

Ho Bee Land Limited and its subsidiaries
Registration Number: 198702381M

Condensed Interim Financial Statements
For the Second Half and Financial Year Ended
31 December 2021

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A. Condensed interim consolidated income statement

	Note	Group 6 months ended 31 st Dec			Group Full year ended 31 st Dec		
		2021 \$'000	2020 \$'000	Change %	2021 \$'000	2020 \$'000	Change %
Revenue	3	190,413	108,346	75.7	347,693	215,681	61.2
Other income	4	38,519	2,397	NM	40,197	3,875	NM
Total income		228,932	110,743	106.7	387,890	219,556	76.7
Fair value gain/(loss) on investment properties	7	56,825	(32,792)	NM	53,106	(32,792)	NM
Cost of sales – residential development projects		(67,906)	(1,530)	NM	(104,316)	(1,530)	NM
Direct rental expenses		(8,901)	(8,789)	1.3	(18,351)	(16,094)	14.0
(Loss)/gain on foreign exchange		(4,542)	9,809	NM	(5,764)	15,547	(137.1)
Staff costs & directors' remuneration		(10,104)	(7,380)	36.9	(21,098)	(17,748)	18.9
Other operating expenses		(5,534)	(5,230)	5.8	(9,625)	(8,861)	8.6
Profit from operating activities		188,770	64,831	191.2	281,842	158,078	78.3
Net finance costs	4	(20,388)	(19,723)	3.4	(39,789)	(42,835)	(7.1)
Share of profits/(losses), net of tax, of:							
- associates		33,394	21,877	52.6	44,217	53,203	(16.9)
- jointly-controlled entities		21,352	(747)	NM	71,308	2,238	NM
Profit before income tax	4	223,128	66,238	236.9	357,578	170,684	109.5
Income tax credit/(expense)	5(a)	2,312	(15,324)	NM	(17,569)	(29,029)	(39.5)
Profit for the period/year		225,440	50,914	342.8	340,009	141,655	140.0
Profit attributable to:							
Owners of the Company		224,984	46,455	384.3	330,512	137,065	141.1
Non-controlling interests		456	4,459	(89.8)	9,497	4,590	106.9
Profit for the period/year		225,440	50,914	342.8	340,009	141,655	140.0
Earnings per share							
Basic earnings per share (cents)	13	33.88	6.99	384.7	49.77	20.62	141.4
Diluted earnings per share (cents)	13	33.88	6.99	384.7	49.77	20.62	141.4

NM : Not Meaningful

B. Condensed interim consolidated statement of comprehensive income

	Group 6 months ended 31 st Dec		Change %	Group Full year ended 31 st Dec		Change %
	2021 \$'000	2020 \$'000		2021 \$'000	2020 \$'000	
Profit for the period/year	<u>225,440</u>	<u>50,914</u>	342.8	<u>340,009</u>	<u>141,655</u>	140.0
Items that are or may be reclassified subsequently to profit or loss:						
Effective portion of changes in fair value of cash flow hedges	6,670	1,774	276.0	18,657	(18,270)	NM
Foreign currency translation differences relating to foreign operations	(9,449)	17,140	NM	6,213	7,613	(18.4)
Net (loss)/gain on hedges of net investment in foreign operations	(3,239)	7,507	NM	1,628	2,696	(39.6)
Share of foreign currency translation differences of equity-accounted investees	<u>2,743</u>	<u>13,404</u>	(79.5)	<u>15,276</u>	<u>23,236</u>	(34.3)
Total other comprehensive income for the period/year, net of income tax	<u>(3,275)</u>	<u>39,825</u>	NM	<u>41,774</u>	<u>15,275</u>	173.5
Total comprehensive income for the period/year	<u><u>222,165</u></u>	<u><u>90,739</u></u>	144.8	<u><u>381,783</u></u>	<u><u>156,930</u></u>	143.3
Attributable to:						
Owners of the Company	221,423	87,149	154.1	371,590	152,715	143.3
Non-controlling interests	<u>742</u>	<u>3,590</u>	(79.3)	<u>10,193</u>	<u>4,215</u>	141.8
Total comprehensive income for the period/year	<u><u>222,165</u></u>	<u><u>90,739</u></u>	144.8	<u><u>381,783</u></u>	<u><u>156,930</u></u>	143.3

