) any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or any part of the assets of the Issuer or any of the Principal Subsidiaries, in each case, which would be likely to have a material adverse effect (i) on the financial condition or business of the Issuer or on the consolidated financial condition or business of the Issuer and its subsidiaries taken as a whole or (ii) on the ability of the Issuer to perform or comply with its obligations under any of the Issue Documents or the Notes;
- (k) any action, condition or thing (including the obtaining of any necessary consent) at any time required to be taken, fulfilled or done for any of the purposes stated in Clause 15.3 of the Trust Deed is not taken, fulfilled or done, or any such consent ceases to be in full force and effect without modification or any condition in or relating to any such consent is not complied with (unless that consent or condition is no longer required or applicable);
- (l) it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Issue Documents or any of the Notes;
- (m) any of the Issue Documents or any of the Notes ceases for any reason (or is claimed by the Issuer not) to be the legal and valid obligations of the Issuer, binding upon it in accordance with its terms;

- (n) any litigation, arbitration or administrative proceeding is current or pending against the Issuer or any of its Principal Subsidiaries (other than those of a frivolous and vexatious nature and discharged within 30 days of its commencement) (i) to restrain the exercise of any of the rights and/or the performance or enforcement of or compliance with any of the obligations of the Issuer under any of the Issue Documents or any of the Notes or (ii) which has or is likely to have a material adverse effect on the Issuer or on the Issuer and its subsidiaries taken as a whole;
- (o) any event occurs which, under the law of any relevant jurisdiction, has an analogous or equivalent effect to any of the events mentioned in paragraph (e), (f), (g), (h) or (j); and
- (p) the Issuer or any of the Principal Subsidiaries is declared by the Minister of Finance to be a declared company under the provisions of Part IX of the Companies Act, Chapter 50 of Singapore.

11. Enforcement of Rights

At any time after the Notes shall have become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer as it may think fit to enforce repayment of the Notes, together with accrued interest, but it shall not be bound to take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution of the Noteholders or so requested in writing by Noteholders holding not less than 25 per cent. in principal amount of the Notes outstanding and (b) it shall have been indemnified and/or secured and/or pre-funded by the Noteholders to its satisfaction. No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound to do so, fails or neglects to do so within a reasonable period and such failure or neglect shall be continuing.

12. Meeting of Noteholders and Modifications

The Trust Deed contains provisions for convening meetings of Noteholders of a Series to consider any matter affecting their interests, including modification by Extraordinary Resolution of the Notes of such Series (including these Conditions insofar as the same may apply to such Notes) or any of the provisions of the Trust Deed.

The Trustee or the Issuer at any time may, and the Trustee upon the request in writing by Noteholders holding not less than one-tenth of the principal amount of the Notes of any Series for the time being outstanding and after being indemnified and/or secured and/or pre-funded to its satisfaction shall, convene a meeting of the Noteholders of that Series. An Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders of the relevant Series, whether present or not and on all relevant Couponholders, except that any Extraordinary Resolution proposed, *inter alia*, (a) to amend the dates of maturity or redemption of the Notes or any date for payment of interest or Interest Amounts on the Notes, (b) to reduce or cancel the principal amount of, or any premium payable on redemption of, the Notes, (c) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates of interest or the basis for calculating any Interest Amount in respect of the Notes, (d) to vary any method of, or basis for, calculating the Redemption Amount or the Early Redemption Amount including the method of calculating the Amortised Face Amount, (e) to vary the currency or currencies of payment or denomination of the Notes, (f) to take any steps that as specified on the face of the Note may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply or (g) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, will only be binding if passed at a meeting of the Noteholders of the relevant Series (or at any adjournment thereof) at which a special quorum (provided for in the Trust Deed) is present.

The Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed which in the opinion of the Trustee is of a formal, minor or technical nature, is made to correct a manifest error or to comply with mandatory provisions of Singapore law or is required by Euroclear and/or Clearstream, Luxembourg and/or the Depository and/or any other clearing system in which the Notes may be held and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed which is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders and, if the Trustee so requires, such modification shall be notified to the Noteholders as soon as practicable.

In connection with the exercise of its functions (including but not limited to those in relation to any proposed modification, waiver, authorisation or substitution) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders.

These Conditions may be amended, modified, or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.

13. Replacement of Notes, Certificates, Coupons and Talons

If a Note, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws, at the specified office of the Issuing and Paying Agent (in the case of Bearer Notes, Coupons or Talons) and of the Registrar (in the case of Certificates), or at the specified office of such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders in accordance with Condition 16, on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Coupon or Talon is subsequently presented for payment, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Note, Certificate, Coupon or Talon) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

14. Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition 14 and forming a single series with the Notes. Any further securities forming a single series with the outstanding securities of any series (including the Notes) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by a deed supplemental to the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of securities of other series where the Trustee so decides.

15. Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment unless indemnified and/or secured and/or pre-funded to its satisfaction. The Trust Deed also contains a provision entitling the Trustee to enter into business transactions with the Issuer or any of its subsidiaries without accounting to the Noteholders or Couponholders for any profit resulting from such transactions.

16. Notices

Notices to the holders of Registered Notes shall be valid if mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notwithstanding the foregoing, notices to the holders of Notes will be valid if published in a daily newspaper of general circulation in Singapore (or, if the holders of any Series of Notes can be identified, notices to such holders will also be valid if they are given to each of such holders). It is expected that such publication will be made in *The Business Times*. Notices will, if published more than once or on different dates, be deemed to have been given on the date of the first publication in such newspaper as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice to the holders of Bearer Notes in accordance with this Condition 16.

So long as the Notes are represented by a Global Security or a Global Certificate and such Global Security or Global Certificate is held in its entirety on behalf of Euroclear, Clearstream, Luxembourg, the Depository and/or any other clearing system, there may be substituted for such publication in such newspapers the delivery of the relevant notice to Euroclear, Clearstream, Luxembourg, (subject to the agreement of the Depository) the Depository and/or such other clearing system for communication by it to the Noteholders, except that if the Notes are listed on the Singapore Exchange Securities Trading Limited and the rules of such exchange so require, notice will in any event be published in accordance with the previous paragraph. Any such notice shall be deemed to have been given to the Noteholders one day after the day on which the said notice was given to Euroclear, Clearstream, Luxembourg, the Depository and/or such other clearing system.

Notices to be given by any Noteholder pursuant hereto (including to the Issuer) shall be in writing and given by lodging the same, together with the relative Note or Notes, with the Issuing and Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Certificates). Whilst the Notes are represented by a Global Security or a Global Certificate, such notice may be given by any Noteholder to the Issuing and Paying Agent or, as the case may be, the Registrar through Euroclear, Clearstream, Luxembourg, the Depository and/or such other clearing system in such manner as the Issuing and Paying Agent or, as the case may be, the Registrar and Euroclear, Clearstream, Luxembourg, the Depository and/or such other clearing system may approve for this purpose.

Notwithstanding the other provisions of this Condition, in any case where the identity and addresses of all the Noteholders are known to the Issuer, notices to such holders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given when received at such addresses.

17. Governing Law and Jurisdiction

- (a) **Governing law:** The Notes, the Coupons and the Talons are governed by, and shall be construed in accordance with, the laws of Singapore.
- (b) **Jurisdiction:** The courts of Singapore are to have jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Coupons or Talons and accordingly any legal action or proceedings arising out of or in connection with any Notes, Coupons or Talons (“**Proceedings**”) may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts.

- (c) **No immunity:** The Issuer agrees that in any legal action or proceedings arising out of or in connection with the Trust Deed, the Notes, the Coupons or the Talons against it or any of its assets, no immunity from such legal action or proceedings (which shall include, without limitation, suit, attachment prior to award, other attachment, the obtaining of an award, judgment, execution or other enforcement) shall be claimed by or on behalf of the Issuer or with respect to any of its assets and irrevocably waives any such right of immunity which it or its assets now have or may hereafter acquire or which may be attributed to it or its assets and consents generally in respect of any such legal action or proceedings to the giving of any relief or the issue of any process in connection with such action or proceedings including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order, award or judgment which may be made or given in such action or proceedings.

18. Contracts (Rights of Third Parties) Act

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.

TERMS AND CONDITIONS OF THE PERPETUAL SECURITIES

*The following is the text of the terms and conditions which, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, will be endorsed on the Perpetual Securities in definitive form issued in exchange for the Global Security(ies) or the Global Certificate(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Perpetual Securities. Unless otherwise stated, all capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. Those definitions will be endorsed on such Bearer Perpetual Securities or on the Certificates relating to such Registered Perpetual Securities. References in the Conditions to “**Perpetual Securities**” are to the Perpetual Securities of one Series only, not to all Perpetual Securities that may be issued under the Programme, details of the relevant Series being shown on the face of the relevant Perpetual Securities and in the relevant Pricing Supplement.*

The Perpetual Securities are constituted by a trust deed dated 3 March 2017 made between (1) Hotel Properties Limited, as issuer (the “**Issuer**”) and (2) The Bank of New York Mellon, Singapore Branch (the “**Trustee**”, which expression shall wherever the context so admits include such company and all other persons for the time being the trustee or trustees of the Trust Deed), as trustee for the Perpetual Securityholders (as defined below) (as amended, restated and supplemented from time to time, the “**Trust Deed**”), and (where applicable) the Perpetual Securities are issued with the benefit of a deed of covenant dated 3 March 2017 (as amended and supplemented from time to time, the “**Deed of Covenant**”) executed by the Issuer relating to Perpetual Securities cleared or to be cleared through the CDP System (as defined in the Trust Deed) (“**CDP Perpetual Securities**”). These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Perpetual Securities, Certificates, Coupons and Talons referred to below. The Issuer has entered into an agency agreement dated 3 March 2017 made between (1) the Issuer, as issuer, (2) The Bank of New York Mellon, Singapore Branch, as issuing and paying agent (in such capacity, the “**Issuing and Paying Agent**”), transfer agent in respect of CDP Perpetual Securities (in such capacity, the “**CDP Transfer Agent**”) and registrar in respect of CDP Perpetual Securities (in such capacity, the “**CDP Registrar**”), (3) The Bank of New York Mellon, London Branch, as paying agent in respect of Perpetual Securities cleared or to be cleared through Euroclear (as defined below) and/or Clearstream, Luxembourg (as defined below) (“**Non-CDP Perpetual Securities**”) (in such capacity, the “**Non-CDP Paying Agent**” and, together with the Issuing and Paying Agent and any other paying agents that may be appointed, the “**Paying Agents**”) and as calculation agent (in such capacity, the “**Calculation Agent**”), (4) The Bank of New York Mellon (Luxembourg) S.A., as transfer agent in respect of Non-CDP Perpetual Securities (in such capacity, the “**Non-CDP Transfer Agent**” and, together with the CDP Transfer Agent and any other transfer agents that may be appointed, the “**Transfer Agents**”) and registrar in respect of Non-CDP Perpetual Securities (in such capacity, the “**Non-CDP Registrar**”, and together with the CDP Registrar, the “**Registrars**”), and (5) the Trustee, as trustee for the Perpetual Securityholders (as amended, restated and supplemented from time to time, the “**Agency Agreement**”). The Perpetual Securityholders and the holders (the “**Couponholders**”) of the distribution coupons (the “**Coupons**”) appertaining to the interest-bearing Perpetual Securities in bearer form and, where applicable in the case of such Perpetual Securities, talons for further Coupons (the “**Talons**”) are bound by and are deemed to have notice of all of the provisions of the Trust Deed, the Agency Agreement and the Deed of Covenant.

For the purposes of these Conditions, all references to (a) the Issuing and Paying Agent shall, in the case of a Series (as defined below) of Non-CDP Perpetual Securities, be deemed to be a reference to the Non-CDP Paying Agent, (b) the Registrar shall, in the case of a Series of CDP Perpetual Securities, be deemed to be a reference to the CDP Registrar and, in the case of a Series of Non-CDP Perpetual Securities, be deemed to be a reference to the Non-CDP Registrar, and (c) the Transfer Agent shall, in the case of a Series of CDP Perpetual Securities, be deemed to be a reference to the CDP Transfer Agent and, in the case of a Series of Non-CDP Perpetual Securities, be deemed to be a reference to the Non-CDP Transfer Agent, and (unless the context otherwise requires) all such references shall be construed accordingly.

Copies of the Trust Deed, the Agency Agreement and the Deed of Covenant are available for inspection at the principal office of the Trustee for the time being and at the respective offices of the Paying Agents for the time being.

1. Form, Denomination and Title

(a) Form and Denomination

- (i) The Perpetual Securities of the Series of which this Perpetual Security forms part (in these Conditions, the “**Perpetual Securities**”) are issued in bearer form (“**Bearer Perpetual Securities**”) or in registered form (“**Registered Perpetual Securities**”), in each case in the Denomination Amount shown hereon.
- (ii) This Perpetual Security is a Fixed Rate Perpetual Security or a Floating Rate Perpetual Security (depending upon the Distribution Basis shown on its face).
- (iii) Bearer Perpetual Securities are serially numbered and issued with Coupons (and, where appropriate, a Talon) attached.
- (iv) Registered Perpetual Securities are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Perpetual Securities by the same holder.

(b) Title

- (i) Title to the Bearer Perpetual Securities and the Coupons and Talons appertaining thereto shall pass by delivery. Title to the Registered Perpetual Securities shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”).
- (ii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Perpetual Security, Coupon or Talon shall be deemed to be and may be treated as the absolute owner of such Perpetual Security, Coupon or Talon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Perpetual Security, Coupon or Talon shall be overdue and notwithstanding any notice of ownership, theft or loss thereof or any writing thereon made by anyone, and no person shall be liable for so treating the holder.
- (iii) For so long as any of the Perpetual Securities is represented by a Global Security (as defined below) or, as the case may be, a Global Certificate (as defined below) and such Global Security or Global Certificate is held by a common depositary for Euroclear Bank S.A./N.V. (“**Euroclear**”) and Clearstream Banking, S.A. (“**Clearstream, Luxembourg**”), The Central Depository (Pte) Limited (the “**Depository**”) and/or any other clearing system, each person who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg, the Depository and/or such other clearing system as the holder of a particular principal amount of such Perpetual Securities (in which regard any certificate or other document issued by Euroclear, Clearstream, Luxembourg, the Depository and/or such other clearing system as to the principal amount of such Perpetual Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Paying Agents, the Transfer Agents, the Registrars, the Calculation Agent and all other agents of the Issuer and the Trustee as the holder of such principal amount of Perpetual Securities other than with respect to the payment of principal, premium, interest, distribution, redemption, purchase and any other amounts in respect of the Perpetual Securities, for which purpose the bearer of the Global Security or, as the case may be, the person whose name is shown on the Register shall be treated by the Issuer, the Paying Agents, the Transfer Agents, the Registrars, the Calculation Agent, all other agents of the Issuer and the Trustee as the holder of such Perpetual Securities in accordance with and subject to the terms of the Global Security or, as the case may be, the Global Certificate (and the expressions “**Perpetual Securityholder**” and “**holder of Perpetual Securities**” and related expressions shall be construed accordingly). Perpetual

Securities which are represented by the Global Security or, as the case may be, the Global Certificate will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg, the Depository and/or such other clearing system. For so long as any of the Perpetual Securities is represented by a Global Security or a Global Certificate (each as defined below) and such Global Security or, as the case may be, Global Certificate is held by the Depository, the record date for purposes of determining entitlements to any payment of principal, distribution and any other amounts in respect of the Perpetual Security shall, unless otherwise specified by the Issuer, be the date falling five (5) business days prior to the relevant payment date (or such other date as may be prescribed by the Depository).

- (iv) In these Conditions, “**Global Security**” means the relevant Temporary Global Security representing each Series or the relevant Permanent Global Security representing each Series, “**Global Certificate**” means the relevant Global Certificate representing such Series that is registered in the name of, or in the name of a nominee of, (1) a common depository for Euroclear and/or Clearstream, Luxembourg, (2) the Depository and/or (3) any other clearing system, “**Perpetual Securityholder**” means the bearer of any Bearer Perpetual Security or the person in whose name a Registered Perpetual Security is registered (as the case may be) and “**holder**” (in relation to a Perpetual Security, Coupon or Talon) means the bearer of any Bearer Perpetual Security, Coupon or Talon or the person in whose name a Registered Perpetual Security is registered (as the case may be), “**Series**” means a Tranche, together with any further Tranche or Tranches, which are (A) expressed to be consolidated and forming a single series and (B) identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of distribution and “**Tranche**” means Perpetual Securities which are identical in all respects (including as to listing).
- (v) Words and expressions defined in the Trust Deed or used in the applicable Pricing Supplement (as defined in the Trust Deed) shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

2. **No Exchange of Perpetual Securities and Transfers of Registered Perpetual Securities**

- (a) **No Exchange of Perpetual Securities:** Registered Perpetual Securities may not be exchanged for Bearer Perpetual Securities. Bearer Perpetual Securities of one Denomination Amount may not be exchanged for Bearer Perpetual Securities of another Denomination Amount. Bearer Perpetual Securities may not be exchanged for Registered Perpetual Securities.
- (b) **Transfer of Registered Perpetual Securities:** Subject to Conditions 2(e) and 2(f) below, one or more Registered Perpetual Securities may be transferred upon the surrender (at the specified office of the Registrar or any other Transfer Agent) of the Certificate representing such Registered Perpetual Securities to be transferred, together with the form of transfer endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer) duly completed and executed and any other evidence as the Registrar or such other Transfer Agent may require to prove the title of the transferor and the authority of the individuals that have executed the form of transfer. In the case of a transfer of part only of a holding of Registered Perpetual Securities represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Registered Perpetual Securities and entries on the Register will be made subject to the detailed regulations concerning transfers of Registered Perpetual Securities scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee, and by the Registrar, with the prior written approval of the Trustee. A copy of the current regulations will be made available by the Registrar to any Perpetual Securityholder upon request.

- (c) **Exercise of Options or Partial Redemption in Respect of Registered Perpetual Securities:** In the case of an exercise of the Issuer's option in respect of, or a partial redemption of, a holding of Registered Perpetual Securities represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Perpetual Securities of the same holding having different terms, separate Certificates shall be issued in respect of those Perpetual Securities of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any other Transfer Agent. In the case of a transfer of Registered Perpetual Securities to a person who is already a holder of Registered Perpetual Securities, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.
- (d) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Condition 2(b) or 2(c) shall be available for delivery within five business days of receipt of the form of transfer and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Registrar or such other Transfer Agent (as the case may be) to whom delivery or surrender of such form of transfer or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the Registrar or the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "**business day**" means a day (other than a Saturday or Sunday) on which banks are open for business in the place of the specified office of the Registrar or the relevant Transfer Agent (as the case may be).
- (e) **Transfers Free of Charge:** Transfers of Perpetual Securities and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity and/or security and/or prefunding as the Registrar or the relevant Transfer Agent may require) in respect of tax or charges.
- (f) **Closed Periods:** No Perpetual Securityholder may require the transfer of a Registered Perpetual Security to be registered (i) during the period of 15 days prior to any date on which Perpetual Securities may be called for redemption by the Issuer at its option pursuant to Condition 5(b), (ii) after any such Perpetual Security has been called for redemption or (iii) during the period of seven days ending on (and including) any Record Date (as defined in Condition 6(b)(ii)).

3. Status

- (a) **Senior Perpetual Securities:** This Condition 3(a) applies to Perpetual Securities that are Senior Perpetual Securities (being the Perpetual Securities that specify their status as senior in the applicable Pricing Supplement). The Senior Perpetual Securities and Coupons of all Series constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank pari passu, without any preference or priority among themselves, and pari passu with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Issuer.

- (b) **Subordinated Perpetual Securities:** This Condition 3(b) applies to Perpetual Securities that are Subordinated Perpetual Securities (being the Perpetual Securities that specify their status as subordinated in the applicable Pricing Supplement).

(i) **Status of Subordinated Perpetual Securities**

The Subordinated Perpetual Securities and Coupons relating to them constitute direct, unconditional, subordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with any Parity Obligations of the Issuer. The rights and claims of the Perpetual Securityholders and Couponholders in respect of the Subordinated Perpetual Securities are subordinated as provided in this Condition 3(b).

In these Conditions, “**Parity Obligation**” means, in relation to the Issuer, any instrument or security (including without limitation any preference shares) issued, entered into or guaranteed by the Issuer (1) which ranks or is expressed to rank, by its terms or by operation of law, *pari passu* with the Subordinated Perpetual Securities and (2) the terms of which provide that the making of payments thereon or distributions in respect thereof are fully at the discretion of the Issuer and/or, in the case of an instrument or security guaranteed by the Issuer, the issuer thereof.

(ii) **Ranking of claims on winding-up**

Subject to the insolvency laws of Singapore and other applicable laws, in the event of the winding-up of the Issuer, the rights of the Perpetual Securityholders and Couponholders in respect of the Subordinated Perpetual Securities to payment of principal of and distribution on the Subordinated Perpetual Securities and the Coupons relating to them are expressly subordinated and subject in right of payment to the prior payment in full of all claims of senior creditors of the Issuer but at least *pari passu* with all other subordinated obligations of the Issuer that are not expressed by their terms to rank junior to the Subordinated Perpetual Securities and in priority to the claims of shareholders of the Issuer and/or as otherwise specified in the applicable Pricing Supplement.

(iii) **No set-off**

Subject to applicable law, no holder of Subordinated Perpetual Securities or any Coupons relating to them may exercise, claim or plead any right of set-off, deduction, withholding or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Subordinated Perpetual Securities or Coupons relating to them, and each holder of Subordinated Perpetual Securities or any Coupons relating to them shall, by virtue of his holding of any Subordinated Perpetual Securities or Coupons relating to them, be deemed to have waived all such rights of set-off, deduction, withholding or retention against the Issuer. Notwithstanding the preceding sentence, if any of the amounts owing to any holder of Subordinated Perpetual Securities or any Coupons relating to them by the Issuer in respect of, or arising under or in connection with the Subordinated Perpetual Securities or Coupons relating to them is discharged by set-off, such holder of Subordinated Perpetual Securities or any Coupons relating to them shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or, in the event of its winding-up or administration, the liquidator or, as appropriate, administrator of the Issuer) and, until such time as payment is made, shall hold such amount in trust for the Issuer (or the liquidator or, as appropriate, administrator of the Issuer) and accordingly any such discharge shall be deemed not to have taken place.

4. Distribution and other Calculations

(I) Distribution on Fixed Rate Perpetual Securities

(a) Distribution Rate and Accrual

Each Fixed Rate Perpetual Security confers a right to receive distribution on its Calculation Amount (as defined in Condition 4(II)(c)) from the Distribution Commencement Date in respect thereof and as shown on the face of such Perpetual Security at the rate per annum (expressed as a percentage) equal to the Distribution Rate shown on the face of such Perpetual Security payable in arrear on each Distribution Payment Date or Distribution Payment Dates shown on the face of such Perpetual Security in each year.

The first payment of distribution will be made on the Distribution Payment Date next following the Distribution Commencement Date (and if the Distribution Commencement Date is not a Distribution Payment Date, will amount to the Initial Broken Amount shown on the face of such Perpetual Security).

Distribution will cease to accrue on each Fixed Rate Perpetual Security from the due date for redemption thereof unless, upon due presentation of that Fixed Rate Perpetual Security if it is a Bearer Perpetual Security or, in the case of a Registered Perpetual Security, the Certificate representing that Fixed Rate Perpetual Security and subject to the provisions of the Trust Deed, payment of principal is improperly withheld or refused, in which event distribution at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(I) to the Relevant Date (as defined in Condition 7).

(b) Distribution Rate

The Distribution Rate applicable to each Fixed Rate Perpetual Security shall be:

- (i) (if no Reset Date is specified in the applicable Pricing Supplement),
 - (1) if no Step-Up Margin is specified in the applicable Pricing Supplement, the rate shown on the face of such Perpetual Security; or
 - (2) if a Step-Up Margin is specified in the applicable Pricing Supplement, (A) for the period from the Distribution Commencement Date to the Step-Up Date specified in the applicable Pricing Supplement, the rate shown on the face of such Perpetual Security and (B) for the period from the Step-Up Date specified in the applicable Pricing Supplement, the rate shown on the face of such Perpetual Security plus the Step-Up Margin (as specified in the applicable Pricing Supplement); and
- (ii) (if a Reset Date is specified in the applicable Pricing Supplement), (1) for the period from, and including, the Distribution Commencement Date to, but excluding, the First Reset Date specified in the applicable Pricing Supplement, the rate shown on the face of such Perpetual Security and (2) for the period from, and including, the First Reset Date and each Reset Date (as shown in the applicable Pricing Supplement) falling thereafter to, but excluding, the immediately following Reset Date, the Reset Distribution Rate (as specified in the applicable Pricing Supplement).

Provided always that if Redemption upon a Change of Control Event is specified on the face of such Perpetual Security and a Change of Control Event Margin is specified in the applicable Pricing Supplement, in the event that a Change of Control Event which is specified in the applicable Pricing Supplement has occurred, so long as the Issuer has not already redeemed the Perpetual Securities in accordance with Condition 5(g), the then prevailing Distribution Rate shall be increased by the Change of Control Event Margin (if applicable) with effect from (and including) the Distribution Payment Date immediately following the date on which the Change of Control Event occurred (or, if the Change of Control Event occurs on or after the date which is two business days prior to the immediately following Distribution Payment Date, the next following Distribution Payment Date).

For the purposes of these Conditions:

“Reset Distribution Rate” means the Swap Offer Rate or such other Relevant Rate to be specified in the applicable Pricing Supplement with respect to the relevant Reset Date plus the Initial Spread (as specified in the applicable Pricing Supplement) plus the Step-Up Margin (if applicable, as specified in the applicable Pricing Supplement) plus the Change of Control Event Margin (if applicable); and

“Swap Offer Rate” means:

- (aa) the rate per annum (expressed as a percentage) notified by the Calculation Agent to the Issuer equal to the swap offer rate published by the Association of Banks in Singapore (or such other equivalent body) for a period equal to the duration of the Reset Period specified in the applicable Pricing Supplement on the second business day prior to the relevant Reset Date (the **“Reset Determination Date”**);
- (bb) if on the Reset Determination Date, there is no swap offer rate published by the Association of Banks in Singapore (or such other equivalent body), the Calculation Agent will determine the swap offer rate for such Reset Period (determined by the Calculation Agent to be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the next 1/16 per cent.) of the rates (excluding the highest and the lowest rates) which appears on Page TPIS on the monitor of the Bloomberg Agency under the caption “Tullett Prebon – Rates – Interest Rate Swaps – Asia Pac – SGD” and the column headed “Ask” at the close of business on the Reset Determination Date (or if the Calculation Agent determines that such page has ceased to be the commonly accepted page for determining the swap offer rate, such other replacement page as may be specified by the Calculation Agent after taking into account the industry practice at that relevant time and the recommendations by the Association of Banks in Singapore (or such other equivalent body)) at the close of business on each of the five consecutive business days prior to and ending on the Reset Determination Date);
- (cc) if on the Reset Determination Date, rates are not available on Page TPIS on the monitor of the Bloomberg Agency under the caption “Tullett Prebon – Rates – Interest Rate Swaps – Asia Pac – SGD” and the column headed “Ask” at the close of business on the Reset Determination Date (or if the Calculation Agent determines that such page has ceased to be the commonly accepted page for determining the swap offer rate, such other replacement page as may be specified by the Calculation Agent after taking into account the industry practice at that relevant time and the recommendations by the Association of Banks in Singapore (or such other equivalent body)) at the close of business on one or more of the said five consecutive business days, the swap offer rate will be the rate per annum notified by the Calculation Agent to the Issuer equal to the arithmetic mean (rounded up, if necessary, to the next 1/16 per cent.) of the rates which are available in such five-consecutive-business-day period or, if only one rate is available in such five-consecutive-business-day period, such rate; and
- (dd) if on the Reset Determination Date, no rate is available on Page TPIS on the monitor of the Bloomberg Agency under the caption “Tullett Prebon – Rates – Interest Rate Swaps – Asia Pac – SGD” and the column headed “Ask” at the close of business on the Reset Determination Date (or if the Calculation Agent determines that such page has ceased to be the commonly accepted page for determining the swap offer rate, such other replacement page as may be specified by the Calculation Agent after taking into account the industry practice at that relevant time and the recommendations by the Association of Banks in Singapore (or such other equivalent body)) at the close of business in such five-consecutive-business-day period, the Calculation Agent will request the principal Singapore offices of the Reference Banks to provide the Calculation Agent with quotation(s) of their swap offer rates for a period equivalent to the duration of the Reset Period at the close of business on

the Reset Determination Date. The swap offer rate for such Reset Period shall be the arithmetic mean (rounded up, if necessary, to the next 1/16 per cent.) of such offered quotations, as determined by the Calculation Agent or, if only one of the Reference Banks provides the Calculation Agent with such quotation, such rate quoted by that Reference Bank.

(c) Calculation of Reset Distribution Rate

The Calculation Agent will, on the second business day prior to each Reset Date, calculate the applicable Reset Distribution Rate or (if a Change of Control Event which is specified in the applicable Pricing Supplement has occurred) the applicable Distribution Rate payable in respect of each Perpetual Security. The determination of any rate, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(d) Publication of Relevant Reset Distribution Rate

The Calculation Agent will cause the applicable Reset Distribution Rate or (if a Change of Control Event which is specified in the applicable Pricing Supplement has occurred) the applicable Distribution Rate to be notified to the Issuing and Paying Agent, the Trustee, the Registrar and the Issuer not later than the fourth business day after their determination. The Calculation Agent shall cause notice of the then applicable Reset Distribution Rate or (if a Change of Control Event which is specified in the applicable Pricing Supplement has occurred) the applicable Distribution Rate to be notified to the Perpetual Securityholders in accordance with Condition 14 as soon as possible after determination thereof. All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 4 by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Issuing and Paying Agent, the Paying Agents, the Transfer Agents, the Registrars, the Trustee and the Perpetual Securityholders and (except as provided in the Agency Agreement) no liability to any such person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

(e) Determination or Calculation by Trustee

If the Calculation Agent does not at any material time determine or calculate the applicable Reset Distribution Rate or (if a Change of Control Event which is specified in the applicable Pricing Supplement has occurred) the applicable Distribution Rate, the Trustee shall do so. In doing so, the Trustee shall apply the provisions of this Condition 4(l), with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and in all other respects, it shall do so in such manner as it shall deem fair and reasonable in all the circumstances.

(f) Calculations

In the case of a Fixed Rate Perpetual Security, distribution in respect of a period of less than one year will be calculated on the Day Count Fraction shown on the face of the Perpetual Security. The amount of distribution payable per Calculation Amount for any Fixed Rate Distribution Period in respect of any Fixed Rate Perpetual Security shall be calculated by multiplying the product of the Distribution Rate and the Calculation Amount, by the Day Count Fraction shown on the face of the Perpetual Security and rounding the resultant figure to the nearest sub-unit of the Relevant Currency.

For the purposes of these Conditions, “**Fixed Rate Distribution Period**” means the period beginning on (and including) the Distribution Commencement Date and ending on (but excluding) the first Distribution Payment Date and each successive period beginning on (and including) a Distribution Payment Date and ending on (but excluding) the next succeeding Distribution Payment Date.

(II) Distribution on Floating Rate Perpetual Securities

(a) Distribution Payment Dates

Each Floating Rate Perpetual Security confers a right to receive distribution on its Calculation Amount from the Distribution Commencement Date in respect thereof and as shown on the face of such Perpetual Security, and such distribution will be payable in arrear on each distribution payment date (“**Distribution Payment Date**”). Such Distribution Payment Date(s) is/are either shown hereon as Specified Distribution Payment Date(s) or, if no Specified Distribution Payment Date(s) is/are shown hereon, Distribution Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number of months specified as the Distribution Period on the face of the Perpetual Security (the “**Specified Number of Months**”) after the preceding Distribution Payment Date or, in the case of the first Distribution Payment Date, after the Distribution Commencement Date (and which corresponds numerically with such preceding Distribution Payment Date or the Distribution Commencement Date, as the case may be). If any Distribution Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day, then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

The period beginning on the Distribution Commencement Date and ending on the first Distribution Payment Date and each successive period beginning on a Distribution Payment Date and ending on the next succeeding Distribution Payment Date is herein called a “**Distribution Period**”.

Distribution will cease to accrue on each Floating Rate Perpetual Security from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of the Redemption Amount is improperly withheld or refused, in which event distribution will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(II) to the Relevant Date.

(b) Rate of Distribution - Floating Rate Perpetual Securities

(i) Each Floating Rate Perpetual Security confers a right to receive distribution on its Calculation Amount at a floating rate determined by reference to a Benchmark as stated on the face of such Floating Rate Perpetual Security, being (in the case of Perpetual Securities which are denominated in Singapore dollars) SIBOR (in which case such Perpetual Security will be a SIBOR Perpetual Security) or Swap Rate (in which case such Perpetual Security will be a Swap Rate Perpetual Security) or in any other case (or in the case of Perpetual Securities which are denominated in a currency other than Singapore dollars) such other Benchmark as is set out on the face of such Perpetual Security.

Such floating rate may be adjusted by adding or subtracting the Spread (if any) stated on the face of such Perpetual Security. The “Spread” is the percentage rate per annum specified on the face of such Perpetual Security as being applicable to the rate of distribution for such Perpetual Security. The rate of distribution so calculated shall be subject to Condition 4(III)(a) below.

The rate of distribution payable in respect of a Floating Rate Perpetual Security from time to time is referred to in these Conditions as the “**Rate of Distribution**”.

- (ii) The Rate of Distribution payable from time to time in respect of each Floating Rate Perpetual Security will be determined by the Calculation Agent on the basis of the following provisions:
- (1) in the case of Floating Rate Perpetual Securities which are SIBOR Perpetual Securities:
- (A) the Calculation Agent for the relevant Series of Floating Rate Perpetual Securities will, at or about the Relevant Time on the relevant Distribution Determination Date in respect of each Distribution Period, determine the Rate of Distribution for such Distribution Period which shall be the offered rate for deposits in Singapore dollars for a period equal to the duration of such Distribution Period which appears on the Bloomberg Screen Swap Offer and SIBOR (ABSIRFIX) Page under the column headed "SGD SIBOR" (or such other replacement page thereof for the purpose of displaying SIBOR or such other Screen Page (as defined below) as may be provided hereon) and as adjusted by the Spread (if any);
- (B) if no such rate appears on the Bloomberg Screen Swap Offer and SIBOR (ABSIRFIX) Page (or such other replacement page as aforesaid) or if the Bloomberg Screen Swap Offer and SIBOR (ABSIRFIX) Page (or such other replacement page as aforesaid) is unavailable for any reason, the Calculation Agent will, at or about the Relevant Time on the relevant Distribution Determination Date in respect of each Distribution Period, determine the Rate of Distribution for such Distribution Period which shall be the offered rate for deposits in Singapore dollars for a period equal to the duration of such Distribution Period which appears on the Reuters Screen ABSIRFIX01 Page under the caption "ABS SIBOR FIX - SIBOR AND SWAP OFFER RATES - RATES AT 11:00 HRS SINGAPORE TIME" and under the column headed "SGD SIBOR" (or such other replacement page thereof for the purpose of displaying SIBOR or such other Screen Page as may be provided hereon) and as adjusted by the Spread (if any);
- (C) (in the event that the Calculation Agent has notified the Issuer that it is able to do so) if on any Distribution Determination Date, no such rate appears on the Reuters Screen ABSIRFIX01 Page under the column headed "SGD SIBOR" (or such other replacement page thereof or if no rate appears on such other Screen Page as may be provided hereon) or if the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or such other Screen Page as may be provided hereon) is unavailable for any reason, the Calculation Agent will request the principal Singapore offices of each of the Reference Banks to provide the Calculation Agent with the rate at which deposits in Singapore dollars are offered by it at approximately the Relevant Time on the Distribution Determination Date to prime banks in the Singapore interbank market for a period equivalent to the duration of such Distribution Period commencing on such Distribution Payment Date in an amount comparable to the aggregate principal amount of the relevant Floating Rate Perpetual Securities. The Rate of Distribution for such Distribution Period shall be the arithmetic mean (rounded up, if necessary, to the next 1/16 per cent.) of such offered quotations and as adjusted by the Spread (if any), as determined by the Calculation Agent;
- (D) (in the event that the Calculation Agent has notified the Issuer that it is able to do so) if on any Distribution Determination Date, two but not all the Reference Banks provide the Calculation Agent with such quotations, the Rate of Distribution for the relevant Distribution Period shall be determined in accordance with (C) above on the basis of the quotations of those Reference Banks providing such quotations;

- (E) (in the event that the Calculation Agent has notified the Issuer that it is able to do so) if on any Distribution Determination Date, one only or none of the Reference Banks provides the Calculation Agent with such quotation, the Rate of Distribution for the relevant Distribution Period shall be the rate per annum which the Calculation Agent determines to be the arithmetic mean (rounded up, if necessary, to the next 1/16 per cent.) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Distribution Determination Date and as adjusted by the Spread (if any); and
 - (F) if the Calculation Agent is unable to determine the Rate of Distribution for a Distribution Period in accordance with paragraphs (b)(ii)(1)(A) to (b)(ii)(1)(E) above, the Rate of Distribution for such Distribution Period shall be the Rate of Distribution in effect for the last preceding Distribution Period to which paragraph (b)(ii)(1)(A), (b)(ii)(1)(B), (b)(ii)(1)(C), (b)(ii)(1)(D) or (b)(ii)(1)(E) above shall have applied;
- (2) in the case of Floating Rate Perpetual Securities which are Swap Rate Perpetual Securities:
- (A) the Calculation Agent for the relevant Series of Floating Rate Perpetual Securities will, at or about the Relevant Time on the relevant Distribution Determination Date in respect of each Distribution Period, determine the Rate of Distribution for such Distribution Period as being the rate which appears on the Bloomberg Screen Swap Offer and SIBOR (ABSIRFIX) Page under the column headed "SGD Swap Offer" (or such replacement page thereof for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Distribution Determination Date and for a period equal to the duration of such Distribution Period and as adjusted by the Spread (if any);
 - (B) if on any Distribution Determination Date no such rate is quoted on the Bloomberg Screen Swap Offer and SIBOR (ABSIRFIX) Page (or such other replacement page as aforesaid) or the Bloomberg Screen Swap Offer and SIBOR (ABSIRFIX) Page (or such other replacement page as aforesaid) is unavailable for any reason, the Calculation Agent will, at or about the Relevant Time on the relevant Distribution Determination Date in respect of each Distribution Period, determine the Rate of Interest for such Distribution Period as being the rate which appears on the Reuters Screen ABSFZX1 Page under the caption "SGD SOR rates as of 11:00hrs London Time" and under the column headed "SGD SOR" (or such replacement page thereof for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Distribution Determination Date and for a period equal to the duration of such Distribution Period and as adjusted by the Spread (if any);
 - (C) if on any Distribution Determination Date, no such rate is quoted on Reuters Screen ABSFZX1 Page (or such other replacement page as aforesaid) or Reuters Screen ABSFZX1 Page (or such other replacement page as aforesaid) is unavailable for any reason, the Calculation Agent will determine the Rate of Distribution for such Distribution Period as being the rate (or, if there is more than one rate which is published, the arithmetic mean of those rates (rounded up, if necessary, to the next 1/16 per cent.)) for a period equal to the duration of such Distribution Period published by a recognised industry body where such rate is widely used (after taking into account the industry practice at that time), or by such other relevant authority as the Calculation Agent may select;

- (D) (in the event that the Calculation Agent has notified the Issuer that it is able to do so) if on any Distribution Determination Date the Calculation Agent is otherwise unable to determine the Rate of Distribution under paragraphs (b)(ii)(2)(A), (b)(ii)(2)(B) and (b)(ii)(2)(C) above, the Rate of Distribution shall be determined by the Calculation Agent to be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the next 1/16 per cent.) of the rates quoted by the Singapore offices of the Reference Banks or those of them (being at least two in number) to the Calculation Agent at or about 11.00 a.m. (Singapore time) on the first business day following such Distribution Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Distribution Period, an amount equal to the aggregate principal amount of the relevant Floating Rate Perpetual Securities for such Distribution Period by whatever means they determine to be most appropriate and as adjusted by the Spread (if any), or if on such day one only or none of the Singapore offices of the Reference Banks provides the Calculation Agent with such quotation, the Rate of Distribution for the relevant Distribution Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the next 1/16 per cent.) of the prime lending rates for Singapore dollars quoted by the Singapore offices of the Reference Banks at or about 11.00 a.m. (Singapore time) on such Distribution Determination Date and as adjusted by the Spread (if any); and
- (E) if the Calculation Agent is unable to determine the Rate of Distribution for a Distribution Period in accordance with paragraphs (b)(ii)(2)(A) to (b)(ii)(2)(D) above, the Rate of Distribution for such Distribution Period shall be the Rate of Distribution in effect for the last preceding Distribution Period to which paragraph (b)(ii)(2)(A), (b)(ii)(2)(B), (b)(ii)(2)(C), or (b)(ii)(2)(D) above shall have applied; and
- (3) in the case of Floating Rate Perpetual Securities which are not SIBOR Perpetual Securities or Swap Rate Perpetual Securities or which are denominated in a currency other than Singapore dollars, the Calculation Agent will determine the Rate of Distribution in respect of any Distribution Period at or about the Relevant Time on the Distribution Determination Date in respect of such Distribution Period as follows:
- (A) if the Primary Source (as defined below) for the Floating Rate Perpetual Securities is a Screen Page (as defined below), subject as provided below, the Rate of Distribution in respect of such Distribution Period shall be:
- (aa) the Relevant Rate (as defined below) (where such Relevant Rate on such Screen Page is a composite quotation or is customarily supplied by one entity); or
- (bb) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Screen Page, in each case appearing on such Screen Page at the Relevant Time on the Distribution Determination Date,
- and as adjusted by the Spread (if any);

- (B) (in the event that the Calculation Agent has notified the Issuer that it is able to do so) if the Primary Source for the Floating Rate Perpetual Securities is Reference Banks or if paragraph (b)(ii)(3)(A)(aa) applies and no Relevant Rate appears on the Screen Page at the Relevant Time on the Distribution Determination Date or if paragraph (b)(ii)(3)(A) (bb) applies and fewer than two Relevant Rates appear on the Screen Page at the Relevant Time on the Distribution Determination Date, subject as provided below, the Rate of Distribution shall be the rate per annum which the Calculation Agent determines to be the arithmetic mean (rounded up, if necessary, to the next 1/16 per cent.) of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre (as defined below) at the Relevant Time on the Distribution Determination Date and as adjusted by the Spread (if any);
 - (C) (in the event that the Calculation Agent has notified the Issuer that it is able to do so) if paragraph (b)(ii)(3)(B) applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, the Rate of Distribution shall be the Rate of Distribution determined on the previous Distribution Determination Date; and
 - (D) if the Calculation Agent is unable to determine the Rate of Distribution for a Distribution Period in accordance with paragraphs (b)(ii)(3)(A) to (b)(ii)(3)(C) above, the Rate of Distribution for such Distribution Period shall be the Rate of Distribution in effect for the last preceding Distribution Period to which paragraph (b)(ii)(3)(A), (b)(ii)(3)(B) or (b)(ii)(3)(C) above shall have applied.
- (iii) On the last day of each Distribution Period, the Issuer will pay distribution on each Floating Rate Perpetual Security to which such Distribution Period relates at the Rate of Distribution for such Distribution Period.
 - (iv) For the avoidance of doubt, in the event that the Rate of Distribution in relation to any Distribution Period is less than zero, the Rate of Distribution in relation to such Distribution Period shall be equal to zero.

(c) Definitions

As used in these Conditions:

“**Benchmark**” means the rate specified as such in the applicable Pricing Supplement;

“**business day**” means, in respect of each Perpetual Security, (i) a day (other than a Saturday or Sunday) on which Euroclear, Clearstream, Luxembourg and the Depository, as applicable, are operating, (ii) a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for general business in the country of the Issuing and Paying Agent’s specified office and (iii) (if a payment is to be made on that day):

- (1) (in the case of Perpetual Securities denominated in Singapore dollars) a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for general business in Singapore;
- (2) (in the case of Perpetual Securities denominated in Euros) a day (other than a Saturday or Sunday) on which the TARGET System is open for settlement in Euros; and
- (3) (in the case of Perpetual Securities denominated in a currency other than Singapore dollars and Euros) a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for general business in Singapore and the principal financial centre for that currency;

“Calculation Amount” means the amount specified as such on the face of any Perpetual Security or if no such amount is so specified, the Denomination Amount of such Perpetual Security as shown on the face thereof;

“Day Count Fraction” means, in respect of the calculation of an amount of distribution in accordance with Condition 4:

- (i) if “Actual/Actual” is specified in the applicable Pricing Supplement, the actual number of days in (in the case of Fixed Rate Perpetual Securities) the Fixed Rate Distribution Period or (in the case of Floating Rate Perpetual Securities) the Distribution Period divided by 365 (or, if any portion of that Fixed Rate Distribution Period or, as the case may be, Distribution Period falls in a leap year, the sum of (1) the actual number of days in that portion of the Fixed Rate Distribution Period or, as the case may be, Distribution Period falling in a leap year divided by 366 and (2) the actual number of days in that portion of the Fixed Rate Distribution Period or, as the case may be, Distribution Period falling in a non-leap year divided by 365);
- (ii) if “Actual/360” is specified in the applicable Pricing Supplement, the actual number of days in (in the case of Fixed Rate Perpetual Securities) the Fixed Rate Distribution Period or (in the case of Floating Rate Perpetual Securities) the Distribution Period in respect of which payment is being made divided by 360; and
- (iii) if “Actual/365 (Fixed)” is specified in the applicable Pricing Supplement, the actual number of days in (in the case of Fixed Rate Perpetual Securities) the Fixed Rate Distribution Period or (in the case of Floating Rate Perpetual Securities) the Distribution Period in respect of which payment is being made divided by 365;

“Distribution Commencement Date” means the Issue Date or such other date as may be specified as the Distribution Commencement Date on the face of such Perpetual Security;

“Distribution Determination Date” means, in respect of any Distribution Period, that number of business days prior thereto as is set out in the applicable Pricing Supplement or on the face of the relevant Perpetual Security;

“Euro” means the currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time;

“Primary Source” means the Screen Page specified as such in the applicable Pricing Supplement and (in the case of any Screen Page provided by any information service other than the Bloomberg agency or the Reuters Monitor Money Rates Service (“**Reuters**”)) agreed to by the Calculation Agent;

“Reference Banks” means the institutions specified in the applicable Pricing Supplement or, if none, three major banks selected by the Calculation Agent in the interbank market that is most closely connected with the Benchmark;

“Relevant Currency” means the currency in which the Perpetual Securities are denominated;

“Relevant Financial Centre” means, in the case of distribution to be determined on a Distribution Determination Date with respect to any Floating Rate Perpetual Security, the financial centre with which the relevant Benchmark is most closely connected or, if none is so connected, Singapore;

“Relevant Rate” means the Benchmark for a Calculation Amount of the Relevant Currency for a period (if applicable or appropriate to the Benchmark) equal to the relevant Distribution Period;

“Relevant Time” means, with respect to any Distribution Determination Date, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the inter-bank market in the Relevant Financial Centre;

“Screen Page” means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Bloomberg agency and Reuters) as may be specified hereon for the purpose of providing the Benchmark, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Benchmark;

“subsidiary” means any company which is for the time being a subsidiary (within the meaning of Section 5 of the Companies Act, Chapter 50 of Singapore) of the Issuer; and

“TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET 2) System which was launched on 19 November 2007 or any successor thereto.

(III) Calculations

(a) Determination of Rate of Distribution and Calculation of Distribution Amounts

The Calculation Agent will, as soon as practicable after the Relevant Time on each Distribution Determination Date determine the Rate of Distribution and calculate the amount of distribution payable (the **“Distribution Amounts”**) in respect of each Calculation Amount of the relevant Floating Rate Perpetual Securities for the relevant Distribution Period. The amount of distribution payable per Calculation Amount in respect of any Floating Rate Perpetual Security shall be calculated by multiplying the product of the Rate of Distribution and the Calculation Amount, by the Day Count Fraction shown on the Perpetual Security and rounding the resultant figure to the nearest sub-unit of the Relevant Currency. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(b) Notification

The Calculation Agent will cause the Rate of Distribution and the Distribution Amounts for each Distribution Period and the relevant Distribution Payment Date to be notified to the Issuing and Paying Agent, the Trustee and the Issuer as soon as possible after their determination but in no event later than the fourth business day thereafter. In the case of Floating Rate Perpetual Securities, the Calculation Agent will also cause the Rate of Distribution and the Distribution Amounts for each Distribution Period and the relevant Distribution Payment Date to be notified to Perpetual Securityholders in accordance with Condition 14 as soon as possible after their determination. The Distribution Amounts and the Distribution Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Distribution Period by reason of any Distribution Payment Date not being a business day. If an Enforcement Event occurs in relation to the Floating Rate Perpetual Securities, the Rate of Distribution and Distribution Amounts payable in respect of the Floating Rate Perpetual Securities shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Distribution and Distribution Amounts need to be made unless the Trustee requires otherwise.

(c) **Determination or Calculation by the Trustee**

If the Calculation Agent does not at any material time determine or calculate the Rate of Distribution for a Distribution Period or any Distribution Amount, the Trustee shall do so. In doing so, the Trustee shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects, it shall do so in such manner as it shall deem fair and reasonable in all the circumstances.

(d) **Calculation Agent and Reference Banks**

The Issuer will procure that, so long as any Floating Rate Perpetual Security remains outstanding, there shall at all times be three Reference Banks (or such other number as may be required) and, so long as any Floating Rate Perpetual Security remains outstanding, there shall at all times be a Calculation Agent. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank or the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Distribution for any Distribution Period or to calculate the Distribution Amounts, the Issuer will appoint another bank with an office in the Relevant Financial Centre to act as such in its place. The Calculation Agent may not resign from its duties without a successor having been appointed as aforesaid.

(IV) **Distribution Discretion**

(a) **Optional Payment**

If Optional Payment is set out hereon, the Issuer may, at its sole discretion, elect not to pay a distribution (or to pay only part of a distribution) which is scheduled to be paid on a Distribution Payment Date by giving notice (an “**Optional Payment Notice**”) to the Trustee and the Issuing and Paying Agent and the Perpetual Securityholders (in accordance with Condition 14) not more than 20 nor less than 10 business days (or such other notice period as may be specified hereon) prior to a scheduled Distribution Payment Date.

If a Dividend Pusher is set out hereon, the Issuer may not elect to defer any distribution if during the Reference Period (as specified in the applicable Pricing Supplement) ending on the day before that scheduled Distribution Payment Date, either or both of the following (each such event a “**Compulsory Distribution Payment Event**”) have occurred:

- (i) a dividend, distribution or other payment has been declared or paid on or in respect of any of the Issuer’s Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of the Issuer’s Parity Obligations; or
- (ii) any of the Issuer’s Junior Obligations has been redeemed, reduced, cancelled, bought back or acquired for any consideration or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of the Issuer’s Parity Obligations has been redeemed, reduced cancelled, bought back or acquired for any consideration,

and/or as otherwise specified in the applicable Pricing Supplement.

In these Conditions, “**Junior Obligation**” means, in relation to the Issuer, any of its ordinary shares and any class of its share capital and any other instruments or securities (including without limitation any preference shares, preferred units or subordinated perpetual securities) issued, entered into or guaranteed by the Issuer that ranks or is expressed to rank, whether by its terms or by operation of law, junior to the Perpetual Securities.

Each Optional Payment Notice shall be accompanied, in the case of the notice to the Trustee and the Issuing and Paying Agent, by a certificate signed by two directors of the Issuer confirming that no Compulsory Distribution Payment Event has occurred. Any such certificate shall be conclusive evidence that no Compulsory Distribution Payment Event has occurred and the Trustee and the Issuing and Paying Agent shall be entitled to rely without any obligation to verify the same and without liability to any Perpetual Securityholder or any other person on any Optional Payment Notice or any certificate as aforementioned. Each Optional Payment Notice shall be conclusive and binding on the Perpetual Securityholders.

(b) No Obligation to Pay

If Optional Payment is set out hereon and subject to Condition 4(IV)(c) and Condition 4(IV)(d), the Issuer shall have no obligation to pay any distribution on any Distribution Payment Date and any failure to pay a distribution in whole or in part shall not constitute a default of the Issuer in respect of the Perpetual Securities.

(c) Non-Cumulative Deferral and Cumulative Deferral

(i) If Non-Cumulative Deferral is set out hereon, any distribution deferred pursuant to this Condition 4(IV) is non-cumulative and will not accrue interest. The Issuer is not under any obligation to pay that or any other distributions that have not been paid in whole or in part. The Issuer may, at its sole discretion, and at any time, elect to pay an amount up to the amount of distribution which is unpaid ("**Optional Distribution**") (in whole or in part) by complying with the notice requirements in Condition 4(IV)(e). There is no limit on the number of times or the extent of the amount with respect to which the Issuer can elect not to pay distributions pursuant to this Condition 4(IV).

Any partial payment of outstanding Optional Distribution by the Issuer shall be shared by the holders of all outstanding Perpetual Securities and the Coupons related to them on a *pro rata* basis.