NM : Not Meaningful

C. Condensed interim statements of financial position

	Note	Group		Company	
		31.12.2021 \$'000	31.12.2020 \$'000	31.12.2021 \$'000	31.12.2020 \$'000
Non-current assets					
Property, plant and equipment	6	44,508	43,526	2,654	3,494
Investment properties	7	4,952,993	4,629,845	–	–
Deposit for land premium	7	–	55,900	–	–
Subsidiaries		–	–	181,637	181,535
Associates		369,545	414,050	129,997	233,270
Jointly-controlled entities		395,501	315,011	252,688	231,266
Other assets		150	150	–	–
Financial assets	8.1	231,358	174,508	225,833	174,086
Other receivables		176,152	252,528	1,178,604	1,063,780
Deferred tax assets		142	112	–	–
		6,170,349	5,885,630	1,971,413	1,887,431
Current assets					
Development properties	10	322,147	267,458	–	–
Trade and other receivables		124,406	54,431	19,060	17,053
Cash and cash equivalents		123,415	118,739	56,249	47,712
		569,968	440,628	75,309	64,765
Total assets		6,740,317	6,326,258	2,046,722	1,952,196
Equity attributable to equity holders of the Company					
Share capital	12	156,048	156,048	156,048	156,048
Reserves		3,773,269	3,468,081	1,838,309	1,726,785
		3,929,317	3,624,129	1,994,357	1,882,833
Non-controlling interests		20,334	16,541	–	–
Total equity		3,949,651	3,640,670	1,994,357	1,882,833
Non-current liabilities					
Loans and borrowings	9	1,802,721	1,995,634	972	2,113
Other liabilities		29,976	32,295	–	–
Deferred income		42,683	44,594	–	–
Deferred tax liabilities		26,099	19,053	–	–
		1,901,479	2,091,576	972	2,113
Current liabilities					
Trade and other payables		91,755	90,385	16,632	31,546
Loans and borrowings	9	743,038	433,901	34,500	34,460
Deferred income		1,671	1,671	–	–
Current tax payable	5(b)	52,723	68,055	261	1,244
		889,187	594,012	51,393	67,250
Total liabilities		2,790,666	2,685,588	52,365	69,363
Total equity and liabilities		6,740,317	6,326,258	2,046,722	1,952,196

D. Condensed interim statements of changes in equity

Group	-----<----- Attributable to owners of the Company ----->-----								
	Share capital \$'000	Reserve for own shares \$'000	Capital reserve \$'000	Hedging reserve \$'000	Foreign currency translation reserve \$'000	Retained earnings \$'000	Total \$'000	Non- controlling interests \$'000	Total equity \$'000
At 1 January 2020	156,048	(65,079)	791	(15,230)	(48,645)	3,512,769	3,540,654	12,476	3,553,130
Total comprehensive income for the year									
Profit for the year	–	–	–	–	–	137,065	137,065	4,590	141,655
Other comprehensive income									
Effective portion of changes in fair value of cash flow hedges	–	–	–	(18,270)	–	–	(18,270)	–	(18,270)
Foreign currency translation differences relating to foreign operations	–	–	–	–	7,988	–	7,988	(375)	7,613
Net gain on hedge of net investment in foreign operations	–	–	–	–	2,696	–	2,696	–	2,696
Share of foreign currency translation differences of equity-accounted investees	–	–	–	–	23,236	–	23,236	–	23,236
Total other comprehensive income	–	–	–	(18,270)	33,920	–	15,650	(375)	15,275
Total comprehensive income for the year	–	–	–	(18,270)	33,920	137,065	152,715	4,215	156,930
Transactions with owners of the Company, recognised directly in equity									
Distributions to owners of the Company									
Dividend paid to non-controlling shareholder	–	–	–	–	–	–	–	(150)	(150)
Final tax-exempt dividend paid of 8 cents and special dividend of 2 cents per share in respect of 2019	–	–	–	–	–	(66,523)	(66,523)	–	(66,523)
Purchase of treasury shares	–	(2,717)	–	–	–	–	(2,717)	–	(2,717)
Total distributions to owners of the Company	–	(2,717)	–	–	–	(66,523)	(69,240)	(150)	(69,390)
At 31 December 2020	156,048	(67,796)	791	(33,500)	(14,725)	3,583,311	3,624,129	16,541	3,640,670