(ii) If Cumulative Deferral is set out hereon, any distribution deferred pursuant to this Condition 4(IV) shall constitute "**Arrears of Distribution**". The Issuer may, at its sole discretion, elect (in the circumstances set out in Condition 4(IV)(a)) to further defer any Arrears of Distribution by complying with the foregoing notice requirement applicable to any deferral of an accrued distribution. The Issuer is not subject to any limit as to the number of times distributions and Arrears of Distribution can or shall be deferred pursuant to this Condition 4(IV) except that this Condition 4(IV)(c) shall be complied with until all outstanding Arrears of Distribution have been paid in full.

(iii) If Additional Distribution is set out hereon, each amount of Arrears of Distribution shall bear interest as if it constituted the principal of the Perpetual Securities at the Distribution Rate or Rate of Distribution (as the case may be) and the amount of such interest (the "**Additional Distribution Amount**") with respect to Arrears of Distribution shall be due and payable pursuant to this Condition 4 and shall be calculated by applying the applicable Distribution Rate or Rate of Distribution (as the case may be) to the amount of the Arrears of Distribution and otherwise *mutatis mutandis* as provided in the foregoing provisions of this Condition 4. The Additional Distribution Amount accrued up to any Distribution Payment Date shall be added, for the purpose of calculating the Additional Distribution Amount accruing thereafter, to the amount of Arrears of Distribution remaining unpaid on such Distribution Payment Date so that it will itself become Arrears of Distribution.

(d) Restrictions in the case of Non-Payment

If Dividend Stopper is set out hereon and on any Distribution Payment Date, payments of all distribution scheduled to be made on such date are not made in full by reason of this Condition 4(IV), the Issuer shall not and shall procure that none of its subsidiaries shall:

- (i) declare or pay any dividends, distributions or make any other payment on, and will procure that no dividend, distribution or other payment is made on, any of the Issuer's Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of the Issuer's Parity Obligations; or
- (ii) redeem, reduce, cancel, buy-back or acquire for any consideration, and will procure that no redemption, reduction, cancellation, buy-back or acquisition for any consideration is made in respect of, any of the Issuer's Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of the Issuer's Parity Obligations,

in each case unless and until (1) (if Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) the Issuer has satisfied in full all outstanding Arrears of Distribution, (2) (if Non-Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) a redemption of all the outstanding Perpetual Securities has occurred, the next scheduled distribution has been paid in full or an Optional Distribution equal to the amount of a distribution payable with respect to the most recent Distribution Payment Date that was unpaid in full or in part, has been paid in full or (3) the Issuer is permitted to do so by an Extraordinary Resolution (as defined in the Trust Deed) of the Perpetual Securityholders and/or as otherwise specified in the applicable Pricing Supplement.

(e) Satisfaction of Optional Distribution or Arrears of Distribution

The Issuer:

- (i) may, at its sole discretion, satisfy an Optional Distribution or Arrears of Distribution, as the case may be (in whole or in part) at any time by giving notice of such election to the Trustee and the Issuing and Paying Agent and the Perpetual Securityholders (in accordance with Condition 14) not more than 20 nor less than 10 business days (or such other notice period as may be specified hereon) prior to the relevant payment date specified in such notice (which notice is irrevocable and shall oblige the Issuer to pay the relevant Optional Distribution or Arrears of Distribution on the payment date specified in such notice); and
- (ii) in any event shall satisfy any outstanding Arrears of Distribution (in whole but not in part) on the earliest of:
 - (1) the date of redemption of the Perpetual Securities in accordance with the redemption events set out in Condition 5 (as applicable);
 - (2) the next Distribution Payment Date on the occurrence of a breach of Condition 4(IV)(d) or the occurrence of a Compulsory Distribution Payment Event; and
 - (3) the date such amount becomes due under Condition 9 or on a winding-up of the Issuer.

Any partial payment of an Optional Distribution or Arrears of Distribution, as the case may be, by the Issuer shall be shared by the Perpetual Securityholders of all outstanding Perpetual Securities on a *pro-rata* basis.

(f) No Default

Notwithstanding any other provision in these Conditions, the non-payment of any distribution payment in accordance with this Condition 4(IV) shall not constitute a default for any purpose (including, without limitation, pursuant to Condition 9) on the part of the Issuer under the Perpetual Securities.

5. Redemption and Purchase

(a) No Fixed Redemption Date

The Perpetual Securities are perpetual securities in respect of which there is no fixed redemption date and the Issuer shall (subject to the provisions of Condition 3 and without prejudice to Condition 9) only have the right to redeem or purchase them in accordance with the following provisions of this Condition 5.

(b) Redemption at the Option of the Issuer

If so provided hereon, the Issuer may, on giving irrevocable notice to the Perpetual Securityholders falling within the Issuer's Redemption Option Period shown on the face hereof, redeem all or, if so provided, some of the Perpetual Securities at their Redemption Amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Perpetual Securities shall be at their Redemption Amount, together with distribution accrued (including any Arrears of Distribution and any Additional Distribution Amount) to the date fixed for redemption.

All Perpetual Securities in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption of the Perpetual Securities, the notice to Perpetual Securityholders shall also contain the certificate numbers of the Bearer Perpetual Securities or, in the case of Registered Perpetual Securities, shall specify the principal amount of Registered Perpetual Securities drawn and the holder(s) of such Registered Perpetual Securities, to be redeemed, which shall have been drawn by or on behalf of the Issuer in such place and in such manner as may be agreed between the Issuer and the Trustee, subject to compliance with any applicable laws. So long as the Perpetual Securities are listed on any Stock Exchange, the Issuer shall comply with the rules of such Stock Exchange in relation to the publication of any redemption of such Perpetual Securities.

(c) Redemption for Taxation Reasons

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount, (together with distribution (including Arrears of Distribution and any Additional Distribution Amount) accrued to the date fixed for redemption), if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the Pricing Supplement, and (ii) such obligations cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Perpetual Securities then due. Prior to the publication of any notice of redemption pursuant to this Condition 5(c), the Issuer shall deliver to the Trustee and the Issuing and Paying Agent a certificate signed by two directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or is likely to become obliged to pay such additional amounts as a result of such change or amendment.

(d) Redemption for Accounting Reasons

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including Arrears of Distribution and any Additional Distribution Amount) accrued to the date fixed for redemption) if, on such Distribution Payment Date or any time after that Distribution Payment Date, as a result of any changes or amendments to Singapore Financial Reporting Standards issued by the Singapore Accounting Standards Council, as amended from time to time (the "**SFRS**") or any other accounting standards that may replace SFRS for the purposes of the consolidated financial statements of the Issuer (the "**Relevant Accounting Standard**"), the Perpetual Securities will not or will no longer be recorded as "equity" of the Issuer pursuant to the Relevant Accounting Standard.

Prior to the publication of any notice of redemption pursuant to this Condition 5(d), the Issuer shall deliver to the Trustee and the Issuing and Paying Agent:

- (i) a certificate, signed by two directors of the Issuer stating that the circumstances referred to above prevail and setting out the details of such circumstances; and

- (ii) an opinion of the Issuer's independent auditors stating that the circumstances referred to above prevail and the date on which the relevant change or amendment to the Relevant Accounting Standard is due to take effect.

Upon the expiry of any such notice as is referred to in this Condition 5(d), the Issuer shall be bound to redeem the Perpetual Securities in accordance with this Condition 5(d).

(e) Redemption for Tax Deductibility

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including Arrears of Distribution and any Additional Distribution Amount) accrued to the date fixed for redemption), if the Issuer satisfies the Trustee immediately before giving such notice that, as a result of:

- (i) any amendment to, or change in, the laws (or any rules or regulations thereunder) of Singapore or any political subdivision or any taxing authority thereof or therein which is enacted, promulgated, issued or becomes effective otherwise on or after the Issue Date;
- (ii) any amendment to, or change in, an official and binding interpretation of any such laws, rules or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued or becomes effective otherwise on or after the Issue Date;
- (iii) any generally applicable official interpretation or pronouncement which is issued or announced on or after the Issue Date that provides for a position with respect to such laws or regulations that differs from the previously generally accepted position which is announced on or after the Issue Date; or
- (iv) the Issuer receiving a ruling by the Comptroller of Income Tax in respect of the Perpetual Securities on or after the Issue Date,

payments of distributions (including any Arrears of Distribution and any Additional Distribution Amount) by the Issuer are not regarded as sums "payable by way of interest upon any money borrowed" for the purpose of Section 14(1)(a) of the ITA or are no longer, or would in the Distribution Period immediately following that Distribution Payment Date no longer be, so regarded.

Prior to the publication of any notice of redemption pursuant to this Condition 5(e), the Issuer shall deliver or procure that there is delivered to the Trustee and the Issuing and Paying Agent:

- (1) a certificate, signed by a duly authorised officer of the Issuer stating that the circumstances referred to above prevail and setting out the details of such circumstances; and
- (2) an opinion of the Issuer's independent tax or legal adviser of recognised standing stating that the circumstances referred to above prevail and the date on which the relevant change or amendment to the tax regime is due to take effect.

Upon the expiry of any such notice as is referred to in this Condition 5(e), the Issuer shall be bound to redeem all the Perpetual Securities in accordance with this Condition 5(e).

(f) Redemption in the case of Minimal Outstanding Amount

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including Arrears of Distribution and any Additional Distribution Amount) accrued to the date fixed for redemption) if, immediately before giving such notice, the aggregate principal amount of the Perpetual Securities outstanding is less than 10 per cent. of the aggregate principal amount originally issued.

Upon expiry of any such notice as is referred to in this Condition 5(f), the Issuer shall be bound to redeem all the Perpetual Securities in accordance with this Condition 5(f).

(g) Redemption upon a Change of Control

If so provided in the applicable Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified in the applicable Pricing Supplement, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount, (together with distribution (including Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), following the occurrence of a Change of Control Event (as specified in the applicable Pricing Supplement).

(h) Purchases

The Issuer or any of its subsidiaries may at any time purchase Perpetual Securities at any price (provided that they are purchased together with all unmatured Coupons and unexchanged Talons relating to them) in the open market or otherwise, provided that in any such case such purchase or purchases is in compliance with all relevant laws, regulations and directives.

Perpetual Securities purchased by the Issuer or any of its subsidiaries may be surrendered by the purchaser through the Issuer to, in the case of Bearer Perpetual Securities, the Issuing and Paying Agent and, in the case of Registered Perpetual Securities, the Registrar for cancellation or may at the option of the Issuer or, as the case may be, the relevant subsidiary be held or resold.

For the purposes of these Conditions, "**directive**" includes any present or future directive, regulation, request, requirement, rule or credit restraint programme of any relevant agency, authority, central bank department, government, legislative, minister, ministry, official public or statutory corporation, self-regulating organisation, or stock exchange.

(i) Cancellation

All Perpetual Securities purchased by or on behalf of the Issuer or any of its subsidiaries may be surrendered for cancellation, in the case of Bearer Perpetual Securities, by surrendering each such Perpetual Security together with all unmatured Coupons and all unexchanged Talons to the Issuing and Paying Agent at its specified office and, in the case of Registered Perpetual Securities, by surrendering the Certificate representing such Perpetual Securities to the Registrar and, in each case, if so surrendered, shall, together with all Perpetual Securities redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Perpetual Securities or Certificates so surrendered for cancellation may not be reissued or resold.

6. Payments

(a) Principal and Distribution in respect of Bearer Perpetual Securities

Payments of principal and distribution in respect of Bearer Perpetual Securities will, subject as mentioned below, be made against presentation and surrender of the relevant Perpetual Securities or Coupons, as the case may be, at the specified office of any Paying Agent by a cheque drawn in the currency in which payment is due on, or, at the option of the holders, by transfer to an account maintained by the payee in that currency with, a bank in the principal financial centre for that currency.

(b) Principal and Distribution in respect of Registered Perpetual Securities

- (i) Payments of principal in respect of Registered Perpetual Securities will, subject as mentioned below, be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in Condition 6(b)(ii).
- (ii) Distribution on Registered Perpetual Securities shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the “**Record Date**”). Payments of distribution on each Registered Perpetual Security shall be made by a cheque drawn in the currency in which payment is due on and mailed to the holder (or to the first named of joint holders) of such Perpetual Security at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any other Transfer Agent before the Record Date, such payment of distribution may be made by transfer to an account maintained by the payee in that currency with, a bank in the principal financial centre for that currency.

(c) Payments subject to law etc.

All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 7 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 8) any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Perpetual Securityholders or Couponholders in respect of such payments.

(d) Appointment of Agents

The Issuing and Paying Agent, the Non-CDP Paying Agent, the Calculation Agent, the CDP Transfer Agent, the Non-CDP Transfer Agent, the CDP Registrar and the Non-CDP Registrar initially appointed by the Issuer and their specified offices are listed below. The Issuer reserves the right at any time to vary or terminate the appointment of the Issuing and Paying Agent, the Non-CDP Paying Agent, any other Paying Agent, the CDP Transfer Agent, the Non-CDP Transfer Agent, any other Transfer Agent, the CDP Registrar, the Non-CDP Registrar and the Calculation Agent and to appoint additional or other Paying Agents, Transfer Agents, Registrars and Calculation Agents, provided that it will at all times maintain (i) an Issuing and Paying Agent having a specified office in Singapore and (in the case of Non-CDP Cleared Perpetual Securities) a Non-CDP Paying Agent, as the case may be, (ii) a Transfer Agent in relation to Registered Perpetual Securities, (iii) a Registrar in relation to Registered Perpetual Securities and (iv) a Calculation Agent where the Conditions so require.

Notice of any such change or any change of any specified office will promptly be given to the Perpetual Securityholders in accordance with Condition 14.

The Agency Agreement may be amended by the Issuer, the Issuing and Paying Agent, the Non-CDP Paying Agent, the CDP Transfer Agent, the Non-CDP Transfer Agent, the CDP Registrar, the Non-CDP Registrar and the Trustee, without the consent of the holder of any Perpetual Security or Coupon, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein or in any manner which the Issuer, the Issuing and Paying Agent, the Non-CDP Paying Agent, the CDP Transfer Agent, the Non-CDP Transfer Agent, the CDP Registrar, the Non-CDP Registrar and the Trustee may mutually deem necessary or desirable and which does not, in the reasonable opinion of the Issuer, the Issuing and Paying Agent, the Non-CDP Paying Agent, the CDP Transfer Agent, the Non-CDP Transfer Agent, the CDP Registrar, the Non-CDP Registrar and the Trustee, adversely affect the interests of the holders of the Perpetual Securities or the Coupons.

(e) Unmatured Coupons and Unexchanged Talons

- (i) Bearer Perpetual Securities which comprise Fixed Rate Perpetual Securities should be surrendered for payment together with all unmaturing Coupons (if any) relating to such Perpetual Securities, failing which an amount equal to the face value of each missing unmaturing Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmaturing Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Redemption Amount due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of five years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 8).
- (ii) Subject to the provisions of the relevant Pricing Supplement, upon the due date for redemption of any Bearer Perpetual Security comprising a Floating Rate Perpetual Security, unmaturing Coupons relating to such Perpetual Security (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Bearer Perpetual Security, any unexchanged Talon relating to such Perpetual Security (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Where any Bearer Perpetual Security comprising a Floating Rate Perpetual Security is presented for redemption without all unmaturing Coupons, and where any Bearer Perpetual Security is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (v) If the due date for redemption or repayment of any Perpetual Security is not a due date for payment of distribution, distribution accrued from the preceding due date for payment of distribution or the Distribution Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Perpetual Security or Certificate.

(f) Talons

On or after the Distribution Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Perpetual Security, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent on any business day in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 8).

(g) Non-business days

Subject as provided in the relevant Pricing Supplement or subject as otherwise provided in these Conditions, if any date for the payment in respect of any Perpetual Security or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day and shall not be entitled to any further distribution or other payment in respect of any such delay.

7. Taxation

All payments in respect of the Perpetual Securities and the Coupons by the Issuer shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer shall pay such additional amounts as will result in the receipt by the Perpetual Securityholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, except that no such additional amounts shall be payable in respect of any Perpetual Security or Coupon presented (or in respect of which the Certificate representing it is presented) for payment:

- (a) by or on behalf of a holder who is subject to such taxes, duties, assessments or governmental charges by reason of being connected with Singapore (including, without limitation, the holder being a resident of, or a permanent establishment in, Singapore), otherwise than by reason only of the holding of such Perpetual Security or Coupon or the receipt of any sums due in respect of such Perpetual Security or Coupon; or
- (b) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days.

As used in these Conditions, “**Relevant Date**” in respect of any Perpetual Security or Coupon means the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date falling seven days after that on which notice is duly given to the Perpetual Securityholders in accordance with Condition 14 that, upon further presentation of the Perpetual Security (or relative Certificate) or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon presentation, and references to “**principal**” shall be deemed to include any premium payable in respect of the Perpetual Securities, all Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 5, “**distribution**” shall be deemed to include all Distribution Amounts and all other amounts payable pursuant to Condition 4 and any reference to “**principal**” and/or “**premium**” and/or “**Redemption Amounts**” and/or “**distribution**” shall be deemed to include any additional amounts which may be payable under these Conditions.

8. Prescription

Claims against the Issuer for payment in respect of the Perpetual Securities and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within five years from the appropriate Relevant Date for payment.

9. Enforcement Events

(a) Non-payment when Due

Notwithstanding any of the provisions below in this Condition 9, the right to institute proceedings for winding-up is limited to circumstances where payment has become due. In the case of any distribution, such distribution will not be due if the Issuer has elected not to pay that distribution in accordance with Condition 4(IV). In addition, nothing in this Condition 9, including any restriction on commencing proceedings, shall in any way restrict or limit the rights of the Trustee or any of its directors, officers, employees or agents to claim from or to otherwise take any action against the Issuer in respect of any costs, charges, fees, expenses or liabilities incurred by such party pursuant to or in connection with the Perpetual Securities or the Trust Deed.

(b) Enforcement Events

If (i) an order is made or an effective resolution is passed for the bankruptcy, winding up, liquidation, receivership or similar proceedings in respect of the Issuer or (ii) the Issuer fails to pay the principal of or any distributions on any of the Perpetual Securities when due and such failure continues for a period of 10 business days in the case of distributions or two business days in the case of principal (together, the “**Enforcement Events**”), the Issuer shall be deemed to be in default under the Trust Deed and the Perpetual Securities and the Trustee may, subject to the provisions of Condition 9(d), institute proceedings for the winding-up of the Issuer and/or prove in the winding-up of the Issuer and/or claim in the liquidation of the Issuer for such payment.

(c) Enforcement

Without prejudice to Condition 9(b) but subject to the provisions of Condition 9(d), the Trustee may (but is not obliged to) without further notice to the Issuer institute such proceedings against the Issuer as it may think fit to enforce any term or condition binding on the Issuer under the Perpetual Securities or the Trust Deed, as the case may be, (other than any payment obligation of the Issuer under or arising from the Perpetual Securities, including, without limitation, payment of any principal or premium or satisfaction of any distributions (including any damages awarded for breach of any obligations)) and in no event shall the Issuer, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it.

(d) Entitlement of Trustee

The Trustee shall not and shall not be obliged to take any of the actions referred to in Condition 9(b) or Condition 9(c) against the Issuer to enforce the terms of the Trust Deed or the Perpetual Securities unless (i) it shall have been so directed by an Extraordinary Resolution of the Perpetual Securityholders or so requested in writing by Perpetual Securityholders holding not less than 25 per cent. in principal amount of the Perpetual Securities outstanding and (ii) it shall have been indemnified and/or secured and/or pre-funded by the Perpetual Securityholders to its satisfaction.

(e) Right of Perpetual Securityholders or Couponholder

No Perpetual Securityholder or Couponholder shall be entitled to proceed directly against the Issuer or to institute proceedings for the winding-up or claim in the liquidation of the Issuer or to prove in such winding-up unless the Trustee, having become so bound to proceed or being able to prove in such winding-up or claim in such liquidation, fails or neglects to do so within a reasonable period and such failure or neglect shall be continuing, in which case the Perpetual Securityholder or Couponholder shall have only such rights against the Issuer as those which the Trustee is entitled to exercise as set out in this Condition 9.

(f) Extent of Perpetual Securityholders' Remedy

No remedy against the Issuer, other than as referred to in this Condition 9, shall be available to the Trustee or the Perpetual Securityholders or Couponholders, whether for the recovery of amounts owing in respect of the Trust Deed or the Perpetual Securities or in respect of any breach by the Issuer of any of its other obligations under or in respect of the Trust Deed or the Perpetual Securities (as applicable).

10. Meeting of Perpetual Securityholders and Modifications

The Trust Deed contains provisions for convening meetings of Perpetual Securityholders of a Series to consider any matter affecting their interests, including modification by Extraordinary Resolution of the Perpetual Securities of such Series (including these Conditions insofar as the same may apply to such Perpetual Securities) or any of the provisions of the Trust Deed.

The Trustee or the Issuer at any time may, and the Trustee upon the request in writing by Perpetual Securityholders holding not less than one-tenth of the principal amount of the Perpetual Securities of any Series for the time being outstanding and after being indemnified and/or secured and/or pre-funded to its satisfaction and shall, convene a meeting of the Perpetual Securityholders of that Series. An Extraordinary Resolution duly passed at any such meeting shall be binding on all the Perpetual Securityholders of the relevant Series, whether present or not and on all relevant Couponholders, except that any Extraordinary Resolution proposed, *inter alia*, (a) to amend the dates of redemption of the Perpetual Securities or any date for payment of distribution or Distribution Amounts on the Perpetual Securities, (b) to reduce or cancel the principal amount of, or any premium payable on redemption of, the Perpetual Securities, (c) to reduce the rate or rates of distribution in respect of the Perpetual Securities or to vary the method or basis of calculating the rate or rates of distribution or the basis for calculating any Distribution Amount in respect of the Perpetual Securities, (d) to vary any method of, or basis for, calculating the Redemption Amount, (e) to vary the currency or currencies of payment or denomination of the Perpetual Securities, (f) to take any steps that as specified hereon may only be taken following approval by an Extraordinary

Resolution to which the special quorum provisions apply or (g) to modify the provisions concerning the quorum required at any meeting of Perpetual Securityholders or the majority required to pass the Extraordinary Resolution, will only be binding if passed at a meeting of the Perpetual Securityholders of the relevant Series (or at any adjournment thereof) at which a special quorum (provided for in the Trust Deed) is present.

The Trustee may agree, without the consent of the Perpetual Securityholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed which in the opinion of the Trustee is of a formal, minor or technical nature, is made to correct a manifest error or to comply with mandatory provisions of Singapore law or is required by Euroclear and/or Clearstream, Luxembourg and/or the Depository and/or any other clearing system in which the Perpetual Securities may be held and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed which is in the opinion of the Trustee not materially prejudicial to the interests of the Perpetual Securityholders. Any such modification, authorisation or waiver shall be binding on the Perpetual Securityholders and the Couponholders and, if the Trustee so requires, such modification shall be notified to the Perpetual Securityholders as soon as practicable.

In connection with the exercise of its functions (including but not limited to those in relation to any proposed modification, waiver, authorisation or substitution) the Trustee shall have regard to the interests of the Perpetual Securityholders as a class and shall not have regard to the consequences of such exercise for individual Perpetual Securityholders or Couponholders.

These Conditions may be amended, modified, or varied in relation to any Series of Perpetual Securities by the terms of the relevant Pricing Supplement in relation to such Series.

11. Replacement of Perpetual Securities, Certificates, Coupons and Talons

If a Perpetual Security, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws, at the specified office of the Issuing and Paying Agent (in the case of Bearer Perpetual Securities, Coupons or Talons) and of the Registrar (in the case of Certificates), or at the specified office of such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Perpetual Securityholders in accordance with Condition 14, on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Perpetual Security, Certificate, Coupon or Talon is subsequently presented for payment, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Perpetual Security, Certificate, Coupon or Talon) and otherwise as the Issuer may require. Mutilated or defaced Perpetual Securities, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

12. Further Issues

The Issuer may from time to time without the consent of the Perpetual Securityholders or Couponholders create and issue further securities either having the same terms and conditions as the Perpetual Securities in all respects (or in all respects except for the first payment of Distributions on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Perpetual Securities) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Perpetual Securities include (unless the context requires otherwise) any other securities issued pursuant to this Condition 12 and forming a single series with the Perpetual Securities. Any further securities forming a single series with the outstanding securities of any series (including the Perpetual Securities) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by a deed supplemental to the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Perpetual Securityholders and the holders of securities of other series where the Trustee so decides.

13. Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment unless indemnified and/or secured and/or pre-funded to its satisfaction. The Trust Deed also contains a provision entitling the Trustee to enter into business transactions with the Issuer or any of its subsidiaries without accounting to the Perpetual Securityholders or Couponholders for any profit resulting from such transactions.

14. Notices

Notices to the holders of Registered Perpetual Securities shall be valid if mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notwithstanding the foregoing, notices to the holders of Perpetual Securities will be valid if published in a daily newspaper of general circulation in Singapore (or, if the holders of any Series of Perpetual Securities can be identified, notices to such holders will also be valid if they are given to each of such holders). It is expected that such publication will be made in *The Business Times*. Notices will, if published more than once or on different dates, be deemed to have been given on the date of the first publication in such newspaper as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice to the holders of Perpetual Securities in accordance with this Condition 14.

So long as the Perpetual Securities are represented by a Global Security or a Global Certificate and such Global Security or Global Certificate is held in its entirety on behalf of Euroclear, Clearstream, Luxembourg, the Depository and/or any other clearing system, there may be substituted for such publication in such newspapers the delivery of the relevant notice to Euroclear, Clearstream, Luxembourg, (subject to the agreement of the Depository) the Depository and/or such other clearing system for communication by it to the Perpetual Securityholders, except that if the Perpetual Securities are listed on the Singapore Exchange Securities Trading Limited and the rules of such exchange so require, notice will in any event be published in accordance with the previous paragraph. Any such notice shall be deemed to have been given to the Perpetual Securityholders one day after the day on which the said notice was given to Euroclear, Clearstream, Luxembourg, the Depository and/or such other clearing system.

Notices to be given by any Perpetual Securityholder pursuant hereto (including to the Issuer) shall be in writing and given by lodging the same, together with the relative Perpetual Security or Perpetual Securities, with the Issuing and Paying Agent (in the case of Bearer Perpetual Securities) or the Registrar (in the case of Certificates). Whilst the Perpetual Securities are represented by a Global Security or a Global Certificate, such notice may be given by any Perpetual Securityholder to the Issuing and Paying Agent or, as the case may be, the Registrar through Euroclear, Clearstream, Luxembourg, the Depository and/or such other clearing system in such manner as the Issuing and Paying Agent or, as the case may be, the Registrar and Euroclear, Clearstream, Luxembourg, the Depository and/or such other clearing system may approve for this purpose.

Notwithstanding the other provisions of this Condition, in any case where the identity and addresses of all the Perpetual Securityholders are known to the Issuer, notices to such holders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given when received at such addresses.

15. Governing Law and Jurisdiction

- (a) Governing law:** The Perpetual Securities, the Coupons and the Talons are governed by, and shall be construed in accordance with, the laws of Singapore.
- (b) Jurisdiction:** The courts of Singapore are to have jurisdiction to settle any disputes that may arise out of or in connection with any Perpetual Securities, Coupons or Talons and accordingly any legal action or proceedings arising out of or in connection with any Perpetual Securities, Coupons or Talons (“**Proceedings**”) may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts.
- (c) No immunity:** The Issuer agrees that in any legal action or proceedings arising out of or in connection with the Trust Deed, the Perpetual Securities, the Coupons or the Talons against it or any of its assets, no immunity from such legal action or proceedings (which shall include, without limitation, suit, attachment prior to award, other attachment, the obtaining of an award, judgment, execution or other enforcement) shall be claimed by or on behalf of the Issuer or with respect to any of its assets and irrevocably waives any such right of immunity which it or its assets now have or may hereafter acquire or which may be attributed to it or its assets and consents generally in respect of any such legal action or proceedings to the giving of any relief or the issue of any process in connection with such action or proceedings including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order, award or judgment which may be made or given in such action or proceedings.

16. Contracts (Rights of Third Parties) Act

No person shall have any right to enforce any term or condition of the Perpetual Securities under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.

FORM OF PRICING SUPPLEMENT FOR NOTES

Pricing Supplement

[LOGO, if document is printed]

HOTEL PROPERTIES LIMITED
(incorporated with limited liability in Singapore)

S\$2,000,000,000

Multicurrency Debt Issuance Programme

SERIES NO: [●]

TRANCHE NO: [●]

[Brief Description and Amount of Notes]

Issue Price: [●] per cent.

[Publicity Name(s) of Dealer(s)]

[Issuing and Paying Agent, CDP Transfer Agent and CDP Registrar
The Bank of New York Mellon, Singapore Branch
One Temasek Avenue
#03-01 Millenia Tower
Singapore 039192

Non-CDP Paying Agent and Calculation Agent
The Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
United Kingdom

Non-CDP Registrar and Non-CDP Transfer Agent
The Bank of New York Mellon (Luxembourg) S.A.
Vertigo Building-Polaris
2-4, rue. Eugène Ruppert
L-2453 Luxembourg]*

The date of this Pricing Supplement is [●].

*Delete as appropriate.

This Pricing Supplement relates to the Tranche of Notes referred to above.

This Pricing Supplement, under which the Notes described herein (the “Notes”) are issued, is supplemental to, and should be read in conjunction with, the Information Memorandum dated [date] (as revised, supplemented, amended, updated or replaced from time to time, the “**Information Memorandum**”) issued in relation to the S\$2,000,000,000 Multicurrency Debt Issuance Programme of Hotel Properties Limited (the “**Issuer**”). Terms defined in the Information Memorandum have the same meaning in this Pricing Supplement. The Notes will be issued on the terms of this Pricing Supplement read together with the Information Memorandum. The Issuer accepts responsibility for the information contained in this Pricing Supplement which, when read together with the Information Memorandum, contains all information that is material in the context of the issue and offering of the Notes.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Notes or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any Notes by any person who is (i) not resident in Singapore and (ii) carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act, Chapter 134 of Singapore (the “**Income Tax Act**”), shall not apply if such person acquires such Notes using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the Income Tax Act.

[[Except as disclosed in this Pricing Supplement, there/There] has been no material adverse change, or any development which is likely to lead to a material adverse change, in the financial condition, business or assets of the Issuer or the consolidated financial condition, business or assets of the Group, taken as a whole since the date of last published audited consolidated accounts].*

Hotel Properties Limited

Signed: _____
[Director/authorised signatory]**

* **N.B.** If any such change is disclosed in the Pricing Supplement, it will require approval by any stock exchange(s) on which the Programme is listed. Consideration should be given as to whether or not such disclosure should be made by means of a supplemental Information Memorandum rather than in a Pricing Supplement.

** Delete as appropriate.

The terms of the Notes and additional provisions relating to their issue are as follows:

[Include whichever of the following apply]

- | | | |
|-----|---|---|
| 1. | Series No.: | [] |
| 2. | Tranche No.: | [] |
| 3. | Currency: | [] |
| 4. | Principal Amount of Series: | [] |
| 5. | Principal Amount of Tranche: | [] |
| 6. | Denomination Amount: | [] |
| 7. | Calculation Amount (if different from Denomination Amount): | [] |
| 8. | Issue Date: | [] |
| 9. | Redemption Amount (including early redemption): | [Denomination Amount/
[others]] |
| | | [Specify early redemption amount if different from final redemption amount or if different from that set out in the Conditions] |
| 10. | Interest Basis: | [Fixed Rate/Floating Rate/ Variable Rate/Hybrid/Zero Coupon] |
| 11. | Interest Commencement Date: | [] |
| 12. | Fixed Rate Note | |
| | (a) Maturity Date: | [] |
| | (b) Day Count Fraction: | [] [To insert 2000 or 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.] |
| | (c) Interest Payment Date(s): | [] |
| | (d) Initial Broken Amount: | [] |
| | (e) Final Broken Amount: | [] |
| | (f) Interest Rate: | [] per cent. per annum |
| 13. | Floating Rate Note | |
| | (a) Redemption Month: | [month and year] |
| | (b) Interest Determination Date: | [] Business Days prior to the first day of each Interest Period |

- (c) Day Count Fraction: [] [To insert 2000 or 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.]
- (d) Specified Number of Months (Interest Period): []
- (e) Specified Interest Payment Dates: []
- (f) Business Day Convention: [Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
- (g) Benchmark: [SIBOR, Swap Rate or other benchmark]
- (h) Primary Source: [Specify relevant screen page or "Reference Banks"]
- (i) Reference Banks: [Specify three]
- (j) Relevant Time: []
- (k) Relevant Financial Centre: [The financial centre most closely connected to the Benchmark – specify if not Singapore]
- (l) Spread: [+/-] [] per cent. per annum
- (m) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: []

14. **Variable Rate Note**

- (a) Redemption Month: [month and year]
- (b) Interest Determination Date: [] Business Days prior to the first day of each Interest Period
- (c) Day Count Fraction: [] [To insert 2000 or 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.]
- (d) Specified Number of Months (Interest Period): []
- (e) Specified Interest Payment Dates: []
- (f) Business Day Convention: [Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]

- (g) Benchmark: [SIBOR, Swap Rate or other benchmark]
- (h) Primary Source: [Specify relevant screen page or "Reference Banks"]
- (i) Reference Banks: [Specify three]
- (j) Relevant Time: []
- (k) Relevant Financial Centre: [The financial centre most closely connected to the Benchmark – specify if not Singapore]
- (l) Spread: [+/-] [] per cent. per annum
15. **Hybrid Note**
- (a) Fixed Rate Period: []
- (b) Floating Rate Period: []
- (c) Maturity Date: []
- (d) Redemption Month: [month and year]
- (e) Interest Determination Date: [] Business Days prior to the first day of each Interest Period
- (f) Day Count Fraction: [] [To insert 2000 or 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.]
- (g) Specified Interest Payment Date(s) (for Fixed Rate Period): []
- (h) Initial Broken Amount: []
- (i) Final Broken Amount: []
- (j) Interest Rate: [] per cent. per annum
- (k) Specified Number of Months (Interest Period): []
- (l) Specified Interest Payment Date(s) (for Floating Rate Period): []
- (m) Business Day Convention: [Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
- (n) Benchmark: [SIBOR, Swap Rate or other benchmark]

- (o) Primary Source: [Specify relevant screen page or "Reference Banks"]
- (p) Relevant Time: []
- (q) Relevant Financial Centre: [The financial centre most closely connected to the Benchmark – specify if not Singapore]
- (r) Reference Banks: [Specify three]
- (s) Spread: [+/- [] per cent. per annum
- (t) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Hybrid Notes during the Floating Rate Period, if different from those set out in the Conditions: []
16. **Zero Coupon Note**
- (a) Maturity Date: []
- (b) Amortisation Yield: [] per cent. per annum
- (c) Any other formula/basis of determining amount payable: []
- (d) Day Count Fraction: [] [To insert 2000 or 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.]
- (e) Any amount payable under Condition 7(h) (Default interest on the Notes): []
17. Issuer's Redemption Option [Yes/No]
- Issuer's Redemption Option Period (Condition 6(d)): [Specify maximum and minimum number of days for notice period] [Specify Dates]
18. Noteholders' Redemption Option [Yes/No]
- Noteholders' Redemption Option Period (Condition 6(e)(i)): [Specify maximum and minimum number of days for notice period] [Specify Dates]
19. Redemption upon Change of Control Event [Yes/No]
- Noteholders' Redemption Option Period (Condition 6(e)(ii)): [Specify maximum and minimum number of days for notice period] [Specify Dates]
- Change of Control Event: []
20. Redemption upon Cessation or Suspension of Trading of Shares [Yes/No]

21. Issuer's Purchase Option [Yes/No]
 Issuer's Purchase Option Period (Condition 6(b)): [Specify maximum and minimum number of days for notice period] [Specify Dates]
22. Noteholders' VRN Purchase Option [Yes/No]
 Noteholders' VRN Purchase Option Period (Condition 6(c)(i)): [Specify maximum and minimum number of days for notice period] [Specify Dates]
23. Noteholders' Purchase Option [Yes/No]
 Noteholders' Purchase Option Period (Condition 6(c)(ii)): [Specify maximum and minimum number of days for notice period] [Specify Dates]
24. Redemption for Taxation Reasons: [Yes/No]
 (Condition 6(f)) [on [insert other dates of redemption not on interest payment dates]]
25. Form of Notes: [Bearer/Registered]
 [Temporary Global Security exchangeable for Definitive Security/Certificate/Temporary Global Security exchangeable for Permanent Global Security/Permanent Global Security/Global Certificate]
26. Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. If yes, give details.]
27. Applicable TEFRA exemption: [C Rules/D Rules/Not Applicable]
28. Listing: []
29. ISIN Code: []
30. Common Code: []
31. Clearing System(s): [Not Applicable/Euroclear/ Clearstream, Luxembourg/The Central Depository (Pte) Limited] [other clearing information]
32. Depository: [Common depository for Euroclear/ Clearstream, Luxembourg/The Central Depository (Pte) Limited/others]
33. Delivery: Delivery [against/free of] payment
34. Method of issue of Notes: [Individual Dealer/Syndicated Issue]
35. The following Dealer(s) [is/are] subscribing the Notes: [insert legal name(s) of Dealer(s)]

36. Stabilising Manager: [Insert legal name(s) of Stabilising Managers(s)]
37. The aggregate principal amount of Notes issued has been translated in Singapore dollars at the rate of [●] producing a sum of (for Notes not denominated in Singapore dollars): S\$[●]
38. Paying Agent: [Issuing and Paying Agent/Non-CDP Paying Agent]
39. Calculation Agent: [●]
40. The aggregate principal amount of Notes issued has been translated in Singapore dollars at the rate of [●] producing a sum of (for Notes not denominated in Singapore dollars): S\$[●]
41. Registrar: []/[Not Applicable]
42. Transfer Agent: []/[Not Applicable]
43. Private Bank Rebate: []
44. Use of proceeds: []
45. Other terms:

Details of any additions or variations to terms and conditions of the Notes as set out in the Information Memorandum:

Any additions or variations to the selling restrictions:

FORM OF PRICING SUPPLEMENT FOR PERPETUAL SECURITIES

Pricing Supplement

[LOGO, if document is printed]

Hotel Properties Limited
(incorporated with limited liability in Singapore)

S\$2,000,000,000

Multicurrency Debt Issuance Programme

SERIES NO: [●]

TRANCHE NO: [●]

[Brief Description and Amount of Perpetual Securities]

Issue Price: [●] per cent.

[Publicity Name(s) of Dealer(s)]

[Issuing and Paying Agent, CDP Transfer Agent and CDP Registrar
The Bank of New York Mellon, Singapore Branch
One Temasek Avenue
#03-01 Millenia Tower
Singapore 039192

Non-CDP Paying Agent and Calculation Agent
The Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
United Kingdom

Non-CDP Transfer Agent and Non-CDP Registrar
The Bank of New York Mellon (Luxembourg) S.A.
Vertigo Building-Polaris
2-4, rue. Eugène Ruppert
L-2453 Luxembourg]*

The date of this Pricing Supplement is [●].

*Delete as appropriate.

This Pricing Supplement relates to the Tranche of Perpetual Securities referred to above.

This Pricing Supplement, under which the Perpetual Securities described herein (the “**Perpetual Securities**”) are issued, is supplemental to, and should be read in conjunction with, the Information Memorandum dated [date] (as revised, supplemented, amended, updated or replaced from time to time, the “**Information Memorandum**”) issued in relation to the S\$2,000,000,000 Multicurrency Debt Issuance Programme of Hotel Properties Limited (the “**Issuer**”). Terms defined in the Information Memorandum have the same meaning in this Pricing Supplement. The Perpetual Securities will be issued on the terms of this Pricing Supplement read together with the Information Memorandum. The Issuer accepts responsibility for the information contained in this Pricing Supplement which, when read together with the Information Memorandum, contains all information that is material in the context of the issue and offering of the Perpetual Securities.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Perpetual Securities or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

An advance tax ruling will be requested from the Inland Revenue Authority of Singapore (“**IRAS**”) to confirm, amongst other things, whether the IRAS would regard the Perpetual Securities as “debt securities” for the purposes of the Income Tax Act, Chapter 134 of Singapore (the “**Income Tax Act**”) and the distributions (including Arrears of Distribution and any Additional Distribution Amounts) made under the Perpetual Securities as interest payable on indebtedness such that holders of the Perpetual Securities may enjoy the tax concessions and exemptions available for qualifying debt securities under the qualifying debt securities scheme, as set out in the section “Taxation – Singapore Taxation” of the Information Memorandum provided that the relevant conditions are met.

[There is no guarantee that a favourable ruling will be obtained from the IRAS. In addition, no assurance is given that the Issuer can provide all information or documents requested by IRAS for the purpose of the ruling request, and a ruling may not therefore be issued.

If the Perpetual Securities are not regarded as “debt securities” for the purposes of the Income Tax Act and/or holders thereof are not eligible for the tax concessions under the qualifying debt securities scheme, the tax treatment to holders may differ.

No assurance, warranty or guarantee is given on the tax treatment to holders of the Perpetual Securities in respect of the distributions payable to them (including Arrears of Distribution and Additional Distribution Amounts). Investors should therefore consult their own accounting and tax advisers regarding the Singapore income tax consequence of their acquisition, holding and disposal of the Perpetual Securities.]**

Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Perpetual Securities by any person who (i) is not resident in Singapore and (ii) carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions and if applicable) under the Income Tax Act, Chapter 134 of Singapore (the “**Income Tax Act**”) shall not apply if such person acquires such Perpetual Securities using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Perpetual Securities is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the Income Tax Act.

[[Except as disclosed in this Pricing Supplement, there/There] has been no material adverse change, or any development which is likely to lead to a material adverse change, in the financial condition, business or assets of the Issuer or the consolidated financial condition, business or assets of the Group, taken as a whole since the date of last published audited consolidated accounts.]***

Hotel Properties Limited

Signed: _____
[Director/authorised signatory]**

* **N.B.** If any such change is disclosed in the Pricing Supplement, it will require approval by any stock exchange(s) on which the Programme is listed. Consideration should be given as to whether or not such disclosure should be made by means of a supplemental Information Memorandum rather than in a Pricing Supplement.

** To be inserted where an advance ruling will be applied in respect of the Perpetual Securities.

*** Delete as appropriate.

The terms of the Perpetual Securities and additional provisions relating to their issue are as follows:

[Include whichever of the following apply]

1. Series No.: []
2. Tranche No.: []
3. Currency: []
4. Principal Amount of Series: []
5. Principal Amount of Tranche: []
6. Denomination Amount: []
7. Calculation Amount (if different from Denomination Amount): []
8. Issue Date: []
9. Redemption Amount (including early redemption): [Denomination Amount/
[others]]
[Specify early redemption amount if different from final redemption amount or if different from that set out in the Conditions]
10. Status of Perpetual Securities: [Senior Perpetual Securities/
Subordinated Perpetual Securities]
11. Distribution Basis: [Fixed Rate/Floating Rate]
12. Distribution Commencement Date: []
13. **Fixed Rate Perpetual Security**
 - (a) Day Count Fraction: [] [To insert 2000 or 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.]
 - (b) Distribution Payment Date(s): []
 - (c) Initial Broken Amount: []
 - (d) Final Broken Amount: []
 - (e) Distribution Rate: [] per cent. per annum
 - (f) First Reset Date: []
 - (g) Reset Date: []
 - (h) Initial Spread: []
 - (i) Reset Period: []
 - (j) Step-Up Margin: []

- (k) Step-up Date: []
- (l) Relevant Rate: [Specify benchmark, if not swap offer rate]
- (m) Change of Control Margin: []
- 14. Floating Rate Perpetual Security**
- (a) Distribution Determination Date: [] Business Days prior to the first day of each Distribution Period
- (b) Day Count Fraction: [] [To insert 2000 or 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.]
- (c) Specified Number of Months (Distribution Period): []
- (d) Specified Distribution Payment Dates: []
- (e) Business Day Convention: [Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
- (f) Benchmark: [SIBOR, Swap Rate or other benchmark]
- (g) Primary Source: [Specify relevant screen page or "Reference Banks"]
- (h) Relevant Time: []
- (i) Relevant Financial Centre: [The financial centre most closely connected to the Benchmark – specify if not Singapore]
- (j) Reference Banks: [Specify three]
- (k) Spread: [+/-] [] per cent. per annum
- (l) Fall back provisions, rounding provisions and any other terms relating to the method of calculating distribution on Floating Rate Perpetual Securities, if different from those set out in the Conditions: []
15. Optional Payment: []
16. Optional Distribution: []
17. Dividend Stopper: []
18. Dividend Pusher and Reference Period: []
19. Non-cumulative Deferral: []

20. Cumulative Deferral: []
21. Additional Distribution: []
22. Issuer's Redemption Option: [Yes/No]
Issuer's Redemption Option Period (Condition 5(b)) [Specify maximum and minimum number of days for notice period]
23. Redemption for Taxation Reasons: [Yes/No]
Issuer's Redemption Option Period (Condition 5(c)) [Specify maximum and minimum number of days for notice period]
24. Redemption for Accounting Reasons: [Yes/No]
Issuer's Redemption Option Period (Condition 5(d)) [Specify maximum and minimum number of days for notice period]
25. Redemption for Tax Deductibility: [Yes/No]
Issuer's Redemption Option Period (Condition 5(e)) [Specify maximum and minimum number of days for notice period]
26. Redemption in the case of Minimal Outstanding Amount: [Yes/No]
(Condition 5(f)) [Specify maximum and minimum number of days for notice period]
27. Redemption for Change of Control Event: [Yes/No]
Issuer's Redemption Option Period (Condition 5(g)) [Specify maximum and minimum number of days for notice period]
Change of Control Event: []
28. Form of Perpetual Securities: [Bearer/Registered] [Temporary Global Security exchangeable for Definitive Securities/Certificates/Temporary Global Security exchangeable for Permanent Global Security/Certificate/Global Certificate]
29. Talons for future Coupons to be attached to Definitive Perpetual Securities: [Yes/No. If yes, give details.]
30. Applicable TEFRA exemption: [C Rules/D Rules/Not Applicable]
31. Listing: []
32. ISIN Code: []
33. Common Code: []
34. Clearing System(s): [Not Applicable/Euroclear/Clearstream, Luxembourg/The Central Depository (Pte) Limited]
[other clearing information]

35. Depository: [Common depository for Euroclear Clearstream, Luxembourg/The Central Depository (Pte) Limited/others]
36. Delivery: Delivery
[against/free of] payment
37. Method of issue of Perpetual Securities: [Individual Dealer/Syndicated Issue]
38. The following Dealer(s) [is/are] subscribing for the Perpetual Securities: [Insert legal name(s) of Dealer(s)]
39. Stabilising Manager: [Insert legal name(s) of Stabilising Manager(s)]
40. Paying Agent: [Issuing and Paying Agent/Non-CDP Paying Agent]
41. Calculation Agent: [●]
42. The aggregate principal amount of Perpetual Securities issued has been translated in Singapore Dollars at the rate of [●] producing a sum of (for Perpetual Securities not denominated in Singapore dollars): S\$[●]
43. Registrar: []/[Not Applicable]
44. Transfer Agent: []/[Not Applicable]
45. Private Bank Rebate: []
46. Use of proceeds: []
47. Other terms:

Details of any additions or variations to terms and conditions of the Perpetual Securities as set out in the Information Memorandum:

Any additions or variations to the selling restrictions:

SUMMARY OF THE PROVISIONS RELATING TO THE SECURITIES WHILE IN GLOBAL FORM

1. Initial Issue of Securities

Global Securities and Certificates may be delivered on or prior to the original issue date of the Tranche to the Common Depositary or CDP.

Upon the initial deposit of a Global Security with the Common Depositary, CDP, or registration of Registered Securities in the name of (i) any nominee for the Common Depositary and/or (ii) CDP, the relevant clearing system will credit each subscriber with a principal amount of Securities equal to the principal amount thereof for which it has subscribed and paid.

Securities that are initially deposited with the Common Depositary may also be credited to the accounts of subscribers with (if indicated in the relevant Pricing Supplement) other clearing systems through direct or indirect accounts with Euroclear and Clearstream held by such other clearing systems. Conversely, Securities that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream or other clearing systems.

2. Relationship of Accountholders with Clearing Systems

Save as provided in the following paragraph, each of the persons shown in the records of Euroclear, Clearstream, CDP or any other clearing system (each an “**Alternative Clearing System**”) as the holder of a Security represented by a Global Security or a Global Certificate must look solely to Euroclear, Clearstream, CDP or such Alternative Clearing System (as the case may be) for his share of each payment made by the Issuer to the bearer of such Global Security or the holder of the underlying Registered Securities, as the case may be, and in relation to all other rights arising under the Global Securities or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, CDP or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Securities for so long as the Securities are represented by such Global Security or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Security or the holder of the underlying Registered Securities, as the case may be, in respect of each amount so paid.

3. Exchange

3.1 Temporary Global Securities

Each Temporary Global Security will be exchangeable, free of charge to the holder, on or after its Exchange Date:

- (i) if the relevant Pricing Supplement indicates that such Global Security is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable, in whole, but not in part, for the Definitive Securities defined and described below; and
- (ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Trust Deed for interests in a Permanent Global Security or, if so provided in the relevant Pricing Supplement, for Definitive Securities.

3.2 Permanent Global Securities

Each Permanent Global Security will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under paragraph 3.4 below, in part for Definitive Securities:

- (i) if the Permanent Global Security is held on behalf of Euroclear or Clearstream or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or

- (ii) if the Permanent Global Security is cleared through CDP and (a) an Event of Default (as defined in the Trust Deed) an Enforcement Event (as defined in the Trust Deed) or analogous event entitling a person who is for the time being shown in the records of the Depository as the holder of a particular principal amount of Securities or the Trustee to declare the Securities to be due and payable as provided in the Conditions has occurred and is continuing, (b) CDP has closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise), (c) CDP has announced an intention to permanently cease business and no alternative clearing system is available or (d) CDP has notified the Issuer that it is unable or unwilling to act as depository for the Securities and to continue performing its duties as set out in the depository agreement made between the Issuer and CDP and no alternative clearing system is available.

In the event that a Global Security is exchanged for Definitive Securities, such Definitive Securities shall be issued in Denomination Amount(s) specified in the applicable Pricing Supplement only. A Securityholder who holds a principal amount of less than the minimum Denomination Amount will not receive a definitive Note in respect of such holding and would need to purchase a principal amount of Securities such that it holds an amount equal to one or more Denomination Amounts.

3.3 Global Certificates

If the Pricing Supplement states that the Securities are to be represented by a Global Certificate on issue, the following will apply in respect of transfers of Securities held in Euroclear or Clearstream, CDP or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Securities within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Securities may be withdrawn from the relevant clearing system.

Transfers of the holding of Securities represented by any Global Certificate pursuant to Condition 2(b) of the Notes or, as the case may be, Condition 2(b) of the Perpetual Securities may only be made in part:

- (i) if the relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (ii) with the consent of the Issuer; or
- (iii) if the Global Certificate is cleared through CDP and:
 - (a) an Event of Default or, as the case may be, an Enforcement Event has occurred and is continuing; or
 - (b) CDP has closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise); or
 - (c) CDP has announced an intention to permanently cease business and no alternative clearing system is available; or
 - (d) CDP has notified the Issuer that it is unable or unwilling to act as depository for the Securities and to continue performing its duties as set out in the depository agreement made between the Issuer and CDP and no alternative clearing system is available,

provided that, in the case of the first transfer of part of a holding pursuant to paragraph 3.3(i) above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

3.4 Delivery of Securities

On or after any due date for exchange the holder of a Global Security may surrender such Global Security or, in the case of a partial exchange, present it for endorsement to or to the order of the Issuing and Paying Agent. In exchange for any Global Security, or the part thereof to be exchanged, the Issuer will (i) in the case of a Temporary Global Security exchangeable for a Permanent Global Security, deliver, or procure the delivery of, a Permanent Global Security in an aggregate principal amount equal to that of the whole or that part of a Temporary Global Security that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Security to reflect such exchange or (ii) in the case of a Global Security exchangeable for Definitive Securities, deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated Definitive Securities. In this Information Memorandum, “**Definitive Securities**” means, in relation to any Global Security, the definitive Bearer Securities for which such Global Security may be exchanged (if appropriate, having attached to them all Coupons in respect of interest that have not already been paid on the Global Security and a Talon). Definitive Securities will be security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Trust Deed. On exchange in full of each Permanent Global Security, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Securities.

3.5 Exchange Date

“**Exchange Date**” means, in relation to a Temporary Global Security, the day following the expiry of 40 days after its issue date and, in relation to a Permanent Global Security, a day falling not less than 60 days, or in the case of failure to pay principal in respect of any Securities when due 30 days, after that on which the notice requiring exchange is given and on which commercial banks are open for business in Singapore and in the cities in which Euroclear, Clearstream, the Depository or, if relevant, the Alternative Clearing System, are located.

4. Amendment to Conditions

The Temporary Global Securities, the Permanent Global Securities and the Global Certificates contain provisions that apply to the Securities that they represent, some of which modify the effect of the terms and conditions of the Securities set out in this Information Memorandum. The following is a summary of certain of those provisions:

4.1 Payments

No payment falling due after the Exchange Date will be made on any Global Security unless exchange for an interest in a Permanent Global Security or for Definitive Securities is improperly withheld or refused. Payments on any Temporary Global Security issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Trust Deed. All payments in respect of Securities represented by a Global Security will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Securities, surrender of that Global Security to or to the order of the Issuing and Paying Agent or such other Paying Agent as shall have been notified to the Securityholders for such purpose. A record of each payment so made will be endorsed on each Global Security, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Securities.