D. Condensed interim statements of changes in equity (cont'd)

Group	<----- Attributable to owners of the Company ----->						Total \$'000	Non- controlling interests \$'000	Total equity \$'000
	Share capital \$'000	Reserve for own shares \$'000	Capital reserve \$'000	Hedging reserve \$'000	Foreign currency translation reserve \$'000	Retained earnings \$'000			
At 1 January 2021	156,048	(67,796)	791	(33,500)	(14,725)	3,583,311	3,624,129	16,541	3,640,670
Total comprehensive income for the year									
Profit for the year	–	–	–	–	–	330,512	330,512	9,497	340,009
Other comprehensive income									
Effective portion of changes in fair value of cash flow hedges	–	–	–	18,657	–	–	18,657	–	18,657
Foreign currency translation differences relating to foreign operations	–	–	–	–	5,517	–	5,517	696	6,213
Net gain on hedge of net investment in foreign operations	–	–	–	–	1,628	–	1,628	–	1,628
Share of foreign currency translation differences of equity-accounted investees	–	–	–	–	15,276	–	15,276	–	15,276
Total other comprehensive income	–	–	–	18,657	22,421	–	41,078	696	41,774
Total comprehensive income for the year	–	–	–	18,657	22,421	330,512	371,590	10,193	381,783
Transactions with owners of the Company, recognised directly in equity									
Distributions to owners of the Company									
Dividend paid to non-controlling shareholder	–	–	–	–	–	–	–	(6,400)	(6,400)
Final tax-exempt dividend paid of 8 cents and special dividend of 2 cents per share in respect of 2020	–	–	–	–	–	(66,402)	(66,402)	–	(66,402)
Total distributions to owners of the Company	–	–	–	–	–	(66,402)	(66,402)	(6,400)	(72,802)
At 31 December 2021	156,048	(67,796)	791	(14,843)	7,696	3,847,421	3,929,317	20,334	3,949,651

D. Condensed interim statements of changes in equity (cont'd)

Company	Share capital \$'000	Reserve for own shares \$'000	Retained earnings \$'000	Total equity \$'000
At 1 January 2020	156,048	(65,079)	1,645,613	1,736,582
Total comprehensive income for the year	–	–	215,491	215,491
Dividends paid	–	–	(66,523)	(66,523)
Purchase of treasury shares	–	(2,717)	–	(2,717)
At 31 December 2020	156,048	(67,796)	1,794,581	1,882,833
	Share capital \$'000	Reserve for own shares \$'000	Retained earnings \$'000	Total equity \$'000
At 1 January 2021	156,048	(67,796)	1,794,581	1,882,833
Total comprehensive income for the year	–	–	177,926	177,926
Dividends paid	–	–	(66,402)	(66,402)
At 31 December 2021	156,048	(67,796)	1,906,105	1,994,357

E. Condensed interim consolidated statement of cash flows

	Note	Group		Group	
		6 months ended 31 st Dec	6 months ended 31 st Dec	Full Year ended 31 st Dec	Full Year ended 31 st Dec
		2021	2020	2021	2020
		\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Profit for the period/year		225,440	50,914	340,009	141,655
Adjustments for:					
Depreciation of property, plant and equipment and right-of-use assets	4	623	397	1,045	776
Write down to net realisable value of properties held for sale		–	536	–	536
Gain on disposal of property, plant and equipment		–	–	(17)	–
Unrealised exchange loss/(gain)		5,479	(8,499)	6,774	(12,225)
Interest income		(370)	(886)	(1,965)	(2,149)
(Reversal of impairment loss)/impairment loss on trade receivables		(192)	584	273	584
Dividend income from investment designated at FVTPL		(105)	–	(119)	(13)
Distribution income from financial assets designated at FVTPL		(21)	(112)	(67)	(113)
Finance costs		20,758	20,609	41,754	44,984
Net changes in fair value of investment properties		(56,825)	32,792	(53,106)	32,792
Net changes in fair value of financial assets designated at FVTPL		(37,349)	107	(37,726)	66
Share of (profits)/losses of:					
- associates		(33,393)	(21,877)	(44,217)	(53,203)
- jointly-controlled entities		(21,353)	747	(71,308)	(2,238)
Income tax (credit)/expense	5	(2,312)	15,324	17,569	29,029
		100,380	90,636	198,899	180,481
Changes in:					
Development properties		(69,786)	(10,791)	(58,949)	(34,407)
Trade and other receivables		(56,021)	(14,847)	(50,441)	(23,372)
Trade and other payables		32,219	8,568	15,410	5,853
Cash generated from operations		6,792	73,566	104,919	128,555
Income taxes paid		(24,532)	(3,394)	(50,756)	(18,704)
Net cash (used in)/generated from operating activities		(17,740)	70,172	54,163	109,851
Cash flows from investing activities					
Purchase of property, plant and equipment		(1,654)	(384)	(2,318)	(9,085)
Proceeds from sale of property, plant and equipment		–	14	157	14
Interest received		370	886	707	2,149
Dividends received from:					
- investment designated at FVTPL		105	–	119	13
- equity-accounted investee		–	–	–	21,536
Investment in jointly-controlled entities		(5,597)	(691)	(10,355)	(1,298)
Investment in associates		(3,101)	–	(3,101)	–
Distribution from associates (capital reduction)		102,454	78,887	110,689	78,887
Repayment from jointly-controlled entities (non-trade)		64,866	739	77,709	4,335