For the purpose of any payments made in respect of a Global Security, the relevant place of presentation (if applicable) shall be disregarded in the definition of “business day” set out in Condition 5(II)(d) of the Notes and Condition 4(II)(c) of the Perpetual Securities.

All payments in respect of Securities represented by a Global Certificate (other than a Global Certificate held through CDP) will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be the Clearing System Business Day immediately prior to the date for payment, where “**Clearing System Business Day**” means Monday to Friday inclusive except 25 December and 1 January.

4.2 Prescription

Claims against the Issuer in respect of Securities that are represented by a Permanent Global Security will become void unless it is presented for payment within a period of five years from the appropriate Relevant Date (as defined in Condition 8 of the Notes or, as the case may be, Condition 7 of the Perpetual Securities).

4.3 Meetings

The holder of a Permanent Global Security or of the Securities represented by a Global Certificate shall (unless such Permanent Global Security or Global Certificate represents only one Security) be treated as two persons for the purposes of any quorum requirements of a meeting of Securityholders and, at any such meeting, the holder of a Permanent Global Security or of the Securities represented by a Global Certificate shall be treated as having one vote in respect of each principal amount of Securities equal to the minimum Denomination Amount of the Securities for which such Permanent Global Security or Global Certificate may be exchanged.

4.4 Cancellation

Cancellation of any Security represented by a Permanent Global Security that is required by the Conditions to be cancelled shall be effected by reduction in the principal amount of the relevant Permanent Global Security representing such Security on its presentation to or to the order of the Issuing and Paying Agent for endorsement in the relevant schedule of such Permanent Global Security or in the case of a Global Certificate, by reduction in the aggregate principal amount of the Certificates in the Register, whereupon the principal amount thereof shall be reduced for all purposes by the amount so cancelled and endorsed.

4.5 Purchase

Securities represented by a Permanent Global Security may only be purchased by the Issuer or any of its subsidiaries if they are purchased together with the rights to receive all future payments of interest or, as the case may be, distribution thereon.

4.6 Issuer's Option

Any option of the Issuer provided for in the Conditions of any Securities while such Securities are represented by a Permanent Global Security shall be exercised by the Issuer giving notice to the Securityholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Securities drawn in the case of a partial exercise of an option and accordingly no drawing of Securities shall be required. In the event of a partial redemption of Notes of any Series, Notes will be redeemed *pro rata* and the Calculation Amount (as defined in Condition 5(II)(d) of the Notes) of the Notes shall be determined in accordance with the standard procedures of Euroclear and Clearstream or CDP or any other clearing system (as the case may be) and the rights of account holders with a clearing system in respect of the Notes will be governed by the standard procedures of such clearing system.

4.7 Noteholders' Options (in relation to Notes only)

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a Permanent Global Security may be exercised by the holder of the Permanent Global Security giving notice to the Issuing and Paying Agent or, as the case may be, the Non-CDP Paying Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the certificate numbers of the Notes in respect of which the option has been exercised and the option may be exercised in respect of the whole or any part of such Permanent Global Security, and stating the principal amount of Notes in respect of which the option is exercised and at the same time presenting the Permanent Global Security to the Issuing and Paying Agent, or to a Paying Agent acting on behalf of the Issuing and Paying Agent, for notation. Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a Global Certificate may be exercised in respect of the whole or any part of the holding of Notes represented by such Global Certificate.

4.8 Trustee's Powers

In considering the interests of Securityholders while any Global Security is held on behalf of, or Registered Securities are registered in the name of any nominee for, a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Security or Registered Securities and may consider such interests as if such accountholders were the holders of the Securities represented by such Global Security or Global Certificate.

4.9 Notices

So long as any Securities are represented by a Global Security or a Global Certificate and such Global Security or Global Certificate is held on behalf of:

- (i) Euroclear and/or Clearstream or any other clearing system, notices to the holders of Securities of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Security or Global Certificate; or
- (ii) CDP, subject to the agreement of CDP, notices to the holders of Securities of that Series may be given by delivery of the relevant notice to CDP for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Security or Global Certificate.

DESCRIPTION OF THE GROUP

Overview

The Issuer was incorporated in Singapore as a private limited company on 28 January 1980.

It was converted into a public company on 4 May 1982 when it changed its name from Hotel Properties Pte Ltd to Hotel Properties Limited.

The Issuer was admitted to the Official List of the then Stock Exchange of Singapore Limited (now known as the Singapore Exchange Securities Trading Limited) on 17 June 1982.

The principal business activities of the Group are those of hotel ownership, management and operation, property development and investment holding.

As at the financial year ended 31 December 2024 (“FY 2024”), the Group owned total assets of approximately S\$4.48 billion and its market capitalisation was approximately S\$1.87 billion. For FY 2024, the Group’s revenue was S\$692.9 million which is 7.9 per cent. higher than the S\$642.1 million recorded for the financial year ended 31 December 2023 (“FY 2023”). For the half year ended 30 June 2025 (“1H 2025”), the Group recorded a revenue of S\$378.4 million, which is 9.0 per cent. higher than the S\$347.3 million recorded for the half year ended 30 June 2024 (“1H 2024”). The Group’s gross profit for 1H 2025 was S\$85.2 million, which is 3.5 per cent. higher than the S\$82.3 million for 1H 2024.

Competitive Strengths and Business Strategies

The Group believes that the following competitive strengths and business strategies have enabled and will continue to enable it to compete effectively in the hospitality, retail, commercial and residential property segments.

Owner and operator of hotels with strong hospitality brand names and in diversified locations

As at 31 December 2024, the Group has interests in 41 hotels under prestigious hospitality brands such as Four Seasons Hotels & Resorts, COMO Hotels & Resorts, IHG Hotels & Resorts, Six Senses Hotels & Resorts and Marriott International. In addition, the Group also manages its own portfolio of hotels under well-established brands such as Hard Rock Hotels and Concorde Hotels. The Group owns hotels, resorts and shopping galleries located across 17 countries, namely, Singapore, Malaysia, Thailand, Indonesia, Maldives, Seychelles, Vanuatu, the United States of America, Bhutan, Tanzania, South Africa, Vietnam, the United Kingdom, Italy, Sri Lanka, Palau and Japan. A recent acquisition by the Group is the Four Seasons Hotel Osaka, strategically located within the One Dojima building in Osaka’s vibrant Dojima neighbourhood and which introduced Osaka’s first ryokan experience. This marks the Group’s inaugural foray into the hospitality market in Japan. The Group also owns various Maldivian luxury resort properties including Four Seasons Resort Maldives at Kuda Huraa, Four Seasons Resort Maldives at Landaa Giraavaru, Six Senses Laamu, Six Senses Kanuhura, InterContinental Maldives Maamunagau Resort, Holiday Inn Resort Kandooma Maldives and Gili Lankanfushi.

The Group believes that operating under strong hospitality brands located across different countries with a geographically diverse customer base has helped the Group weather the adverse effects of external events such as natural disasters, pandemics, financial crises, terrorist attacks, political unrest, wars and other conflicts.

Niche property owner and developer

The Group has an established and distinctive track record as a niche player in the quality and premium residential and commercial property market and is known for owning and building quality residential developments in prime locations.

In Singapore, its luxury residential developments include Tomlinson Heights, Robertson Blue, Cuscaden Residences, Scotts 28, Nassim Jade and Four Seasons Park as well as, through joint ventures with CapitaLand, The Interlace and d'Leedon condominiums. The Group also owns commercial and retail properties such as Forum The Shopping Mall and Concorde Shopping Mall in Singapore.

The Group has received the Grant of Provisional Permission for the redevelopment of the Forum, voco Orchard Singapore and HPL House into a mixed redevelopment comprising hotel, retail, office, and residential components. The plans for such redevelopment are currently being refined for submission to the relevant authorities and, upon completion, the proposed redevelopment will transform this part of Orchard Road into a vibrant, energetic, significant and prominent precinct.

In London, the Group is developing Bankside Yards, the United Kingdom's first fossil-fuel free major mixed-use development. This 5.5-acre mixed-use development includes Arbor, a premium 19-storey office building completed in December 2022, Opus, a 50-storey, 249 apartment residential tower recently launched in spring 2025, as well as luxury residential apartments, a retail hub and luxury hotel and branded residences. Agreements have also been signed with Mandarin Oriental Hotel Group to manage a 151-bed 5-star hotel with 70 branded residences to be developed in subsequent phases.

The Group also developed in Paddington Square, London, a light-filled crystalline building designed by Renzo Piano Building Workshop with 350,000 square feet of bright, beautifully designed and flexible workspaces across 14 floors with an emphasis on wellbeing and sustainability and an adaptable, safe and dynamic environment. The development also comprises 80,000 square feet of shops, restaurants and cafes and is adjacent to a new Bakerloo Line entrance and ticket hall and 1.35-acre public piazza with a series of specially commissioned public artworks. West London's highest rooftop restaurant and terrace, managed by CeLaVi, is located at the top of the main building, providing striking panoramic London views. Practical completion on the offices and rooftop restaurant was achieved in December 2022 and practical completion of the final phase of the development, being a London Underground ticket office, together with the ground floor retail, was achieved in September 2024.

Presence across multiple market segments

The Group is one of the few hotel owners and operators who are also property developers and thus have a presence across each of the hotel, retail, commercial and residential property segments. With a relatively stable recurring income stream from its hotel, retail and commercial properties, the Group is able to be selective in its acquisition of quality sites for residential development.

Strong financial position and flexibility

As at 31 December 2024, the Group had a cash balance of approximately S\$131.3 million and committed working capital lines available of approximately S\$690 million. Coupled with a net debt to total equity ratio of 0.7 as of 31 December 2024, the Group believes that its strong financial position will provide it with the financial flexibility to fund its growth and expansion and allow it to respond quickly and competitively to access financing and further capitalise on emerging investment opportunities in its focus markets. These opportunities include acquisitions of properties and land and redevelopment of existing properties.

Focus on prime properties and unlocking value through asset enhancement

The Group has been and will continue to identify suitable properties globally for hotel, commercial and/or residential developments. For its existing properties, the Group's project team has been and will continue to look into renewal, refurbishment and redevelopment to maximise their potential values where feasible. For more information, see the section on "Principal Business Activities – Property Division – Singapore" on page 146 of this Information Memorandum.

Key Milestones

- 1980: Incorporated in Singapore as Hotel Properties Pte Ltd
- 1982: Changed name to Hotel Properties Limited. Listed on Stock Exchange of Singapore Limited with Hilton Singapore as sole property (which has since been rebranded as voco Orchard Singapore)
- 1983: Acquired the franchise rights to bring Häagen-Dazs ice cream into Singapore
- 1986: Completed the development of The Balmoral condominium in Singapore
- 1989: Acquired Le Meridien Singapore, now known as Concorde Hotel Singapore and Lake House, Cameron Highlands
- 1990: Completed refurbishment of its headquarters at HPL House, acquired Hard Rock Cafe franchise for various Asian countries* and Concorde Hotel Kuala Lumpur* and opened Hard Rock Cafe* in Singapore
- 1993: Acquired a resort in Vanuatu currently known as Holiday Inn Resort Vanuatu and Palms Casino
- 1994: Completed Four Seasons Park condominium, opened Four Seasons Hotel in Singapore and acquired Four Seasons Resort Bali at Jimbaran Bay
- 1996: Opened Concorde Hotel Shah Alam, Malaysia*
- 1997: Completed Nassim Jade condominium in Singapore, acquired Forum The Shopping Mall in Singapore and opened Four Seasons Resort Maldives at Kuda Huraa
- 1998: Completed Scotts 28 in Singapore, opened Four Seasons Resort Bali at Sayan and Hard Rock Hotel Bali
- 2001: Opened Casa Del Mar, Langkawi*, Hard Rock Hotel, Pattaya and Rihiveli Resort, Maldives
- 2002: Completed Cuscaden Residences in Singapore and acquired a hotel in New York currently known as Concorde Hotel New York
- 2003: Opened Metropolitan Hotel Bangkok, now known as COMO Metropolitan Bangkok
- 2004: Opened Uma Paro Hotel, Bhutan*, now known as COMO Uma Paro, Bhutan
- 2005: Acquired a 33% equity interest in a joint venture company which owns the iconic Derry and Toms Building, a mixed-use development at 99-121 Kensington High Street, an office building at Derry Street and a residential building at Kensington Square in London
- 2006: Completed Robertson Blue condominium in Singapore and opened Four Seasons Resort Maldives at Landaa Giraavaru
- 2008: Opened Kandooma Maldives which was later rebranded Holiday Inn Resort Kandooma Maldives
- 2009: Commenced business for Four Seasons Resort Seychelles* and Hard Rock Hotel Penang* and completed The Met condominium in Bangkok and started marketing The Interlace*
- 2010: Started marketing Tomlinson Heights and d'Leedon* condominiums and acquired Mandarin Oriental Prague* and acquired land in Phuket Thailand* for hotel development

- 2012: Acquired 21% effective interest in a resort currently known as Four Seasons Safari Lodge Serengeti*, situated in the Serengeti National Park of Tanzania; acquired 35% effective interest in the Westcliff Hotel* in Johannesburg, South Africa, which was subsequently reflagged as Four Seasons Hotel, The Westcliff in December 2014; acquired Gili Lankanfushi, Maldives*; and acquired property at Old Burlington Street, London*
- 2013: Acquired prime development site located on Campden Hill, London* and completed The Interlace condominium development* in Singapore
- 2014: Acquired Six Senses Laamu Maldives and property located on London Street, Paddington, London* and completed Tomlinson Heights and d'Leedon* condominiums developments in Singapore
- 2016: Acquired Ludgate House and Sampson House in the London Borough of Southwark*, also acquired the Group's first resort in Vietnam, The Nam Hai* which was later rebranded as Four Seasons Resort The Nam Hai, Hoi An and The Boathouse, a 38-key boutique resort at Kata Beach, Phuket, Thailand
- 2017: Acquired Hilton London Olympia* and DoubleTree by Hilton Hotel London Ealing* as well as Four Seasons Langkawi Malaysia* and attained practical completion for Burlington Gate and Holland Park Villas
- 2018: Acquired Castello del Nero*, a 50-key five-star hotel in Tuscany, Italy currently known as COMO Castello del Nero and opened Four Seasons Resort Seychelles at Desroches Island*
- 2019: Acquired Weligama Bay Marriott Resort & Spa, situated at Weligama, Sri Lanka, commenced operations at InterContinental Maldives Maamunagau Resort
- 2020: Acquired Alpina Dolomites* in Italy, currently known as COMO Alpina Dolomites
- 2021: Acquired Kanuhura Maldives which was later reflagged as Six Senses Kanuhura in 2023
- 2022: Completed construction of Bankside Yards West – Arbor and Paddington Square with practical completion of the offices of Paddington Square being obtained in December 2022
- 2023: Received Grant of Provisional Permission for the redevelopment of the Forum, voco Orchard Singapore and HPL House and commenced construction of the residential tower at Bankside Yards
- 2024: The Group was awarded the collective sale tender for Concorde Hotel and shopping mall in Singapore (the “**Concorde Property**”). Prior to this, the Group had already owned 95.4 per cent. of the strata area of the Concorde Property
- Opened The Boathouse Pulau Tioman, Four Seasons Explorer, Palau and Four Seasons Hotel Osaka
- 2025: Completion of the collective purchase of the Concorde Property

* Acquired interest through joint ventures or associates of the Group.

Structure of the Group

The shareholding structure of the Issuer as at 19 December 2025 as well as the core business of the Group is set out below.



* effective interest, including Mr Ong Beng Seng's direct and indirect shareholdings and shares of the Issuer held by his spouse.

Principal Business Activities

The principal business activities of the Group are those of hotel ownership, management and operation, property development and investment holding.

A description of the main business activities undertaken by the Group is set out below.

Hotel Division

The Group owns hotels, resorts and shopping galleries located across 17 countries, namely, Singapore, Malaysia, Thailand, Indonesia, Maldives, Seychelles, Vanuatu, the United States of America, Bhutan, Tanzania, South Africa, Vietnam, the United Kingdom, Italy, Sri Lanka, Palau and Japan. It has interests in 41 hotels under prestigious hospitality brands such as Four Seasons Hotels & Resorts, COMO Hotels & Resorts, IHG Hotels & Resorts, Six Senses Hotels & Resorts and Marriott International. In addition, the Group also manages its own portfolio of hotels under well-established brands such as Hard Rock Hotels and Concorde Hotels.

Singapore

In Singapore, the Group's hotels are strategically located in the Orchard Road shopping belt. The Four Seasons Hotel together with voco Orchard Singapore are located near the prime Orchard and Scotts Road area. Following a major renovation of its guest rooms at Four Season Hotel, the hotel won the World Travel Awards with the Leading Hotel Suite in 2018.

Further down Orchard Road, the Concorde Hotel Singapore is located close to the Dhoby Ghaut Civic precinct. The Group's Singapore hotels often achieve robust performances contributed in part by iconic events such as the Singapore Formula 1 Grand Prix and other major conferences and meetings.

In November 2024, Luxury Peak Pte Ltd, a wholly-owned subsidiary of the Issuer, was awarded the collective sale tender for the Concorde Property at a price of S\$821 million. The Group, through five wholly-owned subsidiaries, had already owned approximately 95.4 per cent. of the strata area of the Concorde Property for many years prior to that. The approval of the Strata Titles Boards for the collective sale of the Concorde Property was granted in June 2025 and the acquisition was completed in August 2025.

Overseas

The Group's properties in Maldives have steadily contributed to the Group's earnings and include Four Seasons Resort Maldives at Kuda Huraa, Four Seasons Resort Maldives at Landaa Giraavaru, Six Senses Laamu, Six Senses Kanuhura, InterContinental Maldives Maamunagau Resort, Holiday Inn Resort Kandooma Maldives and Gili Lankanfushi. The Group's latest acquisition in the Maldives is the Kanuhura Maldives resort located in the northern region of the Maldives which, after undergoing major refurbishment, re-opened as Six Senses Kanuhura in 2023. Located in the south of the Maldives is Six Senses Laamu located in the untouched Laamu Atoll, another exclusive and luxurious resort. The Four Seasons Resort Maldives at Landaa Giraavaru is located on one of the most beautiful islands in the Baa Atoll, which is a UNESCO declared World Biosphere Reserve. Nestled close to the UNESCO Biosphere Reserve of Hanifaru Bay, InterContinental Maldives Maamunagau Resort is a haven teeming with rich marine life and biodiversity. As the first and only all Club InterContinental resort, every guest enjoys personalised service from talented Island Curators and complimentary privileges throughout the island.

Four Seasons Resort Maldives at Kuda Huraa received the prestigious title of 'World's Leading Water Villa Resort 2021' at the World Travel Awards. The InterContinental Maldives Maamunagau Resort took home the title of 'Best Waterside Hotel' at the 2021 Condé Nast Johansens Awards for Excellence. Four Seasons Resort Maldives at Landaa Giraavaru, Four Seasons Maldives Private Island at Voavah and Gili Lankanfushi Maldives were also featured in Condé Nast Traveller 'The Best Hotels in the Maldives' guide for 2022.

COMO Point Yamu in Phuket which opened in 2014, has garnered numerous prestigious awards. Only a 25-minute drive from Phuket International Airport, COMO Point Yamu is located at the tip of Cape Yamu and overlooks the pristine Andaman Sea and the dramatic limestones of Phang Nga Bay.

In December 2014, the Group opened its iconic Westcliff Hotel in Johannesburg as Four Seasons Hotel The Westcliff, after an extensive two year renovation. On the eastern side of Africa, situated in the UNESCO World Heritage Site of Serengeti National Park of Tanzania, is the Group's Four Seasons Safari Lodge Serengeti, a luxury lodge where guests can watch wildlife graze in the great African plains.

In Malaysia, Four Seasons Resort Langkawi is located in the northern part of Langkawi Island and within Southeast Asia's first UNESCO Geopark and flanked by tropical rainforest, limestone cliffs, a talcum white sand private beach and the emerald waters of the Andaman Sea. In Langkawi, Casa del Mar is a Mediterranean-style resort set on the island's scenic Pantai Cenang beach and is a Tripadvisor 2022 Travellers' Choice Award winner.

In the Seychelles, Four Seasons Resort Seychelles at Desroches Island is the only resort on a captivating coral island in the middle of the Indian Ocean offering guests an experience with untouched nature. In less than a year of operations, Four Seasons Resort Seychelles at Desroches Island was named second 'Best Resort in the Indian Ocean' and the top-rated Seychelles resort in the 2018 Gallivanter's Awards for Excellence by the luxury travel advisory, Gallivanter's Guide.

The Group's Indonesian resorts include Four Seasons Resort Bali at Jimbaran Bay, Four Seasons Resort Bali at Sayan, Four Seasons Resort Bali at Jimbaran Private Estates, Hard Rock Hotel Bali and Sheraton Belitung Resort, all of which benefit from strong tourist arrivals from the region and afar.

In Vietnam's culturally rich central coast, Four Seasons Resort The Nam Hai, Hoi An is idyllically located close to the three UNESCO World Heritage sites of Hoi An, My Son Sanctuary and Hue Monuments.

In 2019, the Group acquired the 198-key 5-star resort, Weligama Bay Marriott Resort & Spa, situated at Weligama, Sri Lanka. The luxury hotel is centrally located near the top tourist destinations of Mirissa Beach, Galle Fort, Jungle Beach and Yala National Park and boasts spectacular views of the Weligama bay.

In Italy, COMO Castello del Nero is located in a twelfth-century castle and surrounded by a lush landscape of olive groves and vineyards in Tuscany. The Group's other Italian resort is COMO Alpina Dolomites. Located on one of Europe's most beautiful high-altitude plateaus of Alpe di Siusi, Seiser Alm, the luxurious 5-star ski resort features spectacular views of the Dolomites, a UNESCO World Heritage Site. COMO Alpina Dolomites also features an eco-friendly architectural design concept where its buildings are made from wood, stone and glass which harmoniously integrate with the natural environment of the Dolomites.

The Group opened its first hotel in Japan, Four Seasons Hotel Osaka, in August 2024. The hotel is located inside One Dojima building, a mixed-use building with 49 storeys.

In March 2025, the Group's wholly owned subsidiary, Maxford Investments Pte. Ltd., entered into a sale and purchase agreement with Precinct Properties Investments Limited to purchase the entire issued share capital of Precinct Properties 1 Queen Street Limited, a New Zealand - incorporated limited liability company, which includes a related acquisition of The Intercontinental Auckland's (the "Hotel") trade and certain assets and liabilities. The Hotel comprises 139 rooms, a restaurant, a gym and a Club Intercontinental, and offers two and a half floors of fully tenanted office space from level 3 to level 5. The acquisition of the Hotel is pending completion.

The Group continues to strive to recognise, anticipate and satisfy the ever-changing needs of its discerning guests and is confident that its hospitality segment will continue to contribute to the Group moving forward.

The hotels owned by the Group² as at 31 December 2024 are as follows:

Held by the Issuer

Location	Description
Singapore	
581 Orchard Road Singapore 238883	A 24-storey hotel building with 423 rooms/suites (known as voco Orchard Singapore)

Held by Subsidiaries

Location	Description
Singapore	
190 Orchard Boulevard Singapore 248646	A 20-storey hotel building with 259 rooms/suites (known as Four Seasons Hotel Singapore)
100 Orchard Road Singapore 238840	A 9-storey hotel building with 407 rooms/suites (known as Concorde Hotel Singapore)

Location	Description
Malaysia	
Ringlet, Cameron Highlands	A 3-storey holiday resort (known as The Lakehouse Cameron Highlands)
Batu Ferringhi, Penang	A hotel with 249 rooms (known as Hard Rock Hotel Penang)
Kampung Nipah, Tioman Island	A resort with 31 rooms (known as The Boathouse Pulau Tioman)
Thailand	
Pattaya Beach Road Cholburi	A 10-storey hotel building with 323 rooms (known as Hard Rock Hotel Pattaya)
South Sathorn Road Bangkok	2 inter-connected hotel buildings of 10 and 11 storeys with 169 rooms (known as COMO Metropolitan Bangkok)
Phuket	A hotel with 39 rooms/suites (known as The Boathouse, Phuket)
Indonesia	
Jimbaran, Bali	A resort hotel with 147 villas (known as Four Seasons Resort Bali at Jimbaran Bay)
Ubud, Bali	A resort hotel with 60 villas (known as Four Seasons Resort Bali at Sayan)
Kuta, Bali	A holiday resort with 418 rooms (known as Hard Rock Hotel Bali)
Jimbaran Village, Bali	A resort hotel with 9 villas (known as Four Seasons Resort Bali at Jimbaran Private Estates)
Republic of Maldives	
North Male Atoll	A resort (known as Four Seasons Resort Maldives at Kuda Huraa)
Baa Atoll	A resort (known as Four Seasons Resort Maldives at Landaa Giraavaru and Four Seasons Maldives Private Island at Voavah)
South Male Atoll	A resort (known as Holiday Inn Resort Kandooma Maldives)
Laamu Atoll	A resort (known as Six Senses Laamu)
Raa Atoll	A resort (known as InterContinental Maldives Maamunagau Resort)
Lhaviyani Atoll	A resort (known as Six Senses Kanuhura)
Vanuatu	
Port Vila	A holiday resort (known as Holiday Inn Resort Vanuatu and Palms Casino)
United States	
127 East 55th Street New York City, New York	A hotel building with 122 rooms (known as Concorde Hotel New York)
Sri Lanka	
Weligama	A resort (known as Weligama Bay Marriott Resort & Spa)

Location	Description
Palau	
Palau	An 11-berth catamaran (known as Four Seasons Explorer, Palau)
Japan	
Osaka	A hotel building with 175 rooms (known as Four Seasons Hotel Osaka)

2 Excludes properties held by joint ventures or associates

Property Division

The Group has rental and sales operations on its residential and commercial properties.

Singapore

The Group has established a distinctive track record as a niche player in the quality and premium residential and commercial property market. Generally viewed as a trendsetter, the Group is known for building quality residential developments in prime locations. Its luxury residential developments include Robertson Blue, Cuscaden Residences, Scotts 28, Nassim Jade, Four Seasons Park and Tomlinson Heights, as well as d’Leedon and The Interlace condominiums which are joint ventures with CapitaLand Limited. The Interlace is a recipient of the National Parks Board’s inaugural Landscape Excellence Assessment Framework certificate in recognition of its role in helping keep Singapore green in built-up environments.

In August 2023, the Group received the Grant of Provisional Permission (“**PP**”) for the redevelopment of the Forum, voco Orchard Singapore and HPL House (collectively referred hereinafter as the “**Forum Properties**”) from the Urban Redevelopment Authority under the Strategic Development Incentive (“**SDI**”) Scheme, subject to certain terms and conditions. The combined site of the Forum Properties, which are situated on freehold land as well as a 999-year leasehold land located along Orchard Road and Cuscaden Road, has a total land area of 14,027.12 square metres (150,986.66 square feet). The PP received is for a comprehensive mixed redevelopment comprising hotel, retail, office and residential components in two tower buildings of 64 storeys and 43 storeys on a 6-storey podium with a rooftop garden, a performance theatre and basement carpark. A separate 29-storey tower will be erected over the contiguous basement carpark. The total approved gross floor area for the proposed mixed development is approximately 114,153.38 square metres (1,228.736.71 square feet). The Group has appointed Rogers Stirk Harbour + Partners (“**RSHP**”) and DP Architects (“**DPA**”) architects for the redevelopment of the Forum Properties. RSHP is an internationally acclaimed architecture practice headquartered in London, known for its collaborative approach and commitment to public spaces and environmental responsibility while DPA is a prominent architectural firm headquartered in Singapore, with a strong presence across the globe. Redevelopment plans have been submitted in response to the Grant of PP and this submission follows a series of continued consultations and collaborative engagements with the authorities to refine and adjust the proposed development areas.

Overseas

The Group together with a consortium of international investors, acquired two properties (Ludgate House and Sampson House) located in the Bankside area in the London Borough of Southwark. This is a 1.4 million square feet redevelopment project located on the South Bank of London’s River Thames around the historic railway arches between the Tate Modern and Blackfriars station. The development, Bankside Yards, is the United Kingdom’s first fossil-fuel free major mixed-use development comprising Arbor, a premium 19-storey office building, Opus, a 50-storey, 249 apartment residential tower, as well as luxury residential apartments, a retail hub and luxury hotel and branded residences. A part of the site will be devoted to the creation of a new public space focused on wellness and culture. When fully completed, Bankside Yards will consist of eight new buildings, peaking at 50 storeys, sitting above 14 grand arches, and completing the celebrated cultural walkway from the Royal Festival Hall to Tate Modern. Positioned as the most central riverside location in London, the development is easily accessible by train, bus, tube, bike and on foot.

The first building completed at Bankside Yards in December 2022 is Arbor, a 19-storey office building totalling 223,000 square feet of flexible “next-generation” workspaces where it plays a vital role in shaping a 24-hour cultural neighbourhood that blends work, art, creativity, culture, technology and city life. Arbor is designed with wellness and sustainability at the forefront, being carbon neutral in operation and featuring open-air terraces, high ceilings, wide windows and double-height collaboration spaces to complement flexible working and cycling amenities to encourage active travel and is smart enabled. Arbor is certified Platinum by WiredScore and rated Excellent by BREEAM, the world’s leading science-based suite of validation and certification systems for the sustainable built environment.

The next phase of the development is Opus, a 50-storey, 249 apartment residential tower which had an initial marketing launch in spring 2025. Agreements have also been signed with Mandarin Oriental Hotel Group to manage a 151-bed 5-star hotel with 70 branded residences to be developed in subsequent phases.

The Group’s other development in London is Paddington Square, the Renzo Piano designed commercial office, retail and leisure scheme which provides approximately 350,000 square feet of light-filled, high-tech headquarter offices with approximately 80,000 square feet of shops, restaurants, and cafes, adjacent to a new Bakerloo Line entrance and ticket hall and 1.35-acre public piazza with a series of specially commissioned public artworks. West London’s highest rooftop restaurant and terrace is located at the top of the main building, providing striking panoramic London views.

On the residential front, the Group jointly developed Holland Park Villas in Kensington, London which is a luxury gated development of 68 apartments and four penthouses, all of which have been sold. The other joint venture development is Burlington Gate, the luxury apartment development located in the hub of the fashion and arts district in Mayfair, London and designed by Rogers Stirk Harbour + Partners. The 42 apartments, which are state of the art and offer residents first class amenities, have all been sold.

As part of the Group’s geographically-diversified portfolio, The Met condominium in Bangkok, Thailand has won a multitude of design awards over the years including the Jorn Utzon Award for International Architecture at the 2010 Australian Institute of Architects National Architecture Awards and the World’s 5 Best High-rise Building Award at the International High-rise Awards in Frankfurt.

The residential properties held by the Group³ as at 31 December 2024 are as follows:

Description and Location	Tenure
9 condominium units at The Met, located at South Sathorn Road, Bangkok, Thailand	Freehold

The commercial properties of the Group³ as at 31 December 2024 are as follows:

Description and Location	Tenure
Office and shop units at 50 Cuscaden Road, HPL House, Singapore 249724	Freehold
Office and shop units at 583 Orchard Road, Forum The Shopping Mall, Singapore 238884	Freehold
63 shop units at 100 Orchard Road, Concorde Shopping Mall, Singapore 238840	Leasehold (99 years from 17 August 1979)

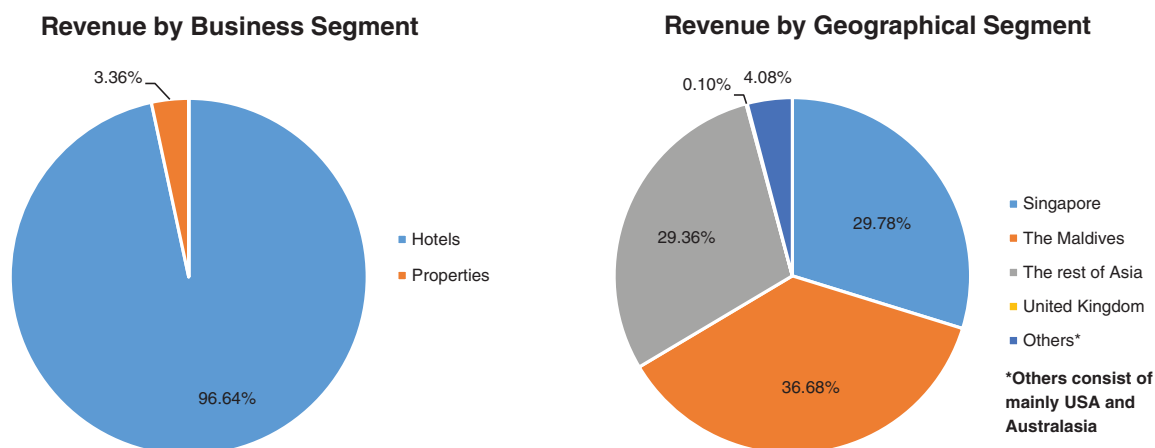
The other properties of the Group³ as at 31 December 2024 are as follows:

Description and Location	Tenure
Overseas	
1 plot of land located at Port Dickson, Negeri Sembilan, Malaysia	Freehold
1 plot of land at Rawai Sub-district, Phuket, Thailand	Freehold
1 plot of land in Phuket province, Thailand	Freehold
1 plot of land in Palau	Leasehold (99 years from 5 September 2017 and 50 years from 1 April 2019)
A few plots of land in Sumba, Indonesia	Freehold
A few plots of land in Tangalla Bay, Sri Lanka	Freehold
An island located at Noonu Atoll, Republic of Maldives	Leasehold (50 years from 9 April 2015)

3 Excludes properties held by joint venture or associates

Breakdown of Revenue

The Group's revenue breakdown for FY 2024 by business segment and geography are illustrated below.



Insurance

The Group maintains general insurance coverage for its businesses, including for property damage, business interruption and public liability. Certain types of risks (for example, war risks) may be uninsurable or the cost of insurance may be prohibitive or not economically viable when compared to the risk involved. The Group believes that its assets and properties are adequately insured by reputable insurance companies in the relevant jurisdictions and with commercially reasonable deductibles and limits on coverage.

Employees

The Group generally enjoys a healthy relationship with its workforce and believes that its relationship with its employees is good. There are no anticipated or foreseen issues or conflicts or disruptions to its business operations.

Legal Proceedings

No member of the Group is a party to any litigation, arbitration or administration proceedings which the Issuer believes would, individually or as a whole, have a material adverse effect on the condition, prospects, results of operations or business of the Group. In addition, so far as the Issuer is aware, no litigation, arbitration or administrative proceedings, which the Issuer believes would, individually or taken as a whole, have a material adverse effect on the condition, prospects, results of operations or business of the Group, are pending or threatened.

Sustainability Strategy

The Group understands the increasing importance of sustainability in all areas of its business. The Group adopts an integrated approach of evaluating its sustainability performance in tandem with its objectives. The Group publishes an annual Sustainability Report that provides more details on its Environmental, Social and Governance activities and identifies the material topics through materiality assessment by relevant stakeholders (investors, analysts and media, hotel guests, local community, suppliers, directors and employees).

The material topics are energy consumption and renewable energy usage, GHG emissions, water consumption, waste management, talent attraction and retention, occupational health and safety, training and development, customer health and safety and climate change strategy. More information on the material topics and their corresponding targets are available in the Group's Sustainability Reports published on its corporate website, <https://www.hotelprop.com.sg>. The Group issues its full standalone Sustainability Report annually.

BOARD OF DIRECTORS

The Board of Directors of the Issuer comprises:

Name	Age	Position
Wong Liang Ying	71	Independent Non-Executive Chairman
Christopher Lim Tien Lock	70	Group Executive Director
Stephen Lau Buong Lik	70	Executive Director
David Fu Kuo Chen	64	Non-Executive Director
Arthur Tan Keng Hock	69	Non-Executive Director
Nicholas James Loup	65	Independent Non-Executive Director
Rahul Goswamy	62	Independent Non-Executive Director

Mr Wong Liang Ying (Independent Non-Executive Chairman)

On April 30, 2024, Mr. Wong Liang Ying was appointed as Non-Executive Chairman of HPL. Mr. Wong Liang Ying holds a Bachelor's degree in Business Administration from the University of Singapore. Mr. Wong was with the Singapore Exchange Limited ("**SGX**") first as Head of Listings and then Head of China until his retirement in March 2018. In his role with SGX, Mr. Wong was also a member of various collaboration councils set up by Singapore with various provinces in China to promote economic trade and investment activities. Prior to joining SGX in April 2006, Mr. Wong was part of the senior management team at OCBC Bank. Before OCBC Bank, Mr. Wong was with the Schrodgers Group for 20 years and held senior management positions with the group in various Asian countries. Mr. Wong also sits on the board of Mapletree Pan Asia Commercial Trust Management Ltd as an Independent Non-Executive Director, as well as on the board of Alta Exchange Ltd as Independent Chairman.

Mr Christopher Lim Tien Lock (Group Executive Director)

Mr. Christopher Lim is the Group Executive Director of the Issuer. He is responsible for the overall management of the HPL Group. Prior to joining HPL in 1989, Mr. Lim held the position of Director and Head of Corporate Finance of N M Rothschild and Sons (Singapore) Limited with 10 years of experience in the field of investment banking. He graduated from the National University of Singapore with a Bachelor's degree in Business Administration.

Mr Stephen Lau Buong Lik (Executive Director)

Mr. Stephen Lau was appointed on May 13, 2008 as an Executive Director. He holds a B.A. Hons major in Accounting. He is a Member of the Institute of Chartered Accountants in England and Wales. He is currently Head of the Hotel Division. Previously, he headed positions in the Retail and Leisure divisions of the Issuer.

Mr David Fu Kuo Chen (Non-Executive Director)

Mr. David Fu is a Director of Avant Hotel (S) Pte Ltd. He graduated from the University of Southern California.

Mr Arthur Tan Keng Hock (Non-Executive Director)

Mr. Arthur Tan is the Managing Director of Advance Investment Management Capital Pte Ltd. Mr. Tan, who has been an investment banker for over 15 years, has held senior management positions including Managing Director of Smith New Court (Thailand) Co. Ltd, Director of Merrill Lynch (Singapore) Pte Ltd, Director, Corporate Finance, of Schrodgers International Merchant Bank Limited, Executive Director of Guthrie GTS Limited and directorships in various listed companies. He graduated from the National University of Singapore with a Bachelor's degree in Business Administration.

Mr Nicholas James Loup (Independent Non-Executive Director)

Mr. Nicholas James Loup is the Chief Executive Officer of Chelsfield Asia Limited. He is a member of the Policy Committee of British Chamber of Commerce and a director of the Spinal Cord Injury Fund. He is also the Founder, former Chairman and currently serving on two committees of Asian Association for Investors in Non-Listed Real Estate Vehicles Limited. He is a Member and former President of the MIPIM Asia Awards Jury, formerly Chief Executive Grosvenor Asia and Group Board Director.

Mr Rahul Goswamy (Independent Non-Executive Director)

Mr. Rahul Goswamy is the co-founder and partner of Gateway Partners Group, an asset management business. He has experience in investment banking, mergers and acquisitions, debt and equity capital markets and deep relationships with business families. Prior to Gateway, he was with Standard Chartered Bank where he was the Global Head of Global Corporates Coverage, Global Head of M&A and Global Head of Leveraged Finance. Apart from companies within the Gateway Partners Group, he is a member of the board of Medall Healthcare Pvt Ltd (an Indian company), Vision Blue Resources (a Guernsey company), Encalm Hospitality Private Limited (an Indian company) and a member of the Securities Industry Council of Singapore. He holds an MBA from the Indian Institute of Management, Ahmedabad and is a qualified Cost and Works Accountant.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following tables set forth the selected consolidated financial information of the Group as at and for the periods indicated below and should be read together with the financial statements (and where applicable, the notes thereto) as set out in Appendix II, Appendix III and Appendix IV. The Group's historical results for any prior periods are not necessarily indicative of results to be expected for any future period.

The Group's financial statements are reported in Singapore dollars.

The Group's audited financial statements for FY 2023 and FY 2024 contained in this Information Memorandum were prepared and presented in accordance with SFRS(I).

The Group's consolidated financial statements as at and for the six months ended 30 June 2024 and 2025 have not been audited, reviewed or subjected to any other procedures by the auditors of the Issuer. There can be no assurance that if such financial statements had been audited or reviewed that there would be no change in the financial statements and that such changes would not be material or that such financial information has been prepared and presented on a basis consistent with the accounting policies normally adopted by the Issuer and applied in preparing the consolidated financial statements as at and for the year ended 31 December 2024. Consequently, such statements may not provide the same quality of information associated with financial information that has been subject to an audit or a full review. Potential investors must therefore exercise caution when using such data to evaluate the Issuer's or the Group's financial condition, results of operations and results. As of the date of this Information Memorandum, the consolidated financial statements as at and for the year ended 31 December 2024 are the latest available audited financial statements of the Group. Further, and for the foregoing reasons, such unaudited and unreviewed financial information may not be meaningful and are not a reliable indication of the future financial performance of the Issuer or the Group.

Consolidated Income Statement

	FY 2023	FY 2024	Half year ended 30 June 2024	Half year ended 30 June 2025
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	642,120	692,928	347,297	378,439
Cost of sales	(495,422)	(549,192)	(265,041)	(293,280)
Gross profit	146,698	143,736	82,256	85,159
Other operating income	25,789	51,339	11,963	5,288
Administrative expenses	(73,334)	(78,821)	(36,921)	(44,784)
Other operating expenses	(18,494)	(17,102)	(6,028)	(10,302)
Finance costs	(98,348)	(105,634)	(50,181)	(50,992)
Share of results of associates and jointly controlled entities	(56,381)	(57,487)	1,066	7,699
(Loss) Profit before income tax and fair value changes in investment properties	(74,070)	(63,969)	2,155	(7,932)
Net fair value gain in investment properties	645,005	96,632	–	27,324
Profit before income tax	570,935	32,663	2,155	19,392
Income tax expense	(16,020)	(26,039)	(5,615)	(7,934)
Profit (Loss) for the period	554,915	6,624	(3,460)	11,458
Attributable to:				
Owners of the Company	561,045	27,218	(4,925)	11,440
Non-controlling interests	(6,130)	(20,594)	1,465	18
	554,915	6,624	(3,460)	11,458

Consolidated Statement of Financial Position

	31 Dec 2023	31 Dec 2024	30 June 2024	30 June 2025
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and bank balances	94,798	131,308	103,635	96,420
Trade and other receivables	96,078	113,211	86,004	69,034
Amount due from associates and jointly controlled entities	55,845	57,620	55,638	57,314
Inventories	15,502	16,982	15,281	15,127
Completed properties held for sale	7,427	7,655	7,106	7,558
Total current assets	269,650	326,776	267,664	245,453
Non-current assets				
Associates and jointly controlled entities	691,318	753,216	767,244	813,845
Investments	221,403	133,353	231,629	125,432
Property, plant and equipment	1,686,457	1,841,896	1,776,258	1,781,944
Investment properties	1,319,933	1,416,565	1,319,933	1,443,889
Long-term deposits and prepayment	–	–	–	92,285
Deferred tax assets	2,580	3,296	2,784	3,469
Intangible assets	9,648	9,617	9,632	9,578
Total non-current assets	3,931,339	4,157,943	4,107,480	4,270,442
Total assets	4,200,989	4,484,719	4,375,144	4,515,895
LIABILITIES AND EQUITY				
Current liabilities				
Short-term borrowings	49,493	236,326	292,784	40,493
Trade and other payables	157,765	175,150	136,409	147,852
Income tax payable	9,859	9,066	8,084	7,381
Total current liabilities	217,117	420,542	437,277	195,726
Non-current liabilities				
Long-term borrowings	1,464,199	1,539,236	1,439,868	1,817,290
Long-term lease liabilities	105,400	105,977	108,396	99,755
Deferred tax liabilities	16,839	18,982	17,135	18,493
Total non-current liabilities	1,586,438	1,664,195	1,565,399	1,935,538
Share capital and reserves				
Share capital	726,780	735,265	733,697	751,177
Treasury shares	(1,746)	(1,746)	(1,746)	(1,746)
Reserves	1,428,822	1,431,142	1,387,681	1,404,243
Equity attributable to owners of the Company	2,153,856	2,164,661	2,119,632	2,153,674
Perpetual capital securities	159,214	158,800	159,214	158,800
	2,313,070	2,323,461	2,278,846	2,312,474
Non-controlling interests	84,364	76,521	93,622	72,157
Total equity	2,397,434	2,399,982	2,372,468	2,384,631
Total liabilities and equity	4,200,989	4,484,719	4,375,144	4,515,895

Consolidated Statement of Cash Flows

	FY 2023	FY 2024	Half year ended 30 June 2024	Half year ended 30 June 2025
	S\$'000	S\$'000	S\$'000	S\$'000
Operating activities				
Profit before income tax and share of results of associates and jointly controlled entities	627,316	90,150	1,089	11,693
Adjustments for:				
Amortisation of intangible assets	52	53	26	27
Depreciation expense	78,002	86,745	41,677	46,450
Net fair value gain in investment properties	(645,005)	(96,632)	–	(27,324)
Net fair value loss in held-for-trading investments	55	–	–	–
Net fair value loss (gain) in investments	11,926	1,525	(5,513)	9,298
Net (gain) loss on disposal of property, plant and equipment	(15,086)	550	29	(65)
Finance costs	98,348	105,634	50,181	50,992
Interest income	(2,226)	(3,041)	(2,506)	(421)
Dividend income	(6,721)	(4,567)	(3,227)	(3,750)
Profit before working capital changes	146,661	180,417	81,756	86,900
Trade and other payables	(274)	11,957	(26,941)	(20,834)
Trade and other receivables	(9,521)	(23,530)	6,014	9,040
Held-for-trading investments	2,435	–	–	–
Inventories	(1,573)	(1,019)	527	997
Cash generated from operations	137,728	167,825	61,356	76,103
Dividend received	6,721	4,567	3,227	3,750
Income tax paid	(7,912)	(24,928)	(7,785)	(9,619)
Net cash from operating activities	136,537	147,464	56,798	70,234
Investing activities				
Additional property, plant and equipment and right-of-use asset	(139,208)	(213,351)	(125,974)	(39,815)
Net (additional) repayment from investments	(192)	569	(1,606)	(2,071)
Additional long-term deposits and prepayment	–	–	–	(58,496)
Net repayment from (investment in) associates and jointly controlled entities	74,385	(117,010)	(63,324)	(34,489)
Proceeds from disposal of investment properties	87,797	–	–	–
Proceeds from disposal of investments	–	86,678	–	–
Proceeds from disposal of property, plant and equipment	14,411	534	275	343
Net cash from (used in) investing activities	37,193	(242,580)	(190,629)	(134,528)
Financing activities				
Interest received	2,226	3,041	2,506	421
Finance costs paid	(93,771)	(98,368)	(44,753)	(47,712)
Repayment of lease liabilities	(2,386)	(2,434)	(1,244)	(1,310)
Dividend paid	(26,065)	(31,366)	(31,366)	(21,093)
Distribution to perpetual capital securities holders	(7,040)	(7,059)	(3,530)	(4,388)
Net receipts from (payment to) non-controlling shareholders	8,483	12,406	6,184	(2,219)

	FY 2023	FY 2024	Half year ended 30 June 2024	Half year ended 30 June 2025
	S\$'000	S\$'000	S\$'000	S\$'000
Additional borrowings	296,022	508,729	308,869	372,775
Repayment of borrowings	(360,789)	(261,323)	(102,224)	(280,682)
Decrease in deposits under pledge to bank	14,047	3,276	3,377	231
Redemption of perpetual capital securities	–	(160,000)	–	–
Net proceeds from issue of perpetual capital securities	–	158,800	–	–
Proceeds from issue of shares	–	6,871	5,575	13,325
Net cash (used in) from financing activities	(169,273)	132,573	143,394	29,348
Net increase (decrease) in cash and cash equivalents	4,457	37,457	9,563	(34,946)
Cash and cash equivalents at beginning of period	87,898	91,077	91,077	128,660
Effect of exchange rate changes on cash balances held in foreign currencies	(1,278)	126	325	172
Cash and cash equivalents at end of period	91,077	128,660	100,965	93,886

Review of Past Performance

FY 2023

For the year ended 31 December 2023, the Group recorded a revenue of S\$642.1 million, which is 22.2% higher than the S\$525.5 million recorded for the year ended 31 December 2022. Gross profit also increased by 39.2% from S\$105.4 million for FY2022 to S\$146.7 million for the year under review. The increase was mainly attributable to better performance by the Group's hotels and resorts in general, in line with the continued recovery in international travel.

The Group generated an operating profit before share of results of associates and jointly controlled entities, depreciation, amortisation, fair value changes and finance cost of S\$146.7 million for the year under review, which is 29.2% higher than the S\$113.5 million recorded in the previous year. Proceeds from disposal of 7 shop units in Ming Arcade of S\$87.8 million were also fully collected upon completion in May 2023.

For the year ended 31 December 2023, the Group recorded a mark-to-market fair value loss of S\$11.9 million on long term investments compared to S\$17.3 million for the year ended 31 December 2022. Finance cost increased from S\$59.4 million for the year ended 31 December 2022 to S\$98.3 million for the year under review due mainly to higher interest rates.

The Group's share of results of associates and jointly controlled entities turned from a profit of S\$2.1 million to a loss of S\$56.4 million for the year ended 31 December 2023 mainly due to fair value and impairment losses suffered by the Group's properties in London due to higher capitalisation rates, in line with the current market conditions there. On the other hand, the Group's Singapore investment properties grossed a fair value gain of S\$645 million based on independent valuation as at 31 December 2023.

After accounting for income tax and non-controlling interest, Group net profit attributable to shareholders for the year ended 31 December 2023 was S\$561.0 million compared to S\$40.2 million for the year ended 31 December 2022.

FY 2024

For the year ended 31 December 2024, the Group recorded a revenue of S\$692.9 million, which is 7.9% higher than the S\$642.1 million recorded for the year ended 31 December 2023. The increase is mainly attributable to the opening of Six Senses Kanuhura in late 2023 and Four Seasons Hotel Osaka in August 2024. With the completion of Brillia Tower Dojima residential apartments in Osaka, which the Group has a 25.0% share via a partnership arrangement, a distribution of S\$38.7 million was received and recorded as other operating income.

The Group generated an operating profit before share of results of associates and jointly controlled entities, depreciation, amortisation, fair value changes and finance cost of S\$180.4 million for the year under review, which is 23.0% higher than the S\$146.7 million recorded in the previous year.

For the year ended 31 December 2024, the Group recorded a mark-to-market fair value loss of S\$1.5 million on long term investments compared to the loss of S\$11.9 million for the year ended 31 December 2023. Finance cost increased from S\$98.3 million for the year ended 31 December 2023 to S\$105.6 million for the year under review due mainly to higher borrowings and interest rates.

The Group continues to share losses from associates and jointly controlled entities totalling S\$57.5 million this financial year compared to a total of S\$56.4 million for the year ended 31 December 2023. This was mainly due to higher finance costs and fair value loss suffered by the Group's properties in London. For Singapore investment properties, the Group recorded a fair value gain of S\$96.6 million for the year ended 31 December 2024 compared to a gain of S\$645.0 million for the year ended 31 December 2023.

After accounting for income tax and non-controlling interest, Group net profit attributable to shareholders for the year ended 31 December 2024 was S\$27.2 million compared to S\$561.0 million for the year ended 31 December 2023.

Half Year Ended 30 June 2024

For the half year ended 30 June 2024, the Group recorded a revenue of S\$347.3 million, which is 8.9% higher than the S\$319.0 million recorded for the corresponding period in the previous year. Gross profit also increased from S\$78.3 million for the half year ended 30 June 2023 to S\$82.3 million for the half year ended 30 June 2024. The increase was mainly attributable to the opening of Six Senses Kanuhura Maldives following a major refurbishment and better performance by majority of the Group's hotels and resorts.

For the half year ended 30 June 2024, the Group recorded a mark-to-market fair value gain on long term investments of S\$5.5 million compared to a loss of S\$8.4 million for the corresponding period in the previous year. Finance cost increased from S\$46.3 million for first half 2023 to S\$50.2 million for the half year under review due to higher borrowings as well as interest rates.

The Group's share of results of associates and jointly controlled entities turned from a loss of S\$16.5 million for the first half of 2023 to a profit of S\$1.1 million for the half year under review mainly due to share of fair value and divestment gains from investment properties held by jointly controlled entities.

For the half year ended 30 June 2024, the Group recorded a profit before tax of S\$2.2 million compared to a loss before tax of S\$8.9 million for the corresponding period in the previous year. After accounting for income tax and non-controlling interests, Group net loss attributable to shareholders for the half year ended 30 June 2024 was S\$4.9 million compared to a net loss of S\$17.2 million for the corresponding period in the previous year.

Half Year Ended 30 June 2025

For the half year ended 30 June 2025, the Group recorded a revenue of S\$378.4 million, which is 9.0% higher than the S\$347.3 million recorded for the corresponding period in the previous year. Gross profit also increased from S\$82.3 million for 1H 24 to S\$85.2 million for the half year under review. The increase was mainly attributable to the opening of Four Seasons Hotel Osaka in August in the previous year.

The Group generated an operating profit before share of results of associates and jointly controlled entities, depreciation, amortisation, fair value changes and finance cost of S\$86.9 million for the half year under review, which is 6.3% higher than the S\$81.8 million recorded for the corresponding period in the previous year.

For the half year ended 30 June 2025, the Group recorded a mark-to-market fair value loss on long term investments of S\$9.3 million compared to a gain of S\$5.5 million for the corresponding period in the previous year. Finance cost increased slightly from S\$50.2 million for the first half of 2024 to S\$51.0 million for the half year under review due to higher borrowings.

The Group's share of profits of associates and jointly controlled entities improved from S\$1.1 million for the first half of 2024 to S\$7.7 million for the half year under review mainly due to share of a gain recorded by Paddington Square, London upon a favourable settlement of disputes with a certain tenant.

The Group has received approval from the Strata Title Board to proceed with the acquisition of the entire strata area of Concorde Hotel & Shopping Mall in Singapore and the acquisition was completed on 11 August 2025. The shop units which are held as Investment Properties have been fair valued at the sale value as per the sale contract resulting in a fair value gain of S\$27.3 million.

For the half year ended 30 June 2025, the Group recorded a profit before tax of S\$19.4 million compared to S\$2.2 million for the corresponding period in the previous year. After accounting for income tax and non-controlling interests, Group net profit attributable to shareholders for the half year ended 30 June 2025 was S\$11.4 million compared to a net loss of S\$4.9 million for the corresponding period in the previous year.

PURPOSE OF THE PROGRAMME AND USE OF PROCEEDS

The net proceeds arising from the issue of the Securities under the Programme (after deducting issue expenses) will be used for the purpose of refinancing existing borrowings and/or financing the working capital requirements of the Group, and/or as otherwise specified in the applicable Pricing Supplement.

CLEARING AND SETTLEMENT

Clearance and Settlement under the Depository System

In respect of Securities which are accepted for clearance by CDP in Singapore, clearance will be effected through an electronic book-entry clearance and settlement system for the trading of debt securities (“**Depository System**”) maintained by CDP. Securities that are to be listed on the SGX-ST may be cleared through CDP.

CDP, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. CDP holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between accountholders through electronic book-entry changes in the securities accounts maintained by such accountholders with CDP.

In respect of Securities which are accepted for clearance by CDP, the entire issue of the Securities is to be held by CDP in the form of a global security or global certificate for persons holding the Securities in securities accounts with CDP (“**Depositors**”). Delivery and transfer of Securities between Depositors is by electronic book-entries in the records of CDP only, as reflected in the securities accounts of Depositors.

Settlement of over-the-counter trades in the Securities through the Depository System may be effected through securities sub-accounts held with corporate depositors (“**Depository Agents**”). Depositors holding the Securities in direct securities accounts with CDP, and who wish to trade Securities through the Depository System, must transfer the Securities to a securities sub-account with a Depository Agent for trade settlement.

CDP is not involved in money settlement between the Depository Agents (or any other persons) as CDP is not a counterparty in the settlement of trades of debt securities. However, CDP will make payment of interest and distribution and repayment of principal on behalf of issuers of debt securities.

Although CDP has established procedures to facilitate transfer of interests in the Securities in global form among Depositors, it is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Issuing and Paying Agent or any other agent will have the responsibility for the performance by CDP of its obligations under the rules and procedures governing its operations.

Clearance and Settlement under Euroclear and Clearstream

Euroclear and Clearstream each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in the accounts of such participants, thereby eliminating the need for physical movements of certificates and any risks from lack of simultaneous transfer. Euroclear and Clearstream provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream each also deals with domestic securities markets in several countries through established depository and custodial relationships. The respective systems of Euroclear and Clearstream have established an electronic bridge between their two systems which enables their respective participants to settle trades with one another. Euroclear and Clearstream participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear or Clearstream is also available to other financial institutions, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream participant, either directly or indirectly.

A participant's overall contractual relations with either Euroclear or Clearstream are governed by the respective rules and operating procedures of Euroclear or Clearstream and any applicable laws. Both Euroclear and Clearstream act under those rules and operating procedures only on behalf of their respective participants, and have no record of, or relationship with, persons holding any interests through their respective participants. Payments of principal, interest or distributions with respect to book-entry interests in the Securities held through Euroclear or Clearstream will be credited, to the extent received by the relevant Paying Agent, to the cash accounts of the relevant Euroclear or Clearstream participants in accordance with the relevant system's rules and procedures.

TAXATION

Singapore Taxation

The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines and circulars issued by the IRAS and MAS in force as at the date of this Information Memorandum and are subject to any changes in such laws, regulations, administrative guidelines or circulars, or the interpretation of those laws, regulations, guidelines or circulars, occurring after such date, which changes could be made on a retroactive basis, including amendments to the Income Tax (Qualifying Debt Securities) Regulations to include the conditions for the income tax and withholding tax exemptions under the qualifying debt securities (“QDS”) scheme for early redemption fee (as defined in the ITA) and redemption premium (as such term has been amended by the ITA). These laws, regulations, guidelines and circulars are also subject to various interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Information Memorandum are intended or are to be regarded as advice on the tax position of any holder of the Securities or of any person acquiring, selling or otherwise dealing with the Securities or on any tax implications arising from the acquisition, sale or other dealings in respect of the Securities. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Securities and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates. The statements should not be regarded as advice on the tax position of any person and should be treated with appropriate caution. Prospective holders of the Securities are advised to consult their own professional tax advisers as to the Singapore or other tax consequences of the acquisition, ownership of or disposal of the Securities, including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that none of the Issuer, the Arranger and any other persons involved in the Programme or the issuance of the Securities, accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Securities.

In addition, the disclosure below is on the assumption that the IRAS regards each tranche of the Perpetual Securities as “debt securities” for the purposes of the ITA and that distribution payments made under each tranche of the Perpetual Securities (including any Arrears of Distribution and Additional Distribution Amounts) will be regarded as interest payable on indebtedness and holders thereof may therefore enjoy the tax concessions and exemptions available for qualifying debt securities, provided that the other conditions for the qualifying debt securities scheme are satisfied. If any tranche of the Perpetual Securities is not regarded as “debt securities” for the purposes of the ITA, distribution payments made under each tranche of the Perpetual Securities (including any Arrears of Distribution and Additional Distribution Amounts) are not regarded as interest payable on indebtedness or holders thereof are not eligible for the tax concessions or exemptions under the qualifying debt securities scheme, the tax treatment to holders may differ. Investors and holders of any tranche of the Perpetual Securities should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of any tranche of the Perpetual Securities.

There is no assurance that IRAS will agree to treat any particular tranche of Perpetual Securities as debt securities and distributions thereon as interest.

1. Interest and Other Payments

Subject to the following paragraphs, under Section 12(6) of the ITA, the following payments are deemed to be derived from Singapore:

- (a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or

- (b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15.0% final withholding tax described below) to non-resident persons (other than non-resident individuals) is currently 17.0%. The applicable rate for non-resident individuals is currently 24.0%. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15.0%. The rate of 15.0% may be reduced by applicable tax treaties.

However, certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including interest, discount income (not including discount income arising from secondary trading), early redemption fee and redemption premium from debt securities, except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession.

As the Programme as a whole was arranged by Oversea-Chinese Banking Corporation Limited, which was a Financial Sector Incentive (Capital Market) Company or Financial Sector Incentive (Standard Tier) Company (as defined in the ITA) at such time and is a Specified Licensed Entity (as defined below), any tranche of the Securities ("**Relevant Securities**") issued as debt securities under the Programme during the period from the date of this Information Memorandum to 31 December 2028 would be QDS for the purposes of the ITA, to which the following treatment shall apply:

- (i) subject to certain prescribed conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Relevant Securities in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Securities as the MAS may require and the inclusion by the Issuer in all offering documents relating to the Relevant Securities of a statement to the effect that where interest, discount income, early redemption fee or redemption premium from the Relevant Securities is derived by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for qualifying debt securities shall not apply if the non-resident person acquires the Relevant Securities using the funds and profits of such person's operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), early redemption fee and redemption premium (collectively, the "**Qualifying Income**") from the Relevant Securities, paid by the Issuer and derived by a holder who is not resident in Singapore and who (aa) does not have any permanent establishment in Singapore or (bb) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Relevant Securities are not obtained from such person's operation through a permanent establishment in Singapore, are exempt from Singapore tax;
- (ii) subject to certain conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Relevant Securities in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Securities as the MAS may require), Qualifying Income from the Relevant Securities paid by the Issuer and derived by any company or body of persons (as defined in the ITA) in Singapore is subject to income tax at a concessionary rate of 10.0% (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates); and

(iii) subject to:

- (aa) the Issuer including in all offering documents relating to the Relevant Securities a statement to the effect that any person whose interest, discount income, early redemption fee or redemption premium derived from the Relevant Securities is not exempt from tax shall include such income in a return of income made under the ITA; and
- (bb) the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Relevant Securities in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Securities as the MAS may require,

payments of Qualifying Income derived from the Relevant Securities are not subject to withholding of tax by the Issuer.

For the purposes of the foregoing, the term “offering documents” means the prospectuses, offering circulars, information memoranda, pricing supplements or other documents issued to investors in connection with an issue of securities.

Notwithstanding the foregoing:

- (A) if during the primary launch of any tranche of Relevant Securities, the Relevant Securities of such tranche are issued to fewer than four persons and 50.0% or more of the issue of such Relevant Securities is beneficially held or funded, directly or indirectly, by related parties of the Issuer, such Relevant Securities would not qualify as QDS; and
- (B) even though a particular tranche of Relevant Securities are QDS, if, at any time during the tenure of such tranche of Relevant Securities, 50.0% or more of such Relevant Securities which are outstanding at any time during the life of their issue is beneficially held or funded, directly or indirectly, by any related party(ies) of the Issuer, Qualifying Income derived from such Relevant Securities held by:
 - (i) any related party of the Issuer; or
 - (ii) any other person where the funds used by such person to acquire such Relevant Securities are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption or concessionary rate of tax as described above.

Pursuant to the ITA, the reference to the term “**Specified Licensed Entity**” above means:

- (i) a bank or merchant bank licensed under the Banking Act 1970 of Singapore;
- (ii) a finance company licensed under the Finance Companies Act 1967 of Singapore; or
- (iii) a person who holds a capital markets services licence under the SFA to carry on a business in any of the following regulated activities: advising on corporate finance or dealing in capital markets products.

The terms “**early redemption fee**”, “**redemption premium**” and “**related party**” are defined in the ITA as follows:

“early redemption fee”, in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities;

“redemption premium”, in relation to debt securities and qualifying debt securities, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity or on the early redemption of the securities; and

“related party”, in relation to a person (A), means any person (a) who directly or indirectly controls A; (b) who is being controlled directly or indirectly by A; or (c) who, together with A, is directly or indirectly under the control of a common person.

References to “early redemption fee”, “redemption premium” and “related party” in this Singapore tax disclosure have the same meaning as defined in the ITA.

Where interest (including distributions which are regarded as interest for Singapore income tax purposes), discount income, early redemption fee or redemption premium (i.e. the Qualifying Income) is derived from the Relevant Securities by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for QDS under the ITA (as mentioned above) shall not apply if such person acquires such Relevant Securities using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest (including distributions which are regarded as interest for Singapore income tax purposes), discount income, early redemption fee or redemption premium (i.e. the Qualifying Income) derived from the Relevant Securities is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the ITA.

2. Gains from the Sale of the Securities

Any gains considered to be in the nature of capital made from the sale of the Securities will not be taxable in Singapore. However, any gains derived by any person from the sale of the Securities which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

Holders of the Securities who apply or who are required to apply Singapore Financial Reporting Standard (“**FRS**”) 109 or Singapore Financial Reporting Standard (International) 9 (“**SFRS(I) 9**”) (as the case may be) may, for Singapore income tax purposes, be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Securities, irrespective of disposal, in accordance with FRS 109 or SFRS(I) 9 (as the case may be). Please see the section below on “Adoption of FRS 109 and SFRS(I) 9 for Singapore Income Tax Purposes”.

3. Adoption of FRS 109 and SFRS(I) 9 for Singapore Income Tax Purposes

Section 34AA of the ITA requires taxpayers who comply or who are required to comply with FRS 109 or SFRS(I) 9 (as the case may be) for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109 or SFRS(I) 9 (as the case may be), subject to certain exceptions. The IRAS has also issued a circular entitled “Income Tax: Income Tax Treatment Arising from Adoption of FRS 109 – Financial Instruments”.

Holders of the Securities who may be subject to the tax treatment under Section 34AA of the ITA should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Securities.

4. Estate Duty

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”), commonly known as FATCA, a “foreign financial institution” may be required to withhold on certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting, or related requirements. A number of jurisdictions (including Singapore) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions.

Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Securities, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Securities, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Securities, proposed regulations have been issued that provide that such withholding would not apply prior to the date that is two years after the date on which final regulations defining “foreign passthru payments” are published in the U.S. Federal Register. In the preamble to the proposed regulations, the U.S. Treasury Department indicated that taxpayers may rely on these proposed regulations until the issuance of final regulations. Additionally, Securities characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or before the date that is six months after the date on which final regulations defining “foreign passthru payments” are filed with the U.S. Federal Register generally would be “grandfathered” for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the issuer). If additional securities (as described in Condition 14 of the Notes or, as the case may be, Condition 12 of the Perpetual Securities”) that are not distinguishable from such previously issued grandfathered Securities are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Securities, including the Securities offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Securities. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Securities, none of the Issuer, the Arranger, the Dealers or any other persons involved in the Programme will be required to pay additional amounts as a result of the withholding.

SUBSCRIPTION AND SALE

The Programme Agreement provides for Securities to be offered from time to time through one or more Dealers. The price at which a Series or Tranche will be issued will be determined prior to its issue between the Issuer and the relevant Dealer(s). The obligations of the Dealers under the Programme Agreement will be subject to certain conditions set out in the Programme Agreement. Each Dealer (acting as principal) will subscribe or procure subscribers for Securities from the Issuer pursuant to the Programme Agreement.

The Arranger, the Dealers or any of their respective affiliates may have performed certain banking and advisory services for the Issuer and/or its affiliates from time to time for which they have received customary fees and expenses and may, from time to time, engage in transactions with and perform services for the Issuer and/or its affiliates in the ordinary course of the Issuer's or their business. The Issuer may from time to time agree with the relevant Dealer(s) that the Issuer may pay certain third parties (including, without limitation, rebates to private banks as specified in the applicable Pricing Supplement).

If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Dealers or any affiliate of the Dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Dealer or its affiliate on behalf of the Issuer in such jurisdiction.

The Arranger, the Dealers or any of their respective affiliates may purchase Securities for its own account or enter into secondary market transactions or derivative transactions relating to the Securities, including, without limitation, purchase, sale (or facilitation thereof), stock borrowing or credit or equity-linked derivatives such as asset swaps, repackaging and credit default swaps, at the same time as the offering of the Securities. Such transactions may be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Securities to which this Information Memorandum relates (notwithstanding that such selected counterparties may also be a purchaser of the Securities). As a result of such transactions, the Arranger, the Dealers or any of their respective affiliates may hold long or short positions relating to the Securities. The Arranger, the Dealers and their affiliates are full service financial institutions engaged in various activities which may include securities trading, commercial and investment banking, financial advice, investment management, principal investment, hedging, financing and brokerage activities. Each of the Dealers may have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Issuer or its subsidiaries, jointly controlled entities or associated companies from time to time. The Arranger, the Dealers or any of their respective affiliates have received, or may in the future receive, customary fees and/or commissions for these transactions. In the ordinary course of their various business activities, the Dealers and their affiliates may make or hold (on their own account, on behalf of clients or in their capacity of investment advisers) a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments and enter into other transactions, including credit derivatives (such as asset swaps, repackaging and credit default swaps) in relation thereto. Such transactions, investments and securities activities may involve securities and instruments of the Issuer or its subsidiaries, jointly controlled entities or associated companies, including Securities issued under the Programme, may be entered into at the same time or proximate to offers and sales of Securities or at other times in the secondary market and be carried out with counterparties that are also purchasers, holders or sellers of Securities. Securities issued under the Programme may be purchased by or be allocated to any Dealer or an affiliate for asset management and/or proprietary purposes but not with a view to distribution. Accordingly, references herein to the Securities being "offered" should be read as including any offering of the Securities to the Arranger, the Dealers and/or their respective affiliates for their own account. Such entities are not expected to disclose such transactions or the extent of any such investment, otherwise than in accordance with any legal or regulatory obligation to do so.

While the Arranger, the Dealers and/or any of their respective affiliates have policies and procedures to deal with conflicts of interests, any such transactions may cause the Arranger, the Dealers or any of their respective affiliates or its clients or counterparties to have economic interests and incentives which may conflict with those of an investor in the Securities. The Arranger, the Dealers or any of their respective affiliates may receive returns on such transactions and have no obligations to take, refrain from taking or cease taking any action with respect to any such transactions based on the potential effect on a prospective investor in the Securities.

United States

The Securities have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act (“**Regulation S**”).

The Bearer Securities are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder.

Each Dealer has represented and agreed that, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that, except as permitted by the Programme Agreement, it will not offer, sell or, in the case of Bearer Securities, deliver the Securities (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of an identifiable Tranche of which such Securities are a part, as determined and certified to the Issuing and Paying Agent, by such Dealer (or, in the case of an identifiable Tranche of Securities sold to or through more than one Dealer, by each of such Dealers with respect to Securities of an identifiable Tranche purchased by or through it, in which case the Issuing and Paying Agent shall notify such Dealer when all such Dealers have so certified), within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Securities during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Securities within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding sentence have the meanings given to them by Regulation S.

The Securities are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering of any identifiable Tranche of Securities, an offer or sale of Securities within the United States by any dealer (whether or not participating in the offering of such Tranche of Securities) may violate the registration requirements of the Securities Act.

This Information Memorandum has been prepared by the Issuer for use in connection with the offer and sale of the Securities outside the United States. The Issuer and the Dealers reserve the right to reject any offer to purchase the Securities, in whole or in part, for any reason. This Information Memorandum does not constitute an offer to any person in the United States. Distribution of this Information Memorandum by any non-U.S. person outside the United States to any U.S. person or to any other person within the United States, is unauthorised and any disclosure without the prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States, is prohibited.

European Economic Area

Prohibition of Sales to EEA Retail Investors

Unless the Pricing Supplement in respect of any Securities specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Securities which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (i) the expression “**retail investor**” means a person who is one (or more) of the following:
 - (a) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”);
 - (b) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (c) not a qualified investor as defined in the Prospectus Regulation (as defined below); and
- (ii) the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities.

If the Pricing Supplement in respect of any Securities specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, in relation to each Member State of the European Economic Area, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Securities which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to the public in that Member State except that it may make an offer of such Securities to the public in that Member State:

- (i) if the Pricing Supplement in relation to the Securities specifies that an offer of those Securities may be made other than pursuant to Article 1(4) of the Prospectus Regulation in that Member State (a “**Non-exempt Offer**”), following the date of publication of a prospectus in relation to such Securities which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, provided that any such prospectus has subsequently been completed by the Pricing Supplement contemplating such Non-exempt Offer, in accordance with the Prospectus Regulation, in the period beginning and ending on the dates specified in such prospectus or Pricing Supplement, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (ii) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (iii) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (iv) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Securities referred to in (ii) to (iv) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression “**an offer of Securities to the public**” in relation to any Securities in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities, and the expression “**Prospectus Regulation**” means Regulation (EU) 2017/1129 (as amended or superseded).

United Kingdom

Prohibition of Sales to UK Retail Investors

Unless the Pricing Supplement in respect of any Securities specifies the “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Securities which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

- (i) the expression “**retail investor**” means a person who is one (or more) of the following:
 - (a) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”);
 - (b) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (“**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
 - (c) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and
- (ii) the expression an “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities.

If the applicable Pricing Supplement in respect of any Securities specifies the “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Securities which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to the public in the United Kingdom, except that it may make an offer of such Securities to the public in the United Kingdom:

- (i) if the Pricing Supplement in relation to the Securities specify that an offer of those Securities may be made other than pursuant to section 86 of the FSMA (a “**Public Offer**”), following the date of publication of a prospectus in relation to such Securities which either (i) has been approved by the Financial Conduct Authority, or (ii) is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provision in Regulation 74 of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019, provided that any such prospectus has subsequently been completed by final terms contemplating such Public Offer, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Public Offer;
- (ii) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- (iii) at any time to fewer than 150, natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom, subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (iv) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Securities referred to in (ii) to (iv) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA, or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression “**an offer of Securities to the public**” in relation to any Securities means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities and the expression “**UK Prospectus Regulation**” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

Other Regulatory Restrictions

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (i) in relation to any Securities which have a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Securities other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Securities would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Securities in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Securities in, from or otherwise involving the United Kingdom.

Hong Kong

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Securities (except for Securities which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (“**SFO**”)) other than (a) to “professional investors” as defined in the SFO or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Securities, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made thereunder.

Singapore

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to acknowledge, that this Information Memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Securities or caused the Securities to be made the subject of an invitation for subscription or purchase and will not offer or sell any Securities or cause the Securities to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Information Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Securities, whether

directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018.

Any reference to the SFA is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

Important Notice to CMIs (including private banks)

This notice to CMIs (including private banks) is a summary of certain obligations the SFC Code imposes on CMIs, which require the attention and cooperation of other CMIs (including private banks). Certain CMIs may also be acting as OCs for the relevant CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealer(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an Association with the Issuer, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the relevant Securities. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Issuer or any CMI (including its group companies) and inform the relevant Dealer(s) accordingly.

CMIs are informed that, unless otherwise notified, the marketing and investor targeting strategy for the relevant CMI Offering includes institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions and any MiFID II product governance language or any UK MiFIR product governance language set out elsewhere in this Information Memorandum and/or the applicable Pricing Supplement.

CMIs should ensure that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). CMIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIs should disclose the identities of all investors when submitting orders for the relevant Securities (except for omnibus orders where underlying investor information may need to be provided to any OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIs should not place "X-orders" into the order book.

CMIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including private banks as the case may be) in the order book and book messages.

CMIs (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Issuer. In addition, CMIs (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the relevant Securities. CMIs are informed that a private bank rebate may be payable as stated above and in the applicable Pricing Supplement, or otherwise notified to prospective investors.

The SFC Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Dealer(s) in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the relevant Securities, private banks should disclose, at the same time, if such order is placed other than on a “principal” basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks who do not provide such disclosure are hereby deemed to be placing their order on such a “principal” basis. Otherwise, such order may be considered to be an omnibus order pursuant to the SFC Code. Private banks should be aware that placing an order on a “principal” basis may require the relevant affiliated Dealer(s) (if any) to categorise it as a proprietary order and apply the “proprietary orders” requirements of the SFC Code to such order and will result in that private bank not being entitled to, and not being paid, any rebate.

In relation to omnibus orders, when submitting such orders, CMIs (including private banks) that are subject to the SFC Code should disclose underlying investor information in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). Underlying investor information in relation to omnibus orders should consist of:

- the name of each underlying investor;
- a unique identification number for each investor;
- whether an underlying investor has any “Associations” (as used in the SFC Code);
- whether any underlying investor order is a “Proprietary Order” (as used in the SFC Code); and
- whether any underlying investor order is a duplicate order

Underlying investor information in relation to omnibus order should be sent to the Dealer(s) named in the relevant Pricing Supplement.

To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to any OCs; and (B) that they have obtained the necessary consents from the underlying investors to disclose such information to any OCs. By submitting an order and providing such information to any OCs, each CMI (including private banks) further warrants that they and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by any OCs and/or any other third parties as may be required by the SFC Code, including to the Issuer, relevant regulators and/or any other third parties as may be required by the SFC Code, for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering.

CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in the relevant CMI Offering. The relevant Dealer(s) may be asked to demonstrate compliance with their obligations under the SFC Code, and may request other CMIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including private banks) are required to provide the relevant Dealer with such evidence within the timeline requested.

General

The selling restrictions herein contained may be modified, varied or amended from time to time by notification from the Issuer to the Dealers and each Dealer has undertaken that it will at all times comply with all such selling restrictions.

Each Dealer understands that no action has been taken in any jurisdiction that would permit a public offering of any of the Securities, or possession or distribution of this Information Memorandum or any other document (or any part thereof) or any Pricing Supplement, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it will comply with all applicable securities laws, regulations and directives in each jurisdiction in which it subscribes for, purchases, offers, sells or delivers Securities or any interest therein or rights in respect thereof or has in its possession or distributes, this Information Memorandum or any other document (or any part thereof) or any Pricing Supplement. No Dealer will directly or indirectly offer, sell or deliver Securities or any interest therein or rights in respect thereof or distribute or publish any prospectus, circular, advertisement or other offering material (including, without limitation, this Information Memorandum) in any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations, and all offers, sales and deliveries of Securities or any interest therein or rights in respect thereof by it will be made on the foregoing terms.

Any person who may be in doubt as to the restrictions set out in the SFA or the laws, regulations and directives in each jurisdiction in which it subscribes for, purchases, offers, sells or delivers the Securities or any interest therein or rights in respect thereof and the consequences arising from a contravention thereof should consult his own professional advisers and should make his own inquiries as to the laws, regulations and directives in force or applicable in any particular jurisdiction at any relevant time.

GENERAL AND OTHER INFORMATION

INFORMATION ON DIRECTORS

1. No Director is or was involved in any of the following events:
 - (a) a petition under any bankruptcy laws filed in any jurisdiction against such person or any partnership in which he was a partner or any corporation of which he was a director or an executive officer;
 - (b) a conviction of any offence, other than a traffic offence, or judgment, including findings in relation to fraud, misrepresentation or dishonesty, given against him in any civil proceedings in Singapore or elsewhere, or being a named subject to any pending proceedings which may lead to such a conviction or judgment, or so far as such person is aware, any criminal investigation pending against him; or
 - (c) the subject of any order, judgment or ruling of any court of competent jurisdiction, tribunal or government body, permanently or temporarily enjoining him from acting as an investment adviser, dealer in securities, director or employee of a financial institution and engaging in any type of business practice or activity.
2. The Directors are not related by blood or marriage to one another.
3. Save for the Hotel Properties Employee Share Option Scheme 2010 and the Hotel Properties Limited Performance Share Plan 2017, no option to subscribe for shares or grant of right to receive shares in, or debentures of, the Issuer and its subsidiaries has been granted to, or was exercised by, any Director during the financial year ended 31 December 2024.
4. The interests of the Directors of the Issuer in the Shares as at 19 December 2025 are as follows:

Directors	Direct/Beneficial Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%
Wong Liang Ying	–	–	–	–
Christopher Lim Tien Lock	1,650,000	0.31	–	–
Stephen Lau Buong Lik	1,281,600	0.24	–	–
David Fu Kuo Chen	26,026,307	4.91	–	–
Arthur Tan Keng Hock	–	–	–	–
Nicholas James Loup	–	–	–	–
Rahul Goswamy	–	–	–	–

The interests of the Directors of the Issuer in the Hotel Properties Employee Share Option Scheme 2010 and the Hotel Properties Limited Performance Share Plan 2017 as at 19 December 2025, were as follows:

Director	Number of Share Options	Number of Performance Shares Awarded
Christopher Lim Tien Lock	2,050,000	NIL
Stephen Lau Buong Lik	1,750,000	NIL

The interests of the substantial shareholders of the Issuer in the Shares as at 19 December 2025, were as follows:

Substantial Shareholders	Direct/Beneficial Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%
68 Holdings Pte Ltd	179,020,924	33.78	–	–
Ong Beng Seng	109,812,255	20.72	207,679,232 ⁽³⁾	39.19
Cuscaden Partners Pte. Ltd.	–	–	179,020,924 ⁽¹⁾	33.78
Nassim Developments Pte Ltd	117,347,282	22.14	–	–
WI Investments (Singapore) Pte. Ltd.	–	–	117,347,282 ⁽²⁾	22.14
City Fairy Limited	–	–	117,347,282 ⁽²⁾	22.14
Angelhead Limited	–	–	117,347,282 ⁽²⁾	22.14
Peter Kwong Ching Woo	–	–	117,347,282 ⁽²⁾	22.14

Notes:

- (1) Cuscaden Partners Pte. Ltd. is deemed to have an interest in the 179,020,924 shares held by 68 Holdings Pte. Ltd.
- (2) WI Investments (Singapore) Pte. Ltd., City Fairy Limited, Angelhead Limited and Peter Kwong Ching Woo are deemed to have an interest in the 117,347,282 shares held by Nassim Developments Pte. Ltd.
- (3) Mr. Ong Beng Seng is deemed to have an interest in the Shares held by 68 Holdings Pte. Ltd., Comojo Holdings Pte Ltd, Reef Holdings Pte Ltd, and the Shares held by his spouse.
- (4) The percentage shareholding interest is based on the total number of issued Shares of 529,924,951 Shares (excluding 515,300 Treasury Shares and Subsidiary Holdings) as at 19 December 2025.

SHARE CAPITAL

5. As at the date of this Information Memorandum, there is only one class of ordinary shares in the Issuer. The rights and privileges attached to the Shares are stated in the Constitution of the Issuer.
6. The issued share capital of the Issuer as at 19 December 2025 is as follows:

Share Designation	Issued Share Capital	
	(No.)	(S\$)
Ordinary Shares	530,440,251	758,103,105

7. Save for shares issued pursuant to the Hotel Properties Employee Share Option Scheme 2010, no shares in the Issuer have been issued or are proposed to be issued, as fully or partly paid-up, for cash or for a consideration other than cash, within the two years preceding the date of this Information Memorandum.
8. Save as disclosed below, as at 31 December 2024, no shares in the Issuer are under option or agreed conditionally or unconditionally to be put under option and no person has been, or is entitled to be given the option to subscribe for any shares or grant of right to receive shares in the Issuer.

Number of Share Options					
Date of grant	Balance at 1/1/24	Exercised / Expired	Balance at 31/12/24	Exercise price	Exercise period
03/07/2014	3,225,000	(3,225,000)	–	\$3.21	03/07/2016 – 02/07/2024
06/01/2015	3,300,000	(400,000)	2,900,000	\$3.24	06/01/2017 – 05/01/2025
28/08/2015	2,475,000	(75,000)	2,400,000	\$2.90	28/08/2017 – 27/08/2025
11/03/2016	2,350,000	(50,000)	2,300,000	\$2.82	11/03/2018 – 10/03/2026
16/08/2017	2,350,000	–	2,350,000	\$3.10	16/08/2019 – 15/08/2027
02/04/2019	2,350,000	–	2,350,000	\$3.00	02/04/2021 – 01/04/2029
20/08/2019	2,325,000	–	2,325,000	\$2.82	20/08/2021 – 19/08/2029
Total	18,375,000	(3,750,000)	14,625,000		

BORROWINGS

9. Save as disclosed in Appendix III, the Group has as at 31 December 2024 no other borrowings or indebtedness in the nature of borrowings including bank overdrafts and liabilities under acceptances (other than normal trading bills) or acceptance credits, mortgages, charges, hire purchase commitments, guarantees or other material contingent liabilities.

WORKING CAPITAL

10. The Directors of the Issuer are of the opinion that, after taking into account the present banking facilities and the net proceeds of the issue of the Securities, the Issuer will have adequate working capital for their present requirements.

CHANGES IN ACCOUNTING POLICIES

11. There has been no significant changes in the accounting policies of the Issuer since its audited financial accounts for the year ended 31 December 2024 except for those pursuant to changes in the relevant accounting standards effective from 1 January 2025.
12. There are no legal or arbitration proceedings currently pending or, so far as the Directors are aware, currently threatened against the Issuer or any of its subsidiaries the outcome of which, in the opinion of the Directors, may have or have had during the 12 months prior to the date of this Information Memorandum a material adverse effect on the financial position of the Group.

GENERAL

13. Save as disclosed in this Information Memorandum, the financial condition and operations of the Group are not likely to be affected by:
- to the best knowledge of the Issuer, any known trends, demands, commitments, events or uncertainties that will result in or are reasonably likely to result in the Group's liquidity increasing or decreasing in any material way;
 - any material commitments for capital expenditures;
 - to the best knowledge of the Issuer, any known trends or uncertainties that have had or that the Group reasonably expects to have a material favourable or unfavourable impact on revenues or operating income; and

- (d) any material information which may be relevant to the financial or trading prospects of the Issuer or the Group including special trading factors or risks, which the Issuer is aware of but are not mentioned elsewhere in this Information Memorandum or in any public announcement by the Issuer and which are unlikely to be known or anticipated by the general public and which would reasonably be expected to materially and adversely affect the profits of the Issuer or the Group.

AUDITORS' CONSENT

- 14. Deloitte & Touche LLP has given and has not withdrawn its written consent to the issue of this Information Memorandum with the references herein to its name and, where applicable, reports in the form and context in which they appear in this Information Memorandum.

LEGAL ENTITY IDENTIFIER

- 15. The Legal Entity Identifier of the Issuer is 254900IXP5S301088P09.

STATEMENT BY DIRECTORS

- 16. This Information Memorandum has been approved by the Directors and they confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, this Information Memorandum contains all information which is material in the context of the issue and offering of the Securities, that the information contained herein is true and accurate in all material respects and that there are no other facts the omission of which would make any statement herein misleading in any material respect.

DOCUMENTS AVAILABLE FOR INSPECTION

- 17. Copies of the following documents may be inspected at the registered office of the Issuer at 50 Cuscaden Road, #08-01, HPL House, Singapore 249724 during normal business hours for a period of six months from the date of this Information Memorandum:
 - (a) the Constitution of the Issuer;
 - (b) the Trust Deed;
 - (c) the letter of consent referred to in paragraph 14 above;
 - (d) the consolidated audited accounts of the Issuer and its subsidiaries for the financial year ended 31 December 2024; and
 - (e) the Half Year Financial Statements and Dividend Announcement of the Issuer for the half year ended 30 June 2025.

FUNCTIONS, RIGHTS AND OBLIGATIONS OF THE TRUSTEE

- 18. The functions, rights and obligations of the Trustee are set out in the Trust Deed.

**AUDITED FINANCIAL STATEMENTS OF THE ISSUER AND ITS SUBSIDIARIES FOR
THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

The information in this Appendix II has been reproduced from the annual report of the Group for the financial year ended 31 December 2023 and has not been specifically prepared for inclusion in this Information Memorandum. Investors should read the consolidated financial data in conjunction with the related notes.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HOTEL PROPERTIES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Hotel Properties Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at December 31, 2023, and the consolidated income statement, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 26 to 102.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") 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 December 31, 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the 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 *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 judgement, were of most significance in our audit of the financial statements of the current year. 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.

Valuation for investment properties

Investment properties of the Group comprise commercial properties located in Singapore which amounted to \$1,319.9 million as at December 31, 2023. These investment properties are stated at fair values based on independent external valuations carried out by independent valuers using the direct comparison method. The valuation of investment properties requires significant judgement and estimation. This involves judgement in selecting an appropriate valuation methodology and estimates which are used in the underlying assumptions. These estimates include adjustments made for differences between the subject properties and comparables of transacted property sales and redevelopment opportunities taking into consideration differences such as location, size and tenure.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HOTEL PROPERTIES LIMITED

Our audit performed and responses thereon

Our audit procedures included obtaining and understanding of management's process in selecting the external valuers with the appropriate knowledge and experience and how the valuation reports are used in determining the fair values for accounting purpose. This include understanding management's assessment of the highest and best use of the investment properties. We evaluated the qualifications and competence of the external valuers.

We discussed with the independent valuer and involved our valuation specialists to understand and assess the appropriateness of the valuation methodology used and evaluated the resonableness of the underlying key assumptions and adjustments made.

We noted that the Group has a process to select valuers with the appropriate knowledge and to review and accept the valuations. We are satisfied with the competency and objectivity of the valuers selected. With the involvement of our valuation specialists, we noted the valuation methodologies used are in line with general market practices and the key assumptions, including adjustments made for differences between the subject properties and comprables of transacted property sales taking into consideration differences such as location, size and tenure, are also within a reasonable range. We have also assessed the disclosures in the financial statements to be appropriate.

Information other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the 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 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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)s, 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.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOTEL PROPERTIES LIMITED

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 judgement and maintain professional scepticism throughout the audit. We also:

- (a) 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.
- (b) 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.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) 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.
- (e) 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.
- (f) 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 HOTEL PROPERTIES LIMITED

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 year 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 Hoe Chi-Hsien.

**Deloitte & Touche LLP
Public Accountants and
Chartered Accountants
Singapore**

March 27, 2024

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2023

	Note	Group		Company	
		2023 \$'000	2022* \$'000	2023 \$'000	2022 \$'000
ASSETS					
Current assets:					
Cash and bank balances	6	94,798	105,308	23,101	25,011
Held-for-trading investments	7	-	2,490	-	-
Trade and other receivables	8	96,078	79,903	6,339	3,490
Amount due from associates and jointly controlled entities	11	55,845	49,137	-	-
Amount due from subsidiaries	14	-	-	215,689	231,723
Inventories	9	15,502	14,207	134	129
Assets classified as held for sale	18	-	87,797	-	-
Completed properties held for sale	10	7,427	7,497	-	-
Total current assets		269,650	346,339	245,263	260,353
Non-current assets:					
Associates and jointly controlled entities	11	691,318	878,089	5,671	5,980
Subsidiaries	14	-	-	1,683,714	1,728,387
Investments	15	221,403	249,601	-	-
Property, plant and equipment	16	1,686,457	1,615,989	222,577	216,573
Investment properties	17	1,319,933	674,928	-	-
Long-term deposits	8	-	24,922	-	24,922
Deferred tax assets	22	2,580	3,319	-	-
Intangible assets	19	9,648	9,703	-	-
Total non-current assets		3,931,339	3,456,551	1,911,962	1,975,862
Total assets		4,200,989	3,802,890	2,157,225	2,236,215
LIABILITIES AND EQUITY					
Current liabilities:					
Short-term borrowings	20	49,493	215,145	-	-
Trade and other payables	21	157,765	157,713	19,975	19,108
Amount due to subsidiaries	14	-	-	585	653
Income tax payable		9,859	3,778	-	-
Total current liabilities		217,117	376,636	20,560	19,761
Non-current liabilities:					
Advances from subsidiaries	14	-	-	308,355	450,024
Long-term borrowings	20	1,464,199	1,368,210	782,542	716,120
Long-term lease liabilities	23	105,400	114,535	-	-
Deferred tax liabilities	22	16,839	15,164	446	380
Total non-current liabilities		1,586,438	1,497,909	1,091,343	1,166,524
Share capital and reserves:					
Share capital	24	726,780	726,780	726,780	726,780
Treasury shares	25	(1,746)	(1,746)	(1,746)	(1,746)
Reserves		1,428,822	888,237	161,074	165,682
Equity attributable to owners of the Company		2,153,856	1,613,271	886,108	890,716
Perpetual capital securities	27	159,214	159,214	159,214	159,214
		2,313,070	1,772,485	1,045,322	1,049,930
Non-controlling interests		84,364	155,860	-	-
Total equity		2,397,434	1,928,345	1,045,322	1,049,930
Total liabilities and equity		4,200,989	3,802,890	2,157,225	2,236,215

See accompanying notes to financial statements.

* Certain comparative figures have been restated. Please refer to Note 39 for further details.

CONSOLIDATED INCOME STATEMENT

YEAR ENDED DECEMBER 31, 2023

	Note	Group	
		2023 \$'000	2022* \$'000
Revenue	28	642,120	525,507
Cost of sales		(495,422)	(420,092)
Gross profit		146,698	105,415
Other operating income	29	25,789	8,020
Administrative expenses		(73,334)	(71,029)
Other operating expenses	29	(18,494)	(18,485)
Finance costs		(98,348)	(59,434)
Share of results of associates and jointly controlled entities		(56,381)	2,084
Loss before income tax and fair value changes in investment properties		(74,070)	(33,429)
Net fair value gain in investment properties	17	645,005	77,829
Profit before income tax	29	570,935	44,400
Income tax expense	30	(16,020)	(10,045)
Profit for the year		554,915	34,355
Attributable to:			
Owners of the Company		561,045	40,175
Non-controlling interests		(6,130)	(5,820)
		554,915	34,355
Earning per share (Cents):	31		
- basic		106.27	5.70
- diluted		106.08	5.69

See accompanying notes to financial statements.

* Certain comparative figures have been restated. Please refer to Note 39 for further details.

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

YEAR ENDED DECEMBER 31, 2023

	Group	
	2023 \$'000	2022* \$'000
Profit for the year	554,915	34,355
Other comprehensive income (loss), net of tax:		
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Remeasurement of defined benefit obligation	43	35
Share of other comprehensive income (loss) of a jointly controlled entity	11,229	(5,191)
	11,272	(5,156)
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange fluctuation and other reserves	(4,211)	(34,517)
Share of other comprehensive income (loss) of associates and jointly controlled entities	11,185	(53,160)
	6,974	(87,677)
Total comprehensive income (loss) for the year	573,161	(58,478)
Attributable to:		
Owners of the Company	575,671	(47,013)
Non-controlling interests	(2,510)	(11,465)
	573,161	(58,478)

See accompanying notes to financial statements.

* Certain comparative figures have been restated. Please refer to Note 39 for further details.

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED DECEMBER 31, 2023

Group	Share capital \$'000	Treasury shares \$'000	Retained profits \$'000	Other reserves \$'000	Attributable to owners of the Company \$'000	Perpetual capital securities \$'000	Subtotal \$'000	Non-controlling interests \$'000	Total equity \$'000
					(Note 26)				
Balance as at January 1, 2022	725,493	(1,746)	994,086	(25,544)	1,692,289	307,966	2,000,255	90,886	2,091,141
Total comprehensive income (loss) for the year									
Profit (Loss) for the year*	-	-	40,175	-	40,175	-	40,175	(5,820)	34,355
Other comprehensive loss for the year*	-	-	(924)	(86,264)	(87,188)	-	(87,188)	(5,645)	(92,833)
Total	-	-	39,251	(86,264)	(47,013)	-	(47,013)	(11,465)	(58,478)
Transactions with owners, recognised directly in equity									
Dividends (Note 32)	-	-	(20,852)	-	(20,852)	-	(20,852)	-	(20,852)
Net movement during the year	-	-	(237)	(216)	(453)	-	(453)	76,439	75,986
Issue of shares	1,287	-	-	(240)	1,047	-	1,047	-	1,047
Total	1,287	-	(21,089)	(456)	(20,258)	-	(20,258)	76,439	56,181
Redemption of perpetual capital securities (Note 27)	-	-	(1,248)	-	(1,248)	(148,752)	(150,000)	-	(150,000)
Distribution to perpetual capital securities holders (Note 27)	-	-	(10,499)	-	(10,499)	-	(10,499)	-	(10,499)
Balance as at December 31, 2022 (restated)	726,780	(1,746)	1,000,501	(112,264)	1,613,271	159,214	1,772,485	155,860	1,928,345
Total comprehensive income (loss) for the year									
Profit (Loss) for the year	-	-	561,045	-	561,045	-	561,045	(6,130)	554,915
Other comprehensive income (loss) for the year	-	-	(361)	14,987	14,626	-	14,626	3,620	18,246
Total	-	-	560,684	14,987	575,671	-	575,671	(2,510)	573,161
Transactions with owners, recognised directly in equity									
Dividends (Note 32)	-	-	(26,065)	-	(26,065)	-	(26,065)	-	(26,065)
Net movement during the year	-	-	3	(1,984)	(1,981)	-	(1,981)	(68,986)	(70,967)
Total	-	-	(26,062)	(1,984)	(28,046)	-	(28,046)	(68,986)	(97,032)
Distribution to perpetual capital securities holders (Note 27)	-	-	(7,040)	-	(7,040)	-	(7,040)	-	(7,040)
Balance as at December 31, 2023	726,780	(1,746)	1,528,083	(99,261)	2,153,856	159,214	2,313,070	84,364	2,397,434

* Certain comparative figures have been restated. Please refer to Note 39 for further details.

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED DECEMBER 31, 2023 (CONT'D)

Company	Share capital \$'000	Treasury shares \$'000	Retained profits \$'000	Other reserves \$'000	Attributable to owners of the Company \$'000	Perpetual capital securities \$'000	Total equity \$'000
				(Note 26)			
Balance as at January 1, 2022	725,493	(1,746)	149,932	11,023	884,702	307,966	1,192,668
Total comprehensive income for the year							
Profit for the year	-	-	37,566	-	37,566	-	37,566
Total	-	-	37,566	-	37,566	-	37,566
Transactions with owners, recognised directly in equity							
Dividends (Note 32)	-	-	(20,852)	-	(20,852)	-	(20,852)
Net movement during the year	-	-	95	(95)	-	-	-
Issue of shares	1,287	-	-	(240)	1,047	-	1,047
Total	1,287	-	(20,757)	(335)	(19,805)	-	(19,805)
Redemption of perpetual capital securities (Note 27)	-	-	(1,248)	-	(1,248)	(148,752)	(150,000)
Distribution to perpetual capital securities holders (Note 27)	-	-	(10,499)	-	(10,499)	-	(10,499)
Balance as at December 31, 2022	726,780	(1,746)	154,994	10,688	890,716	159,214	1,049,930
Total comprehensive income for the year							
Profit for the year	-	-	28,497	-	28,497	-	28,497
Total	-	-	28,497	-	28,497	-	28,497
Transactions with owners, recognised directly in equity							
Dividends (Note 32)	-	-	(26,065)	-	(26,065)	-	(26,065)
Total	-	-	(26,065)	-	(26,065)	-	(26,065)
Distribution to perpetual capital securities holders (Note 27)	-	-	(7,040)	-	(7,040)	-	(7,040)
Balance as at December 31, 2023	726,780	(1,746)	150,386	10,688	886,108	159,214	1,045,322

See accompanying notes to financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2023

	Group	
	2023 \$'000	2022 \$'000
Cash flows from operating activities:		
Profit before income tax and share of results of associates and jointly controlled entities	627,316	42,316
Adjustments for:		
Amortisation of intangible assets	52	55
Depreciation expense	78,002	76,499
Net fair value gain in investment properties	(645,005)	(77,829)
Net fair value loss in held-for-trading investments	55	75
Net fair value loss in investments	11,926	17,329
Net gain on disposal of property, plant and equipment	(15,086)	(187)
Finance costs	98,348	59,434
Interest income	(2,226)	(1,437)
Dividend income	(6,721)	(2,763)
Profit before working capital changes	146,661	113,492
Trade and other payables	(274)	42,614
Trade and other receivables	(9,521)	(6,990)
Held-for-trading investments	2,435	911
Inventories	(1,573)	(2,112)
Cash generated from operations	137,728	147,915
Dividend received	6,721	2,763
Income tax paid	(7,912)	(5,755)
Net cash from operating activities	136,537	144,923
Cash flows used in investing activities:		
Additional property, plant and equipment	(139,208)	(132,308)
Net additional investments	(192)	(8,190)
Net deposits refunded from investments	-	1,709
Net repayment from (investment in) associates and jointly controlled entities*	74,385	(230,344)
Proceeds from disposal of investment properties	87,797	-
Proceeds from disposal of property, plant and equipment	14,411	1,430
Net cash from (used in) investing activities	37,193	(367,703)

* Includes interest income of \$208,000 (2022: \$216,000) and dividend income of Nil (2022: \$18,439,000) received from associates and jointly controlled entities during the year.

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2023 (CONT'D)

	Group	
	2023 \$'000	2022 \$'000
Cash flows from financing activities:		
Interest received	2,226	1,437
Finance costs paid	(93,771)	(53,310)
Repayment of lease liabilities	(2,386)	(9,687)
Dividend paid	(26,065)	(20,852)
Distribution to perpetual capital securities holders	(7,040)	(10,499)
Net receipts from non-controlling shareholders	8,483	76,796
Additional borrowings	296,022	642,062
Repayment of borrowings	(360,789)	(228,947)
Decrease (Increase) in deposits under pledge to bank	14,047	(13,196)
Redemption of perpetual capital securities	-	(150,000)
Proceeds from issue of shares	-	1,047
Net cash (used in) from financing activities	(169,273)	234,851
Net increase in cash and cash equivalents	4,457	12,071
Cash and cash equivalents at beginning of year	87,898	81,365
Effect of exchange rate changes on cash balances held in foreign currencies	(1,278)	(5,538)
Cash and cash equivalents at end of year	91,077	87,898

The cash and cash equivalents as at December 31, 2023, for the purposes of Consolidated Statement of Cash Flows, comprise cash and bank balances less deposits pledged to banks (Note 6).

Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Group	
	2023 \$'000	2022 \$'000
Borrowings, lease liabilities and interest payable:		
As at beginning of the year	1,704,906	1,325,227
(Net disposal of) New lease liabilities	(6,288)	21,039
Financing cash flows ⁽¹⁾	(160,924)	350,118
Finance costs	98,346	59,434
Foreign exchange movement	(7,793)	(48,151)
Other changes	(168)	(2,761)
As at end of the year	1,628,079	1,704,906

Note:

⁽¹⁾ The cash flows make up the net amount of additional borrowings, repayment of borrowings, finance costs paid and repayment of lease liabilities in the consolidated statement of cash flows. Total cash outflow for leases in 2023 was \$13,471,000 (2022: \$21,588,000).

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

1. GENERAL INFORMATION

The Company (Registration No. 198000348Z) is incorporated in the Republic of Singapore with its principal place of business and registered office at 50 Cuscaden Road, #08-01 HPL House, Singapore 249724. The principal place of business for the hotel operations of Voco Orchard Singapore is at 581 Orchard Road, Singapore 238883. The Company is listed on the Singapore Exchange Securities Trading Limited. The financial statements are expressed in Singapore dollars.

The principal activities of the Company are those of a hotelier and an investment holding company. The principal activities of subsidiaries, significant associates and jointly controlled entities are described in Notes 36, 37 and 38 respectively to the financial statements.

The consolidated financial statements of the Group and statement of financial position and statement of changes in equity of the Company for the year ended December 31, 2023 were authorised for issue by the Board of Directors on March 27, 2024.

2.1 BASIS OF PREPARATION

BASIS OF PREPARATION - The financial statements are prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and drawn up in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards (International) ("SFRS(I)s").

2.2 ADOPTION OF NEW AND REVISED STANDARDS

In the current year, the Group and the Company adopted all the new and revised SFRS(I) Accounting Standards that are mandatory and relevant to its operations and effective for an accounting period that begins on or after January 1, 2023. The adoption of these new/revised SFRS(I) standards has not had any material impact on the disclosures or the amounts reported in these financial statements except as below.

Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: *Disclosure of Accounting Policies*

The Group and the Company have adopted the amendments to SFRS(I) 1-1 for the first time in the current year. The amendments change the requirements in SFRS(I) 1-1 with regard to disclosure of accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in SFRS(I) 1-1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The Group has applied materiality guidance in SFRS(I) Practice Statement 2 in identifying its material accounting policies for disclosures in the related notes. The previous term 'significant accounting policies' used throughout the financial statements has been replaced with 'material accounting policy information'.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

2.3 STANDARDS ISSUED BUT NOT EFFECTIVE

At the date of authorisation of these financial statements, the following amendments to SFRS(I) that are relevant to the Group and the Company were issued but not effective during the financial year:

- Amendments to SFRS(I) 10 and SFRS(I) 1-28: *Sale or Contribution of Assets between Investor and its Associate or Joint Venture*
- Amendments to SFRS(I) 1-1: *Classification of Liabilities as Current or Non-current*
- Amendments to SFRS(I) 1-1: *Non-current Liabilities with Covenants*

The above amendments are not expected to have a significant impact on the Group and Company.

2.4 MATERIAL ACCOUNTING POLICY INFORMATION

FAIR VALUE MEASUREMENT – Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of SFRS(I) 2 *Share-based Payments*, leasing transactions that are within the scope of SFRS(I) 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SFRS(I) 1-2 *Inventories* or value in use in SFRS(I) 1-36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

BASIS OF CONSOLIDATION – The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (its subsidiaries). Control is achieved when the Company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies used in line with the Group's accounting policies.

All significant intra-group transactions and balances are eliminated on consolidation.

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

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable SFRS(I)s). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9, or when appropriate, the cost on initial recognition of an investment in an associate or a joint venture.

In the Company's financial statements, investments in subsidiaries and associates are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

BUSINESS COMBINATION – Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The cost of each acquisition is measured as the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed by the Group, and any equity interests issued by the Group, in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments (see below). The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates at fair values, with changes in fair values recognised in profit or loss.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under the SFRS(I)s are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with SFRS(I) 1-12 *Income Taxes* and SFRS(I) 1-19 *Employee Benefits* respectively;
- liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with SFRS(I) 2 *Share-based Payment*; and
- assets (or disposal groups) that are classified as held for sale in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. The interest of non-controlling shareholders may be initially measured (at date of original business combination) either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity and net advances.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year from acquisition date.

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

For the acquisition of an asset or a group of assets that does not constitute a business, the Group identifies and recognises the individual identifiable assets acquired (including those assets that meet the definition of, and recognition criteria for, intangible assets in SFRS(I) 1-38 *Intangible Assets*) and liabilities assumed. The cost of acquisition is allocated to the individual assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction or event does not give rise to goodwill.

FINANCIAL INSTRUMENTS – Financial assets and financial liabilities are recognised on the statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of financial assets is under a contract whose terms require delivery of assets within the time frame established by the market concerned.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income (FVTOCI); and
- Fair value through profit or loss (FVTPL).

Financial assets classified as at amortised cost

These mainly comprise cash and cash equivalents and trade and other receivables.