E. Condensed interim consolidated statement of cash flows (cont'd)

Note	Group		Group	
	6 months ended 31 st Dec	2020	Full Year ended 31 st Dec	2020
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Additions to investment properties/capital expenditure	(8,782)	(5,878)	(184,482)	(12,591)
Deposit for land premium	–	–	–	(55,900)
Purchase of financial assets designated at FVTPL	(13,131)	(14,017)	(32,550)	(59,977)
Redemption of financial assets designated at FVTPL	1,602	–	1,602	–
Distributions from financial assets designated at FVTPL	32	110	170	232
Net cash generated from/(used in) investing activities	137,164	(59,666)	(41,653)	(31,685)
Cash flows from financing activities				
Proceeds from bank loans	190,646	14,679	398,208	182,009
Repayment of bank loans	(230,049)	(94,336)	(291,664)	(220,424)
Payment of lease liability	(30)	(7)	(48)	(7)
Interest paid	(20,758)	(20,609)	(41,754)	(44,984)
Purchase of treasury shares	–	(2,717)	–	(2,717)
Dividends paid	–	–	(66,402)	(66,523)
Dividend paid to non-controlling shareholder	(5,300)	–	(6,400)	(150)
Net cash used in financing activities	(65,491)	(102,990)	(8,060)	(152,796)
Net increase/(decrease) in cash and cash equivalents	53,933	26,848	4,450	(74,630)
Cash and cash equivalents at 1 July/1 January	70,538	88,472	118,739	191,378
Effect of exchange rate fluctuations on cash held	(1,056)	3,419	226	1,991
Cash and cash equivalents at 31 December	123,415	118,739	123,415	118,739

F. Notes to the condensed interim consolidated financial statements

1. Corporate information

Ho Bee Land Limited (the “Company”) is incorporated and domiciled in the Republic of Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange. The address of the Company’s registered office is 9 North Buona Vista Drive, #11-01 The Metropolis Tower 1, Singapore 138588.

These condensed interim consolidated financial statements as at and for the six months ended 31 December 2021 comprise the Company and its subsidiaries (collectively, the “Group” and individually as “Group entities”) and the Group’s interests in associates and jointly-controlled entities.

The Group is primarily involved in property development, property investment and investment holding. The immediate and ultimate holding company during the financial period is Ho Bee Holdings (Pte) Ltd, incorporated in the Republic of Singapore.

2. Basis of Preparation

The condensed interim financial statements for the six months ended 31 December 2021 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the period ended 30 June 2021.

The condensed interim financial statements for the year ended 31 December 2021 have been prepared on a going concern basis notwithstanding that as at 31 December 2021, the Group’s total current liabilities exceeded its total current assets by \$319,219,000 (31 December 2020: \$153,384,000). The Group expects to refinance \$459,603,000 of its short-term borrowings in the next 12 months and is confident that the refinancing of the facilities will occur as required. Coupled with the undrawn revolving credit facilities available to the Group, the estimated positive cash flows from the Group’s operations and the expected capital distribution from the Group’s associates in China, management assessed that the Group will be able to meet its obligations that are due within the next twelve months.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

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

2.1. New and amended standards adopted by the Group

The Group has applied the following amendment to SFRS(I) for the first time for the annual period beginning on 1 January 2021:

- *COVID-19-Related Rent Concessions* (Amendments to SFRS(I) 16)
- *Interest Rate Benchmark Reform – Phase 2* (Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 4 and SFRS(I) 16)

The application of these amendments to standards and interpretations did not have a material effect on the Group's condensed interim financial statements.