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. Interest income is recognised in profit or loss.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Debt instruments classified as measured at FVTOCI

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value is determined in the manner described in the respective note to financial statements. These debt instruments are initially measured at fair value plus transaction costs. Subsequently, changes in the carrying amount of these debt instruments as a result of foreign exchange gains and losses, impairment gains or losses, and interest income calculated using the effective interest method are recognised in profit or loss. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these debt instruments had been measured at amortised cost. All other changes in the carrying amount of these debt instruments recognised in other comprehensive income and accumulated under the heading of other capital reserve. When these debt instruments are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

Equity instruments

Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an investment-by-investment basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination to which SFRS(I) 3 applies.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

Movements in fair values of investments classified as FVTOCI are taken to “other reserves” in Other Comprehensive Income. Dividends from equity investments are recognised in profit or loss.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- The Group classified all debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria as FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as FVTPL upon initial recognition if such designation eliminate or significantly reduce any measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments as FVTPL.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. Fair value is determined in the manner described in the respective notes to the financial statements.

Impairment of financial assets

The Group recognises a loss allowance for expected credit loss (“ECL”) on financial assets at amortised costs and debt instruments measured at FVTOCI. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The lifetime ECL on trade receivables are estimated based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial assets, the Group measures the loss allowance based on lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-months ECL (“12m ECL”). The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12m ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group’s debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group’s core operations, namely the hotel and residential properties development industries.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; or
- significant increases in credit risk on other financial instruments of the same debtor.

The Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a financial asset to have low credit risk when it has an internal or external credit rating of 'investment grade' as per globally understood definition.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- a) significant financial difficulty of the issuer or the borrower;
- b) a breach of contract, such as a default or past due event;
- c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- e) the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery. Any recoveries made are recognised in profit or loss.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Measurement and recognition of expected credit losses

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12m ECL at the current reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in other capital reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in other capital reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not 1) contingent consideration of an acquirer in a business combination, 2) held-for-trading, or 3) designated as at FVTPL, are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derivative financial instruments

The Group uses derivative financial instruments such as cross currency swaps to hedge its risks associated with exchange rate fluctuations. The Group maintains natural hedges, whenever possible, by borrowing in currencies that match the future revenue stream to be generated from its investments. The Group does not use derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Hedge accounting

The Group designates certain derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in cash flow hedges or hedges of net investments in foreign operations as appropriate.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not dominate the value changes that result from that economic relationship; and
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

Cash flow hedges

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. If the Group expects that some or all of the loss accumulated in other comprehensive income will not be recovered in the future, that amount is immediately reclassified to profit or loss.

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

Hedges of net investments in foreign operations

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income and accumulated under the heading of foreign currency translation reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Gains and losses on the hedging instrument relating to the effective portion of the hedge accumulated in the exchange fluctuation reserve are reclassified to profit or loss on the disposal or partial disposal of the foreign operation.

Fair value hedges

The fair value change on qualifying hedging instruments is recognised in the same line as the hedged item in profit or loss when the hedging instrument hedges an equity instrument designated at FVTPL.

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Offsetting arrangements

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the Group and the Company have a legally enforceable right to set off the recognised amounts; and intend either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

FINANCIAL GUARANTEE CONTRACT LIABILITIES - Financial guarantee contract liabilities are measured initially at their fair values and are measured subsequently, if applicable, at the higher of:

- the amount of the loss allowance determined in accordance with SFRS(I) 9 (see financial assets above); and
- the amount recognised initially less, where appropriate, cumulative amortisation recognised in accordance with the principles of SFRS(I) 15.

INVENTORIES – Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the moving average/first-in first-out method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

COMPLETED PROPERTIES HELD FOR SALE – Completed properties held for sale are stated at the lower of cost and net realisable value. Cost is calculated using the specific identification method. Net realisable value represents the estimated selling price less all estimated costs to be incurred in the marketing and selling.

ASSOCIATES AND JOINTLY CONTROLLED ENTITIES – An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates and jointly controlled entities (collectively referred to as “equity accounted investees”) are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with SFRS(I) 5. Under the equity method, investments in equity accounted investees are initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group’s share of the profit or loss and other comprehensive income of the investees. Losses of an investee in excess of the Group’s interest in that investee (which includes any long-term interests that, in substance, form part of the Group’s net investment in the investee) are not recognised, unless the Group has incurred legal or constructive obligations or made payments on behalf of the investee.

An investment in an equity accounted investee is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition, any excess of the cost of investment over the Group’s share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the equity accounted investees recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment. Any excess of the Group’s share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of investment, after reassessment, is recognised immediately in profit or loss.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

The requirements of SFRS(I) 1-36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an equity accounted investee. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with SFRS(I) 1-36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with SFRS(I) 1-36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an equity accounted investee, or when the investment is classified as held for sale. When the Group retains an interest in the former investee and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with SFRS(I) 9. The difference between the carrying amount of the equity accounted investee at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the equity accounted investee is included in the determination of the gain or loss on disposal of the investee. In addition, the Group reclassifies to profit or loss all amounts previously recognised in other comprehensive income in relation to that investee on the same basis as would have been required if that investee had directly disposed of the related assets or liabilities.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an equity accounted investee but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

Where a group entity transacts with an equity accounted investee of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant equity accounted investees.

The gain or loss arising on the disposal of an equity accounted investee of the Group is determined as the difference between the sales proceeds and its net carrying amount and is recognised in profit or loss. Amounts previously recognised in other comprehensive income in relation to the equity accounted investee are reclassified from equity to profit or loss (as a reclassification adjustment) upon disposal.

PROPERTY, PLANT AND EQUIPMENT – Property, plant and equipment are stated at cost or valuation, less accumulated depreciation and any accumulated impairment loss where the recoverable amount of the asset is estimated to be lower than its carrying amount.

Properties in the course of construction are carried at cost, less any recognised impairment loss. Cost includes professional fees, and for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Operating equipment is written off based on periodic physical inventory counts. Depreciation is charged so as to write off the cost of assets, other than freehold and long-term leasehold land and construction-in-progress, over their estimated useful lives, using the straight-line method, on the following bases:

Leasehold land and property	- 19 to 89 years
Buildings and improvements	- 5 to 50 years
Plant and equipment, furniture, fixtures and fittings	- 3 to 20 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation is not provided on freehold and long-term leasehold land and construction-in-progress. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets.

Fully depreciated assets still in use are retained in the financial statements.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.

INVESTMENT PROPERTIES – Investment properties are held on a long-term basis for investment potential and income. Investment properties are measured initially at their cost, including transaction cost. Subsequent to initial recognition, investment properties are stated at their fair values based on valuation performed by professional valuers on an open market value basis. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss for the period in which they arise.

INTANGIBLE ASSETS – These comprise goodwill and franchise rights. Franchise rights are reported at cost less accumulated amortisation and accumulated impairment losses. Amortisation is charged on a straight-line basis over the estimated useful lives of 20 years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS EXCLUDING GOODWILL – At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets (excluding goodwill) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the profit or loss.

LEASES – Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

When a contract includes lease and non-lease components, the Group applies SFRS(I) 15 *Revenue from Contracts with Customers* to allocate the consideration under the contract to each component.

As a lessee, the Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee.

Lease payments included in the measurement of the lease liability are fixed lease payments (including in-substance fixed payments), less any lease incentives.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as part of property, plant and equipment in the statement of financial position.

The Group applies SFRS(I) 1-36 *Impairment of Assets* to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line 'Other operating expenses' in the statement of profit or loss.

As a practical expedient, SFRS(I) 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

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 the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligations. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation, and is discounted to present value where the effect is material.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

SHARE-BASED PAYMENTS – The Group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the shares that will eventually vest.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

REVENUE RECOGNITION - Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and sales related taxes.

- a) Sales other than revenue from development properties are recognised when the control of the goods or services underlying the particular performance obligation is transferred to the customer;
- b) Revenue from development properties is recognised in accordance with the Group's accounting policy on development properties (see above);
- c) Hotel room revenue is recognised at a point in time based on room occupancy while other hotel revenue are recognised at a point in time when the goods are delivered or the services are rendered to the customers;
- d) Rental income is recognised on a straight-line basis over the term of the relevant lease;
- e) Management fee income is recognised when services are rendered;
- f) Interest income is accrued on a time proportion basis, by reference to the principal outstanding and at the interest rate applicable; and
- g) Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

BORROWING COSTS – Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

RETIREMENT BENEFIT COSTS – Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

For defined benefit retirement benefit plans, the cost of providing benefits is determined by actuarial valuations carried out at the end of each reporting period. Remeasurement, comprising actuarial gains or losses, is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in the other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in the profit or loss in the period of a plan amendment.

INCOME TAX – Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and respective subsidiaries operate by the end of the reporting period.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from (i) initial recognition of goodwill or (ii) initial recognition of assets and liabilities in a transaction that is not a business combination, and at the time of the transaction affects neither accounting nor taxable profit, and does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, associates and jointly controlled entities, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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 profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates (and tax laws) that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

For the purpose of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model of the Group whose business objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The Group has not rebutted the presumption that the carrying amount of the investment properties will be recovered entirely through sale.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss, except where they arise from the initial accounting for a business combination, in which case the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION – The individual financial statements of each entity within the Group are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position and the statement of changes in equity of the Company are presented in Singapore dollars, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore dollars using exchange rates prevailing at the end of the reporting period. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in the Group's exchange fluctuation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are recognised in other comprehensive income and accumulated in exchange fluctuation reserve (attributed to non-controlling interest, as appropriate). Such reserves are reclassified from equity to profit or loss (as a reclassification adjustment) on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with SFRS(I)s requires the exercise of judgement, the use of estimates and assumptions concerning the future by management.

The Group on its own or in reliance on third party experts, applies estimates, judgements and assumptions in various areas including the following:

- i) Impairment of tangible and intangible assets.
Determining whether an asset is impaired requires an estimation of the recoverable amount of this asset. The recoverable amount of the asset is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal is largely based on the fair value of the asset determined by independent professional valuer. The value in use calculation requires the Group to estimate the future cash flows expected from the assets and an appropriate discount rate in order to calculate the present value of the future cash flows. The net realisable value of completed properties held for sale is estimated based on recent transacted sales of the existing units as well as similar properties in the surrounding location. The assessment is performed on a unit-by-unit basis taking into consideration the location and type of the underlying unit.
- ii) Determination of fair value of unquoted investments and investment properties, where the details are described in Notes 15 and 17 respectively.
- iii) Assessment of adequacy of provision for income taxes.
The Group is subject to income taxes in numerous jurisdictions. Judgement is involved in determining the group-wide provision for income taxes. The Group recognises the expected liabilities for tax based on an estimation of the likely taxes due, which requires judgement as to the ultimate tax determination of certain items, where the actual liability arising from these issues differs from these estimates, such differences will have an impact on income tax and deferred tax provisions in the period when such determination is made.

These estimates, judgements and assumptions 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. Actual results may differ from these estimates. The carrying amounts of the above are disclosed in the respective notes to the financial statements.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

The following table sets out the financial instruments as at the end of the reporting period:

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Financial assets				
Financial assets at amortised cost	196,844	182,956	1,773,721	1,834,174
Financial assets measured at FVTPL	221,403	252,091	-	-
Financial liabilities				
Financial liabilities at amortised cost	1,668,917	1,738,912	1,111,457	1,185,905
Lease liabilities	107,940	116,691	-	-

The main risks arising from the Group's financial instruments are interest rate risk, foreign exchange risk, credit risk, liquidity risk and market risk. The policies for managing each of these risks are summarised below.

Interest rate risk management

The Group's and the Company's exposure to the risk of changes in interest rates relates mainly to bank borrowings and advances to and from subsidiaries respectively. The Group actively reviews its debt portfolio to achieve the most favourable interest rates available. The Group manages its interest rate exposure by maintaining a prudent mix of fixed and floating rate borrowings. Hedging instruments such as interest rate swaps are also used where appropriate to minimise its exposure to interest rate volatility.

In 2022, the Group transitioned most of its bank loans linked to USD LIBOR to the Secured Overnight Financing Rate as a direct consequence of the reform and on an economically equivalent basis. As at end of the previous reporting period, the Group had USD LIBOR bank loans amounted to approximately \$93 million maturing in 2023 to 2025. During the financial year, the Group has completed the transition of these bank loans to the Secured Overnight Financing Rate.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

Interest rate sensitivity

The sensitivity analysis below have been determined based on the exposures to interest rates for significant non-derivative instruments at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates.

At the end of the reporting period, it is estimated that a 50 basis point increase (decrease) in interest rates would (decrease) increase the Group's and the Company's profit before tax by approximately (\$4.3 million) and \$0.3 million respectively (2022: (\$5.3 million) and (\$0.7 million) respectively).

Foreign exchange risk management

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures primarily with respect to United States dollar, Sterling pound and Euro.

The Group maintains natural hedges, whenever possible, by borrowing in currencies that match the future revenue stream to be generated from its investments. Hedging instruments such as cross currency swaps are also used where appropriate to hedge its exposure to foreign exchange risk.

At the reporting date, the significant carrying amounts of monetary assets and monetary liabilities denominated in currencies other than the respective group entities' functional currencies, after taking into consideration the cross currency swaps, where applicable, are as follows:

	Group				Company			
	Liabilities		Assets		Liabilities		Assets	
	2023	2022	2023	2022	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
United States dollar	206,878	297,220	273,006	291,842	135,623	146,306	145,135	158,237
Sterling pound	127,892	252,837	174,415	238,651	-	15,705	-	15,996
Euro	124,385	117,235	65,339	78,269	-	27,214	1,379	27,214

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

Foreign currency sensitivity

The sensitivity analysis uses a 10% increase and decrease in the functional currency against the relevant foreign currencies. The sensitivity analysis includes only significant outstanding foreign currency denominated monetary items not designated as hedge and adjusts their translation at the year end for a 10% change in foreign currency rates. The following table details the sensitivity to a 10% increase/decrease in the functional currency against the relevant foreign currencies. If the functional currency strengthens by 10% against the relevant foreign currency, profit before tax and other equity will increase (decrease) by:

	US dollar impact		Sterling pound impact		Euro impact	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Group						
Profit before tax	(3,037)	(1,271)	4	(28)	(142)	(1)
Other equity	(3,576)	1,809	(4,657)	1,447	6,047	3,898
Company						
Profit before tax	(951)	(1,193)	-	(29)	(138)	-

If the functional currency weakens by 10% against the relevant foreign currency, profit before tax and other equity will (increase) decrease by the same amounts.

Credit risk management

The Group has a diversified portfolio of businesses and at the end of the reporting period, there was no significant concentration of credit risk with any entity, except for balances due from certain jointly controlled entities and subsidiaries which individually accounted for 5% or more of the total receivables of the Group and the Company respectively. The Group has guidelines governing the process of granting credit as a service or product provider in its respective segments of business. The Group and the Company have considered the credit quality of the advances and receivables and determined that the credit loss is low except as disclosed.

The carrying amount of advances and receivables (including cash and bank balances) represents the maximum credit risk exposure for the Group and the Company at the end of the reporting period.

The Group develops and maintains its credit risk gradings to categorise exposures according to their degree of risk of default. The Group uses its own trading records to rate its major customers and other debtors.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

The Group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising ECL
Performing	The counterparty has a low risk of default and does not have any past due amounts.	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition unless the Group has reasonable and supportable information to indicate that amount is subject to low credit risk.	Lifetime ECL – not credit-impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired and adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate.	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

The table below details the credit quality of the Group's and the Company's financial assets as well as maximum exposure to credit risk by credit risk rating grades:

2023	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount \$'000	Loss allowance \$'000	Net carrying amount \$'000
Group						
Trade receivables	8	(a)	Lifetime ECL (simplified approach)	23,741	(474)	23,267
Other receivables	8	(b)	12-month ECL	7,794	-	7,794
Amount due from associates – current	12	(b)	12-month ECL	3,406	-	3,406
Non-current advances to associates	12	(b)	12-month ECL	453	-	453
Amount due from jointly controlled entities – current	13	(b)	12-month ECL	52,439	-	52,439
					(474)	
Company						
Trade receivables	8	(a)	Lifetime ECL (simplified approach)	2,160	(38)	2,122
Other receivables	8	(b)	12-month ECL	3,126	-	3,126
Non-current advances to associates	12	(b)	12-month ECL	453	-	453
Amount due from subsidiaries – current	14	(b)	12-month ECL	215,689	-	215,689
Non-current advances to subsidiaries	14	(b)	12-month ECL	1,553,460	(23,777)	1,529,683
					(23,815)	

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4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

2022	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount \$'000	Loss allowance \$'000	Net carrying amount \$'000
Group						
Trade receivables	8	(a)	Lifetime ECL (simplified approach)	24,929	(717)	24,212
Other receivables	8	(b)	12-month ECL	4,299	-	4,299
Amount due from associates – current	12	(b)	12-month ECL	4,080	-	4,080
Non-current advances to associates	12	(b)	12-month ECL	763	-	763
Amount due from jointly controlled entities – current	13	(b)	12-month ECL	45,057	-	45,057
					(717)	
Company						
Trade receivables	8	(a)	Lifetime ECL (simplified approach)	1,112	(60)	1,052
Other receivables	8	(b)	12-month ECL	141	-	141
Non-current advances to associates	12	(b)	12-month ECL	763	-	763
Amount due from subsidiaries – current	14	(b)	12-month ECL	231,723	-	231,723
Non-current advances to subsidiaries	14	(b)	12-month ECL	1,598,133	(23,777)	1,574,356
					(23,837)	

(a) The Group and the Company determine the expected credit losses on these items estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions.

(b) The Group and the Company determine the expected credit losses on these items by taking into account the financial position of the other receivables, associates, jointly controlled entities and subsidiaries, adjusted for factors that are specific to these companies and general economic conditions of the industries in which they operate.

The Group and the Company have adopted procedures in extending credit terms to customers and in monitoring its credit risk. The Group and the Company only grants credit to creditworthy counterparties. Cash is held with creditworthy institutions and is subject to immaterial credit loss.

The Group and the Company have no significant concentration of credit risk with any single customer or group of customers.

Further details of credit risks on trade and other receivables, amount due from associates, jointly controlled entities and subsidiaries are disclosed in Notes 8, 12, 13 and 14 respectively.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

Liquidity risk management

The Group actively manages its debt maturity profile, operating cash flows and availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient level of cash or cash convertible investments to meet its working capital requirement. In addition, the Group strives to maintain available banking facilities of a reasonable level to its overall debt position.

Liquidity risk analysis

The following are the expected contractual undiscounted cash flows of financial liabilities, including interest payments:

	Contractual cash flows (including interest payments)				
	Carrying amount \$'000	Total \$'000	On demand or within 1 year \$'000	Within 2 to 5 years \$'000	After 5 years \$'000
Group					
2023					
Non-interest bearing	155,224	155,224	155,224	-	-
Interest bearing	1,621,633	2,135,231	142,830	1,710,550	281,851
	1,776,857	2,290,455	298,054	1,710,550	281,851
2022					
Non-interest bearing	155,557	155,557	155,557	-	-
Interest bearing	1,700,046	2,147,862	297,813	1,379,694	470,355
	1,855,603	2,303,419	453,370	1,379,694	470,355
Company					
2023					
Non-interest bearing	20,560	20,560	20,560	-	-
Interest bearing	1,090,897	1,249,761	52,179	1,197,582	-
	1,111,457	1,270,321	72,739	1,197,582	-
2022					
Non-interest bearing	19,761	19,761	19,761	-	-
Interest bearing	1,166,144	1,293,700	48,742	1,118,624	126,334
	1,185,905	1,313,461	68,503	1,118,624	126,334

The Group and the Company have provided corporate guarantees of approximately \$642 million (2022: \$612 million) and \$1,170 million (2022: \$1,285 million) respectively to financial institutions in respect of credit facilities granted to certain associate, certain jointly controlled entities and certain subsidiaries respectively at the end of the reporting period.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

The Group and the Company are exposed to credit risk in respect of the corporate guarantees they have provided. To mitigate the risk, management continually monitors the risk and has established processes including performing credit evaluations of the associate, jointly controlled entities and subsidiaries. The maximum exposure to credit risk in respect of these financial guarantees at year end is as disclosed above. These guarantees are subject to the impairment requirements of SFRS(I) 9. The Group and the Company have assessed that these associate, jointly controlled entities and subsidiaries have the financial capacity to meet the contractual cash flow obligations in the near future and hence, does not expect significant credit losses arising from these guarantees.

The earliest period that the corporate guarantees could be called is within 1 year (2022: 1 year) from the end of the reporting period. Based on expectations at the end of the reporting period, the Group and the Company consider that it is more likely than not that no amount will be payable under the arrangements. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses. The Group and the Company have also obtained bankers' guarantees as disclosed in Note 20.

The Group's financial assets are due on demand or within 1 year. The Company's financial assets are due on demand or within 1 year except for certain non-current advances to subsidiaries (Note 14).

Market risk management

Market risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to quoted securities or factors affecting all securities traded in the market.

The Group has invested in various securities. The valuations and liquidity of these investments are subject to market risk.

At the end of the reporting period, it is estimated that a 10% change in market prices would have an impact on the Group's profit before tax for the year by approximately \$10.0 million (2022: \$11.7 million).

Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value.

The total capital of the Group as at the end of the reporting period is represented by the "Equity attributable to owners of the Company" as presented on the statements of financial position.

The Group manages its capital structure and makes adjustment to it, in the 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 during the years ended December 31, 2023 and 2022.

Fair values of financial assets and financial liabilities

The carrying amounts of cash and bank balances, trade and other current receivables and payables, and other liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

The carrying amounts of long-term financial liabilities and financial assets comprising mainly long-term borrowings and certain advances to subsidiaries approximate their respective fair values as they are based on interest rates that approximate market interest rates, except as disclosed in Note 20(a).

The fair values of other classes of financial assets and liabilities are determined as follows:

- i) the fair value of financial assets and financial liabilities traded on active liquid markets are determined with reference to quoted market prices; and
- ii) the fair value of unquoted financial instruments are determined in accordance with Note 15.

The table below analyses financial instruments carried at fair value, by valuation method.

	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Group				
2023				
Financial assets				
Investments	221,403	99,730	-	*121,673
2022				
Financial assets				
Held-for-trading investments	2,490	2,490	-	-
Investments	249,601	114,075	14,486	*121,040

* The key unobservable input used to determine this fair value is the net asset value. The higher the net asset value, the higher the fair value of the investments.

Reconciliation of level 3 fair value measurements:

	Group	
	2023 \$'000	2022 \$'000
<i>Unquoted investments</i>		
Opening balance	121,040	109,589
Total net gain in profit or loss	441	6,994
Net purchases	192	4,457
Closing balance	121,673	121,040

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

5. RELATED PARTY TRANSACTIONS

Some of the Group's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free and repayable on demand.

- a) Significant transactions with such related parties during the year, other than those disclosed elsewhere in the financial statements, are as follows:

	Group	
	2023 \$'000	2022 \$'000
Transactions with companies in which certain directors are deemed to have interests:		
Management fee and other expense	1,843	1,478
Management fee income	(1,365)	(1,621)
Hotel revenue and rental income	(6,895)	(8,101)
Transactions with associates:		
Management fee income	(676)	(651)

- b) The remuneration of directors and other members of key management during the year was as follows:

	Group	
	2023 \$'000	2022 \$'000
Short-term benefits	15,013	14,415
Post-employment benefits	335	298
	15,348	14,713

6. CASH AND BANK BALANCES

- a) As at December 31, 2023, cash and bank balances of the Group of approximately \$3,721,000 (2022: \$17,410,000) were pledged to the banks to secure certain credit facilities.
- b) Certain bank deposits of the Group bear annual interest ranging from 0.01% to 13.8% (2022: 0.01% to 15%). The interest rate is re-fixed on a short-term basis typically 6 months or less.

7. HELD-FOR-TRADING INVESTMENTS

	Group	
	2023 \$'000	2022 \$'000
Quoted equity shares, at fair value	-	2,490

The fair values of these quoted equity shares were based on closing quoted market prices on the last market day of the previous financial year, with fair value changes taken to profit or loss.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

8. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Trade receivables	23,741	24,929	2,160	1,112
Less: Loss allowance	(474)	(717)	(38)	(60)
	23,267	24,212	2,122	1,052
Deposits placed for investments	20,016	46,305	-	24,922
Other deposits	9,449	9,250	698	1,949
Amount receivable from redemption of unquoted debt securities (Note 15)	15,140	-	-	-
Other receivables	7,794	4,299	3,126	141
Prepayments	20,412	20,759	393	348
Total	96,078	104,825	6,339	28,412
Analysed as:				
Current	96,078	79,903	6,339	3,490
Non-current	-	24,922	-	24,922
	96,078	104,825	6,339	28,412

As at January 1, 2022, the Group's and the Company's trade receivables from contracts with customers amounted to \$21,949,000 and \$780,000 respectively (net of loss allowance of \$1,500,000 and \$1,000 respectively).

During the year, long-term deposits of \$24,922,000 were transferred to Property, plant and equipment (Note 16).

Interest is charged at rates ranging from 2% to 18% (2022: 2% to 18%) per annum on certain overdue trade balances.

Included in the Group's trade receivables balance are debtors with a carrying amount of \$6.3 million (2022: \$6.7 million) which are past due as at the end of the reporting period for which the Group has not provided as there has not been a significant change in credit quality and the amounts are still considered recoverable. The average age of these receivables is 61 days (2022: 51 days).

Trade receivables are provided for based on estimated irrecoverable amounts from the sale of goods and services. Loss allowance for trade receivables has been measured at an amount equal to lifetime ECL. The ECL on trade receivables are estimated by reference to past default experience of the debtor and an analysis of the debtor's current financial position, as well as historical experience and forward-looking information that is available, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate. In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable. The concentration of credit risk is limited due to the customer base being large and unrelated to one another.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. Hence, an amount of \$161,000 (2022: \$1,022,000) was written off during the financial year.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

8. TRADE AND OTHER RECEIVABLES (CONT'D)

The table below shows the movement in lifetime ECL that has been recognised for trade receivables in accordance with the simplified approach set out in SFRS(I) 9:

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Balance at beginning of year	717	1,500	60	1
Amount written off during the year	(161)	(1,022)	-	-
Net (decrease) increase in allowance recognised in profit or loss	(77)	232	(22)	59
Exchange realignment	(5)	7	-	-
Balance at end of year	474	717	38	60

9. INVENTORIES

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Saleable merchandise	10,704	10,083	134	129
Operating supplies	4,798	4,124	-	-
Total	15,502	14,207	134	129

10. COMPLETED PROPERTIES HELD FOR SALE

Group

Location	Title	Description
The Met 123 South Sathorn Road, Bangkok, Thailand	Freehold	9 (2022: 9) condominium units with an aggregate floor area of approximately 20,969 (2022: 20,969) square feet

NOTES TO FINANCIAL STATEMENTS

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11. ASSOCIATES AND JOINTLY CONTROLLED ENTITIES

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
		(Restated)		
Associates (Note 12)	370,662	341,885	5,671	5,980
Jointly controlled entities (Note 13)	320,656	536,204	-	-
Total	691,318	878,089	5,671	5,980
Amount due from associates – current (Note 12)	3,406	4,080	-	-
Amount due from jointly controlled entities – current (Note 13)	52,439	45,057	-	-
Total	55,845	49,137	-	-

12. ASSOCIATES

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Cost of investments in associates ⁽¹⁾	372,382	381,894	-	-
Share of post-acquisition results and reserves net of dividend received	(214,956)	(198,777)	-	-
Advances to associates ⁽²⁾	213,507	159,039	5,671	5,980
Impairment loss	(271)	(271)	-	-
Net (Note 11)	370,662	341,885	5,671	5,980

(1) During the financial year, equity contribution of \$2,750,000 (2022: \$4,125,000) was made in associates of the Group in which a director is deemed to have interest.

(2) Advances to associates are in substance net investment except for an amount of \$453,000 which bears interest rates ranging from 4.9% to 5.4% (2022: 3.8% to 4.9%) per annum.

For the purpose of impairment assessment, the amount due from associates (classified as current asset) are considered to have low credit risk as there has been no significant increase in the risk of default since initial recognition. In determining the ECL, management has taken into account the financial position of the associates, adjusted for factors that are specific to the associates and general economic conditions of the industry in which the associate operates, in estimating the probability of default of the advances as well as the loss upon default and determines the advances to associates are subject to immaterial credit loss.

As at December 31, 2023, the amount due from associates (current) to the Group of \$3,406,000 (2022: \$4,080,000) are unsecured, interest-free and repayable on demand, except for the amount of \$2,104,000 (2022: \$2,753,000) due to the Group which bears interest ranging from 5.5% to 6.0% (2022: 5.5% to 6.0%) per annum.

Information relating to significant associates is shown in Note 37 to the financial statements.

NOTES TO FINANCIAL STATEMENTS

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13. JOINTLY CONTROLLED ENTITIES

	Group	
	2023 \$'000	2022 \$'000
		(Restated)
Cost of investments in jointly controlled entities	302,597	302,597
Share of post-acquisition results and reserves net of dividend received	(274,721)	(239,716)
Advances to jointly controlled entities ⁽¹⁾	296,240	476,783
Impairment loss	(3,460)	(3,460)
Net (Note 11)	320,656	536,204

(1) Advances to jointly controlled entities are in substance net investment.

For the purpose of impairment assessment, the amount due from jointly controlled entities (classified as current asset) are considered to have low credit risk as there has been no significant increase in the risk of default since initial recognition. In determining the ECL, management has taken into account the financial position of the jointly controlled entities, adjusted for factors that are specific to the jointly controlled entities and general economic conditions of the industry in which the jointly controlled entity operates, in estimating the probability of default of the advances as well as the loss upon default and determines the advances to jointly controlled entities are subject to immaterial credit loss.

As at December 31, 2023, the amount due from jointly controlled entities (current) to the Group of \$52,439,000 (2022: \$45,057,000) is unsecured, interest-free and repayable on demand.

During the financial year, advances of \$59,198,000 (2022: \$37,003,000) were made to jointly controlled entities of the Group in which a director is deemed to have interest.

Information relating to significant jointly controlled entities is shown in Note 38 to the financial statements.

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14. SUBSIDIARIES

	Company	
	2023 \$'000	2022 \$'000
Total advances to subsidiaries	1,769,149	1,829,856
Less: Impairment loss	(23,777)	(23,777)
	1,745,372	1,806,079
Less: Amount due from subsidiaries classified as current asset	(215,689)	(231,723)
Non-current advances to subsidiaries	1,529,683	1,574,356
Unquoted equity shares, at cost	154,031	154,031
Total	1,683,714	1,728,387

The non-current advances to subsidiaries of \$1,529,683,000 (2022: \$1,574,356,000) are unsecured, substantially non-trade in nature and have been classified as non-current assets as the Company does not expect repayment within 12 months from the end of the reporting date. These advances are interest-free except for the amount of \$396,120,000 (2022: \$389,234,000) which bears annual interest at rates ranging from 3.9% to 4.9% (2022: 1.4% to 4.5%) per annum.

The amounts due from subsidiaries (current) of \$215,689,000 (2022: \$231,723,000) are unsecured, interest-free and repayable on demand except for the amount of \$53,518,000 (2022: \$86,793,000) which bears annual interest at rates ranging from 3.9% to 4.9% (2022: 1.4% to 5.2%) per annum.

For the purpose of impairment assessment, the advances to/amount due from subsidiaries are considered to have low credit risk as the timing of payment is controlled by the Company taking into account cash flow management within the Group and there has been no significant increase in the risk of default on the advances since initial recognition. Accordingly, for the purpose of impairment assessment of the advances, the loss allowance is measured at an amount equal to 12-month expected ECL. In determining the ECL, management has taken into account the financial position of the subsidiaries, adjusted for factors that are specific to the subsidiaries and general economic conditions of the industry in which the subsidiary operates, in estimating the probability of default of the advances as well as the loss upon default and determines the advances to subsidiaries are subject to immaterial credit loss.

As at December 31, 2023, the amount due to subsidiaries of \$585,000 (2022: \$653,000) are unsecured, interest-free and repayable on demand. The advances from subsidiaries of \$308,355,000 (2022: \$450,024,000) bear interest at rates ranging from 3.1% to 6.7% (2022: 1.1% to 5.2%) per annum and are unsecured.

During the financial year, interest income from and interest expense to subsidiaries amounted to \$22,019,000 and \$20,529,000 respectively (2022: \$14,350,000 and \$11,012,000 respectively).

Information relating to subsidiaries is shown in Note 36 to the financial statements.

NOTES TO FINANCIAL STATEMENTS

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15. INVESTMENTS

	Group	
	2023 \$'000	2022 \$'000
Non-current:		
Financial assets measured at FVTPL		
Quoted equity shares	99,730	114,075
Unquoted equity shares	121,673	121,040
Unquoted debt securities	-	14,486
	221,403	249,601

The Group's investments in equity instruments and debt instruments have been designated as at FVTPL on an investment-by-investment basis.

The fair values of the quoted equity shares were determined based on market prices at the end of the reporting period. The fair values of the unquoted equity shares and debt securities were determined based on the net asset values of these investments which approximate the fair values. The debt securities bore fixed interest rate at 5.0% (2022: 5.0%) per annum and mature in 2025 (2022: 2025). The unquoted debt securities were reclassified to Other receivables (Note 8) upon notification of redemption prior to the end of the reporting period.

NOTES TO FINANCIAL STATEMENTS

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16. PROPERTY, PLANT AND EQUIPMENT

	Freehold and long-term leasehold land and buildings \$'000	Leasehold land and buildings \$'000	Plant and equipment, furniture, fixtures and fittings \$'000	Construction- in-progress \$'000	Total \$'000
Group					
Cost:					
At January 1, 2022	896,181	1,098,635	615,042	46,937	2,656,795
Additions	2,920	22,219	11,871	115,943	152,953
Additions arising from reclassification of a jointly-controlled entity to a subsidiary due to additional interest acquired	-	-	-	9,630	9,630
Reclassifications	19	4,378	14,461	(18,858)	-
Disposals	(953)	(1,347)	(5,617)	-	(7,917)
Exchange realignment	(38,144)	(11,701)	(10,124)	(3,848)	(63,817)
At December 31, 2022	860,023	1,112,184	625,633	149,804	2,747,644
Additions	2,060	12,101	22,370	113,692	150,223
Additions arising from transfer of long-term deposits (Note 8)	-	-	-	24,922	24,922
Reclassifications	8	114,337	35,881	(150,226)	-
Disposals	(25)	(11,304)	(7,282)	(1,252)	(19,863)
Exchange realignment	(3,320)	(18,214)	(6,695)	(580)	(28,809)
At December 31, 2023	858,746	1,209,104	669,907	136,360	2,874,117
Accumulated depreciation:					
At January 1, 2022	169,618	407,305	492,781	-	1,069,704
Depreciation for the year	9,534	30,815	36,150	-	76,499
Disposals	(57)	(1,185)	(5,274)	-	(6,516)
Exchange realignment	(3,764)	(4,875)	(7,828)	-	(16,467)
At December 31, 2022	175,331	432,060	515,829	-	1,123,220
Depreciation for the year	9,406	34,511	34,085	-	78,002
Disposals	(16)	(2,239)	(6,773)	-	(9,028)
Exchange realignment	(790)	(6,908)	(5,202)	-	(12,900)
At December 31, 2023	183,931	457,424	537,939	-	1,179,294

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16. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Freehold and long-term leasehold land and buildings \$'000	Leasehold land and buildings \$'000	Plant and equipment, furniture, fixtures and fittings \$'000	Construction- in-progress \$'000	Total \$'000
Group					
Impairment loss:					
At January 1, 2022	2,347	-	-	6,364	8,711
Exchange realignment	(13)	-	-	(263)	(276)
At December 31, 2022	2,334	-	-	6,101	8,435
Exchange realignment	(12)	-	-	(57)	(69)
At December 31, 2023	2,322	-	-	6,044	8,366
Carrying amount:					
At December 31, 2022	682,358	680,124	109,804	143,703	1,615,989
At December 31, 2023	672,493	751,680	131,968	130,316	1,686,457

The Group's property, plant and equipment includes right-of-use assets which comprise of:

	Leasehold land and buildings \$'000	Plant and equipment, furniture, fixtures and fittings \$'000	Total \$'000
Group			
Cost:			
At January 1, 2022	355,903	916	356,819
Additions	20,488	157	20,645
Disposals	(978)	-	(978)
Exchange realignment	(1,372)	(49)	(1,421)
At December 31, 2022	374,041	1,024	375,065
Additions	10,899	116	11,015
Disposals	(11,257)	-	(11,257)
Exchange realignment	(3,374)	(48)	(3,422)
At December 31, 2023	370,309	1,092	371,401

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16. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group	Leasehold land and buildings \$'000	Plant and equipment, furniture, fixtures and fittings \$'000	Total \$'000
Accumulated depreciation:			
At January 1, 2022	98,950	421	99,371
Depreciation	5,869	119	5,988
Disposals	(820)	-	(820)
Exchange realignment	(326)	(23)	(349)
At December 31, 2022	103,673	517	104,190
Depreciation	7,202	184	7,386
Disposals	(2,203)	-	(2,203)
Exchange realignment	(958)	(28)	(986)
At December 31, 2023	107,714	673	108,387
Carrying amount:			
At December 31, 2022	270,368	507	270,875
At December 31, 2023	262,595	419	263,014

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

16. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Freehold and long-term leasehold land and buildings \$'000	Plant and equipment, furniture, fixtures and fittings \$'000	Construction- in-progress \$'000	Total \$'000
Company				
Cost:				
At January 1, 2022	232,915	98,068	88	331,071
Additions	-	1,742	-	1,742
Reclassifications	-	71	(71)	-
Disposals	-	(1,954)	-	(1,954)
At December 31, 2022	232,915	97,927	17	330,859
Additions	-	8,491	-	8,491
Reclassifications	-	-	-	-
Disposals	-	(1,795)	-	(1,795)
At December 31, 2023	232,915	104,623	17	337,555
Accumulated depreciation:				
At January 1, 2022	20,456	93,234	-	113,690
Depreciation for the year	419	2,016	-	2,435
Disposals	-	(1,839)	-	(1,839)
At December 31, 2022	20,875	93,411	-	114,286
Depreciation for the year	420	1,893	-	2,313
Disposals	-	(1,621)	-	(1,621)
At December 31, 2023	21,295	93,683	-	114,978
Carrying amount:				
At December 31, 2022	212,040	4,516	17	216,573
At December 31, 2023	211,620	10,940	17	222,577

As at December 31, 2023, certain property, plant and equipment with total carrying amount of approximately \$1,267 million (2022: \$1,309 million) were mortgaged to banks to secure credit facilities for the Company and respective subsidiaries of the Group.

NOTES TO FINANCIAL STATEMENTS

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17. INVESTMENT PROPERTIES

Group	Title
Property Description/Location	Title
Office and shop units at 50 Cuscaden Road, Singapore 249724	Freehold
Office and shop units at 583 Orchard Road, Singapore 238884	Freehold
63 shop units at 100 Orchard Road, Concorde Shopping Mall, Singapore 238840	Leasehold 99 years from August 17, 1979

The Group owned seven freehold shop units located in Ming Arcade which had been reclassified to assets classified as held for sale (Note 18) as at December 31, 2022, as the Group has agreed to dispose of all seven units in a collective sale in December 2022. The disposal was completed in May 2023.

For the year ended December 31, 2023, total fair value gain recognised for all investment properties amounted to \$645.0 million (2022: \$77.8 million).

Gross rental income and direct operating expenses arising from all investment properties amounted to \$23.2 million (2022: \$21.9 million) and \$8.4 million (2022: \$8.2 million) respectively for the year ended December 31, 2023.

As at December 31, 2023, certain investment properties amounting to approximately \$1,308 million (2022: \$663 million) were mortgaged to banks to secure credit facilities for the respective subsidiaries of the Group.

The fair value of the investment properties at December 31, 2023, which represents their highest and best use, has been determined on the basis of valuation carried out at the year end date by independent valuers having an appropriate recognised professional qualification based on direct comparison method (2022: income capitalisation approach and direct comparison method) that reflects prevailing property market conditions and redevelopment opportunities as at this date. The valuation was cross-checked by residual method and income capitalisation approach and conform to International Valuation Standards. The valuation is classified as level 3 of the fair value hierarchy as at December 31, 2023 and 2022.

The Group considers certain unobservable inputs used by the independent valuers in determining the fair value measurement of the Group's investment properties as sensitive to the fair value measurement. A change in these inputs will have a corresponding increase/decrease in the fair valuation as follows:

- a) The higher the transacted price of comparable land which range from \$30,000 to \$36,000 per square metre per plot ratio, the higher the fair value;
- b) The higher the transacted price of comparable units which range from \$26,000 to \$36,000 (2022: \$24,000 to \$166,000) per square metre, the higher the fair value;
- c) The higher the rental, the higher the fair value for the previous financial year; and
- d) The higher the capitalisation rate which ranged from 2.8% to 3.8% for the previous financial year, the lower the fair value.

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18. ASSETS CLASSIFIED AS HELD FOR SALE

In December 2022, the Group through its wholly-owned subsidiaries, has agreed to dispose of all seven freehold shop units located at 21 Cuscaden Road, Ming Arcade, Singapore 249720 in a collective sale.

The seven shop units in Ming Arcade had accordingly been reclassified from investment properties (Note 17) to assets classified as held for sale, and carried at fair value determined based on the sale value in the sale contract as at December 31, 2022 and was classified as level 2 of the fair value hierarchy.

The disposal of the seven shop units in Ming Arcade was completed in May 2023.

19. INTANGIBLE ASSETS

	Goodwill \$'000	Franchise rights \$'000	Total \$'000
Group			
Cost:			
At January 1, 2022	20,464	7,029	27,493
Addition during the year	-	157	157
Exchange realignment	(943)	(114)	(1,057)
At December 31, 2022	19,521	7,072	26,593
Exchange realignment	132	(12)	120
At December 31, 2023	19,653	7,060	26,713
Accumulated amortisation:			
At January 1, 2022	-	6,557	6,557
Amortisation charged against other operating expenses	-	55	55
Exchange realignment	-	(29)	(29)
At December 31, 2022	-	6,583	6,583
Amortisation charged against other operating expenses	-	52	52
Exchange realignment	-	(9)	(9)
At December 31, 2023	-	6,626	6,626
Impairment loss:			
At January 1, 2022	11,250	-	11,250
Exchange realignment	(943)	-	(943)
At December 31, 2022	10,307	-	10,307
Exchange realignment	132	-	132
At December 31, 2023	10,439	-	10,439
Carrying amount:			
At December 31, 2022	9,214	489	9,703
At December 31, 2023	9,214	434	9,648

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19. INTANGIBLE ASSETS (CONT'D)

Goodwill acquired in a business combination is allocated at acquisition to the cash generating units (“CGUs”) that are expected to benefit from that business combination. The carrying amount of goodwill attributable to certain hotel business is approximately \$9.2 million (2022: \$9.2 million) respectively.

Recoverable amount was determined based on the independent professional valuation using discounted cashflow method, at discount rates ranging from 8.0% to 10.3% (2022: 8.0% to 10.3%) and terminal yield rate of 7.0% (2022: 7.0%).

20. BORROWINGS AND OTHER LONG-TERM LIABILITIES

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Due after twelve months				
Long-term bank loans	816,202	844,807	134,921	193,368
Notes payable	647,621	522,752	647,621	522,752
Other long-term liabilities	376	651	-	-
	1,464,199	1,368,210	782,542	716,120
Due within twelve months				
Current portion of long-term bank loans	49,229	214,876	-	-
Current portion of other long-term liabilities	264	269	-	-
	49,493	215,145	-	-
Bankers' guarantees	809	1,930	56	541

- During the year, bank loans (secured) bear floating interest rates ranging from 2.5% to 7.2% (2022: 1.0% to 6.1%) per annum, and certain notes payable (unsecured) and other long-term liabilities (secured) bear fixed interest rates ranging from 3.8% to 5.3% (2022: 3.8% to 5.0%) per annum. The carrying amount of these notes and other long-term liabilities is \$648,260,000 and their fair value is \$609,434,000 (2022: \$523,672,000 and \$466,758,000 respectively). The notes and other long-term liabilities are classified under level 2 of the fair value hierarchy and the fair value has been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant input being the discount rate. The facilities are repayable from 2024 to 2028 (2022: 2023 to 2028).
- Securities include legal mortgages on properties of the Company and certain subsidiaries (Notes 16 and 17); subordinated mortgages over certain subsidiaries' lease rights, fixed and floating charges on the assets of the Company and certain subsidiaries; pledge of shares of certain subsidiaries and corporate guarantees from the Company, certain subsidiaries and certain non-controlling shareholders.
- Bank loans at floating interest rates are contractually repriced on a short-term basis, typically six months or less.
- The Group has obtained bankers' guarantees mainly to secure utility services. These guarantees are secured by the assets and undertakings as disclosed in (b) above and/or pledge of fixed deposits (Note 6) of certain subsidiaries.
- Included in the borrowings is a subsidiary's long-term bank loan of approximately \$40 million whereby the critical terms of the bank loan are expected to hedge against the foreign exchange movements of the income stream of the subsidiary. The subsidiary performed a qualitative assessment and it is expected that the cash flow of the bank loan is effective in offsetting the cash flow of the income stream. During the year, there is no hedge ineffectiveness recognised in profit or loss and the deferred gain on the hedge recognised in other comprehensive income amounted to approximately \$5 million (2022: loss of \$18 million) (Note 26).

NOTES TO FINANCIAL STATEMENTS

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21. TRADE AND OTHER PAYABLES

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Trade payables	94,623	99,715	4,859	4,593
Accrued employee-related expenses	24,992	25,115	6,018	7,696
Accrued operating expenses	22,770	20,439	3,147	2,963
Due to companies in which certain directors have interests*	390	392	-	-
Interest payable to non-related companies	6,447	4,860	5,422	3,369
Lease liabilities – current (Note 23)	2,540	2,156	-	-
Others	6,003	5,036	529	487
Total	157,765	157,713	19,975	19,108

*Amounts due to companies in which certain directors have interests are unsecured, interest-free and repayable on demand.

The average credit period on purchases of goods and services ranges from 1 to 2 months (2022: 1 to 2 months).

22. DEFERRED TAX ASSETS / LIABILITIES

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Deferred tax assets	(2,580)	(3,319)	-	-
Deferred tax liabilities	16,839	15,164	446	380
	14,259	11,845	446	380

NOTES TO FINANCIAL STATEMENTS

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22. DEFERRED TAX ASSETS / LIABILITIES (CONT'D)

The following are the major deferred tax assets and liabilities recognised by the Group and the Company and movements thereon during the year:

	Net accelerated tax depreciation \$'000	Other temporary differences* \$'000	Total \$'000
Group			
At January 1, 2022	1,606	7,886	9,492
Charge to profit or loss (Note 30)	1,682	2,776	4,458
Charge to other comprehensive income	-	6	6
Exchange realignment	(68)	(2,043)	(2,111)
At December 31, 2022	3,220	8,625	11,845
(Reversal from) Charge to profit or loss (Note 30)	(341)	2,290	1,949
Charge to other comprehensive income	-	9	9
Exchange realignment	(46)	502	456
At December 31, 2023	2,833	11,426	14,259

* Other temporary differences comprise mainly deferred tax liability arising from business combinations.

	Accelerated tax depreciation \$'000
Company	
At January 1, 2022	478
Reversal from profit or loss	(98)
At December 31, 2022	380
Charge to profit or loss	66
At December 31, 2023	446

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

23. LEASE LIABILITIES

The Group as lessee

	2023 \$'000	2022 \$'000
Lease liabilities		
Maturity analysis:		
Year 1	13,457	14,183
Year 2	13,942	13,397
Year 3	13,110	14,102
Year 4	14,229	14,306
Year 5	14,625	15,514
Year 6 onwards	281,851	344,021
	351,214	415,523
Less: Unearned interest	(243,274)	(298,832)
	107,940	116,691
Analysed as:		
Current (Note 21)	2,540	2,156
Non-current	105,400	114,535
	107,940	116,691

24. SHARE CAPITAL AND OPTIONS

	Group and Company			
	2023	2022	2023	2022
	Number of ordinary shares		\$'000	\$'000
Issued and fully paid:				
At beginning of year	521,815,251	521,490,251	726,780	725,493
Issue of shares	-	325,000	-	1,287
At end of year	521,815,251	521,815,251	726,780	726,780

The Company has one class of ordinary shares which carries no right to fixed income and has no par value.

Options to subscribe for the Company's ordinary shares may be granted to executives of the Company under the Hotel Properties Employee Share Option Scheme 2010 ("Scheme 2010"). The scheme is administered by the Remuneration Committee. The exercise price of the granted options is determined based on the average last business done price for the shares of the Company for the five market days preceding the date of grant. The Remuneration Committee may at its discretion fix the exercise price at a discount not exceeding 20% to the above price. The vesting period is 2 years for options granted at a discounted exercise price, and 1 year for options granted without discount. The share options have a validity period of 10 years from the date of grant, unless they have been forfeited prior to that date.

NOTES TO FINANCIAL STATEMENTS

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24. SHARE CAPITAL AND OPTIONS (CONT'D)

Details of the share options outstanding during the year are as follows:

	Group and Company			
	2023		2022	
	Number of share options	Weighted average exercise price \$	Number of share options	Weighted average exercise price \$
Outstanding at the beginning of the year	18,375,000	3.03	18,900,000	3.04
Exercised during the year	-	-	(325,000)	3.22
Cancelled during the year	-	-	(200,000)	3.02
Outstanding at the end of the year	18,375,000	3.03	18,375,000	3.03
Exercisable at the end of the year	18,375,000	3.03	18,375,000	3.03

The weighted average market price at the date of exercise for share options exercised during the previous financial year was \$3.53. The options outstanding at the end of the year have a weighted average remaining contractual life of 2.6 (2022: 3.6) years.

The Company also has a Hotel Properties Limited Performance Share Plan that is administered by the Remuneration Committee. Fully paid shares are awarded to participants taking into consideration certain performance criteria and vesting period. There are no award of performance shares under the Performance Share Plan as at the beginning and end of the year.

25. TREASURY SHARES

	Group and Company			
	2023	2022	2023	2022
	Number of ordinary shares		\$'000	
At beginning and end of the year	515,300	515,300	1,746	1,746

The Company acquired its own shares through purchases on the Singapore Exchange and the total amount paid to acquire the shares had been deducted from shareholders' equity. The shares are held as treasury shares. The Company intends to reissue these shares to executives under the share option and performance share plans.

NOTES TO FINANCIAL STATEMENTS

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26. OTHER RESERVES

	Exchange fluctuation reserve \$'000	Hedge reserve \$'000	Option reserve \$'000	Other capital reserve \$'000	Total \$'000
Group					
Balance as at January 1, 2022	(10,781)	-	11,023	(25,786)	(25,544)
Total comprehensive loss for the year (restated)	(65,531)	(18,061)	-	(2,672)	(86,264)
Other movements during the year	-	(121)	(95)	-	(216)
Issue of shares	-	-	(240)	-	(240)
Balance as at December 31, 2022 (restated)	(76,312)	(18,182)	10,688	(28,458)	(112,264)
Total comprehensive income for the year	1,584	5,139	-	8,264	14,987
Other movements during the year	(11)	3	-	(1,976)	(1,984)
Balance as at December 31, 2023	(74,739)	(13,040)	10,688	(22,170)	(99,261)
					Option reserve \$'000
Company					
Balance as at January 1, 2022					11,023
Net movement during the year					(95)
Issue of shares					(240)
Balance as at December 31, 2022 and 2023					10,688

Hedge reserve records the fair value changes on the derivative financial instruments and certain bank borrowings designated as hedging instruments in cash flow and net investment hedges that are determined to be an effective hedge.

Option reserve represents the equity-settled share options and performance shares granted to employees. The reserve is made up of the cumulative value of services received from employees recorded on grant of equity-settled share options and performance shares. The expense for services received will be recognised over the vesting period.

The exchange fluctuation reserve is used to record foreign exchange differences arising from the translation of the financial statements of foreign subsidiaries whose functional currencies are different from that of the Group's presentation currency and exchange differences arising from translation of monetary items that form part of a net investment in a foreign entity.

Other capital reserves include the cumulative fair value changes of financial assets at FVTOCI until they are derecognised, as well as reserve on consolidation which represents the difference between the fair value of the consideration paid and the amount by which the non-controlling interest are reduced during the acquisition of additional interests from non-controlling shareholders.

NOTES TO FINANCIAL STATEMENTS

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27. PERPETUAL CAPITAL SECURITIES

The Company issued \$150 million in aggregate principal amount of 4.650% perpetual capital securities on May 5, 2017 and \$160 million in aggregate principal amount of 4.40% perpetual capital securities on October 22, 2019. The securities are recorded at the proceeds received, net of direct issue costs.

The Company exercised the option to redeem in full the \$150 million perpetual capital securities on May 5, 2022 (the “First Reset Date”) in accordance with the conditions of the securities.

The \$160 million securities are perpetual and confer a right to receive distribution payments. Such distributions are payable semi-annually in arrear unless the Company, at its sole discretion, elect to defer any distribution in accordance with the conditions of the securities. The rate of distribution applicable from October 22, 2019 to October 22, 2024 (the “First Reset Date”) is 4.40% per annum; from the First Reset Date to October 22, 2029 (the “Step-Up Date”) at the applicable Reset Distribution Rate as defined in the conditions of the securities; and from the Step-Up Date to each subsequent reset date occurring on each date falling every five years after the Step-Up Date with each such date, a “Reset Date”, the applicable Reset Distribution Rate as defined in the conditions of the securities.

The securities constitute direct, unsecured and subordinated obligations of the Company and rank *pari passu* and without any preference or priority among themselves. The securities may be redeemed at the option of the Company on October 22, 2024, or on any distribution payment date thereafter and otherwise upon the occurrence of certain redemption events specified in the conditions of the securities.