2.2. Use of judgements and estimates

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

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

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

Information about critical judgements in applying accounting policies and assumptions and estimation uncertainties that have the most significant effect on the amounts recognised in the interim financial statements or have a significant risk of resulting in a material adjustment within the next interim period are included in the following notes:

- Note 2 – Management's use of the going concern basis for accounting
- Note 5 – Estimation of provisions for current and deferred taxation
- Note 7 – Valuation of investment properties
- Note 8 – Valuation of financial instruments
- Note 10 – Measurement of realisable amounts of development properties

3. Segment and revenue information

The Group has two reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different marketing strategies. For each of the strategic business units, management reviews internal management reports on at least a monthly basis. The following summary describes the operations in each of the Group's reportable segments:

- Property investment : The investment in properties.
- Property development : The development and trading in properties.

Other segments include investing in equity securities, private equity and European property funds. These segments do not meet any of the quantitative thresholds for determining reportable segments in the current period.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment gross profit, as included in the internal management reports that are reviewed by management. Segment gross profit is used to measure performance as management believe that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

3.1 Reportable segments

	Property Development \$'000	Property Investment \$'000	Others \$'000	Total \$'000
1 July 2021 to 31 December 2021				
Revenue from external parties*	80,601	109,812	–	190,413
Operating results	12,695	100,911	–	113,606
Other operating income				95,344
Other operating expenses				(20,180)
Profit from operations				188,770
Finance costs				(20,388)
Share of profits of associates				33,394
Share of profits of jointly- controlled entities				21,352
Income tax credit				2,312
Profit for the period				225,440
Other material non-cash items:				
- Fair value changes on investment properties	–	56,825	–	56,825
Capital expenditure	–	8,783	–	8,783
Reportable segment assets	352,884	5,006,157	231,358	5,590,399
Investments in associates and jointly-controlled entities**	797,776	–	–	797,776
Reportable segment liabilities	41,384	2,599,883	–	2,641,267

* There is no inter-segment revenue during the six months ended 31 December 2021.

** Include amounts due from jointly-controlled entities which are in substance, a part of the Group's investments in the jointly-controlled entities.

3.1 Reportable segments (cont'd)

	Property Development \$'000	Property Investment \$'000	Others \$'000	Total \$'000
1 July 2020 to 31 December 2020				
Revenue from external parties*	679	107,667	–	108,346
Operating results	(851)	98,878	–	98,027
Other operating income				12,206
Other operating expenses				(45,402)
Profit from operations				64,831
Finance costs				(19,723)
Share of profits of associates				21,877
Share of losses of jointly- controlled entities				(747)
Income tax expense				(15,324)
Profit for the period				50,914
Other material non-cash items				
- Fair value changes on investment properties	–	(32,792)	–	(32,792)
Capital expenditure	–	12,591	–	12,591
Deposit for land premium	–	55,900	–	55,900
Reportable segment assets	339,845	4,755,047	174,508	5,269,400
Investments in associates and jointly-controlled entities**	801,787	–	–	801,787
Reportable segment liabilities	37,883	2,494,101	–	2,531,984

* There is no inter-segment revenue during the six months ended 31 December 2020.

** Include amounts due from jointly-controlled entities which are in substance, a part of the Group's investments in the jointly-controlled entities.

3.1 Reportable segments (cont'd)

	Property Development \$'000	Property Investment \$'000	Others \$'000	Total \$'000
1 January 2021 to 31 December 2021				
Revenue from external parties*	123,951	223,742	–	347,693
Operating results	19,635	205,391	–	225,026
Other operating income				93,303
Other operating expenses				(36,487)
Profit from operations				281,842
Finance costs				(39,789)
Share of profits of associates				44,217
Share of profits of jointly- controlled entities				71,308
Income tax expense				(17,569)
Profit for the year				340,009
Other material non-cash items:				
- Fair value changes on investment properties	–	53,106	–	53,106
Capital expenditure	–	184,482	–	184,482
Reportable segment assets	352,884	5,006,157	231,358	5,590,399
Investments in associates and jointly-controlled entities**	797,776	–	–	797,776
Reportable segment liabilities	41,384	2,599,883	–	2,641,267

* There is no inter-segment revenue during the financial year ended 31 December 2021.

** Include amounts due from jointly-controlled entities which are in substance, a part of the Group's investments in the jointly-controlled entities.