28. REVENUE

	Group	
	2023 \$'000	2022 \$'000
Hotel revenue	616,547	501,092
Rental income	23,376	21,967
Management fee	2,197	2,448
Total	642,120	525,507

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29. PROFIT BEFORE INCOME TAX

This is determined after charging (crediting):

	Group	
	2023 \$'000	2022 \$'000
Staff costs (including share-based payments), net of government grant	177,277	154,921
Cost of defined contribution plans included in staff costs	9,892	7,950
Cost of inventories recognised as expense	50,693	42,103
Depreciation and amortisation	78,054	76,554
Finance costs on lease liabilities	12,979	13,181
Audit fees paid to auditors:		
Auditors of the Company	613	529
Other auditors	630	605
Non-audit fees paid to auditors:		
Auditors of the Company	132	104
Other auditors	88	75
(Write-back of) Loss allowance for trade receivables [^]	(77)	232
Net foreign exchange loss (gain) [^]	49	(985)
Net fair value loss in held-for-trading investments [^]	55	75
Net fair value loss in investments [^]	11,926	17,329
Net gain on disposal of property, plant and equipment [^]	(15,086)	(187)
Interest income [^]	(2,226)	(1,437)
Dividend income [^]	(6,721)	(2,763)

[^] These are included in other operating (income) expenses.

The Group received wage support for local employees under the Jobs Support Scheme (“JSS”) from the Singapore Government in 2022 as part of the Government’s measures to support businesses during the period of economic uncertainty impacted by COVID-19. The Group assessed that there was reasonable assurance that it would comply with the conditions attached to the grants. Government grant income of \$1.2 million was recognised in profit or loss against Staff costs during the previous financial year, on a systematic basis over the period of uncertainty in which the related salary costs for which the grant was intended to compensate was recognised as expenses. Management had determined the period of uncertainty to be 24 months commencing from April 2020.

NOTES TO FINANCIAL STATEMENTS

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30. INCOME TAX EXPENSE

	Group	
	2023 \$'000	2022 \$'000
Current tax	13,656	7,077
Deferred tax (Note 22)	1,949	4,458
	15,605	11,535
Under (Over) provision in prior years	415	(1,490)
	16,020	10,045

The income tax expense varied from the amount of income tax expense determined by applying the Singapore income tax rate of 17% (2022: 17%) to profit before income tax and share of results of associates and jointly controlled entities as a result of the following differences:

	Group	
	2023 \$'000	2022 \$'000
Profit before income tax and share of results of associates and jointly controlled entities	627,316	42,316
Tax expense calculated at a tax rate of 17% (2022: 17%)	106,644	7,194
(Non-taxable) Non-deductible items (net)	(90,308)	1,337
Tax exemption	(396)	(175)
Utilisation of unabsorbed tax losses and capital allowances brought forward	(7,611)	(2,525)
Deferred tax asset on tax losses arising during the year not recorded	5,049	5,108
Effect of different tax rate of overseas operations	2,227	596
	15,605	11,535
Effective tax rate	2.5%	27.3%

Subject to the agreement with the relevant tax authorities and compliance with certain conditions of the relevant tax legislations, in the respective countries in which the subsidiaries operate, the Group has unrecognised tax losses and capital allowances totaling approximately \$160,108,000 and \$7,440,000 (2022: \$166,847,000 and \$9,470,000) respectively which are available for set off against future taxable income of the respective subsidiaries. No deferred tax asset has been recognised in respect of these due to unpredictability of future profit stream. Tax losses approximating \$125,428,000 (2022: \$140,499,000) will expire within the next 5 years.

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31. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the Group net profit attributable to owners of the Company after deducting provision for distribution to perpetual capital securities holders divided by the weighted average number of ordinary shares in issue (excluding treasury shares) during the year.

Diluted earnings per share is based on Group earnings and adjusted weighted average number of ordinary shares (excluding treasury shares) to reflect the effect of all potentially dilutive ordinary shares, assuming the full exercise of outstanding share options and release of performance shares during the year.

	2023 \$'000	2022 \$'000
		(Restated)
Profit attributable to owners of the Company less distribution to perpetual capital securities holders	554,005	29,676
Adjusted profit attributable to owners of the Company less distribution to perpetual capital securities holders	554,116	29,727
	No. of shares (^{'000})	No. of shares (^{'000})
Weighted average number of ordinary shares used to compute basic earnings per share (excluding treasury shares)	521,300	521,189
Adjustment for potential dilutive ordinary shares	1,036	499
Weighted average number of ordinary shares used to compute diluted earnings per share (excluding treasury shares)	522,336	521,688
Basic earnings per share	106.27 cents	5.70 cents
Diluted earnings per share	106.08 cents	5.69 cents

32. DIVIDENDS

In 2022, the Company declared and paid a first and final one-tier tax exempt dividend of 4 cents per ordinary share of the Company, totaling \$20,852,000 in respect of the financial year ended December 31, 2021.

In 2023, the Company declared and paid a first and final one-tier tax exempt dividend of 4 cents per ordinary share, and a one-tier tax exempt special dividend of 1 cent per ordinary share of the Company, totaling \$26,065,000 in respect of the financial year ended December 31, 2022.

Subsequent to December 31, 2023, the directors of the Company recommended that a first and final one-tier tax exempt dividend be paid at 4 cents per ordinary share of the Company, and a one-tier tax exempt special dividend be paid at 2 cents per ordinary share of the Company, totaling \$31,278,000 for the financial year ended December 31, 2023, based on the number of issued shares (excluding treasury shares) as at year end. The proposed dividends are not accrued as a liability for the current financial year in accordance with SFRS(I) 1-10 – *Events After The Reporting Period*.

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33. CAPITAL COMMITMENTS

As at the end of the financial year, the Group has capital commitments contracted but not provided for in the financial statements in respect of the following:

	Group	
	2023	2022
	\$'000	\$'000
Capital expenditure	134,179	34,865
Associates, jointly controlled entities and other investments	194,981	278,068

34. OPERATING LEASE COMMITMENTS

The Group as lessor

Operating leases, in which the Group is the lessor, relate to investment properties and certain property, plant and equipment owned by the group with lease terms of between 1 to 4 years, with 3 years extension option for selected leases. All operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.

Maturity analysis of operating lease payments:

	Group	
	2023	2022
	\$'000	\$'000
Year 1	24,306	26,074
Year 2	13,083	17,728
Year 3	3,074	8,295
Year 4	121	370
Total	40,584	52,467

NOTES TO FINANCIAL STATEMENTS

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35. SEGMENT INFORMATION

- a) The segment information of the Group is organised into the following reportable segments:

Hotels

These refer mainly to the operations of the hotels and the shopping galleries of the Group as well as the provision of hotel management services. Income is derived mainly from the rental of rooms and shop units, sale of food and beverage and management fee.

Properties

These refer to the rental and sale operations on residential properties and commercial units. Sales and profit from the condominium development projects in Singapore are recognised based on percentage of completion method, and those from overseas projects are recognised based on completion of construction method.

Others

These refer to distribution and retail operations, activities on quoted and unquoted investments and others.

- b) The following segment information is prepared on the same basis as the Group's accounting policies described in Note 2:
- i) Segment revenue and expenses are revenue and expenses reported in the Group's income statement that either are directly attributable to a segment or can be allocated on a reasonable basis to a segment.
 - ii) Segment revenue and expenses include transfers between business segments. Inter-segment sales are charged at cost plus a percentage profit mark-up. These transfers are eliminated on consolidation. Share of results of associates and jointly controlled entities are allocated as they are specifically attributable to a segment.
 - iii) Segment assets are all operating assets that are employed by a segment in its operating activities and are either directly attributable to the segment or can be allocated to the segment on a reasonable basis. Segment assets exclude interest-producing assets. Investments in associates and jointly controlled entities are included as segment assets of the Group.
 - iv) Segment liabilities are all operating liabilities of a segment and are either directly attributable to the segment or can be allocated to the segment on a reasonable basis. Segment liabilities exclude interest-bearing liabilities and income tax liabilities.
 - v) Segment revenue and non-current assets are analysed based on the location of those assets.

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35. SEGMENT INFORMATION (CONT'D)

c) Information by business segment (cont'd):

Group	Hotels		Properties		Others		Elimination		Consolidation	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
				(Restated)						(Restated)
Segment liabilities	254,292	262,224	8,240	8,625	356	1,129	-	-	262,888	271,978
Unallocated corporate liabilities									1,540,667	1,602,567
Consolidated total liabilities									1,803,555	1,874,545
Additions to non-current assets (excluding fair value changes)	165,238	159,062	90,709	319,272	2,750	1,750	-	-	258,697	480,084
Depreciation and amortisation	77,142	75,767	912	787	-	-	-	-	78,054	76,554
Non-cash expenses (income) other than depreciation, amortisation, impairment loss and fair value changes in investment properties	(61)	(1,175)	240	473	11,802	17,225	-	-	11,981	16,523

d) Information by geographic regions:

Group	Revenue		Non-current assets	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Singapore	209,223	160,329	1,780,226	1,380,223
The Maldives	226,862	227,831	643,863	644,258
The rest of Asia	176,393	112,689	653,986	587,411
United Kingdom and Europe	683	674	519,784	479,658
Others	28,959	23,984	109,497	112,081
	642,120	525,507	3,707,356	3,203,631

Others consist of mainly U.S.A., Australasia and Africa.

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36. SUBSIDIARIES

Information relating to subsidiaries is as follows:

Subsidiary	Principal Activity	Country of Incorporation / Place of Business	Group's Effective Interest	
			2023 %	2022 %
Held by the Company				
Cleaton Investments Pte Ltd	Investment holding company	Singapore	100	100
HPL Hotels & Resorts Pte Ltd	Hotel management and investment holding company	Singapore	100	100
HPL Investment & Development Pte Ltd	Investment holding company	Singapore	100	100
HPL Leisure Holdings Pte Ltd	Investment holding company	Singapore	100	100
HPL Orchard Place Pte Ltd	Investment holding company	Singapore	100	100
HPL Properties Pte Ltd	Property development, hotelier and investment holding company	Singapore	100	100
HPL Properties (Australasia) Pte Ltd	Investment holding company	Singapore	100	100
HPL Properties (Indian Ocean) Pte Ltd	Investment holding company	Singapore	70	70
HPL Properties (Pacific Ocean) Pte Ltd	Investment holding company	Singapore	70	70
HPL Properties (SEA) Pte Ltd	Investment holding company	Singapore	100	100
HPL Properties (West) Pte Ltd	Investment holding company	Singapore	100	100
HPL Properties (West Asia) Pte Ltd	Investment holding company	Singapore	100	100
HPL Singapore Pte Ltd	Investment holding company	Singapore	100	100
HPL Tourism & Leisure Pte Ltd	Investment holding company	Singapore	100	100
Luxury Holdings Pte Ltd	Investment holding company	Singapore	100	100
Maxford Investments Pte Ltd	Investment holding company	Singapore	100	100
Super Vista Sdn Bhd ⁽¹⁾	Hotelier	Malaysia	100	100
Tiga Stars Pte Ltd	Investment holding company	Singapore	70	70

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36. SUBSIDIARIES (CONT'D)

Subsidiary	Principal Activity	Country of Incorporation / Place of Business	Group's Effective Interest	
			2023 %	2022 %
Held by subsidiaries of the Company				
21 st Century Holding Pte Ltd	Investment holding company	Singapore	100	100
Allegro Investments Pte Ltd	Investment holding company	Singapore	100	100
Amberwood Investments Pte Ltd	Investment holding company	Singapore	100	100
Asia Hotel Growth Fund ⁽¹⁾	Investment holding company	Thailand	100	100
Astrid Holdings Co., Ltd ⁽¹⁾	Investment holding company	Thailand	49**	49**
Bayford Investments Pte Ltd	Investment holding company	Singapore	100	100
Baywood Investments Pte Ltd	Investment holding company	Singapore	100	100
Belitung Investments Pte Ltd	Investment holding company	Singapore	100	100
Berkley Investments Pte Ltd	Investment holding company	Singapore	100	100
Boathouse Holding Co., Ltd ⁽¹⁾	Investment holding company	Thailand	49**	49**
Boathouse Kata Co., Ltd ⁽¹⁾	Hotelier	Thailand	74	74
Campden Hill Investment LLP ⁽¹⁾	Investment holding company	United Kingdom	100	100
Chatsworth Development Management Pte Ltd	Project management company	Singapore	100	100
Clearwater Island Resorts Sdn Bhd ⁽¹⁾	Hotelier	Malaysia	100	100
Concorde Hotel Management Inc. ⁽⁷⁾	Investment holding company	U.S.A.	100	100
Concorde Hotel New York Inc. ⁽⁷⁾	Investment holding company	U.S.A.	100	100
Concorde Hotels & Resorts (Malaysia) Sdn Bhd ⁽¹⁾	Hotel management	Malaysia	100	100
Coralbell Pty Ltd ⁽⁷⁾	Investment holding company	Australia	100	100
Dojima Luxury Holdings Co., Ltd ^{*(7)}	Hotelier	Japan	75	-
East Phuket Holdings Pte Ltd	Investment holding company	Singapore	100	100
Eastpoint Investments Limited ⁽¹⁾	Investment holding company	United Kingdom	100	100
Hermill Investments Pte Ltd	Investment holding company	Singapore	100	100
Hotel Holdings USA Inc ⁽⁵⁾	Investment holding company	U.S.A.	100	100
Hotel Properties Lanka Investments (Private) Limited ⁽²⁾	Investment holding company	Sri Lanka	100	100

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36. SUBSIDIARIES (CONT'D)

Subsidiary	Principal Activity	Country of Incorporation / Place of Business	Group's Effective Interest	
			2023 %	2022 %
Held by subsidiaries of the Company				
HPL (Croatia) Limited	Investment holding company	United Kingdom	100	100
HPL (Campden) Pte Ltd	Investment holding company	Singapore	100	100
HPL (Eaton) Ltd ⁽¹⁾	Dormant	United Kingdom	100	100
HPL (Europe) Pte Ltd	Investment holding company	Singapore	100	100
HPL Gateway Investments Pte Ltd	Investment holding company	Singapore	100	100
HPL Hotels Pty Ltd ⁽⁷⁾	Provision of administrative services	Australia	100	100
HPL Investors Pte Ltd	Trading in quoted investments and share dealing	Singapore	100	100
HPL (Kensington) Pte Ltd	Investment holding company	Singapore	100	100
HPL (Mayfair) Pte Ltd	Investment holding company	Singapore	100	100
HPL (Osaka) Pte Ltd	Investment holding company	Singapore	100	100
HPL (Paddington) Pte Ltd	Investment holding company	Singapore	100	100
HPL Properties Management Pte Ltd	Investment holding company	Singapore	100	100
HPL Properties (North Asia) Pte Ltd	Investment holding company	Singapore	100	100
HPL Resorts (Maldives) Private Limited ⁽²⁾	Hotelier and investment holding company	Maldives	70	70
HPL Retail Pte Ltd	Trading in quoted investments and investment holding company	Singapore	100	100
HPL Services Pte Ltd	Privilege card services operations and investment holding company	Singapore	100	100
HPL (Southbank) Pte Ltd	Investment holding company	Singapore	100	100
HPL Tulip Pte Ltd	Investment holding company	Singapore	100	100
HPL Tulip Holdings Pte Ltd	Investment holding company	Singapore	100	100
HPL (UK) Limited ⁽¹⁾	Provisions of information and services	United Kingdom	100	100
HPL (Whitechapel) Pte Ltd	Investment holding company	Singapore	100	100

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36. SUBSIDIARIES (CONT'D)

Subsidiary	Principal Activity	Country of Incorporation / Place of Business	Group's Effective Interest	
			2023 %	2022 %
Held by subsidiaries of the Company				
HRH Merchandise (M) Sdn Bhd ⁽¹⁾	Retailer	Malaysia	100	100
Kata Boathouse Holdings Pte Ltd	Investment holding company	Singapore	100	100
Kupari Luxury Hotels d.o.o. ^{#(7)}	Provision of tourist services	Croatia	95	90
Laem Ka Properties Co. Ltd ⁽³⁾	Hotelier and property developer	Thailand	90	90
Landaa Giraavaru Private Limited ⁽²⁾	Hotelier	Hong Kong / Maldives	70	70
Landeal Properties Pte Ltd	Investment holding company	Singapore	100	100
Leisure Beach Private Limited ⁽²⁾	Developer and hotelier	Maldives	70	70
Leisure Development Koror Inc.	Hotel development	Palau	70	70
Leisure Frontiers Private Limited ⁽²⁾	Hotelier	Maldives	70	70
Leisure Holidays Private Limited ⁽²⁾	Developer and hotelier	Maldives	70	70
Leisure Horizons Private Limited ⁽²⁾	Developer and hotelier	Maldives	70	70
Leisure Oceans Private Limited ⁽²⁾	Hotelier	Maldives	70	70
Leisure Sands Private Limited ⁽²⁾	Hotelier	Maldives	70	70
Luxury Complex Pte Ltd	Investment holding company	Singapore	100	100
Luxury Hotels (1989) Pte Ltd	Hotelier	Singapore	100	100
Luxury Properties Pte Ltd	Investment holding company	Singapore	100	100
McMing Investments Pte Ltd [^]	Investment holding company	Singapore	-	100
McShope Investments Pte Ltd [^]	Investment holding company	Singapore	-	100
Minwyn Investments Pte Ltd [^]	Investment holding company	Singapore	-	100
Moonstone Investments Pte Ltd	Investment holding company	Singapore	100	100
Naka Yai Holdings Co. Limited ⁽¹⁾	Investment holding company	Thailand	49**	49**
Naka Yai Hotel Co. Limited ⁽¹⁾	Hotelier	Thailand	74	74
Naka Yai Land Co. Limited ⁽¹⁾	Hotelier	Thailand	74	74
NYC 55., Corp. ⁽⁴⁾	Hotelier	U.S.A.	100	100
Palmco Hotels Sdn Bhd ⁽¹⁾	Hotelier	Malaysia	100	100

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36. SUBSIDIARIES (CONT'D)

Subsidiary	Principal Activity	Country of Incorporation / Place of Business	Group's Effective Interest	
			2023 %	2022 %
Held by subsidiaries of the Company				
Pebble Bay (Thailand) Co. Ltd ⁽³⁾	Property development	Thailand	74	74
PT Amanda Arumdhani ⁽¹⁾	Hotelier	Indonesia	100	100
PT Amanda Citra ⁽⁷⁾	Dormant	Indonesia	100	100
PT Amanda Natha ⁽¹⁾	Hotelier	Indonesia	100	100
PT Amanda Pramudita ⁽¹⁾	Hotelier	Indonesia	100	100
PT Amanda Surya ⁽⁷⁾	Investment holding company	Indonesia	100	100
PT Bali Girikencana ⁽¹⁾	Hotelier	Indonesia	100	100
Quin Properties Pte Ltd	Investment holding company	Singapore	100	100
Seaside Hotel (Thailand) Co. Ltd ⁽¹⁾	Hotelier	Thailand	74	74
Seaside Properties (Thailand) Co. Ltd ⁽³⁾	Hotelier	Thailand	74	74
South West Pacific Investments Limited ⁽⁶⁾	Hotelier	Vanuatu	100	100
Sovereign Builders & Development Sdn Bhd ⁽¹⁾	Investment holding company	Malaysia	100	100
Straits Realty Co. Ltd ⁽¹⁾	Investment holding company	Thailand	74	74
Supreme Prospects Sdn Bhd ⁽¹⁾	Hotelier	Malaysia	100	100
Suseem Pty Ltd ⁽⁷⁾	Dormant	Australia	100	100
Tangalla Bay Hotels Private Limited ⁽²⁾	Hotelier	Sri Lanka	48**	48**
The Island Development Pte Ltd	Investment holding company	Singapore	100	100
Travel Bug Touring Pte Ltd	Investment holding company	Singapore	100	100
Weligama Hotel Properties Ltd ⁽²⁾	Hotelier	Sri Lanka	49**	49**
Wesclove Investments Pte Ltd	Investment holding company	Singapore	100	100
Xspand Investments Pte Ltd	Investment holding company	Singapore	100	100
Yarra Investments Pte Ltd	Property development and investment holding company	Singapore	100	100

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36. SUBSIDIARIES (CONT'D)

All companies are audited by Deloitte & Touche LLP, Singapore except for the following:

- (1) Audited by overseas practices of Deloitte Touche Tohmatsu Limited
- (2) Audited by overseas practices of KPMG International
- (3) Audited by overseas practices of Ernst & Young
- (4) Audited by overseas practices of BDO International Limited
- (5) Audited by Cohen & Schaeffer P.C.
- (6) Audited by Barrett & Partners
- (7) Not required to be audited by law in country of incorporation and subsidiary not considered material.

* Acquired during the financial year.

Equity interest increased due to further subscription of share.

^ Placed under member's voluntary liquidation during the financial year.

** This company is considered a subsidiary as the Group is exposed, or has rights, to variable returns from its involvement with the company and has the ability to affect those returns through its power over the company.

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

Name of subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		Profit (loss) allocated to non-controlling interests		Accumulated non-controlling interests	
		2023	2022	2023	2022	2023	2022
				\$'000	\$'000	\$'000	\$'000
HPL Resorts (Maldives) Private Limited	Maldives	30%	30%	(8,777)	(3,945)	66,134	72,876
Tiga Stars Pte Ltd ^	Singapore	^	30%	^	(234)	^	70,326
Individually immaterial subsidiaries with non-controlling interests				2,647	(1,641)	18,230	12,658
Total				(6,130)	(5,820)	84,364	155,860

^ Tiga Stars Pte Ltd is not considered as a significant non-wholly owned subsidiary to the Group as at December 31, 2023. Accordingly, financial information of Tiga Stars Pte Ltd recognised in the consolidated financial statements are included in "Individually immaterial subsidiaries with non-controlling interest".

NOTES TO FINANCIAL STATEMENTS

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36. SUBSIDIARIES (CONT'D)

Summarised financial information in respect of HPL Resorts (Maldives) Private Limited and its subsidiaries is set out below:

	2023 \$'000	2022 \$'000
Current assets	49,468	57,541
Non-current assets	689,832	687,230
Current liabilities	(67,687)	(94,668)
Non-current liabilities	(451,122)	(407,139)
Equity attributable to owners of the Company	154,357	170,088
Non-controlling interests	66,134	72,876
Revenue	226,862	227,830
Expenses	(256,117)	(240,980)
Loss for the year	(29,255)	(13,150)
Loss attributable to owners of the Company	(20,478)	(9,205)
Loss attributable to the non-controlling interests	(8,777)	(3,945)
Loss for the year	(29,255)	(13,150)
Other comprehensive loss attributable to owners of the Company	(2,914)	(809)
Other comprehensive loss attributable to the non-controlling interests	(594)	(147)
Other comprehensive loss for the year	(3,508)	(956)
Total comprehensive loss attributable to owners of the Company	(23,392)	(10,014)
Total comprehensive loss attributable to the non-controlling interests	(9,371)	(4,092)
Total comprehensive loss for the year	(32,763)	(14,106)
Net cash (outflow) inflow from operating activities	(917)	53,682
Net cash outflow from investing activities	(57,918)	(122,496)
Net cash inflow from financing activities	48,882	62,994
Net cash outflow	(9,953)	(5,820)

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36. SUBSIDIARIES (CONT'D)

Summarised financial information in respect of Tiga Stars Pte Ltd for the previous financial year is set out below:

	2022 \$'000
Non-current assets	234,419
Current liabilities	-
Equity attributable to owners of the Company	164,093
Non-controlling interests	70,326
Expenses	(781)
Loss for the year	(781)
Loss attributable to owners of the Company	(547)
Loss attributable to the non-controlling interests	(234)
Loss for the year	(781)
Other comprehensive loss attributable to owners of the Company	(13,164)
Other comprehensive loss attributable to the non-controlling interests	(5,642)
Other comprehensive loss for the year	(18,806)
Total comprehensive loss attributable to owners of the Company	(13,711)
Total comprehensive loss attributable to the non-controlling interests	(5,876)
Total comprehensive loss for the year	(19,587)
Net cash outflow from investing activities	(254,005)
Net cash inflow from financing activities	254,005
Net cash outflow	-

NOTES TO FINANCIAL STATEMENTS

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37. ASSOCIATES

Information relating to significant associates is as follows:

Associate	Principal Activity	Country of Incorporation / Place of Business	Group's Effective Interest	
			2023 %	2022 %
Bankside Quarter (Jersey) Limited ⁽²⁾	Investment holding company	Jersey	30	30
Leisure Ventures Pte Ltd ⁽¹⁾	Investment holding company	Singapore	50	50

(1) Audited by Deloitte & Touche LLP, Singapore.

(2) Audited by overseas practices of Deloitte Touche Tohmatsu Limited.

Summarised financial information in respect of each of the Group's material associates is set out below. The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with SFRS(I)s adjusted by the Group for equity accounting purposes.

Bankside Quarter (Jersey) Limited and its subsidiaries

	2023 \$'000	2022 \$'000
Current assets	1,419,994	1,248,154
Current liabilities	(36,676)	(109,659)
Non-current liabilities	(1,200,782)	(895,357)
Revenue	11,472	316
Loss for the year	(44,437)	(1,990)
Other comprehensive income (loss) for the year	8,883	(30,823)
Total comprehensive loss for the year	(35,554)	(32,813)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Bankside Quarter (Jersey) Limited and its subsidiaries recognised in the consolidated financial statements:

	2023 \$'000	2022 \$'000
Net assets of Bankside Quarter (Jersey) Limited and its subsidiaries	182,536	243,138
Proportion of the Group's ownership interest	30%	30%
Intercompany eliminations	(39,126)	(29,239)
Shareholder's advances	179,305	121,731
Carrying amount of the Group's interest	194,940	165,433

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

37. ASSOCIATES (CONT'D)

Leisure Ventures Pte Ltd and its subsidiaries

	2023 \$'000	2022 \$'000
Current assets	23,628	29,241
Non-current assets	310,475	315,618
Current liabilities	(64,538)	(78,714)
Non-current liabilities	(95,418)	(86,583)
Revenue	75,790	69,536
Loss for the year	(4,343)	(8,742)
Other comprehensive loss for the year	(992)	(7,678)
Total comprehensive loss for the year	(5,335)	(16,420)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Leisure Ventures Pte Ltd and its subsidiaries recognised in the consolidated financial statements:

	2023 \$'000	2022 \$'000
Net assets of Leisure Ventures Pte Ltd and its subsidiaries	174,147	179,562
Proportion of the Group's ownership interest	50%	50%
Carrying amount of the Group's interest	87,074	89,781

Aggregate information of associates that are not individually material

	2023 \$'000	2022 \$'000
The Group's share of profit	2,318	1,881
The Group's share of other comprehensive income (loss)	245	(3,047)
The Group's share of total comprehensive income (loss)	2,563	(1,166)
Aggregate carrying amount of the Group's interests in these associates	88,648	86,671

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38. JOINTLY CONTROLLED ENTITIES

Information relating to significant jointly controlled entities is as follows:

Jointly Controlled Entity	Principal Activity	Country of Incorporation / Place of Business	Group's Interest	
			2023 %	2022 %
Great Western Enterprises Ltd ⁽¹⁾	Investment holding company	Jersey	70	70
Cuscaden Peak Pte Ltd ⁽²⁾	Investment holding company	Singapore	*	18.5

(1) Audited by overseas practices of Deloitte Touche Tohmatsu Limited.

(2) Audited by KPMG LLP, Singapore.

* Cuscaden Peak Pte Ltd and its subsidiaries are not considered as significant jointly controlled entities to the Group as at December 31, 2023. Accordingly, financial information of Cuscaden Peak and its subsidiaries recognised in the consolidated financial statements are included in "Aggregate information of jointly controlled entities that are not individually material".

Summarised financial information in respect of the Group's material jointly controlled entity is set out below. The summarised financial information below represents amounts shown in the jointly controlled entity's financial statements prepared in accordance with SFRS(I)s adjusted by the Group for equity accounting purposes.

Great Western Enterprises Ltd and its subsidiary

	2023 \$'000	2022 \$'000
		(Restated)
Current assets	129,657	83,436
Non-current assets	1,011,519	989,228
Current liabilities	(733,224)	(670,867)
Non-current liabilities	(223,537)	(140,558)
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	32,562	26,561
Current financial liabilities (excluding trade and other payables and provisions)	(687,462)	(637,241)
Non-current financial liabilities (excluding trade and other payables and provisions)	(223,537)	(140,558)
Revenue	35,043	1,284
Loss for the year	(73,739)	(27,890)
Other comprehensive income (loss) for the year	9,463	(35,042)
Total comprehensive loss for the year	(64,276)	(62,932)
The above loss for the year include the following:		
Finance costs	(56,526)	(1,998)

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38. JOINTLY CONTROLLED ENTITIES (CONT'D)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Great Western Enterprises Ltd and its subsidiary recognised in the consolidated financial statements:

	2023 \$'000	2022 \$'000
		(Restated)
Net assets of Great Western Enterprises Ltd and its subsidiary	184,415	261,239
Proportion of the Group's ownership interest	70%	70%
Intercompany eliminations	(36,740)	(35,991)
Shareholder's advances	164,002	98,389
Carrying amount of the Group's interest	256,353	245,265

Cuscaden Peak Pte Ltd and its subsidiaries

	2022 \$'000
Current assets	907,137
Non-current assets	7,674,005
Current liabilities	(1,123,622)
Non-current liabilities	(7,562,393)
The above amounts of assets and liabilities include the following:	
Cash and cash equivalents	432,208
Current financial liabilities (excluding trade and other payables and provisions)	(799,544)
Non-current financial liabilities (excluding trade and other payables and provisions)	(4,720,818)
Revenue	307,524
Loss for the year	(4,222)
Other comprehensive loss for the year	(101,649)
Total comprehensive loss for the year	(105,871)
The above loss for the year include the following:	
Finance costs	(98,789)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Cuscaden Peak Pte Ltd and its subsidiaries recognised in the consolidated financial statements:

	2022 \$'000
Net liabilities of Cuscaden Peak Pte Ltd and its subsidiaries	(104,873)
Proportion of the Group's ownership interest	18.5%
Shareholder's advances [^]	253,820
Carrying amount of the Group's interest	234,418

[^] Shareholder's advances were repaid directly to the Group and the non-controlling interest in proportion to their respective shareholdings during the year, amounting to \$177,674,000 and \$76,146,000 respectively.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

38. JOINTLY CONTROLLED ENTITIES (CONT'D)

Aggregate information of jointly controlled entities that are not individually material

	2023 \$'000	2022 \$'000
The Group's share of profit for the year	8,419	25,475
The Group's share of other comprehensive income for the year	11,393	472
The Group's share of total comprehensive income for the year	19,812	25,947
Aggregate carrying amount of the Group's interests in these jointly controlled entities	64,303	56,521

39. RESTATEMENT

The Group's jointly controlled entity in United Kingdom recorded a prior year adjustment of its profit and loss statement for the year ended December 31, 2022. The jointly controlled entity has an investment property located in United Kingdom. During the year, the jointly controlled entity reviewed the valuation basis relating to the investment property applied by the valuer and updated it to align with SFRS(I) 13 *Fair Value Measurement*, where the investment property should be valued on its own, without the consideration of it being valued as held within a corporate structure, which enjoys certain local tax benefits that should not be considered. As a result, certain line items have been adjusted in the Statement of Financial Position, Income Statement, Statement of Other Comprehensive Income, Statement of Changes in Equity and the related notes to the financial statements.

Details are described as below. The restatement did not have any impact on the balances as at January 1, 2022.

Restated Statement of Financial Position as at December 31, 2022:

	Group		
	Reported \$'000	Adjustment \$'000	Restated \$'000
ASSETS			
Associates and jointly controlled entities	912,674	(34,585)	878,089
Total non-current assets	3,491,136	(34,585)	3,456,551
Total assets	3,837,475	(34,585)	3,802,890
Share capital and reserves:			
Reserves	922,822	(34,585)	888,237
Equity attributable to shareholders of the Company	1,647,856	(34,585)	1,613,271
Total equity	1,962,930	(34,585)	1,928,345
Total liabilities and equity	3,837,475	(34,585)	3,802,890

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

39. RESTATEMENT (CONT'D)

Restated Consolidated Income Statement for the year ended December 31, 2022:

	Group		
	Reported \$'000	Adjustment \$'000	Restated \$'000
Share of results of associates and jointly controlled entities	38,317	(36,233)	2,084
Loss before income tax and fair value changes in investment properties	2,804	(36,233)	(33,429)
Profit before income tax	80,633	(36,233)	44,400
Profit after income tax	70,588	(36,233)	34,355
Attributable to:			
Shareholders of the Company	76,408	(36,233)	40,175
Earnings per ordinary share (Cents):			
- basic	12.65	(6.95)	5.70
- diluted	12.64	(6.95)	5.69

Restated Consolidated Statement of Other Comprehensive Income for the year ended December 31, 2022:

	Group		
	Reported \$'000	Adjustment \$'000	Restated \$'000
Profit after income tax	70,588	(36,233)	34,355
Other comprehensive income (loss) (net of tax):			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Share of other comprehensive loss of associates and jointly controlled entities	(54,808)	1,648	(53,160)
Total comprehensive loss	(23,893)	(34,585)	(58,478)
Attributable to:			
Shareholders of the Company	(12,428)	(34,585)	(47,013)

NOTES TO FINANCIAL STATEMENTS

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39. RESTATEMENT (CONT'D)

Restated Group Statement of Changes in Equity for the year ended December 31, 2022:

	Group		
	Reported \$'000	Adjustment \$'000	Restated \$'000
Retained profits			
Profit (Loss) for the year	76,408	(36,233)	40,175
Balance as at Dec 31, 2022	1,036,734	(36,233)	1,000,501
Other reserves			
Other comprehensive income (loss) for the year	(87,912)	1,648	(86,264)
Balance as at Dec 31, 2022	(113,912)	1,648	(112,264)

**AUDITED FINANCIAL STATEMENTS OF THE ISSUER AND ITS SUBSIDIARIES FOR
THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

The information in this Appendix III has been reproduced from the annual report of the Group for the financial year ended 31 December 2024 and has not been specifically prepared for inclusion in this Information Memorandum. Investors should read the consolidated financial data in conjunction with the related notes.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HOTEL PROPERTIES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Hotel Properties Limited (the “Company”) and its subsidiaries (the “Group”), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at December 31, 2024, and the consolidated income statement, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 26 to 92.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the “Act”) and Singapore Financial Reporting Standards (International) (“SFRS(I)s”) 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 December 31, 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the 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 *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 judgement, were of most significance in our audit of the financial statements of the current year. 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.

Valuation for investment properties

Investment properties of the Group comprise commercial properties located in Singapore which amounted to \$1,416.6 million as at December 31, 2024. These investment properties are stated at fair values based on independent external valuations carried out by an independent valuer using the direct comparison method. The valuation of investment properties requires significant judgement and estimation. This involves judgement in selecting an appropriate valuation methodology and estimates which are used in underlying assumptions. These estimates include adjustments made for differences between the subject properties and comparables of transacted property sales and redevelopment opportunities taking into consideration differences such as location, size and tenure.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HOTEL PROPERTIES LIMITED

Our audit performed and responses thereon

Our audit procedures included obtaining an understanding of management's process in selecting the external valuers with the appropriate knowledge and experience and how the valuation reports are used in determining the fair values for accounting purpose. This include understanding management's assessment of the highest and best use of the investment properties. We evaluated the qualifications and competence of the external valuers.

We discussed with the independent valuer and involved our valuation specialists to understand and assess the appropriateness of the valuation methodology used and evaluated the reasonableness of the underlying key assumptions and adjustments made.

We noted that the Group has a process to select valuers with the appropriate knowledge and to review and accept the valuations. We are satisfied with the competency and objectivity of the valuers selected. With the involvement of our valuation specialists, we noted the valuation methodologies used are in line with general market practices and that the key assumptions, including adjustments made for differences between the subject properties and comparables of transacted property sales taking into consideration differences such as location, size and tenure, are also within a reasonable range. We have also assessed the disclosures in the financial statements to be appropriate.

Information other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the 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 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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)s, 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.

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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HOTEL PROPERTIES LIMITED

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 judgement and maintain professional scepticism throughout the audit. We also:

- (a) 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.
- (b) 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.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) 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.
- (e) 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.
- (f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HOTEL PROPERTIES LIMITED

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, action taken to eliminate threats or safeguards applied.

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 year 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 Hoe Chi-Hsien.

Deloitte & Touche LLP
Public Accountants and
Chartered Accountants
Singapore

March 27, 2025

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2024

	Note	Group		Company	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
ASSETS					
Current assets:					
Cash and bank balances	6	131,308	94,798	48,621	23,101
Trade and other receivables	7	113,211	96,078	5,811	6,339
Amount due from associates and jointly controlled entities	10	57,620	55,845	-	-
Amount due from subsidiaries	13	-	-	150,024	215,689
Inventories	8	16,982	15,502	113	134
Completed properties held for sale	9	7,655	7,427	-	-
Total current assets		326,776	269,650	204,569	245,263
Non-current assets:					
Associates and jointly controlled entities	10	753,216	691,318	5,410	5,671
Subsidiaries	13	-	-	1,831,139	1,683,714
Investments	14	133,353	221,403	-	-
Property, plant and equipment	15	1,841,896	1,686,457	220,971	222,577
Investment properties	16	1,416,565	1,319,933	-	-
Deferred tax assets	20	3,296	2,580	-	-
Intangible assets	17	9,617	9,648	-	-
Total non-current assets		4,157,943	3,931,339	2,057,520	1,911,962
Total assets		4,484,719	4,200,989	2,262,089	2,157,225
LIABILITIES AND EQUITY					
Current liabilities:					
Short-term borrowings	18	236,326	49,493	219,880	-
Trade and other payables	19	175,150	157,765	17,509	19,975
Amount due to subsidiaries	13	-	-	7,191	585
Income tax payable		9,066	9,859	-	-
Total current liabilities		420,542	217,117	244,580	20,560
Non-current liabilities:					
Advances from subsidiaries	13	-	-	264,942	308,355
Long-term borrowings	18	1,539,236	1,464,199	698,777	782,542
Long-term lease liabilities	21	105,977	105,400	-	-
Deferred tax liabilities	20	18,982	16,839	547	446
Total non-current liabilities		1,664,195	1,586,438	964,266	1,091,343
Share capital and reserves:					
Share capital	22	735,265	726,780	735,265	726,780
Treasury shares	23	(1,746)	(1,746)	(1,746)	(1,746)
Reserves		1,431,142	1,428,822	160,924	161,074
Equity attributable to owners of the Company		2,164,661	2,153,856	894,443	886,108
Perpetual capital securities	25	158,800	159,214	158,800	159,214
		2,323,461	2,313,070	1,053,243	1,045,322
Non-controlling interests		76,521	84,364	-	-
Total equity		2,399,982	2,397,434	1,053,243	1,045,322
Total liabilities and equity		4,484,719	4,200,989	2,262,089	2,157,225

See accompanying notes to financial statements.

CONSOLIDATED INCOME STATEMENT

YEAR ENDED DECEMBER 31, 2024

	Note	Group	
		2024 \$'000	2023 \$'000
Revenue	26	692,928	642,120
Cost of sales		(549,192)	(495,422)
Gross profit		143,736	146,698
Other operating income	27	51,339	25,789
Administrative expenses		(78,821)	(73,334)
Other operating expenses	27	(17,102)	(18,494)
Finance costs		(105,634)	(98,348)
Share of results of associates and jointly controlled entities		(57,487)	(56,381)
Loss before income tax and fair value changes in investment properties	27	(63,969)	(74,070)
Net fair value gain in investment properties	16	96,632	645,005
Profit before income tax	27	32,663	570,935
Income tax expense	28	(26,039)	(16,020)
Profit for the year		6,624	554,915
Attributable to:			
Owners of the Company		27,218	561,045
Non-controlling interests		(20,594)	(6,130)
		6,624	554,915
Earning per share (Cents):	29		
- basic		3.86	106.27
- diluted		3.86	106.08

See accompanying notes to financial statements.

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

YEAR ENDED DECEMBER 31, 2024

	Group	
	2024 \$'000	2023 \$'000
Profit for the year	6,624	554,915
Other comprehensive income (loss), net of tax:		
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Remeasurement of defined benefit obligation	215	43
Share of other comprehensive (loss) income of a jointly controlled entity	(9,878)	11,229
	(9,663)	11,272
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange fluctuation and other reserves	19,448	(4,211)
Share of other comprehensive (loss) income of associates and jointly controlled entities	(79)	11,185
	19,369	6,974
Total comprehensive income for the year	16,330	573,161
Attributable to:		
Owners of the Company	40,233	575,671
Non-controlling interests	(23,903)	(2,510)
	16,330	573,161

See accompanying notes to financial statements.

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED DECEMBER 31, 2024 (CONT'D)

Company	Share capital \$'000	Treasury shares \$'000	Reserves		Attributable to owners of the Company \$'000	Perpetual capital securities \$'000	Total equity \$'000
			Retained profits \$'000	Option reserve \$'000			
Balance as at January 1, 2023	726,780	(1,746)	154,994	10,688	890,716	159,214	1,049,930
Total comprehensive income for the year							
Profit for the year	-	-	28,497	-	28,497	-	28,497
Total	-	-	28,497	-	28,497	-	28,497
Transactions with owners, recognised directly in equity							
Dividends (Note 30)	-	-	(26,065)	-	(26,065)	-	(26,065)
Total	-	-	(26,065)	-	(26,065)	-	(26,065)
Distribution to perpetual capital securities holders (Note 25)	-	-	(7,040)	-	(7,040)	-	(7,040)
Balance as at December 31, 2023	726,780	(1,746)	150,386	10,688	886,108	159,214	1,045,322
Total comprehensive income for the year							
Profit for the year	-	-	40,675	-	40,675	-	40,675
Total	-	-	40,675	-	40,675	-	40,675
Transactions with owners, recognised directly in equity							
Dividends (Note 30)	-	-	(31,366)	-	(31,366)	-	(31,366)
Issue of shares	8,485	-	-	(1,614)	6,871	-	6,871
Total	8,485	-	(31,366)	(1,614)	(24,495)	-	(24,495)
Issue of perpetual capital securities	-	-	-	-	-	158,800	158,800
Redemption of perpetual capital securities	-	-	(786)	-	(786)	(159,214)	(160,000)
Distribution to perpetual capital securities holders (Note 25)	-	-	(7,059)	-	(7,059)	-	(7,059)
Balance as at December 31, 2024	735,265	(1,746)	151,850	9,074	894,443	158,800	1,053,243

See accompanying notes to financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2024

	Group	
	2024 \$'000	2023 \$'000
Operating activities:		
Profit before income tax and share of results of associates and jointly controlled entities	90,150	627,316
Adjustments for:		
Amortisation of intangible assets	53	52
Depreciation expense	86,745	78,002
Net fair value gain in investment properties	(96,632)	(645,005)
Net fair value loss in held-for-trading investments	-	55
Net fair value loss in investments	1,525	11,926
Net loss (gain) on disposal of property, plant and equipment	550	(15,086)
Finance costs	105,634	98,348
Interest income	(3,041)	(2,226)
Dividend income	(4,567)	(6,721)
Profit before working capital changes	180,417	146,661
Trade and other payables	11,957	(274)
Trade and other receivables	(23,530)	(9,521)
Held-for-trading investments	-	2,435
Inventories	(1,019)	(1,573)
Cash generated from operations	167,825	137,728
Dividend received	4,567	6,721
Income tax paid	(24,928)	(7,912)
Net cash from operating activities	147,464	136,537
Investing activities:		
Additional property, plant and equipment	(213,351)	(139,208)
Net repayment from (additional) investments	569	(192)
Net (investment in) repayment from associates and jointly controlled entities*	(117,010)	74,385
Proceeds from disposal of investment properties	-	87,797
Proceeds from disposal of investments	86,678	-
Proceeds from disposal of property, plant and equipment	534	14,411
Net cash (used in) from investing activities	(242,580)	37,193

* Includes interest income of \$112,000 (2023: \$208,000) and dividend income of \$2,720,000 (2023: Nil) received from associates and jointly controlled entities during the year.

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2024 (CONT'D)

	Group	
	2024 \$'000	2023 \$'000
Financing activities:		
Interest received	3,041	2,226
Finance costs paid	(98,368)	(93,771)
Repayment of lease liabilities	(2,434)	(2,386)
Dividend paid	(31,366)	(26,065)
Distribution to perpetual capital securities holders	(7,059)	(7,040)
Net receipts from non-controlling shareholders	12,406	8,483
Additional borrowings	508,729	296,022
Repayment of borrowings	(261,323)	(360,789)
Decrease in deposits under pledge to bank	3,276	14,047
Redemption of perpetual capital securities	(160,000)	-
Net proceeds from issue of perpetual capital securities	158,800	-
Proceeds from issue of shares	6,871	-
Net cash from (used in) financing activities	132,573	(169,273)
Net increase in cash and cash equivalents	37,457	4,457
Cash and cash equivalents at beginning of year	91,077	87,898
Effect of exchange rate changes on cash balances held in foreign currencies	126	(1,278)
Cash and cash equivalents at end of year	128,660	91,077

The cash and cash equivalents as at December 31, 2024, for the purposes of Consolidated Statement of Cash Flows, comprise cash and bank balances less deposits pledged to banks (Note 6).

Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Group	
	2024 \$'000	2023 \$'000
Borrowings, lease liabilities and interest payable:		
As at beginning of the year	1,628,079	1,704,906
Net remeasurement / disposal of lease liabilities	(2,031)	(6,288)
Financing cash flows ⁽¹⁾	146,604	(160,924)
Finance costs	105,634	98,346
Foreign exchange movement	14,786	(7,793)
Other changes	(158)	(168)
As at end of the year	1,892,914	1,628,079

Note:

⁽¹⁾ The cash flows make up the net amount of additional borrowings, repayment of borrowings, finance costs paid and repayment of lease liabilities in the consolidated statement of cash flows. Total cash outflow for leases in 2024 was \$13,544,000 (2023: \$13,471,000).

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

1. GENERAL INFORMATION

The Company (Registration No. 198000348Z) is incorporated in the Republic of Singapore with its principal place of business and registered office at 50 Cuscaden Road, #08-01 HPL House, Singapore 249724. The principal place of business for the hotel operations of Voco Orchard Singapore is at 581 Orchard Road, Singapore 238883. The Company is listed on the Singapore Exchange Securities Trading Limited. The financial statements are expressed in Singapore dollars.

The principal activities of the Company are those of a hotelier and an investment holding company. The principal activities of subsidiaries, significant associates and jointly controlled entities are described in Notes 34, 35 and 36 respectively to the financial statements.

The consolidated financial statements of the Group and statement of financial position and statement of changes in equity of the Company for the year ended December 31, 2024 were authorised for issue by the Board of Directors on March 27, 2025.

2.1 BASIS OF PREPARATION

The financial statements are prepared in accordance with the historical cost basis, except as disclosed in the material accounting policy information below, and drawn up in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards (International) ("SFRS(I)s").

2.2 ADOPTION OF NEW AND REVISED STANDARDS

In the current year, the Group and the Company adopted all the new and revised SFRS(I) Accounting Standards that are mandatory and relevant to its operations and effective for an accounting period that begins on or after January 1, 2024. The following are the new/revised SFRS(I) standards that are relevant to the Group:

Amendments to SFRS(I) 1-1: *Classification of Liabilities as Current or Non-current* **Amendments to SFRS(I) 1-1: *Non-current Liabilities with Covenants***

The Group has adopted Amendments to SFRS(I) 1-1 *Classification of Liabilities as Current or Non-current* and Amendments to SFRS(I) 1-1 *Non-current Liabilities with Covenants* from January 1, 2024. The amendments apply retrospectively and clarify certain requirements for determining whether a liability should be classified as current or non-current and require new disclosures for non-current liabilities that are subject to covenants within 12 months after the reporting period.

The adoption of the above new/revised SFRS(I) standards did not have any material impact on the financial statements of the Group.

2.3 STANDARDS ISSUED BUT NOT EFFECTIVE

The following new standards, interpretations and amendments to standards that are relevant to the Group and the Company were issued but not effective during the financial year:

SFRS(I) 18: *Presentation and Disclosure in Financial Statements*

SFRS(I) 18 will replace SFRS(I) 1-1 *Presentation of Financial Statements* and applies for annual reporting periods beginning on or after 1 January 2027. SFRS(I) 18 carries forward many of the requirements from SFRS(I) 1-1 unchanged but introduces newly defined subtotals to be presented in the Consolidated Income Statement, disclosure of management-defined performance measures and requirements for grouping of information. The Group is still in the process of assessing the impact of the new standard.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

2.3 STANDARDS ISSUED BUT NOT EFFECTIVE (CONT'D)

Other accounting standards

The following amendments to SFRS(I)s are not expected to have a significant impact on the Group's consolidated financial statements and the Company's balance sheet.

Amendments to SFRS(I) 1-21: *Lack of Exchangeability*

Amendments to SFRS(I) 9 and SFRS(I) 7: *Amendments to the Classification and Measurement of Financial Instruments*

Annual Improvements to SFRS(I)s – Volume 11

Amendments to SFRS(I) 9 and SFRS(I) 7: *Contracts Referencing Nature-dependent Electricity*

2.4 MATERIAL ACCOUNTING POLICY INFORMATION

FAIR VALUE MEASUREMENT – Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of SFRS(I) 2 *Share-based Payments*, leasing transactions that are within the scope of SFRS(I) 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SFRS(I) 1-2 *Inventories* or value in use in SFRS(I) 1-36 *Impairment of Assets*.

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

BASIS OF CONSOLIDATION – The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (its subsidiaries). Control is achieved when the Company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies used in line with the Group's accounting policies.

All significant intra-group transactions and balances are eliminated on consolidation.

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

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable SFRS(I)s). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9, or when appropriate, the cost on initial recognition of an investment in an associate or a joint venture.

In the Company's financial statements, investments in subsidiaries and associates are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

BUSINESS COMBINATION AND PROPERTY ACQUISITION – Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The cost of each acquisition is measured as the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed by the Group, and any equity interests issued by the Group, in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments (see below). The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates at fair values, with changes in fair values recognised in profit or loss.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under the SFRS(I)s are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with SFRS(I) 1-12 *Income Taxes* and SFRS(I) 1-19 *Employee Benefits* respectively;
- liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with SFRS(I) 2 *Share-based Payment*; and
- assets (or disposal groups) that are classified as held for sale in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. The interest of non-controlling shareholders may be initially measured (at date of original business combination) either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity and net advances.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year from acquisition date.

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

For the acquisition of an asset or a group of assets that does not constitute a business, the Group identifies and recognises the individual identifiable assets acquired (including those assets that meet the definition of, and recognition criteria for, intangible assets in SFRS(I) 1-38 *Intangible Assets*) and liabilities assumed. The cost of acquisition is allocated to the individual assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction or event does not give rise to goodwill.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

FINANCIAL INSTRUMENTS – Financial assets and financial liabilities are recognised on the statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of financial assets is under a contract whose terms require delivery of assets within the time frame established by the market concerned.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income (FVTOCI); and
- Fair value through profit or loss (FVTPL).

Financial assets classified as at amortised cost

These mainly comprise cash and cash equivalents and trade and other receivables.

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. Interest income is recognised in profit or loss.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Debt instruments classified as measured at FVTOCI

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value is determined in the manner described in the respective note to financial statements. These debt instruments are initially measured at fair value plus transaction costs. Subsequently, changes in the carrying amount of these debt instruments as a result of foreign exchange gains and losses, impairment gains or losses, and interest income calculated using the effective interest method are recognised in profit or loss. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these debt instruments had been measured at amortised cost. All other changes in the carrying amount of these debt instruments recognised in other comprehensive income and accumulated under the heading of other capital reserve. When these debt instruments are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

Equity instruments

Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an investment-by-investment basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination to which SFRS(I) 3 applies.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

Movements in fair values of investments classified as FVTOCI are taken to "other reserves" in Other Comprehensive Income. Dividends from equity investments are recognised in profit or loss.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- The Group classified all debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria as FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as FVTPL upon initial recognition if such designation eliminate or significantly reduce any measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments as FVTPL.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. Fair value is determined in the manner described in the respective notes to the financial statements.

Impairment of financial assets

The Group recognises a loss allowance for expected credit loss ("ECL") on financial assets at amortised costs and debt instruments measured at FVTOCI. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The lifetime ECL on trade receivables are estimated based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial assets, the Group measures the loss allowance based on lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-months ECL ("12m ECL"). The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12m ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations, namely the hotel and residential properties development industries.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; or
- significant increases in credit risk on other financial instruments of the same debtor.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

The Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a financial asset to have low credit risk when it has an internal or external credit rating of 'investment grade' as per globally understood definition.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- a) significant financial difficulty of the issuer or the borrower;
- b) a breach of contract, such as a default or past due event;
- c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- e) the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12m ECL at the current reporting date.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in other capital reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in other capital reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities that are not 1) contingent consideration of an acquirer in a business combination, 2) held-for-trading, or 3) designated as at FVTPL are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derivative financial instruments

The Group uses derivative financial instruments such as cross currency swaps to hedge its risks associated with exchange rate fluctuations. The Group maintains natural hedges, whenever possible, by borrowing in currencies that match the future revenue stream to be generated from its investments. The Group does not use derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Hedge accounting

The Group designates certain derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in cash flow hedges or hedges of net investments in foreign operations as appropriate.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not dominate the value changes that result from that economic relationship; and
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

Cash flow hedges

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. If the Group expects that some or all of the loss accumulated in other comprehensive income will not be recovered in the future, that amount is immediately reclassified to profit or loss.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

Hedges of net investments in foreign operations

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income and accumulated under the heading of foreign currency translation reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Gains and losses on the hedging instrument relating to the effective portion of the hedge accumulated in the exchange fluctuation reserve are reclassified to profit or loss on the disposal or partial disposal of the foreign operation.

Fair value hedges

The fair value change on qualifying hedging instruments is recognised in the same line as the hedged item in profit or loss when the hedging instrument hedges an equity instrument designated at FVTPL.

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively.

Offsetting arrangements

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the Group and the Company have a legally enforceable right to set off the recognised amounts; and intend either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

FINANCIAL GUARANTEE CONTRACT LIABILITIES - Financial guarantee contract liabilities are measured initially at their fair values and are measured subsequently, if applicable, at the higher of:

- the amount of the loss allowance determined in accordance with SFRS(I) 9 (see financial assets above); and
- the amount recognised initially less, where appropriate, cumulative amortisation recognised in accordance with the principles of SFRS(I) 15.

INVENTORIES – Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the moving average/first-in first-out method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

COMPLETED PROPERTIES HELD FOR SALE – Completed properties held for sale are stated at the lower of cost and net realisable value. Cost is calculated using the specific identification method. Net realisable value represents the estimated selling price less all estimated costs to be incurred in the marketing and selling.

ASSOCIATES AND JOINTLY CONTROLLED ENTITIES – An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates and jointly controlled entities (collectively referred to as “equity accounted investees”) are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with SFRS(I) 5. Under the equity method, investments in equity accounted investees are initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group’s share of the profit or loss and other comprehensive income of the investees. Losses of an investee in excess of the Group’s interest in that investee (which includes any long-term interests that, in substance, form part of the Group’s net investment in the investee) are not recognised, unless the Group has incurred legal or constructive obligations or made payments on behalf of the investee.

An investment in an equity accounted investee is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition, any excess of the cost of investment over the Group’s share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the equity accounted investees recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment. Any excess of the Group’s share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of investment, after reassessment, is recognised immediately in profit or loss.

The requirements of SFRS(I) 1-36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group’s investment in an equity accounted investee. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with SFRS(I) 1-36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with SFRS(I) 1-36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an equity accounted investee, or when the investment is classified as held for sale. When the Group retains an interest in the former investee and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with SFRS(I) 9. The difference between the carrying amount of the equity accounted investee at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the equity accounted investee is included in the determination of the gain or loss on disposal of the investee. In addition, the Group reclassifies to profit or loss all amounts previously recognised in other comprehensive income in relation to that investee on the same basis as would have been required if that investee had directly disposed of the related assets or liabilities.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an equity accounted investee but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

Where a group entity transacts with an equity accounted investee of the Group, profits and losses are eliminated to the extent of the Group’s interest in the relevant equity accounted investees.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

The gain or loss arising on the disposal of an equity accounted investee of the Group is determined as the difference between the sales proceeds and its net carrying amount and is recognised in profit or loss. Amounts previously recognised in other comprehensive income in relation to the equity accounted investee are reclassified from equity to profit or loss (as a reclassification adjustment) upon disposal.

PROPERTY, PLANT AND EQUIPMENT – Property, plant and equipment are stated at cost or valuation, less accumulated depreciation and any accumulated impairment loss where the recoverable amount of the asset is estimated to be lower than its carrying amount.

Properties in the course of construction are carried at cost, less any recognised impairment loss. Cost includes professional fees, and for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Operating equipment is written off based on periodic physical inventory counts. Depreciation is charged so as to write off the cost of assets, other than freehold and long-term leasehold land and construction-in-progress, over their estimated useful lives, using the straight-line method, on the following bases:

Leasehold land and property	- 19 to 89 years
Buildings and improvements	- 5 to 50 years
Plant and equipment, furniture, fixtures and fittings	- 3 to 20 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation is not provided on freehold and long-term leasehold land and construction-in-progress. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets.

Fully depreciated assets still in use are retained in the financial statements.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.

INVESTMENT PROPERTIES – Investment properties are held on a long-term basis for investment potential and income. Investment properties are measured initially at their cost, including transaction cost. Subsequent to initial recognition, investment properties are stated at their fair values based on valuation performed by professional valuers on an open market value basis. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss for the period in which they arise.

INTANGIBLE ASSETS – These comprise goodwill and franchise rights. Franchise rights are reported at cost less accumulated amortisation and accumulated impairment losses. Amortisation is charged on a straight-line basis over the estimated useful lives of 20 years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS EXCLUDING GOODWILL – At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets (excluding goodwill) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the profit or loss.

LEASES – Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

When a contract includes lease and non-lease components, the Group applies SFRS(I) 15 *Revenue from Contracts with Customers* to allocate the consideration under the contract to each component.

As a lessee, the Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee.

Lease payments included in the measurement of the lease liability are fixed lease payments (including in-substance fixed payments), less any lease incentives.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as part of property, plant and equipment in the statement of financial position.

The Group applies SFRS(I) 1-36 *Impairment of Assets* to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line 'Other operating expenses' in the statement of profit or loss.

As a practical expedient, SFRS(I) 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

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 the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligations. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation, and is discounted to present value where the effect is material.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

SHARE-BASED PAYMENTS – The Group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the shares that will eventually vest.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

REVENUE RECOGNITION - Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and sales related taxes.

- a) Sales other than revenue from development properties are recognised when the control of the goods or services underlying the particular performance obligation is transferred to the customer;
- b) Revenue from development properties is recognised in accordance with the Group's accounting policy on development properties (see above);
- c) Hotel room revenue is recognised at a point in time based on room occupancy while other hotel revenue are recognised at a point in time when the goods are delivered or the services are rendered to the customers;
- d) Rental income is recognised on a straight-line basis over the term of the relevant lease;
- e) Management fee income is recognised when services are rendered;
- f) Interest income is accrued on a time proportion basis, by reference to the principal outstanding and at the interest rate applicable; and
- g) Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

BORROWING COSTS – Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

RETIREMENT BENEFIT COSTS – Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

For defined benefit retirement benefit plans, the cost of providing benefits is determined by actuarial valuations carried out at the end of each reporting period. Remeasurement, comprising actuarial gains or losses, is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in the other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in the profit or loss in the period of a plan amendment.

INCOME TAX – Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and respective subsidiaries operate by the end of the reporting period.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from (i) initial recognition of goodwill or (ii) initial recognition of assets and liabilities in a transaction that is not a business combination, and at the time of the transaction affects neither accounting nor taxable profit, and does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, associates and jointly controlled entities, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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 profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates (and tax laws) that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

For the purpose of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model of the Group whose business objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The Group has not rebutted the presumption that the carrying amount of the investment properties will be recovered entirely through sale.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss, except where they arise from the initial accounting for a business combination, in which case the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION – The individual financial statements of each entity within the Group are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position and the statement of changes in equity of the Company are presented in Singapore dollars, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore dollars using exchange rates prevailing at the end of the reporting period. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in the Group's exchange fluctuation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are recognised in other comprehensive income and accumulated in exchange fluctuation reserve (attributed to non-controlling interest, as appropriate). Such reserves are reclassified from equity to profit or loss (as a reclassification adjustment) on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with SFRS(I)s requires the exercise of judgement, the use of estimates and assumptions concerning the future by management.

The Group on its own or in reliance on third party experts, applies estimates, judgements and assumptions in various areas including the following:

- i) Impairment of tangible and intangible assets.
Determining whether an asset is impaired requires an estimation of the recoverable amount of this asset. The recoverable amount of the asset is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal is largely based on the fair value of the asset determined by independent professional valuer. The value in use calculation requires the Group to estimate the future cash flows expected from the assets and an appropriate discount rate in order to calculate the present value of the future cash flows. The net realisable value of completed properties held for sale is estimated based on recent transacted sales of the existing units as well as similar properties in the surrounding location. The assessment is performed on a unit-by-unit basis taking into consideration the location and type of the underlying unit.
- ii) Determination of fair value of unquoted investments and investment properties, where the details are described in Notes 14 and 16 respectively.
- iii) Assessment of adequacy of provision for income taxes.
The Group is subject to income taxes in numerous jurisdictions. Judgement is involved in determining the group-wide provision for income taxes. The Group recognises the expected liabilities for tax based on an estimation of the likely taxes due, which requires judgement as to the ultimate tax determination of certain items, where the actual liability arising from these issues differs from these estimates, such differences will have an impact on income tax and deferred tax provisions in the period when such determination is made.

These estimates, judgements and assumptions 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. Actual results may differ from these estimates. The carrying amounts of the above are disclosed in the respective notes to the financial statements.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

The following table sets out the financial instruments as at the end of the reporting period:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Financial assets				
Financial assets at amortised cost	219,585	196,844	1,880,839	1,773,721
Financial assets measured at FVTPL	133,353	221,403	-	-
Financial liabilities				
Financial liabilities at amortised cost	1,948,167	1,668,917	1,208,299	1,111,457
Lease liabilities	108,522	107,940	-	-

The main risks arising from the Group's financial instruments are interest rate risk, foreign exchange risk, credit risk, liquidity risk and market risk. The policies for managing each of these risks are summarised below.

Interest rate risk management

The Group's and the Company's exposure to the risk of changes in interest rates relates mainly to bank borrowings and advances to and from subsidiaries respectively. The Group actively reviews its debt portfolio to achieve the most favourable interest rates available. The Group manages its interest rate exposure by maintaining a prudent mix of fixed and floating rate borrowings. Hedging instruments such as interest rate swaps are also used where appropriate to minimise its exposure to interest rate volatility.

Interest rate sensitivity

The sensitivity analysis below have been determined based on the exposures to interest rates for significant non-derivative instruments at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates.

At the end of the reporting period, it is estimated that a 50 basis point increase (decrease) in interest rates would (decrease) increase the Group's and the Company's profit before tax by approximately (\$4.7 million) and \$0.9 million respectively (2023: (\$4.3 million) and \$0.3 million respectively).

Foreign exchange risk management

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures primarily with respect to United States dollar and Sterling pound.

The Group maintains natural hedges, whenever possible, by borrowing in currencies that match the future revenue stream to be generated from its investments. Hedging instruments such as cross currency swaps are also used where appropriate to hedge its exposure to foreign exchange risk.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

At the reporting date, the significant carrying amounts of monetary assets and monetary liabilities denominated in currencies other than the respective group entities' functional currencies, after taking into consideration the cross currency swaps, where applicable, are as follows:

	Group				Company			
	Liabilities		Assets		Liabilities		Assets	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
United States dollar	108,195	206,878	188,369	273,006	67,165	135,623	72,196	145,135
Sterling pound	241,308	127,892	324,143	174,415	14,482	-	14,510	-

Foreign currency sensitivity

The sensitivity analysis uses a 10% increase and decrease in the functional currency against the relevant foreign currencies. The sensitivity analysis includes only significant outstanding foreign currency denominated monetary items not designated as hedge and adjusts their translation at the year end for a 10% change in foreign currency rates. The following table details the sensitivity to a 10% increase/decrease in the functional currency against the relevant foreign currencies. If the functional currency strengthens by 10% against the relevant foreign currency, profit before tax and other equity will increase (decrease) by:

	US dollar impact		Sterling pound impact	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Group				
Profit before tax	(1,137)	(3,037)	(2)	4
Other equity	(6,880)	(3,576)	(8,281)	(4,657)
Company				
Profit before tax	(503)	(951)	(3)	-

If the functional currency weakens by 10% against the relevant foreign currency, profit before tax and other equity will (increase) decrease by the same amounts.

Credit risk management

The Group has a diversified portfolio of businesses and at the end of the reporting period, there was no significant concentration of credit risk with any entity, except for balances due from certain jointly controlled entities and subsidiaries which individually accounted for 5% or more of the total receivables of the Group and the Company respectively. The Group has guidelines governing the process of granting credit as a service or product provider in its respective segments of business. The Group and the Company have considered the credit quality of the advances and receivables and determined that the credit loss is low except as disclosed.

The carrying amount of advances and receivables (including cash and bank balances) represents the maximum credit risk exposure for the Group and the Company at the end of the reporting period.

The Group develops and maintains its credit risk gradings to categorise exposures according to their degree of risk of default. The Group uses its own trading records to rate its major customers and other debtors.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

The Group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising ECL
Performing	The counterparty has a low risk of default and does not have any past due amounts.	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition unless the Group has reasonable and supportable information to indicate that amount is subject to low credit risk.	Lifetime ECL – not credit-impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired and adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate.	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

The table below details the credit quality of the Group's and the Company's financial assets as well as maximum exposure to credit risk by credit risk rating grades:

2024	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount \$'000	Loss allowance \$'000	Net carrying amount \$'000
Group						
Trade receivables	7	(a)	Lifetime ECL (simplified approach)	25,025	(439)	24,586
Other receivables	7	(b)	12-month ECL	6,071	-	6,071
Amount due from associates – current	11	(b)	12-month ECL	3,659	-	3,659
Non-current advances to associates	11	(b)	12-month ECL	194	-	194
Amount due from jointly controlled entities – current	12	(b)	12-month ECL	53,961	-	53,961
					(439)	
Company						
Trade receivables	7	(a)	Lifetime ECL (simplified approach)	1,862	(29)	1,833
Other receivables	7	(b)	12-month ECL	3,253	-	3,253
Non-current advances to associates	11	(b)	12-month ECL	194	-	194
Amount due from subsidiaries – current	13	(b)	12-month ECL	150,024	-	150,024
Non-current advances to subsidiaries	13	(b)	12-month ECL	1,700,885	(23,777)	1,677,108
					(23,806)	

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

2023	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount \$'000	Loss allowance \$'000	Net carrying amount \$'000
Group						
Trade receivables	7	(a)	Lifetime ECL (simplified approach)	23,741	(474)	23,267
Other receivables	7	(b)	12-month ECL	7,794	-	7,794
Amount due from associates – current	11	(b)	12-month ECL	3,406	-	3,406
Non-current advances to associates	11	(b)	12-month ECL	453	-	453
Amount due from jointly controlled entities – current	12	(b)	12-month ECL	52,439	-	52,439
					(474)	
Company						
Trade receivables	7	(a)	Lifetime ECL (simplified approach)	2,160	(38)	2,122
Other receivables	7	(b)	12-month ECL	3,126	-	3,126
Non-current advances to associates	11	(b)	12-month ECL	453	-	453
Amount due from subsidiaries – current	13	(b)	12-month ECL	215,689	-	215,689
Non-current advances to subsidiaries	13	(b)	12-month ECL	1,553,460	(23,777)	1,529,683
					(23,815)	

(a) The Group and the Company determine the expected credit losses on these items estimated based on historical credit loss experience and the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions.

(b) The Group and the Company determine the expected credit losses on these items by taking into account the financial position of the other receivables, associates, jointly controlled entities and subsidiaries, adjusted for factors that are specific to these companies and general economic conditions of the industries in which they operate.

The Group and the Company have adopted procedures in extending credit terms to customers and in monitoring its credit risk. The Group and the Company only grants credit to creditworthy counterparties. Cash is held with creditworthy institutions and is subject to immaterial credit loss.

The Group and the Company have no significant concentration of credit risk with any single customer or group of customers.

Further details of credit risks on trade and other receivables, amount due from associates, jointly controlled entities and subsidiaries are disclosed in Notes 7, 11, 12 and 13 respectively.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

Liquidity risk management

The Group actively manages its debt maturity profile, operating cash flows and availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient level of cash or cash convertible investments to meet its working capital requirement. In addition, the Group strives to maintain available banking facilities of a reasonable level to its overall debt position.

As at December 31, 2024, notwithstanding that the Group's and the Company's current liabilities exceeded its current assets by \$93,766,000 and \$40,011,000 respectively, these financial statements are prepared on a going concern basis as the Group and the Company have available undrawn committed credit facilities to enable the Group and the Company to pay its debts as and when they fall due.

Liquidity risk analysis

The following are the expected contractual undiscounted cash flows of financial liabilities, including interest payments:

	Contractual cash flows (including interest payments)				
	Carrying amount \$'000	Total \$'000	On demand or within 1 year \$'000	Within 2 to 5 years \$'000	After 5 years \$'000
Group					
2024					
Non-interest bearing	172,605	172,605	172,605	-	-
Interest bearing	1,884,084	2,368,571	328,902	1,764,814	274,855
	2,056,689	2,541,176	501,507	1,764,814	274,855
2023					
Non-interest bearing	155,224	155,224	155,224	-	-
Interest bearing	1,621,633	2,135,231	142,830	1,710,550	281,851
	1,776,857	2,290,455	298,054	1,710,550	281,851
Company					
2024					
Non-interest bearing	24,700	24,700	24,700	-	-
Interest bearing	1,183,599	1,331,346	269,885	1,061,461	-
	1,208,299	1,356,046	294,585	1,061,461	-
2023					
Non-interest bearing	20,560	20,560	20,560	-	-
Interest bearing	1,090,897	1,249,761	52,179	1,197,582	-
	1,111,457	1,270,321	72,739	1,197,582	-

The Group and the Company have provided corporate guarantees of approximately \$667 million (2023: \$642 million) and \$1,298 million (2023: \$1,170 million) respectively to financial institutions in respect of credit facilities granted to certain associate, certain jointly controlled entities and certain subsidiaries respectively at the end of the reporting period.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

The Group and the Company are exposed to credit risk in respect of the corporate guarantees they have provided. To mitigate the risk, management continually monitors the risk and has established processes including performing credit evaluations of the associate, jointly controlled entities and subsidiaries. The maximum exposure to credit risk in respect of these financial guarantees at year end is as disclosed above. These guarantees are subject to the impairment requirements of SFRS(I) 9. The Group and the Company have assessed that these associate, jointly controlled entities and subsidiaries have the financial capacity to meet the contractual cash flow obligations in the near future and hence, does not expect significant credit losses arising from these guarantees.

The earliest period that the corporate guarantees could be called is within 1 year (2023: 1 year) from the end of the reporting period. Based on expectations at the end of the reporting period, the Group and the Company consider that it is more likely than not that no amount will be payable under the arrangements. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses. The Group and the Company have also obtained bankers' guarantees as disclosed in Note 18.

The Group's financial assets are due on demand or within 1 year. The Company's financial assets are due on demand or within 1 year except for certain non-current advances to subsidiaries (Note 13).

Market risk management

Market risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to quoted securities or factors affecting all securities traded in the market.

The Group has invested in various securities. The valuations and liquidity of these investments are subject to market risk.

At the end of the reporting period, it is estimated that a 10% change in market prices would have an impact on the Group's profit before tax for the year by approximately \$2.3 million (2023: \$10.0 million).

Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value.

The total capital of the Group as at the end of the reporting period is represented by the "Equity attributable to owners of the Company" as presented on the statements of financial position.

The Group manages its capital structure and makes adjustment to it, in the 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 during the years ended December 31, 2024 and 2023.

Fair values of financial assets and financial liabilities

The carrying amounts of cash and bank balances, trade and other current receivables and payables, and other liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

The carrying amounts of long-term financial liabilities and financial assets comprising mainly long-term borrowings and certain advances to subsidiaries approximate their respective fair values as they are based on interest rates that approximate market interest rates, except as disclosed in Note 18(a).

The fair values of other classes of financial assets and liabilities are determined as follows:

- i) the fair value of financial assets and financial liabilities traded on active liquid markets are determined with reference to quoted market prices; and
- ii) the fair value of unquoted financial instruments are determined in accordance with Note 14.

The table below analyses financial instruments carried at fair value, by valuation method.

	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Group				
2024				
Financial assets				
Investments	133,353	23,247	-	*110,106
2023				
Financial assets				
Investments	221,403	99,730	-	*121,673

* The key unobservable input used to determine this fair value is the net asset value. The higher the net asset value, the higher the fair value of the investments.

Reconciliation of level 3 fair value measurements:

	Group	
	2024 \$'000	2023 \$'000
<i>Unquoted investments</i>		
Opening balance	121,673	121,040
Total net (loss) gain in profit or loss	(10,998)	441
Net (repayment) purchases	(569)	192
Closing balance	110,106	121,673

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

5. RELATED PARTY TRANSACTIONS

Some of the Group's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free and repayable on demand unless otherwise stated.

- a) Significant transactions with such related parties during the year, other than those disclosed elsewhere in the financial statements, are as follows:

	Group	
	2024	2023
	\$'000	\$'000
Transactions with companies in which certain directors are deemed to have interests:		
Management fee and other expense	1,963	1,843
Interest expense	2,305	-
Management fee income	(1,619)	(1,365)
Hotel revenue and rental income	(6,033)	(6,895)
Transactions with associates:		
Management fee income	(817)	(676)

- b) The remuneration of directors and other members of key management during the year was as follows:

	Group	
	2024	2023
	\$'000	\$'000
Short-term benefits	12,904	15,013
Post-employment benefits	350	335
	13,254	15,348

6. CASH AND BANK BALANCES

- a) As at December 31, 2024, cash and bank balances of the Group of approximately \$2,648,000 (2023: \$3,721,000) were pledged to the banks to secure certain credit facilities.
- b) Certain bank deposits of the Group bear annual interest ranging from 0.01% to 13.8% (2023: 0.01% to 13.8%). The interest rate is re-fixed on a short-term basis typically 3 months or less.

NOTES TO FINANCIAL STATEMENTS

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7. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Trade receivables	25,025	23,741	1,862	2,160
Less: Loss allowance	(439)	(474)	(29)	(38)
	24,586	23,267	1,833	2,122
Deposits placed for investments	44,020	20,016	-	-
Other deposits	6,026	9,449	298	698
Amount receivable from redemption of unquoted debt securities	-	15,140	-	-
Other receivables	6,071	7,794	3,253	3,126
Prepayments	32,508	20,412	427	393
Total	113,211	96,078	5,811	6,339

As at January 1, 2023, the Group's and the Company's trade receivables from contracts with customers amounted to \$24,212,000 and \$1,052,000 respectively (net of loss allowance of \$717,000 and \$60,000 respectively).

During the previous financial year, long-term deposits of \$24,922,000 were transferred to Property, plant and equipment (Note 15).

Interest is charged at rates ranging from 2% to 18% (2023: 2% to 18%) per annum on certain overdue trade balances.

Included in the Group's trade receivables balance are debtors with a carrying amount of \$3.9 million (2023: \$6.3 million) which are past due as at the end of the reporting period for which the Group has not provided as there has not been a significant change in credit quality and the amounts are still considered recoverable. The average age of these receivables is 39 days (2023: 61 days).

Trade receivables are provided for based on estimated irrecoverable amounts from the sale of goods and services. Loss allowance for trade receivables has been measured at an amount equal to lifetime ECL. The ECL on trade receivables are estimated by reference to past default experience of the debtor and an analysis of the debtor's current financial position, as well as historical experience and forward-looking information that is available, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate. In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable. The concentration of credit risk is limited due to the customer base being large and unrelated to one another.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. Hence, an amount of \$435,000 (2023: \$161,000) was written off during the financial year.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

7. TRADE AND OTHER RECEIVABLES (CONT'D)

The table below shows the movement in lifetime ECL that has been recognised for trade receivables in accordance with the simplified approach set out in SFRS(I) 9:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Balance at beginning of year	474	717	38	60
Amount written off during the year	(435)	(161)	-	-
Net increase (decrease) in allowance recognised in profit or loss	395	(77)	(9)	(22)
Exchange realignment	5	(5)	-	-
Balance at end of year	439	474	29	38

8. INVENTORIES

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Saleable merchandise	10,898	10,704	113	134
Operating supplies	6,084	4,798	-	-
Total	16,982	15,502	113	134

9. COMPLETED PROPERTIES HELD FOR SALE

Group

Location	Title	Description
The Met 123 South Sathorn Road, Bangkok, Thailand	Freehold	9 (2023: 9) condominium units with an aggregate floor area of approximately 20,969 (2023: 20,969) square feet

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10. ASSOCIATES AND JOINTLY CONTROLLED ENTITIES

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Associates (Note 11)	414,800	370,662	5,410	5,671
Jointly controlled entities (Note 12)	338,416	320,656	-	-
Total	753,216	691,318	5,410	5,671
Amount due from associates - current (Note 11)	3,659	3,406	-	-
Amount due from jointly controlled entities - current (Note 12)	53,961	52,439	-	-
Total	57,620	55,845	-	-

11. ASSOCIATES

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Cost of investments in associates ⁽¹⁾	378,875	372,382	-	-
Share of post-acquisition results and reserves net of dividend received	(243,971)	(214,956)	-	-
Advances to associates ⁽²⁾	279,896	213,507	5,410	5,671
Impairment loss	-	(271)	-	-
Net (Note 10)	414,800	370,662	5,410	5,671

(1) During the financial year, equity contribution of \$6,493,000 (2023: \$2,750,000) was made in associates of the Group in which a director is deemed to have interest.

(2) Advances to associates are in substance net investment except for an amount of \$194,000 (2023: \$453,000) which bears interest rates ranging from 5.3% to 5.4% (2023: 4.9% to 5.4%) per annum.

For the purpose of impairment assessment, the amount due from associates (classified as current asset) are considered to have low credit risk as there has been no significant increase in the risk of default since initial recognition. In determining the ECL, management has taken into account the financial position of the associates, adjusted for factors that are specific to the associates and general economic conditions of the industry in which the associate operates, in estimating the probability of default of the advances as well as the loss upon default and determines the advances to associates are subject to immaterial credit loss.

As at December 31, 2024, the amount due from associates (current) (Note 10) to the Group of \$3,659,000 (2023: \$3,406,000) are unsecured, interest-free and repayable on demand, except for the amount of \$2,316,000 (2023: \$2,104,000) due to the Group which bears interest ranging from 5.5% to 6.0% (2023: 5.5% to 6.0%) per annum.

Information relating to significant associates is shown in Note 35 to the financial statements.

NOTES TO FINANCIAL STATEMENTS

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12. JOINTLY CONTROLLED ENTITIES

	Group	
	2024 \$'000	2023 \$'000
Cost of investments in jointly controlled entities	302,412	302,597
Share of post-acquisition results and reserves net of dividend received	(354,453)	(274,721)
Advances to jointly controlled entities ⁽¹⁾	393,917	296,240
Impairment loss	(3,460)	(3,460)
Net (Note 10)	338,416	320,656

(1) Advances to jointly controlled entities are in substance net investment.

For the purpose of impairment assessment, the amount due from jointly controlled entities (classified as current asset) are considered to have low credit risk as there has been no significant increase in the risk of default since initial recognition. In determining the ECL, management has taken into account the financial position of the jointly controlled entities, adjusted for factors that are specific to the jointly controlled entities and general economic conditions of the industry in which the jointly controlled entity operates, in estimating the probability of default of the advances as well as the loss upon default and determines the advances to jointly controlled entities are subject to immaterial credit loss.

As at December 31, 2024, the amount due from jointly controlled entities (current) (Note 10) to the Group of \$53,961,000 (2023: \$52,439,000) is unsecured, interest-free and repayable on demand.

During the financial year, advances of \$64,815,000 (2023: \$59,198,000) were made to jointly controlled entities of the Group in which certain directors are deemed to have interest.

Information relating to significant jointly controlled entities is shown in Note 36 to the financial statements.

13. SUBSIDIARIES

	Company	
	2024 \$'000	2023 \$'000
Total advances to subsidiaries	1,850,909	1,769,149
Less: Loss allowance	(23,777)	(23,777)
	1,827,132	1,745,372
Less: Amount due from subsidiaries classified as current asset	(150,024)	(215,689)
Non-current advances to subsidiaries	1,677,108	1,529,683
Unquoted equity shares, at cost	154,031	154,031
Total	1,831,139	1,683,714

NOTES TO FINANCIAL STATEMENTS

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13. SUBSIDIARIES (CONT'D)

The non-current advances to subsidiaries of \$1,677,108,000 (2023: \$1,529,683,000) are unsecured, substantially non-trade in nature and have been classified as non-current assets as the Company does not expect repayment within 12 months from the end of the reporting date. These advances are interest-free except for the amount of \$395,695,000 (2023: \$396,120,000) which bears annual interest at rates ranging from 4.2% to 4.8% (2023: 3.9% to 4.9%) per annum.

The amounts due from subsidiaries (current) of \$150,024,000 (2023: \$215,689,000) are unsecured, interest-free and repayable on demand except for the amount of \$80,880,000 (2023: \$53,518,000) which bears annual interest at rates ranging from 4.2% to 4.8% (2023: 3.9% to 4.9%) per annum.

For the purpose of impairment assessment, the advances to/amount due from subsidiaries are considered to have low credit risk as the timing of payment is controlled by the Company taking into account cash flow management within the Group and there has been no significant increase in the risk of default on the advances since initial recognition. Accordingly, for the purpose of impairment assessment of the advances, the loss allowance is measured at an amount equal to 12-month expected ECL. In determining the ECL, management has taken into account the financial position of the subsidiaries, adjusted for factors that are specific to the subsidiaries and general economic conditions of the industry in which the subsidiary operates, in estimating the probability of default of the advances as well as the loss upon default and determines the advances to subsidiaries are subject to immaterial credit loss.

As at December 31, 2024, the amount due to subsidiaries of \$7,191,000 (2023: \$585,000) are unsecured, interest-free and repayable on demand. The advances from subsidiaries of \$264,942,000 (2023: \$308,355,000) bear interest at rates ranging from 4.0% to 6.7% (2023: 3.1% to 6.7%) per annum and are unsecured.

During the financial year, interest income from and interest expense to subsidiaries amounted to \$18,426,000 and \$16,828,000 respectively (2023: to \$22,019,000 and \$20,529,000 respectively).

Information relating to subsidiaries is shown in Note 34 to the financial statements.

14. INVESTMENTS

	Group	
	2024 \$'000	2023 \$'000
Non-current:		
Financial assets measured at FVTPL		
Quoted equity shares	23,247	99,730
Unquoted equity shares	110,106	121,673
	133,353	221,403

The Group's investments in equity instruments have been designated as at FVTPL on an investment-by-investment basis.

The fair values of the quoted equity shares were determined based on market prices at the end of the reporting period. The fair values of the unquoted equity shares were determined based on the net asset values of these investments which approximate the fair values.

NOTES TO FINANCIAL STATEMENTS

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15. PROPERTY, PLANT AND EQUIPMENT

	Freehold and long-term leasehold land and buildings \$'000	Leasehold land and buildings \$'000	Plant and equipment, furniture, fixtures and fittings \$'000	Construction- in-progress \$'000	Total \$'000
Group					
Cost:					
At January 1, 2023	860,023	1,112,184	625,633	149,804	2,747,644
Additions	2,060	12,101	22,370	113,692	150,223
Additions arising from transfer of long-term deposits (Note 7)	-	-	-	24,922	24,922
Reclassifications	8	114,337	35,881	(150,226)	-
Disposals	(25)	(11,304)	(7,282)	(1,252)	(19,863)
Exchange realignment	(3,320)	(18,214)	(6,695)	(580)	(28,809)
At December 31, 2023	858,746	1,209,104	669,907	136,360	2,874,117
Additions	102,183	22,303	39,040	50,941	214,467
Lease remeasurement	-	(2,943)	-	-	(2,943)
Reclassifications	58,995	20,812	14,786	(94,593)	-
Disposals	(1,651)	(509)	(7,566)	(17)	(9,743)
Exchange realignment	14,864	28,925	11,775	(275)	55,289
At December 31, 2024	1,033,137	1,277,692	727,942	92,416	3,131,187
Accumulated depreciation:					
At January 1, 2023	175,331	432,060	515,829	-	1,123,220
Depreciation for the year	9,406	34,511	34,085	-	78,002
Disposals	(16)	(2,239)	(6,773)	-	(9,028)
Exchange realignment	(790)	(6,908)	(5,202)	-	(12,900)
At December 31, 2023	183,931	457,424	537,939	-	1,179,294
Depreciation for the year	11,794	35,892	39,059	-	86,745
Disposals	(1,086)	(509)	(7,064)	-	(8,659)
Exchange realignment	3,061	11,347	8,940	-	23,348
At December 31, 2024	197,700	504,154	578,874	-	1,280,728
Impairment loss:					
At January 1, 2023	2,334	-	-	6,101	8,435
Exchange realignment	(12)	-	-	(57)	(69)
At December 31, 2023	2,322	-	-	6,044	8,366
Exchange realignment	12	-	-	185	197
At December 31, 2024	2,334	-	-	6,229	8,563
Carrying amount:					
At December 31, 2023	672,493	751,680	131,968	130,316	1,686,457
At December 31, 2024	833,103	773,538	149,068	86,187	1,841,896

NOTES TO FINANCIAL STATEMENTS

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15. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group's property, plant and equipment includes right-of-use assets which comprise of:

	Leasehold land and buildings \$'000	Plant and equipment, furniture, fixtures and fittings \$'000	Total \$'000
Group			
Cost:			
At January 1, 2023	374,041	1,024	375,065
Additions	10,899	116	11,015
Disposals	(11,257)	-	(11,257)
Exchange realignment	(3,374)	(48)	(3,422)
At December 31, 2023	370,309	1,092	371,401
Additions*	16,175	234	16,409
Lease remeasurement	(2,943)	-	(2,943)
Disposals	(508)	-	(508)
Exchange realignment	5,499	57	5,556
At December 31, 2024	388,532	1,383	389,915
Accumulated depreciation:			
At January 1, 2023	103,673	517	104,190
Depreciation	7,202	184	7,386
Disposals	(2,203)	-	(2,203)
Exchange realignment	(958)	(28)	(986)
At December 31, 2023	107,714	673	108,387
Depreciation	7,184	207	7,391
Disposals	(508)	-	(508)
Exchange realignment	2,154	37	2,191
At December 31, 2024	116,544	917	117,461
Carrying amount:			
At December 31, 2023	262,595	419	263,014
At December 31, 2024	271,988	466	272,454

* Includes upfront payment in cash of \$15,293,000 (2023: \$NIL).

NOTES TO FINANCIAL STATEMENTS

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15. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Freehold and long-term leasehold land and buildings \$'000	Plant and equipment, furniture, fixtures and fittings \$'000	Construction- in-progress \$'000	Total \$'000
Company				
Cost:				
At January 1, 2023	232,915	97,927	17	330,859
Additions	-	8,491	-	8,491
Disposals	-	(1,795)	-	(1,795)
At December 31, 2023	232,915	104,623	17	337,555
Additions	-	1,746	-	1,746
Disposals	-	(927)	(17)	(944)
At December 31, 2024	232,915	105,442	-	338,357
Accumulated depreciation:				
At January 1, 2023	20,875	93,411	-	114,286
Depreciation for the year	420	1,893	-	2,313
Disposals	-	(1,621)	-	(1,621)
At December 31, 2023	21,295	93,683	-	114,978
Depreciation for the year	419	2,791	-	3,210
Disposals	-	(802)	-	(802)
At December 31, 2024	21,714	95,672	-	117,386
Carrying amount:				
At December 31, 2023	211,620	10,940	17	222,577
At December 31, 2024	211,201	9,770	-	220,971

As at December 31, 2024, certain property, plant and equipment with total carrying amount of approximately \$1,423 million (2023: \$1,267 million) were mortgaged to banks to secure credit facilities for the Company and respective subsidiaries of the Group.

NOTES TO FINANCIAL STATEMENTS

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16. INVESTMENT PROPERTIES

Group

Property Description/Location	Title
Office and shop units at 50 Cuscaden Road, Singapore 249724	Freehold
Office and shop units at 583 Orchard Road, Singapore 238884	Freehold
63 shop units at 100 Orchard Road, Concorde Shopping Mall, Singapore 238840	Leasehold 99 years from August 17, 1979

For the year ended December 31, 2024, total fair value gain recognised for all investment properties amounted to \$96.6 million (2023: \$645.0 million).

Gross rental income and direct operating expenses arising from all investment properties amounted to \$22.4 million (2023: \$23.2 million) and \$8.3 million (2023: \$8.4 million) respectively for the year ended December 31, 2024.

As at December 31, 2024, certain investment properties amounting to approximately \$1,402 million (2023: \$1,308 million) were mortgaged to banks to secure credit facilities for the respective subsidiaries of the Group.

The fair value of the investment properties at December 31, 2024, which represents their highest and best use, has been determined on the basis of valuation carried out at the year end date by independent valuers having an appropriate recognised professional qualification based on direct comparison method that reflects the prevailing property market conditions and redevelopment opportunities as at this date. The valuation was cross-checked by the residual method and income capitalisation approach and conform to International Valuation Standards. The valuation is classified as level 3 of the fair value hierarchy as at December 31, 2024 and 2023.

The Group considers certain unobservable inputs used by the independent valuers in determining the fair value measurement of the Group's investment properties as sensitive to the fair value measurement. A change in these inputs will have a corresponding increase/decrease in the fair valuation as follows:

- the higher the transacted price of comparable land which range from \$30,000 to \$36,000 (2023: \$30,000 to \$36,000) per square metre per plot ratio, the higher the fair value; and
- the higher the transacted price of comparable units which range from \$28,000 to \$87,000 (2023: \$26,000 to \$36,000) per square metre, the higher the fair value.

NOTES TO FINANCIAL STATEMENTS

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17. INTANGIBLE ASSETS

	Goodwill \$'000	Franchise rights \$'000	Total \$'000
Group			
Cost:			
At January 1, 2023	19,521	7,072	26,593
Exchange realignment	132	(12)	120
At December 31, 2023	19,653	7,060	26,713
Exchange realignment	183	44	227
At December 31, 2024	19,836	7,104	26,940
Accumulated amortisation:			
At January 1, 2023	-	6,583	6,583
Amortisation charged against other operating expenses	-	52	52
Exchange realignment	-	(9)	(9)
At December 31, 2023	-	6,626	6,626
Amortisation charged against other operating expenses	-	53	53
Exchange realignment	-	22	22
At December 31, 2024	-	6,701	6,701
Impairment loss:			
At January 1, 2023	10,307	-	10,307
Exchange realignment	132	-	132
At December 31, 2023	10,439	-	10,439
Exchange realignment	183	-	183
At December 31, 2024	10,622	-	10,622
Carrying amount:			
At December 31, 2023	9,214	434	9,648
At December 31, 2024	9,214	403	9,617

Goodwill acquired in a business combination is allocated at acquisition to the cash generating units ("CGUs") that are expected to benefit from that business combination. The carrying amount of goodwill attributable to certain hotel business is approximately \$9.2 million (2023: \$9.2 million) respectively.

Recoverable amount was determined based on the independent professional valuation using discounted cashflow method, at discount rates ranging from 7.5% to 10.5% (2023: 8.0% to 10.3%) and terminal yield rates ranging from 6.0% to 8.5% (2023: 7.0%).

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18. BORROWINGS AND OTHER LONG-TERM LIABILITIES

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Due after twelve months				
Long-term bank loans	921,775	816,202	81,431	134,921
Notes payable	617,346	647,621	617,346	647,621
Other long-term liabilities	115	376	-	-
	1,539,236	1,464,199	698,777	782,542
Due within twelve months				
Notes payable	219,880	-	219,880	-
Current portion of long-term bank loans	16,174	49,229	-	-
Current portion of other long-term liabilities	272	264	-	-
	236,326	49,493	219,880	-
Bankers' guarantees	1,773	809	468	56

- a) During the year, bank loans (secured) bear floating interest rates ranging from 1.6% to 7.2% (2023: 2.5% to 7.2%) per annum, and certain notes payable (unsecured) and other long-term liabilities (secured) bear fixed interest rates ranging from 3.8% to 5.3% (2023: 3.8% to 5.3%) per annum. The carrying amount of these notes and other long-term liabilities is \$837,613,000 and their fair value is \$823,022,000 (2023: \$648,260,000 and \$609,434,000 respectively). The notes and other long-term liabilities are classified under level 2 of the fair value hierarchy and the fair value has been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant input being the discount rate. The facilities are repayable from 2025 to 2029 (2023: 2024 to 2028).
- b) Securities include legal mortgages on properties of the Company and certain subsidiaries (Notes 15 and 16); subordinated mortgages over certain subsidiaries' lease rights, fixed and floating charges on the assets of the Company and certain subsidiaries; pledge of shares of certain subsidiaries and corporate guarantees from the Company, certain subsidiaries and certain non-controlling shareholders.
- c) Bank loans at floating interest rates are contractually repriced on a short-term basis, typically six months or less.
- d) The Group has obtained bankers' guarantees mainly to secure utility services. These guarantees are secured by the assets and undertakings as disclosed in (b) above and/or pledge of fixed deposits (Note 6) of certain subsidiaries.
- e) Included in the borrowings is a subsidiary's long-term bank loan of approximately \$38 million whereby the critical terms of the bank loan are expected to hedge against the foreign exchange movements of the income stream of the subsidiary. The subsidiary performed a qualitative assessment and it is expected that the cash flow of the bank loan is effective in offsetting the cash flow of the income stream. During the year, there is no hedge ineffectiveness recognised in profit or loss and the deferred gain on the hedge recognised in other comprehensive income amounted to approximately \$5 million (2023: gain of \$5 million) (Note 24).

NOTES TO FINANCIAL STATEMENTS

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19. TRADE AND OTHER PAYABLES

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Trade payables	102,695	94,623	5,168	4,859
Accrued employee-related expenses	24,606	24,992	1,767	6,018
Accrued operating expenses	26,996	22,770	3,035	3,147
Due to companies in which certain directors have interests*	374	390	-	-
Interest payable to non-related companies	8,830	6,447	6,321	5,422
Lease liabilities – current (Note 21)	2,545	2,540	-	-
Others	9,104	6,003	1,218	529
Total	175,150	157,765	17,509	19,975

* Amounts due to companies in which certain directors have interests are unsecured, interest-free and repayable on demand.

The average credit period on purchases of goods and services ranges from 1 to 2 months (2023: 1 to 2 months).

20. DEFERRED TAX ASSETS / LIABILITIES

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Deferred tax assets	(3,296)	(2,580)	-	-
Deferred tax liabilities	18,982	16,839	547	446
	15,686	14,259	547	446

The following are the major deferred tax assets and liabilities recognised by the Group and the Company and movements thereon during the year:

	Net accelerated tax depreciation \$'000	Other temporary differences* \$'000	Total \$'000
Group			
At January 1, 2023	3,220	8,625	11,845
(Reversal from) Charge to profit or loss (Note 28)	(341)	2,290	1,949
Charge to other comprehensive income	-	9	9
Exchange realignment	(46)	502	456
At December 31, 2023	2,833	11,426	14,259
(Reversal from) Charge to profit or loss (Note 28)	(205)	905	700
Charge to other comprehensive income	-	77	77
Exchange realignment	30	620	650
At December 31, 2024	2,658	13,028	15,686

* Other temporary differences comprise mainly deferred tax liability arising from business combinations.

NOTES TO FINANCIAL STATEMENTS

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20. DEFERRED TAX ASSETS / LIABILITIES (CONT'D)

	Accelerated tax depreciation \$'000
Company	
At January 1, 2023	380
Charge to profit or loss	66
At December 31, 2023	446
Charge to profit or loss	101
At December 31, 2024	547

21. LEASE LIABILITIES

The Group as lessee

	2024 \$'000	2023 \$'000
Lease liabilities		
Maturity analysis:		
Year 1	13,182	13,457
Year 2	12,980	13,942
Year 3	14,457	13,110
Year 4	15,020	14,229
Year 5	15,025	14,625
Year 6 onwards	274,855	281,851
	345,519	351,214
Less: Unearned interest	(236,997)	(243,274)
	108,522	107,940
Analysed as:		
Current (Note 19)	2,545	2,540
Non-current	105,977	105,400
	108,522	107,940

NOTES TO FINANCIAL STATEMENTS

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22. SHARE CAPITAL AND OPTIONS

	Group and Company			
	2024	2023	2024	2023
	Number of ordinary shares		\$'000	
Issued and fully paid:				
At beginning of year	521,815,251	521,815,251	726,780	726,780
Issue of shares for cash (share options exercised)	2,150,000	-	8,485	-
At end of year	523,965,251	521,815,251	735,265	726,780

The Company has one class of ordinary shares which carries no right to fixed income and has no par value.

Options to subscribe for the Company's ordinary shares may be granted to executives of the Company under the Hotel Properties Employee Share Option Scheme 2010 ("Scheme 2010"). The scheme is administered by the Remuneration Committee. The exercise price of the granted options is determined based on the average last business done price for the shares of the Company for the five market days preceding the date of grant. The Remuneration Committee may at its discretion fix the exercise price at a discount not exceeding 20% to the above price. The vesting period is 2 years for options granted at a discounted exercise price, and 1 year for options granted without discount. The share options have a validity period of 10 years from the date of grant, unless they have been forfeited prior to that date.

Details of the share options outstanding during the year are as follows:

	Group and Company			
	2024		2023	
	Number of share options	Weighted average exercise price \$	Number of share options	Weighted average exercise price \$
Outstanding at the beginning of the year	18,375,000	3.03	18,375,000	3.03
Exercised during the year	(2,150,000)	3.20	-	-
Expired during the year	(1,600,000)	3.21	-	-
Outstanding at the end of the year	14,625,000	2.99	18,375,000	3.03
Exercisable at the end of the year	14,625,000	2.99	18,375,000	3.03

The weighted average market price at the date of exercise for share options exercised during the financial year was \$3.62. The options outstanding at the end of the year have a weighted average remaining contractual life of 2.2 (2023: 2.6) years.

The Company also has a Hotel Properties Limited Performance Share Plan that is administered by the Remuneration Committee. Fully paid shares are awarded to participants taking into consideration certain performance criteria and vesting period. There are no award of performance shares under the Performance Share Plan as at the beginning and end of the year.

NOTES TO FINANCIAL STATEMENTS

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23. TREASURY SHARES

	Group and Company			
	2024	2023	2024	2023
	Number of ordinary shares		\$'000	
At beginning and end of year	515,300	515,300	1,746	1,746

The Company acquired its own shares through purchases on the Singapore Exchange and the total amount paid to acquire the shares had been deducted from shareholders' equity. The shares are held as treasury shares. The Company intends to reissue these shares to executives under the share option and performance share plans.

24. OTHER RESERVES

	Exchange fluctuation reserve \$'000	Hedge reserve \$'000	Option reserve \$'000	Other capital reserve \$'000	Total \$'000
Group					
Balance as at January 1, 2023	(76,312)	(18,182)	10,688	(28,458)	(112,264)
Total comprehensive income for the year	1,584	5,139	-	8,264	14,987
Other movements during the year	(11)	3	-	(1,976)	(1,984)
Balance as at December 31, 2023	(74,739)	(13,040)	10,688	(22,170)	(99,261)
Total comprehensive income for the year	14,870	4,845	-	(8,298)	11,417
Other movements during the year	2,914	-	(1,614)	-	1,300
Balance as at December 31, 2024	(56,955)	(8,195)	9,074	(30,468)	(86,544)

Hedge reserve records the fair value changes on the derivative financial instruments and certain bank borrowings designated as hedging instruments in cash flow and net investment hedges that are determined to be an effective hedge.

Option reserve represents the Group's and the Company's equity-settled share options and performance shares granted to employees. The reserve is made up of the cumulative value of services received from employees recorded on grant of equity-settled share options and performance shares. The expense for services received will be recognised over the vesting period.

The exchange fluctuation reserve is used to record foreign exchange differences arising from the translation of the financial statements of foreign subsidiaries whose functional currencies are different from that of the Group's presentation currency and exchange differences arising from translation of monetary items that form part of a net investment in a foreign entity.

Other capital reserves include the cumulative fair value changes of financial assets at FVTOCI until they are derecognised, as well as reserve on consolidation which represents the difference between the fair value of the consideration paid and the amount by which the non-controlling interest are reduced during the acquisition of additional interests from non-controlling shareholders.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

25. PERPETUAL CAPITAL SECURITIES

The Company issued \$160 million in aggregate principal amount of 4.4% perpetual capital securities on October 22, 2019 and \$160 million in aggregate principal amount of 5.5% perpetual capital securities on October 30, 2024. The securities are recorded at the proceeds received, net of direct issue costs.

The Company exercised the option to redeem in full the \$160 million 4.4% perpetual capital securities on October 22, 2024 (the "First Reset Date") in accordance with the conditions of the securities.

The \$160 million 5.5% securities are perpetual and confer a right to receive distribution payments. Such distributions are payable semi-annually in arrear unless deferred in accordance with the conditions of the securities. The rate of distribution applicable from October 30, 2024 to October 30, 2029 (the "First Reset Date") is 5.5% per annum; from the First Reset Date to each subsequent reset date occurring on each date falling every five years after the First Reset Date with each such date, a "Reset Date", the applicable Reset Distribution Rate as defined in the conditions of the securities.

The securities constitute direct, unsecured and subordinated obligations of the Company and rank *pari passu* and without any preference or priority among themselves. The securities may be redeemed at the option of the Company on October 30, 2029, or on any distribution payment date thereafter and otherwise upon the occurrence of certain redemption events specified in the conditions of the securities.

26. REVENUE

	Group	
	2024 \$'000	2023 \$'000
Hotel revenue	667,626	616,547
Rental income	22,587	23,376
Management fee	2,715	2,197
Total	692,928	642,120

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

27. PROFIT BEFORE INCOME TAX

This is determined after charging (crediting):

	Group	
	2024 \$'000	2023 \$'000
Staff costs (including share-based payments), net of government grant	202,113	177,277
Cost of defined contribution plans included in staff costs	10,548	9,892
Cost of inventories recognised as expense	53,413	50,693
Depreciation and amortisation	86,798	78,054
Finance costs on lease liabilities	12,668	12,979
Audit fees paid to auditors:		
Auditors of the Company	605	613
Other auditors	762	630
Non-audit fees paid to auditors:		
Auditors of the Company	102	132
Other auditors	122	88
Loss allowance for (Write-back of) trade receivables [^]	395	(77)
Net foreign exchange loss [^]	334	49
Net fair value loss in held-for-trading investments [^]	-	55
Net fair value loss in investments [^]	1,525	11,926
Net loss (gain) on disposal of property, plant and equipment [^]	550	(15,086)
Interest income [^]	(3,041)	(2,226)
Dividend income [^]	(4,567)	(6,721)

[^] These are included in other operating (income) expenses.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

28. INCOME TAX EXPENSE

	Group	
	2024 \$'000	2023 \$'000
Current tax	26,026	13,656
Deferred tax (Note 20)	700	1,949
	26,726	15,605
(Over) Under provision in prior years	(687)	415
	26,039	16,020

The income tax expense varied from the amount of income tax expense determined by applying the Singapore income tax rate of 17% (2023: 17%) to profit before income tax and share of results of associates and jointly controlled entities as a result of the following differences:

	Group	
	2024 \$'000	2023 \$'000
Profit before income tax and share of results of associates and jointly controlled entities	90,150	627,316
Tax expense calculated at a tax rate of 17% (2023: 17%)	15,326	106,644
Non-deductible (Non-taxable) items (net)	3,407	(90,308)
Tax exemption	(507)	(396)
Utilisation of unabsorbed tax losses and capital allowances brought forward	(1,082)	(7,611)
Deferred tax asset on tax losses arising during the year not recorded	8,448	5,049
Effect of different tax rate of overseas operations	1,134	2,227
	26,726	15,605
Effective tax rate	29.6%	2.5%

Subject to the agreement with the relevant tax authorities and compliance with certain conditions of the relevant tax legislations, in the respective countries in which the subsidiaries operate, the Group has unrecognised tax losses and capital allowances totaling approximately \$199,255,000 and \$6,341,000 (2023: \$160,108,000 and \$7,440,000) respectively which are available for set off against future taxable income of the respective subsidiaries. No deferred tax asset has been recognised in respect of these due to unpredictability of future profit stream. Tax losses approximating \$141,082,000 (2023: \$125,428,000) will expire within the next 5 years.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

29. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the Group net profit attributable to owners of the Company after deducting provision for distribution to perpetual capital securities holders divided by the weighted average number of ordinary shares in issue (excluding treasury shares) during the year.

Diluted earnings per share is based on Group earnings and adjusted weighted average number of ordinary shares (excluding treasury shares) to reflect the effect of all potentially dilutive ordinary shares, assuming the full exercise of outstanding share options and release of performance shares during the year.

	2024 \$'000	2023 \$'000
Profit attributable to owners of the Company less distribution to perpetual capital securities holders	20,159	554,005
Adjusted profit attributable to owners of the Company less distribution to perpetual capital securities holders	20,228	554,116
	No. of shares (<i>'000</i>)	No. of shares (<i>'000</i>)
Weighted average number of ordinary shares used to compute basic earnings per share (excluding treasury shares)	522,455	521,300
Adjustment for potential dilutive ordinary shares	917	1,036
Weighted average number of ordinary shares used to compute diluted earnings per share (excluding treasury shares)	523,372	522,336
Basic earnings per share	3.86 cents	106.27 cents
Diluted earnings per share	3.86 cents	106.08 cents

30. DIVIDENDS

In 2023, the Company declared and paid a first and final one-tier tax exempt dividend of 4 cents per ordinary share, and a one-tier tax exempt special dividend of 1 cent per ordinary share of the Company, totaling \$26,065,000 in respect of the financial year ended December 31, 2022.

In 2024, the Company declared and paid a first and final one-tier tax exempt dividend of 4 cents per ordinary share, and a one-tier tax exempt special dividend of 2 cents per ordinary share of the Company, totaling \$31,366,000 in respect of the financial year ended December 31, 2023.

Subsequent to December 31, 2024, the directors of the Company recommended that a first and final one-tier tax exempt dividend be paid at 4 cents per ordinary share of the Company, totaling \$20,938,000 for the financial year ended December 31, 2024, based on the number of issued shares (excluding treasury shares) as at year end. The proposed dividends are not accrued as a liability for the current financial year in accordance with SFRS(I) 1-10 *Events After The Reporting Period*.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

31. CAPITAL COMMITMENTS

As at the end of the financial year, the Group has capital commitments contracted but not provided for in the financial statements in respect of the following:

	Group	
	2024 \$'000	2023 \$'000
Capital expenditure	36,013	134,179
Associates, jointly controlled entities and other investments	107,960	194,981

32. OPERATING LEASE COMMITMENTS

The Group as lessor

Operating leases, in which the Group is the lessor, relate to investment properties and certain property, plant and equipment owned by the Group with lease terms of between 1 to 4 years, with 3 years extension option for selected leases. All operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.

Maturity analysis of operating lease payments:

	Group	
	2024 \$'000	2023 \$'000
Year 1	22,056	24,306
Year 2	10,622	13,083
Year 3	4,347	3,074
Year 4	140	121
Total	37,165	40,584

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

33. SEGMENT INFORMATION

- a) The segment information of the Group is organised into the following reportable segments:

Hotels

These refer mainly to the operations of the hotels and the shopping galleries of the Group as well as the provision of hotel management services. Income is derived mainly from the rental of rooms and shop units, sale of food and beverage and management fee.

Properties

These refer to the rental and sale operations on residential properties and commercial units. Sales and profit from the condominium development projects in Singapore are recognised based on percentage of completion method, and those from overseas projects are recognised based on completion of construction method.

Others

These refer to distribution and retail operations, activities on quoted and unquoted investments and others.

- b) The following segment information is prepared on the same basis as the Group's material accounting policies described in Note 2:
- i) Segment revenue and expenses are revenue and expenses reported in the Group's income statement that either are directly attributable to a segment or can be allocated on a reasonable basis to a segment.
 - ii) Segment revenue and expenses include transfers between business segments. Inter-segment sales are charged at cost plus a percentage profit mark-up. These transfers are eliminated on consolidation. Share of results of associates and jointly controlled entities are allocated as they are specifically attributable to a segment.
 - iii) Segment assets are all operating assets that are employed by a segment in its operating activities and are either directly attributable to the segment or can be allocated to the segment on a reasonable basis. Segment assets exclude interest-producing assets. Investments in associates and jointly controlled entities are included as segment assets of the Group.
 - iv) Segment liabilities are all operating liabilities of a segment and are either directly attributable to the segment or can be allocated to the segment on a reasonable basis. Segment liabilities exclude interest-bearing liabilities and income tax liabilities.
 - v) Segment revenue and non-current assets are analysed based on the location of those assets.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

33. SEGMENT INFORMATION (CONT'D)

c) Information by business segment:

Group	Hotels		Properties		Others		Elimination		Consolidation	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
REVENUE										
External sales	669,621	618,060	23,301	24,054	6	6	-	-	692,928	642,120
Inter-segment sales	-	-	347	337	-	-	(347)	(337)	-	-
Total revenue	669,621	618,060	23,648	24,391	6	6	(347)	(337)	692,928	642,120
RESULTS										
Profit (Loss) before interest, tax and fair value changes in investment properties	53,318	82,377	39,962	1,602	2,831	(5,546)	-	-	96,111	78,433
Segment results	53,318	82,377	39,962	1,602	2,831	(5,546)	-	-	96,111	78,433
Finance costs									(105,634)	(98,348)
Interest income									3,041	2,226
Share of results of equity accounted investees	(1,897)	(5,043)	(54,312)	(52,484)	(1,278)	1,146	-	-	(57,487)	(56,381)
Fair value changes in investment properties	-	-	96,632	645,005	-	-	-	-	96,632	645,005
Income tax expense									(26,039)	(16,020)
Non-controlling interests									20,594	6,130
Net profit									27,218	561,045
OTHER INFORMATION										
Segment assets	1,992,767	1,799,976	1,489,978	1,374,458	133,654	236,869	-	-	3,616,399	3,411,303
Investment in equity accounted investees	254,772	244,583	550,644	500,727	5,420	1,853	-	-	810,836	747,163
Unallocated corporate assets									57,484	42,523
Consolidated total assets									4,484,719	4,200,989

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

33. SEGMENT INFORMATION (CONT'D)

c) Information by business segment (cont'd):

Group	Hotels		Properties		Others		Elimination		Consolidation	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Segment liabilities	272,049	254,292	8,440	8,240	352	356	-	-	280,841	262,888
Unallocated corporate liabilities									1,803,896	1,540,667
Consolidated total liabilities									2,084,737	1,803,555
Additions to non-current assets (excluding fair value changes)	222,050	165,238	111,358	90,709	5,000	2,750	-	-	338,408	258,697
Depreciation and amortisation	85,757	77,142	1,041	912	-	-	-	-	86,798	78,054
Non-cash expenses (income) other than depreciation, amortisation, impairment loss and fair value changes in investment properties	726	(61)	151	240	1,347	11,802	-	-	2,224	11,981

d) Information by geographic regions:

Group	Revenue		Non-current assets	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Singapore	206,321	209,223	1,864,274	1,780,226
The Maldives	254,173	226,862	662,631	643,863
The rest of Asia	203,424	176,393	806,323	653,986
United Kingdom and Europe	720	683	572,474	519,784
Others	28,290	28,959	115,592	109,497
	692,928	642,120	4,021,294	3,707,356

Others consist of mainly U.S.A., Australasia and Africa.

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34. SUBSIDIARIES

Information relating to subsidiaries is as follows:

Subsidiary	Principal Activity	Country of Incorporation / Place of Business	Group's Effective Interest	
			2024 %	2023 %
Held by the Company				
Cleaton Investments Pte Ltd	Investment holding company	Singapore	100	100
HPL Hotels & Resorts Pte Ltd	Hotel management and investment holding company	Singapore	100	100
HPL Investment & Development Pte Ltd	Investment holding company	Singapore	100	100
HPL Leisure Holdings Pte Ltd	Investment holding company	Singapore	100	100
HPL Orchard Place Pte Ltd	Investment holding company	Singapore	100	100
HPL Properties Pte Ltd	Property development, hotelier and investment holding company	Singapore	100	100
HPL Properties (Australasia) Pte Ltd	Investment holding company	Singapore	100	100
HPL Properties (Indian Ocean) Pte Ltd	Investment holding company	Singapore	70	70
HPL Properties (Pacific Ocean) Pte Ltd	Investment holding company	Singapore	70	70
HPL Properties (SEA) Pte Ltd	Investment holding company	Singapore	100	100
HPL Properties (West) Pte Ltd	Investment holding company	Singapore	100	100
HPL Properties (West Asia) Pte Ltd	Investment holding company	Singapore	100	100
HPL Singapore Pte Ltd	Investment holding company	Singapore	100	100
HPL Tourism & Leisure Pte Ltd	Investment holding company	Singapore	100	100
Luxury Holdings Pte Ltd	Investment holding company	Singapore	100	100
Maxford Investments Pte Ltd	Investment holding company	Singapore	100	100
Super Vista Sdn Bhd ⁽¹⁾	Hotelier	Malaysia	100	100
Tiga Stars Pte Ltd	Investment holding company	Singapore	70	70

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

34. SUBSIDIARIES (CONT'D)

Subsidiary	Principal Activity	Country of Incorporation / Place of Business	Group's Effective Interest	
			2024 %	2023 %
Held by subsidiaries of the Company				
21 st Century Holding Pte Ltd	Investment holding company	Singapore	100	100
Allegro Investments Pte Ltd	Investment holding company	Singapore	100	100
Amberwood Investments Pte Ltd	Investment holding company	Singapore	100	100
Asia Hotel Growth Fund ⁽¹⁾	Investment holding company	Thailand	100	100
Astrid Holdings Co., Ltd ⁽¹⁾	Investment holding company	Thailand	49**	49**
Bayford Investments Pte Ltd	Investment holding company	Singapore	100	100
Baywood Investments Pte Ltd	Investment holding company	Singapore	100	100
Belitung Investments Pte Ltd	Investment holding company	Singapore	100	100
Berkley Investments Pte Ltd	Investment holding company	Singapore	100	100
Boathouse Holding Co., Ltd ⁽¹⁾	Investment holding company	Thailand	49**	49**
Boathouse Kata Co., Ltd ⁽¹⁾	Hotelier	Thailand	74	74
Campden Hill Investment LLP ⁽¹⁾	Investment holding company	United Kingdom	100	100
Chatsworth Development Management Pte Ltd	Project management company	Singapore	100	100
Clearwater Island Resorts Sdn Bhd ⁽¹⁾	Hotelier	Malaysia	100	100
Concorde Hotel Management Inc. ⁽⁶⁾	Investment holding company	U.S.A.	100	100
Concorde Hotel New York Inc. ⁽⁶⁾	Investment holding company	U.S.A.	100	100
Concorde Hotels & Resorts (Malaysia) Sdn Bhd ⁽¹⁾	Hotel management	Malaysia	100	100
Coralbell Pty Ltd ⁽⁶⁾	Investment holding company	Australia	100	100
Dojima Hotel TMK * ⁽¹⁾	Acquisition, management and disposition of specified assets	Japan	100	-
Dojima Investments Pte Ltd *	Investment holding company	Singapore	100	-
Dojima Luxury Holdings Co., Ltd ⁽¹⁾	Hotelier	Japan	75	75
Dojima Properties Pte Ltd *	Investment holding company	Singapore	100	-
Dojima Realty Pte Ltd *	Investment holding company	Singapore	100	-
East Phuket Holdings Pte Ltd	Investment holding company	Singapore	100	100

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

34. SUBSIDIARIES (CONT'D)

Subsidiary	Principal Activity	Country of Incorporation / Place of Business	Group's Effective Interest	
			2024 %	2023 %
Held by subsidiaries of the Company (cont'd)				
Eastpoint Investments Limited ⁽¹⁾	Investment holding company	United Kingdom	100	100
Hermill Investments Pte Ltd	Investment holding company	Singapore	100	100
Hotel Holdings USA Inc ⁽⁴⁾	Investment holding company	U.S.A.	100	100
Hotel Properties Lanka Investments (Private) Limited ⁽²⁾	Investment holding company	Sri Lanka	100	100
HPL (Croatia) Limited	Investment holding company	United Kingdom	100	100
HPL (Campden) Pte Ltd	Investment holding company	Singapore	100	100
HPL (Eaton) Ltd ⁽¹⁾	Dormant	United Kingdom	100	100
HPL (Europe) Pte Ltd	Investment holding company	Singapore	100	100
HPL Gateway Investments Pte Ltd	Investment holding company	Singapore	100	100
HPL Hotels Pty Ltd ⁽⁶⁾	Provision of administrative services	Australia	100	100
HPL Investors Pte Ltd	Trading in quoted investments and share dealing	Singapore	100	100
HPL (Kensington) Pte Ltd	Investment holding company	Singapore	100	100
HPL (Mayfair) Pte Ltd	Investment holding company	Singapore	100	100
HPL (Osaka) Pte Ltd	Investment holding company	Singapore	100	100
HPL (Paddington) Pte Ltd	Investment holding company	Singapore	100	100
HPL Properties Management Pte Ltd	Investment holding company	Singapore	100	100
HPL Properties (North Asia) Pte Ltd	Investment holding company	Singapore	100	100
HPL Resorts (Maldives) Private Limited ⁽²⁾	Hotelier and investment holding company	Maldives	70	70
HPL Retail Pte Ltd	Trading in quoted investments and investment holding company	Singapore	100	100
HPL Services Pte Ltd	Privilege card services operations and investment holding company	Singapore	100	100
HPL (Southbank) Pte Ltd	Investment holding company	Singapore	100	100
HPL Tulip Pte Ltd	Investment holding company	Singapore	100	100

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34. SUBSIDIARIES (CONT'D)

Subsidiary	Principal Activity	Country of Incorporation / Place of Business	Group's Effective Interest	
			2024 %	2023 %
Held by subsidiaries of the Company (cont'd)				
HPL Tulip Holdings Pte Ltd	Investment holding company	Singapore	100	100
HPL (UK) Limited ⁽¹⁾	Provisions of information and services	United Kingdom	100	100
HPL (Whitechapel) Pte Ltd	Investment holding company	Singapore	100	100
HRH Merchandise (M) Sdn Bhd ⁽¹⁾	Retailer	Malaysia	100	100
Kata Boathouse Holdings Pte Ltd	Investment holding company	Singapore	100	100
Kupari Luxury Hotels d.o.o. ⁽⁶⁾	Provision of tourist services	Croatia	95	95
Laem Ka Properties Co. Ltd ⁽¹⁾	Hotelier and property developer	Thailand	90	90
Landaa Giraavaru Private Limited ⁽²⁾	Hotelier	Hong Kong / Maldives	70	70
Landeal Properties Pte Ltd	Investment holding company	Singapore	100	100
Leisure Beach Private Limited ⁽²⁾	Developer and hotelier	Maldives	70	70
Leisure Development Koror Inc.	Hotel development	Palau	70	70
Leisure Frontiers Private Limited ⁽²⁾	Hotelier	Maldives	70	70
Leisure Holidays Private Limited ⁽²⁾	Developer and hotelier	Maldives	70	70
Leisure Horizons Private Limited ⁽²⁾	Developer and hotelier	Maldives	70	70
Leisure Oceans Private Limited ⁽²⁾	Hotelier	Maldives	70	70
Leisure Sands Private Limited ⁽²⁾	Hotelier	Maldives	70	70
Luxury Complex Pte Ltd	Investment holding company	Singapore	100	100
Luxury Hotels (1989) Pte Ltd	Hotelier	Singapore	100	100
Luxury Peak Pte Ltd *	Investment holding company	Singapore	100	-
Luxury Properties Pte Ltd	Investment holding company	Singapore	100	100
Moonstone Investments Pte Ltd	Investment holding company	Singapore	100	100
Naka Yai Holdings Co. Limited ⁽¹⁾	Investment holding company	Thailand	49**	49**
Naka Yai Hotel Co. Limited ⁽¹⁾	Hotelier	Thailand	74	74
Naka Yai Land Co. Limited ⁽¹⁾	Hotelier	Thailand	74	74
NYC 55., Corp. ⁽³⁾	Hotelier	U.S.A.	100	100
Palmco Hotels Sdn Bhd ⁽¹⁾	Hotelier	Malaysia	100	100

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

34. SUBSIDIARIES (CONT'D)

Subsidiary	Principal Activity	Country of Incorporation / Place of Business	Group's Effective Interest	
			2024 %	2023 %
Held by subsidiaries of the Company (cont'd)				
Pebble Bay (Thailand) Co. Ltd ⁽¹⁾	Property development	Thailand	74	74
PT Amanda Arumdhani ⁽¹⁾	Hotelier	Indonesia	100	100
PT Amanda Citra ⁽⁶⁾	Dormant	Indonesia	100	100
PT Amanda Natha ⁽¹⁾	Hotelier	Indonesia	100	100
PT Amanda Pramudita ⁽¹⁾	Hotelier	Indonesia	100	100
PT Amanda Surya ⁽⁶⁾	Investment holding company	Indonesia	100	100
PT Bali Girikencana ⁽¹⁾	Hotelier	Indonesia	100	100
Quin Properties Pte Ltd	Investment holding company	Singapore	100	100
Seaside Hotel (Thailand) Co. Ltd ⁽¹⁾	Hotelier	Thailand	74	74
Seaside Properties (Thailand) Co. Ltd ⁽¹⁾	Hotelier	Thailand	74	74
South West Pacific Investments Limited ⁽⁵⁾	Hotelier	Vanuatu	100	100
Sovereign Builders & Development Sdn Bhd ⁽¹⁾	Investment holding company	Malaysia	100	100
Straits Realty Co. Ltd ⁽¹⁾	Investment holding company	Thailand	74	74
Supreme Prospects Sdn Bhd ⁽¹⁾	Hotelier	Malaysia	100	100
Suseem Pty Ltd ⁽⁶⁾	Dormant	Australia	100	100
Tangalla Bay Hotels Private Limited ⁽²⁾	Hotelier	Sri Lanka	48**	48**
The Island Development Pte Ltd	Investment holding company	Singapore	100	100
Travel Bug Touring Pte Ltd	Investment holding company	Singapore	100	100
Weligama Hotel Properties Ltd ⁽²⁾	Hotelier	Sri Lanka	49**	49**
Wesclove Investments Pte Ltd	Investment holding company	Singapore	100	100
Xspand Investments Pte Ltd	Investment holding company	Singapore	100	100
Yarra Investments Pte Ltd	Property development and investment holding company	Singapore	100	100

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

34. SUBSIDIARIES (CONT'D)

All companies are audited by Deloitte & Touche LLP, Singapore except for the following:

- (1) Audited by overseas practices of Deloitte Touche Tohmatsu Limited
- (2) Audited by overseas practices of KPMG International
- (3) Audited by overseas practices of BDO International Limited
- (4) Audited by Cohen & Schaeffer P.C.
- (5) Audited by Barrett & Partners
- (6) Not required to be audited by law in country of incorporation and subsidiary not considered material.

* Incorporated during the financial year.

** This company is considered a subsidiary as the Group is exposed, or has rights, to variable returns from its involvement with the company and has the ability to affect those returns through its power over the company.

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

Name of subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		Profit (loss) allocated to non-controlling interests		Accumulated non-controlling interests	
		2024	2023	2024	2023	2024	2023
				\$'000	\$'000	\$'000	\$'000
HPL Resorts (Maldives) Private Limited	Maldives	30%	30%	(14,079)	(8,777)	57,735	66,134
Individually immaterial subsidiaries with non-controlling interests				(6,515)	2,647	18,786	18,230
Total				(20,594)	(6,130)	76,521	84,364

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

34. SUBSIDIARIES (CONT'D)

Summarised financial information in respect of HPL Resorts (Maldives) Private Limited and its subsidiaries is set out below:

	2024 \$'000	2023 \$'000
Current assets	51,003	49,468
Non-current assets	711,550	689,832
Current liabilities	(75,318)	(67,687)
Non-current liabilities	(494,741)	(451,122)
Equity attributable to owners of the Company	134,759	154,357
Non-controlling interests	57,735	66,134
Revenue	254,333	226,862
Expenses	(301,263)	(256,117)
Loss for the year	(46,930)	(29,255)
Loss attributable to owners of the Company	(32,851)	(20,478)
Loss attributable to the non-controlling interests	(14,079)	(8,777)
Loss for the year	(46,930)	(29,255)
Other comprehensive income (loss) attributable to owners of the Company	4,376	(2,914)
Other comprehensive income (loss) attributable to the non-controlling interests	744	(594)
Other comprehensive income (loss) for the year	5,120	(3,508)
Total comprehensive loss attributable to owners of the Company	(28,475)	(23,392)
Total comprehensive loss attributable to the non-controlling interests	(13,335)	(9,371)
Total comprehensive loss for the year	(41,810)	(32,763)
Net cash inflow (outflow) from operating activities	17,118	(917)
Net cash outflow from investing activities	(59,918)	(57,918)
Net cash inflow from financing activities	43,849	48,882
Net cash inflow (outflow)	1,049	(9,953)

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

35. ASSOCIATES

Information relating to significant associates is as follows:

Associate	Principal Activity	Country of Incorporation / Place of Business	Group's Effective Interest	
			2024 %	2023 %
Bankside Quarter (Jersey) Limited ⁽²⁾	Investment holding company	Jersey	30	30
Leisure Ventures Pte Ltd ⁽¹⁾	Investment holding company	Singapore	50	50

(1) Audited by Deloitte & Touche LLP, Singapore.

(2) Audited by overseas practices of Deloitte Touche Tohmatsu Limited.

Summarised financial information in respect of each of the Group's material associates is set out below. The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with SFRS(1)s adjusted by the Group for equity accounting purposes.

Bankside Quarter (Jersey) Limited and its subsidiaries

	2024 \$'000	2023 \$'000
Current assets	1,689,677	1,419,994
Current liabilities	(55,282)	(36,676)
Non-current liabilities	(1,501,286)	(1,200,782)
Revenue	21,967	11,472
Loss for the year	(18,592)	(44,437)
Other comprehensive income for the year	2,953	8,883
Total comprehensive loss for the year	(15,639)	(35,554)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Bankside Quarter (Jersey) Limited and its subsidiaries recognised in the consolidated financial statements:

	2024 \$'000	2023 \$'000
Net assets of Bankside Quarter (Jersey) Limited and its subsidiaries	133,109	182,536
Proportion of the Group's ownership interest	30%	30%
Intercompany eliminations	(54,476)	(39,126)
Shareholder's advances	247,362	179,305
Carrying amount of the Group's interest	232,819	194,940

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

35. ASSOCIATES (CONT'D)

Leisure Ventures Pte Ltd and its subsidiaries

	2024 \$'000	2023 \$'000
Current assets	21,662	23,628
Non-current assets	307,802	310,475
Current liabilities	(59,739)	(64,538)
Non-current liabilities	(99,579)	(95,418)
Revenue	83,398	75,790
Loss for the year	(6,519)	(4,343)
Other comprehensive income (loss) for the year	1,524	(992)
Total comprehensive loss for the year	(4,995)	(5,335)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Leisure Ventures Pte Ltd and its subsidiaries recognised in the consolidated financial statements:

	2024 \$'000	2023 \$'000
Net assets of Leisure Ventures Pte Ltd and its subsidiaries	170,146	174,147
Proportion of the Group's ownership interest	50%	50%
Carrying amount of the Group's interest	85,073	87,074

Aggregate information of associates that are not individually material

	2024 \$'000	2023 \$'000
The Group's share of profit	5,710	2,318
The Group's share of other comprehensive income	673	245
The Group's share of total comprehensive income	6,383	2,563
Aggregate carrying amount of the Group's interests in these associates	96,908	88,648

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

36. JOINTLY CONTROLLED ENTITIES

Information relating to significant jointly controlled entities is as follows:

Jointly Controlled Entity	Principal Activity	Country of Incorporation / Place of Business	Group's Interest	
			2024 %	2023 %
Great Western Enterprises Ltd ⁽¹⁾	Investment holding company	Jersey	70	70

⁽¹⁾ Audited by overseas practices of Deloitte Touche Tohmatsu Limited.

Summarised financial information in respect of the Group's material jointly controlled entity is set out below. The summarised financial information below represents amounts shown in the jointly controlled entity's financial statements prepared in accordance with SFRS(I)s adjusted by the Group for equity accounting purposes.

Great Western Enterprises Ltd and its subsidiary

	2024 \$'000	2023 \$'000
Current assets	140,708	129,657
Non-current assets	1,045,104	1,011,519
Current liabilities	(54,850)	(733,224)
Non-current liabilities	(1,033,559)	(223,537)
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	28,205	32,562
Current financial liabilities (excluding trade and other payables and provisions)	(35,122)	(687,462)
Non-current financial liabilities (excluding trade and other payables and provisions)	(1,033,559)	(223,537)
Revenue	51,671	35,043
Loss for the year	(70,611)	(73,739)
Other comprehensive income for the year	3,001	9,463
Total comprehensive loss for the year	(67,610)	(64,276)
The above loss for the year include the following:		
Finance costs	(68,156)	(56,526)

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

36. JOINTLY CONTROLLED ENTITIES (CONT'D)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Great Western Enterprises Ltd and its subsidiary recognised in the consolidated financial statements:

	2024 \$'000	2023 \$'000
Net assets of Great Western Enterprises Ltd and its subsidiary	97,403	184,415
Proportion of the Group's ownership interest	70%	70%
Intercompany eliminations	(37,414)	(36,740)
Shareholder's advances	244,539	164,002
Carrying amount of the Group's interest	275,307	256,353

Aggregate information of jointly controlled entities that are not individually material

	2024 \$'000	2023 \$'000
The Group's share of (loss) profit for the year	(4,932)	8,419
The Group's share of other comprehensive (loss) income for the year	(9,946)	11,393
The Group's share of total comprehensive (loss) income for the year	(14,878)	19,812
Aggregate carrying amount of the Group's interests in these jointly controlled entities	63,109	64,303

37. SUBSEQUENT EVENT

Subsequent to year end, a wholly owned subsidiary of the Company has entered into a sale and purchase agreement with a third party to purchase the entire issued share capital of a New Zealand-incorporated company which owns a freehold property known as The Intercontinental Auckland for a total consideration of NZD 180 million (equivalent to SGD 138.5 million), subject to a net working capital adjustment to be finalised upon completion of the transaction.

**INTERIM FINANCIAL STATEMENTS OF THE ISSUER AND ITS SUBSIDIARIES FOR
HALF YEAR ENDED 30 JUNE 2025**

The information in this Appendix IV has been reproduced from the half year financial statements announcement of the Issuer for the financial half year ended 30 June 2025 and has not been specifically prepared for inclusion in this Information Memorandum.

HOTEL PROPERTIES LIMITED

(Registration No. 198000348Z)

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR HALF YEAR ENDED JUNE 30, 2025

HOTEL PROPERTIES LIMITED

INTERIM FINANCIAL STATEMENTS

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HOTEL PROPERTIES LIMITED

(REG. NO. 198000348Z)

CONDENSED INTERIM FINANCIAL STATEMENTS FOR HALF YEAR ENDED JUNE 30, 2025

SECTION 1 - CONDENSED INTERIM FINANCIAL STATEMENTS

A(i). Condensed Interim Consolidated Income Statement

	Note	GROUP \$'000	
		Half year ended Jun 30, 2025	Half year ended Jun 30, 2024
Revenue	4	378,439	347,297
Cost of sales		(293,280)	(265,041)
Gross profit		85,159	82,256
Other operating income		5,288	11,963
Administrative expenses ^(a)		(44,784)	(36,921)
Other operating expenses		(10,302)	(6,028)
Finance costs		(50,992)	(50,181)
Share of results of associates and jointly controlled entities		7,699	1,066
(Loss) Profit before income tax and fair value changes in investment properties		(7,932)	2,155
Net fair value gain in investment properties		27,324	-
Profit before income tax	5	19,392	2,155
Income tax expense	6	(7,934)	(5,615)
Profit (Loss) after income tax		11,458	(3,460)
Attributable to:			
Shareholders of the Company		11,440	(4,925)
Non-controlling interests		18	1,465
		11,458	(3,460)
Earnings (Loss) per ordinary share (Cents):			
- basic		1.34	(1.62)
- diluted		1.34	(1.62)

Basic earnings (loss) per ordinary share is calculated based on the Group net profit (loss) attributable to ordinary shareholders after deducting provision for distribution to perpetual capital securities holders divided by the weighted average number of ordinary shares in issue (excluding treasury shares) during the period.

Note:

- (a) The increase in Administrative expenses is mainly attributable to the opening of two new hotels, Four Seasons Hotel Osaka and The Boathouse Pulau Tioman in August and July 2024 respectively.

A(ii). Condensed Interim Consolidated Statement of Other Comprehensive Income

	GROUP \$'000	
	Half year ended Jun 30, 2025	Half year ended Jun 30, 2024
Profit (Loss) after income tax	11,458	(3,460)
Other comprehensive income (net of tax):		
<i>Item that will not be reclassified subsequently to profit or loss</i>		
Share of other comprehensive income (loss) of a jointly controlled entity	1,161	(7,973)
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange fluctuation and other reserves	(23,360)	1,174
Share of other comprehensive income of associates and jointly controlled entities	18,941	11,382
	(4,419)	12,556
Total comprehensive income	8,200	1,123
Attributable to:		
Shareholders of the Company	4,072	(1,393)
Non-controlling interests	4,128	2,516
	8,200	1,123

B. Condensed Interim Statements of Financial Position

	Note	GROUP \$'000		COMPANY \$'000	
		Jun 30, 2025	Dec 31, 2024	Jun 30, 2025	Dec 31, 2024
ASSETS					
Current assets:					
Cash and bank balances		96,420	131,308	9,460	48,621
Trade and other receivables ^(a)		69,034	113,211	7,411	5,811
Amount due from associates and jointly controlled entities		57,314	57,620	-	-
Amount due from subsidiaries		-	-	190,125	150,024
Inventories		15,127	16,982	90	113
Completed properties held for sale		7,558	7,655	-	-
Total current assets		245,453	326,776	207,086	204,569
Non-current assets:					
Associates and jointly controlled entities ^(b)		813,845	753,216	5,404	5,410
Subsidiaries		-	-	1,926,431	1,831,139
Investments	9	125,432	133,353	-	-
Property, plant and equipment	10	1,781,944	1,841,896	219,927	220,971
Investment properties	11	1,443,889	1,416,565	-	-
Long-term deposits and prepayment ^(a)		92,285	-	-	-
Deferred tax assets		3,469	3,296	-	-
Intangible assets		9,578	9,617	-	-
Total non-current assets		4,270,442	4,157,943	2,151,762	2,057,520
Total assets		4,515,895	4,484,719	2,358,848	2,262,089
LIABILITIES AND EQUITY					
Current liabilities:					
Short-term borrowings ^(c)	12	40,493	236,326	-	219,880
Trade and other payables ^(d)		147,852	175,150	15,305	17,509
Amount due to subsidiaries		-	-	9,221	7,191
Income tax payable		7,381	9,066	-	-
Total current liabilities		195,726	420,542	24,526	244,580
Non-current liabilities:					
Advances from subsidiaries		-	-	335,475	264,942
Long-term borrowings ^(c)	12	1,817,290	1,539,236	971,301	698,777
Long-term lease liabilities		99,755	105,977	-	-
Deferred tax liabilities		18,493	18,982	567	547
Total non-current liabilities		1,935,538	1,664,195	1,307,343	964,266
Share capital and reserves:					
Share capital	13	751,177	735,265	751,177	735,265
Treasury shares		(1,746)	(1,746)	(1,746)	(1,746)
Reserves		1,404,243	1,431,142	118,748	160,924
Equity attributable to shareholders of the Company		2,153,674	2,164,661	868,179	894,443
Perpetual capital securities		158,800	158,800	158,800	158,800
		2,312,474	2,323,461	1,026,979	1,053,243
Non-controlling interests		72,157	76,521	-	-
Total equity		2,384,631	2,399,982	1,026,979	1,053,243
Total liabilities and equity		4,515,895	4,484,719	2,358,848	2,262,089

Note:

- (a) The decrease in Trade and other receivables is primarily due to reclassification of deposit placed for collective sale of Concorde Hotel and Shopping Mall to Long-term deposits and prepayment upon approval from the Strata Titles Board. The increase in Long-term deposits and prepayment relates mainly to deposits placed for the collective sale of Concorde Hotel and Shopping Mall and other acquisitions.
- (b) The increase in Associates and jointly controlled entities is mainly attributable to further investment and advances during the period, including equity contribution and advances of approximately \$18.4 million to an associate and jointly controlled entities in which certain director and/or substantial shareholder are deemed to have interest and the joint venture partner contributed in proportion to its shareholding.
- (c) Short-term borrowings decreased mainly due to repayment of notes due in June 2025 and the increase in Long-term borrowings is mainly attributable to new notes issued.
- (d) Trade and other payables decreased mainly due to lower purchases and guest deposits received.

C. Condensed Interim Statements of Changes in Equity

	Share capital \$'000	Treasury shares \$'000	Retained profits \$'000	Other reserves* \$'000	Share-holders' equity \$'000	Perpetual capital securities \$'000	Subtotal \$'000	Non-controlling interests \$'000	Total equity \$'000
GROUP									
Balance as at Jan 1, 2024	726,780	(1,746)	1,528,083	(99,261)	2,153,856	159,214	2,313,070	84,364	2,397,434
Total comprehensive income (loss) for the period									
(Loss) Profit for the period	-	-	(4,925)	-	(4,925)	-	(4,925)	1,465	(3,460)
Other comprehensive income for the period	-	-	1,154	2,378	3,532	-	3,532	1,051	4,583
Total	-	-	(3,771)	2,378	(1,393)	-	(1,393)	2,516	1,123
Transactions with owners, recognised directly in equity									
Dividends	-	-	(31,366)	-	(31,366)	-	(31,366)	-	(31,366)
Net movement during the period	-	-	(2)	(3,508)	(3,510)	-	(3,510)	6,742	3,232
Issue of shares	6,917	-	-	(1,342)	5,575	-	5,575	-	5,575
Total	6,917	-	(31,368)	(4,850)	(29,301)	-	(29,301)	6,742	(22,559)
Distribution to perpetual capital securities holders	-	-	(3,530)	-	(3,530)	-	(3,530)	-	(3,530)
Balance as at Jun 30, 2024	733,697	(1,746)	1,489,414	(101,733)	2,119,632	159,214	2,278,846	93,622	2,372,468
Balance as at Jan 1, 2025	735,265	(1,746)	1,517,686	(86,544)	2,164,661	158,800	2,323,461	76,521	2,399,982
Total comprehensive income (loss) for the period									
Profit for the period	-	-	11,440	-	11,440	-	11,440	18	11,458
Other comprehensive income (loss) for the period	-	-	(2,709)	(4,659)	(7,368)	-	(7,368)	4,110	(3,258)
Total	-	-	8,731	(4,659)	4,072	-	4,072	4,128	8,200
Transactions with owners, recognised directly in equity									
Dividends	-	-	(21,093)	-	(21,093)	-	(21,093)	-	(21,093)
Net movement during the period	-	-	(118)	(2,785)	(2,903)	-	(2,903)	(8,492)	(11,395)
Issue of shares	15,912	-	-	(2,587)	13,325	-	13,325	-	13,325
Total	15,912	-	(21,211)	(5,372)	(10,671)	-	(10,671)	(8,492)	(19,163)
Distribution to perpetual capital securities holders	-	-	(4,388)	-	(4,388)	-	(4,388)	-	(4,388)
Balance as at Jun 30, 2025	751,177	(1,746)	1,500,818	(96,575)	2,153,674	158,800	2,312,474	72,157	2,384,631

* Includes exchange fluctuation reserve, hedge reserve, option reserve and other capital reserve.

C. Condensed Interim Statements of Changes in Equity (cont'd)

	Share capital \$'000	Treasury shares \$'000	Retained profits \$'000	Option reserve \$'000	Shareholders' equity \$'000	Perpetual capital securities \$'000	Total equity \$'000
COMPANY							
Balance as at Jan 1, 2024	726,780	(1,746)	150,386	10,688	886,108	159,214	1,045,322
Total comprehensive loss for the period							
Loss for the period	-	-	(17,000)	-	(17,000)	-	(17,000)
Total	-	-	(17,000)	-	(17,000)	-	(17,000)
Transactions with owners, recognised directly in equity							
Dividends	-	-	(31,366)	-	(31,366)	-	(31,366)
Issue of shares	6,917	-	-	(1,342)	5,575	-	5,575
Total	6,917	-	(31,366)	(1,342)	(25,791)	-	(25,791)
Distribution to perpetual capital securities holders	-	-	(3,530)	-	(3,530)	-	(3,530)
Balance as at Jun 30, 2024	733,697	(1,746)	98,490	9,346	839,787	159,214	999,001
Balance as at Jan 1, 2025	735,265	(1,746)	151,850	9,074	894,443	158,800	1,053,243
Total comprehensive loss for the period							
Loss for the period	-	-	(14,108)	-	(14,108)	-	(14,108)
Total	-	-	(14,108)	-	(14,108)	-	(14,108)
Transactions with owners, recognised directly in equity							
Dividends	-	-	(21,093)	-	(21,093)	-	(21,093)
Issue of shares	15,912	-	-	(2,587)	13,325	-	13,325
Total	15,912	-	(21,093)	(2,587)	(7,768)	-	(7,768)
Distribution to perpetual capital securities holders	-	-	(4,388)	-	(4,388)	-	(4,388)
Balance as at Jun 30, 2025	751,177	(1,746)	112,261	6,487	868,179	158,800	1,026,979

D. Condensed Interim Consolidated Statement of Cash Flows

	Note	Half year ended Jun 30, 2025 \$'000	Half year ended Jun 30, 2024 \$'000
Cash flows from operating activities:			
Profit before income tax and share of results of associates and jointly controlled entities		11,693	1,089
Adjustments for:			
Amortisation of intangible assets		27	26
Depreciation expense		46,450	41,677
Net fair value gain in investment properties		(27,324)	-
Net fair value loss (gain) in investments	5	9,298	(5,513)
Net (gain) loss on disposal of property, plant and equipment	5	(65)	29
Finance costs		50,992	50,181
Interest income	5	(421)	(2,506)
Dividend income	5	(3,750)	(3,227)
Profit before working capital changes		86,900	81,756
Trade and other payables		(20,834)	(26,941)
Trade and other receivables		9,040	6,014
Inventories		997	527
Cash generated from operations		76,103	61,356
Dividend received		3,750	3,227
Income tax paid		(9,619)	(7,785)
Net cash from operating activities		70,234	56,798
Cash flows used in investing activities:			
Additional property, plant and equipment and right-of-use asset		(39,815)	(125,974)
Net additional investments		(2,071)	(1,606)
Additional long-term deposits and prepayment		(58,496)	-
Net investment in associates and jointly controlled entities		(34,489)	(63,324)
Proceeds from disposal of property, plant and equipment		343	275
Net cash used in investing activities		(134,528)	(190,629)
Cash flows from financing activities:			
Interest received		421	2,506
Finance costs paid		(47,712)	(44,753)
Repayment of lease liabilities		(1,310)	(1,244)
Dividend paid	7	(21,093)	(31,366)
Distribution to perpetual capital securities holders		(4,388)	(3,530)
Net (payment to) receipt from non-controlling shareholders		(2,219)	6,184
Additional borrowings		372,775	308,869
Repayment of borrowings		(280,682)	(102,224)
Decrease in deposits under pledge to bank		231	3,377
Proceeds from issue of shares		13,325	5,575
Net cash from financing activities		29,348	143,394
Net (decrease) increase in cash and cash equivalents		(34,946)	9,563
Cash and cash equivalents at beginning of period		128,660	91,077
Effect of exchange rate changes on cash balances held in foreign currencies		172	325
Cash and cash equivalents at end of period		93,886	100,965

Cash and cash equivalents at end of period

The cash and cash equivalents as at June 30, 2025, for the purposes of Consolidated Statement of Cash Flows, comprise of cash and bank balances less deposits under pledge to banks of \$2,534,000 (June 30, 2024: \$2,670,000).

E. Notes to the Condensed Interim Financial Statements

1. Corporate Information

Hotel Properties Limited (“The Company”) is incorporated in Singapore and listed on the Singapore Exchange Securities Trading Limited. The principal business activities of the Group are those of hotel ownership, management and operation, property development and investment holding.

2. Basis of Preparation

The condensed interim financial statements for the half year ended June 30, 2025, have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended December 31, 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards that are mandatory for financial years beginning on or after January 1, 2025. The adoption of these revised SFRS(I)s and amendments has no significant impact to the Group.

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

2.1. Use of Judgements and Estimates

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

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended December 31, 2024.

3. Segment Information

The segment information of the Group is organised into the following reportable segments:

Hotels

These refer mainly to the operations of the hotels and the shopping galleries of the Group as well as the provision of hotel management services. Income is derived mainly from the rental of rooms and shop units, sale of food and beverage and management fee.

Properties

These refer to the rental and sale operations on residential properties and commercial units. Sales and profit from the condominium development projects in Singapore are recognised based on percentage of completion method, and those from overseas projects are recognised based on completion of construction method.

Others

These refer to distribution and retail operations, activities on quoted and unquoted investments and others.

3. Segment Information (cont'd)

Information by business segment

Half Year ended June 30, 2025

	Hotels \$'000	Properties \$'000	Others \$'000	Elimination \$'000	Consolidated \$'000
REVENUE					
External sales	366,939	11,497	3	-	378,439
Inter-segment sales	-	173	-	(173)	-
Total revenue	366,939	11,670	3	(173)	378,439
RESULTS					
Profit (Loss) before interest and tax	39,545	946	(5,551)	-	34,940
Finance costs					(50,992)
Interest income					421
Share of results of associates and jointly controlled entities	194	9,309	(1,804)	-	7,699
Loss before fair value changes					(7,932)
Fair value changes in investment properties		27,324			27,324
Profit before income tax					19,392
Income tax expense					(7,934)
Non-controlling interests					(18)
Profit attributable to shareholders of the Company					11,440
Segment assets	1,924,785	1,570,255	125,809	-	3,620,849
Investment in equity accounted investees	253,286	605,162	12,711	-	871,159
Unallocated corporate assets					23,887
Consolidated total assets					4,515,895
Segment liabilities	238,551	8,410	353	-	247,314
Unallocated corporate liabilities					1,883,950
Consolidated total liabilities					2,131,264

Half Year ended June 30, 2024

	Hotels \$'000	Properties \$'000	Others \$'000	Elimination \$'000	Consolidated \$'000
REVENUE					
External sales	335,668	11,626	3	-	347,297
Inter-segment sales	-	173	-	(173)	-
Total revenue	335,668	11,799	3	(173)	347,297
RESULTS					
Profit before interest and tax	38,477	1,573	8,714	-	48,764
Finance costs					(50,181)
Interest income					2,506
Share of results of associates and jointly controlled entities	(1,334)	3,209	(809)	-	1,066
Profit before income tax					2,155
Income tax expense					(5,615)
Non-controlling interests					(1,465)
Loss attributable to shareholders of the Company					(4,925)
Segment assets	1,904,264	1,373,067	232,313	-	3,509,644
Investment in equity accounted investees	244,886	577,458	538	-	822,882
Unallocated corporate assets					42,618
Consolidated total assets					4,375,144
Segment liabilities	235,158	9,036	324	-	244,518
Unallocated corporate liabilities					1,758,158
Consolidated total liabilities					2,002,676

4. Revenue

	GROUP \$'000	
	Half year ended Jun 30, 2025	Half year ended Jun 30, 2024
Hotel revenue	366,198	334,744
Rental income	11,128	11,273
Management fee	1,113	1,280
Total	378,439	347,297

Hotel room revenue is recognised at a point in time based on room occupancy while other hotel revenue are recognised at a point in time when the goods are delivered or the services are rendered to the customers.

Management fee income is recognised when services are rendered over the contractual period.

5. Profit Before Income Tax

The following items have been included in arriving at profit before income tax:

	GROUP \$'000	
	Half year ended Jun 30, 2025	Half year ended Jun 30, 2024
Dividend income*	3,750	3,227
Interest income*	421	2,506
Depreciation and amortisation**	(46,477)	(41,703)
Net allowance for doubtful trade receivables*	(37)	(228)
Net fair value (loss) gain in investments*	(9,298)	5,513
Net foreign exchange (loss) gain*	(744)	331
Net adjustment for (under) over provision of tax in respect of prior years	(658)	1,578
Net gain (loss) on disposal of property, plant and equipment*	65	(29)
Pre-opening expenses incurred for new hotels*	-	(5,570)

Note:

* Included in Other operating income (expenses).

** Included in Cost of sales.

5.1. Related Party Transactions

Significant related party transactions during the period, other than those disclosed elsewhere in the financial statements, are as follows:

	GROUP \$'000	
	Half year ended Jun 30, 2025	Half year ended Jun 30, 2024
Transactions with companies in which certain director and/or substantial shareholder are deemed to have interests:		
Management fee and other expense	(979)	(959)
Management fee income	751	919
Hotel revenue and rental income	2,447	2,586
Transactions with associates:		
Management fee income	363	361

6. Income Tax Expense

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

	GROUP \$'000	
	Half year ended Jun 30, 2025	Half year ended Jun 30, 2024
Current tax	(7,516)	(7,491)
Deferred tax	240	298
	(7,276)	(7,193)
(Under) Over provision of tax in respect of prior years	(658)	1,578
	(7,934)	(5,615)

7. Dividends

	GROUP \$'000	
	Half year ended Jun 30, 2025	Half year ended Jun 30, 2024
Ordinary dividends paid:		
First and final one-tier tax exempt dividend of 4 cents per share (2024: First and final one-tier tax exempt dividend of 4 cents per share and a one-tier tax exempt special dividend of 2 cents per share)	21,093	31,366

8. Net Asset Value

	Jun 30, 2025	Dec 31, 2024
Group	\$4.08	\$4.14
Company	\$1.64	\$1.71

Net asset value per ordinary share is calculated based on net assets excluding perpetual capital securities that is attributable to the ordinary shareholders divided by the number of issued shares (excluding treasury shares) of the Company.

9. Financial Assets Measured at Fair Value

	GROUP \$'000	
	Jun 30, 2025	Dec 31, 2024
Financial assets measured at FVTPL	125,432	133,353

Financial Value Measurement

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The table below analyses financial instrument carried at fair value, by valuation method.

	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Group - Jun 30, 2025				
<i>Financial assets</i>				
Investments	125,432	20,588	-	*104,844
Group - Dec 31, 2024				
<i>Financial assets</i>				
Investments	133,353	23,247	-	*110,106

*The key unobservable input used to determine this fair value is the net asset value. The higher the net asset value, the higher the fair value of the investments.

Reconciliation of level 3 fair value measurements:

	GROUP \$'000	
	Jun 30, 2025	Dec 31, 2024
<i>Unquoted investments:</i>		
Opening balance	110,106	121,673
Total net fair value loss in profit or loss	(7,333)	(10,998)
Net purchases (repayment)	2,071	(569)
Closing balance	104,844	110,106

Financial liabilities

As at June 30, 2025, the carrying amount of certain notes payable and other long-term liabilities which bear fixed interest rates was \$836,425,000 and their fair value was \$843,045,000 (December 31, 2024: \$837,613,000 and \$823,022,000 respectively).

10. Property, Plant and Equipment

During the half year ended June 30, 2025, the Group acquired assets amounting to \$39,815,000 (June 30, 2024: \$125,974,000) and disposed of assets with net book value amounting to \$278,000 (June 30, 2024: \$304,000).

As at June 30, 2025, commitments for purchase of property, plant and equipment contracted but not provided for amounted to \$39,949,000 (December 31, 2024: \$36,013,000).

11. Investment Properties

Valuation

As at June 30, 2025, the Group has assessed that the fair value of its investment properties approximates the fair value as at December 31, 2024, except for the shop units at Concorde Shopping Mall which approximates the sale value for the collective sale. The fair value of the investment properties at December 31, 2024, which represents their highest and best use, has been determined on the basis of valuation carried out at the year end date by independent valuers having an appropriate recognised professional qualification based on direct comparison method that reflects prevailing property market conditions and redevelopment opportunities as at this date. The Group has assessed that the key inputs and assumptions used by the valuer for valuation date December 31, 2024, remain applicable and reasonable as at June 30, 2025.

The Group considers certain unobservable inputs used by the independent valuers in determining the fair value measurement of the Group's investment properties as sensitive to the fair value measurement. A change in these inputs will have a corresponding change in the fair valuation.

12. Borrowings

Aggregate Amount of Group's Borrowings and Debt Securities

Amount repayable in one year or less, or on demand

As at Jun 30, 2025		As at Dec 31, 2024	
Secured	Unsecured	Secured	Unsecured
\$40,493,000	-	\$16,446,000	219,880,000

Amount repayable after one year

As at Jun 30, 2025		As at Dec 31, 2024	
Secured	Unsecured	Secured	Unsecured
\$981,138,000	\$836,152,000	\$921,890,000	\$617,346,000

Details of any collateral

The above are secured by legal mortgages on properties of the Company and some subsidiaries, fixed and floating charges on assets of the Company and some subsidiaries and pledge of shares of certain subsidiaries.

13. Share Capital

13.1. Details of Any Changes in Company's Issued Share Capital

The Company issued 4,375,000 new ordinary shares for the current half year under review upon exercise of subscription rights by senior executives of the Company granted in conjunction with the Hotel Properties Limited Share Option Scheme 2010.

The newly issued shares rank pari passu in all respects with the existing shares of the Company.

As at June 30, 2025, the number of outstanding share options under the Company's Share Option Scheme was 9,150,000 (as at June 30, 2024: 16,625,000).

As at June 30, 2025, the Company held 515,300 (as at June 30, 2024: 515,300) treasury shares which represents 0.1% (as at June 30, 2024: 0.1%) of the total number of issued shares (excluding treasury shares).

13.2. Total Number of Issued Shares

	Jun 30, 2025	Dec 31, 2024
Total number of issued shares	528,340,251	523,965,251
Treasury shares	(515,300)	(515,300)
Total number of issued shares excluding treasury shares	527,824,951	523,449,951

13.3. Statement Showing All Sales, Transfers, Cancellation and/or Use of Treasury Shares

Not applicable. There were no sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

13.4. Statement Showing All Sales, Transfers, Cancellation and/or Use of Subsidiary Holdings

Not applicable. There is no subsidiary holdings as at the end of the current financial period reported on.

14. Subsequent Event

Subsequent to the period ended June 30, 2025, the collective sale of Concorde Hotel and Shopping Mall was completed on August 11, 2025, at the price of \$821 million. The Group already owns approximately 95.4% of the strata area of the property for many years. The acquisition of the remaining strata area is at a consideration of approximately \$74.84 million.

SECTION 2 - OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

1. Audit Statement

The condensed interim consolidated statement of financial position of the Group as at June 30, 2025, and the related condensed interim consolidated income statement and statement of other comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows for the half year then ended and the notes to the condensed interim financial statements have not been audited or reviewed.

2. Review of Performance

For the half year ended June 30, 2025, the Group recorded a revenue of \$378.4 million, which is 9.0% higher than the \$347.3 million recorded for the corresponding period last year. Gross profit also increased from \$82.3 million for 1H 24 to \$85.2 million for the half year under review. The increase was mainly attributable to the opening of Four Seasons Hotel Osaka in August last year.

The Group generated an operating profit before share of results of associates and jointly controlled entities, depreciation, amortisation, fair value changes and finance cost of \$86.9 million for the half year under review, which is 6.3% higher than the \$81.8 million recorded for the corresponding period last year.

For the half year ended June 30, 2025, the Group recorded a mark-to-market fair value loss on long term investments of \$9.3 million compared to a gain of \$5.5 million for the corresponding period last year. Finance cost increased slightly from \$50.2 million for first half 2024 to \$51.0 million for the half year under review due to higher borrowings.

The Group's share of profits of associates and jointly controlled entities improved from \$1.1 million for the first half of 2024 to \$7.7 million for the half year under review mainly due to share of a gain recorded by Paddington Square, London upon a favourable settlement of disputes with certain tenant.

The Group has received approval from the Strata Title Board to proceed with the acquisition of the entire strata area of Concorde Hotel & Shopping Mall in Singapore and the acquisition was completed on August 11, 2025. The shop units which are held as Investment Properties have been fair valued at the sale value as per the sale contract resulting in a fair value gain of \$27.3 million.

For the half year ended June 30, 2025, the Group recorded a profit before tax of \$19.4 million compared to \$2.2 million for the corresponding period last year. After accounting for income tax and non-controlling interests, Group net profit attributable to shareholders for the half year ended June 30, 2025 was \$11.4 million compared to a net loss of \$4.9 million for the corresponding period last year.

3. Variance from Previous Forecast or Prospect Statement

Not applicable.

4. 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.

Global economic conditions remain clouded due to geopolitical trade tensions and ongoing conflicts. This may dampen consumer sentiment and confidence resulting in more cautious spending. While central banks continue to adjust interest rates based on a range of economic indicators, the prevailing trajectory remains downward.

Update on Redevelopment of The Forum, voco Orchard Singapore and HPL House ("the Properties"):

The Group has appointed Rogers Stirk Harbour + Partners ("RSHP") and DP Architects ("DPA") architects for the redevelopment of the Properties. RSHP is an internationally acclaimed architecture practice headquartered in London, renowned for its collaborative approach and commitment to public spaces and environmental responsibility. RSHP has designed some of the world's most iconic and transformative buildings across Europe, Asia, North America, and beyond. DPA, on the other hand, is one of Asia's most prominent architectural firms, headquartered in Singapore, with a strong presence across the globe. Landmark Projects by DP Architects include The Esplanade – Theatres on the Bay (Singapore) – Singapore's iconic waterfront arts centre, and Dubai Mall (Dubai, UAE) – One of the world's largest and most visited malls, combining luxury retail and immersive experiences.

RSHP and DPA are scheduled to submit the revised redevelopment plans by August 24, 2025, in response to the Grant of Provisional Permission issued by the relevant authorities. This submission will include comprehensive Building Information Modelling (BIM) data to support the planning review and coordination process.

This submission follows a series of continued consultations and collaborative engagements with the agency to refine and adjust the proposed development areas. These adjustments aim to align the project more closely with prevailing market conditions and regulatory expectations.

The Group remains committed to ensuring the redevelopment meets high standards of planning, design, and functionality. With this submission, the Group looks forward to securing the final approval, which will mark a significant milestone in advancing the transformation of these key properties.

5. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? None

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

6. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision

It is not the Company's practice to declare/recommend an interim dividend.

7. Interested Person Transactions ("IPT")

The Group has not obtained a general mandate from shareholders for IPTs.

8. Review of Performance by Business Segments

Please refer to Section 2 paragraph 2 above.

9. Negative Assurance Confirmation pursuant to Rule 705(5) of the Listing Manual

The Board confirms that, to the best of its knowledge, nothing has come to the attention of the Board which may render the unaudited financial statements for the half year ended June 30, 2025, to be false or misleading in any material respect.

10. Confirmation pursuant to Rule 720(1) of the Listing Manual

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

BY ORDER OF THE BOARD

Joanna Lim Lan Sim
Company Secretary
August 14, 2025

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***To the Trustee, the Issuing and Paying Agent, the Non-CDP Paying Agent, the Calculation Agent,
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