3.1 Reportable segments (cont'd)

	Property Development \$'000	Property Investment \$'000	Others \$'000	Total \$'000
1 January 2020 to 31 December 2020				
Revenue from external parties*	679	215,002	–	215,681
Operating results	(851)	198,908	–	198,057
Other operating income				19,422
Other operating expenses				(59,401)
Profit from operations				158,078
Finance costs				(42,835)
Share of profits of associates				53,203
Share of profits of jointly- controlled entities				2,238
Income tax expense				(29,029)
Profit for the year				141,655
Other material non-cash items				
- Fair value changes on investment properties	–	(32,792)	–	(32,792)
Capital expenditure	–	12,591	–	12,591
Deposit for land premium	–	55,900	–	55,900
Reportable segment assets	339,845	4,755,047	174,508	5,269,400
Investments in associates and jointly-controlled entities**	801,787	–	–	801,787
Reportable segment liabilities	37,883	2,494,101	–	2,531,984

* There is no inter-segment revenue during the financial year ended 31 December 2020.

** Include amounts due from jointly-controlled entities which are in substance, a part of the Group's investments in the jointly-controlled entities.

3.2 Disaggregation of revenue

The Group operates principally in Singapore, United Kingdom, Australia and China.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of business.

	Singapore		United Kingdom		Australia		China		Consolidated total	
	6 months ended 31 Dec		6 months ended 31 Dec		6 months ended 31 Dec		6 months ended 31 Dec		6 months ended 31 Dec	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Sale of development properties, transferred at a point in time	68,699	—	—	—	10,646	679	1,256	—	80,601	679
Rental income and service charges	49,670	50,835	59,880	56,393	262	439	—	—	109,812	107,667
Total revenue	118,369	50,835	59,880	56,393	10,908	1,118	1,256	—	190,413	108,346

	Singapore		United Kingdom		Australia		China		Consolidated total	
	Full Year ended 31 Dec		Full Year ended 31 Dec		Full Year ended 31 Dec		Full Year ended 31 Dec		Full Year ended 31 Dec	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Sale of development properties, transferred at a point in time	74,729	—	—	—	47,966	679	1,256	—	123,951	679
Rental income and service charges	99,748	100,858	122,964	113,189	1,030	955	—	—	223,742	215,002
Total revenue	174,477	100,858	122,964	113,189	48,996	1,634	1,256	—	347,693	215,681

4. Profit before taxation

The following items have been included in arriving at profit before taxation:

	Group		Group			
	6 months ended 31 st Dec	2021	2020	Full Year ended 31 st Dec	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Other income						
Government grant income	75	4,237	75	5,828		
Government grant expense	—	(3,061)	—	(4,636)		
Income from tenants' usage of chilled water and air-conditioning	558	575	1,158	1,218		
Net change in fair value of financial assets designated at FVTPL	37,349	(107)	37,726	(66)		

4. Profit before taxation (cont'd)

	Group		Group	
	6 months ended 31 st Dec		Full Year ended 31 st Dec	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Net finance costs				
Interest income	370	886	1,965	2,149
Interest expense	(20,758)	(20,609)	(41,754)	(44,984)
Expenses				
Direct operating expenses from investment properties	(7,846)	(7,425)	(15,638)	(13,372)
Depreciation of property, plant and equipment	(555)	(391)	(945)	(768)
Depreciation of right-of-use assets	(68)	(6)	(100)	(8)
Staff costs and directors' remuneration	(10,104)	(7,380)	(21,098)	(17,748)
Reversal of impairment loss/(impairment loss) on trade receivables	192	(584)	(273)	(584)

5. Income tax expense

(a) 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 statement of profit or loss are:

	Group		Group	
	6 months ended 31 st Dec		Full year ended 31 st Dec	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Current tax expense				
Current period	14,216	12,626	29,532	24,446
Over provision in respect of prior years	(24,574)	(666)	(24,872)	(1,845)
	(10,358)	11,960	4,660	22,601
Deferred tax expense				
Movements in temporary differences	4,965	621	6,905	494
Over provision in respect of prior years	-	793	-	501
	4,965	1,414	6,905	995
Withholding taxes	3,081	1,950	6,004	5,433
Total income tax (credit)/expense	(2,312)	15,324	17,569	29,029

(b) In the previous years, IRAS has raised additional tax assessments in respect of gains arising from the disposal of certain investment properties held for long term investment. Full payment/provision have been made in the previous years. The Group had objected to these assessments.

5. Income tax expense (cont'd)

In December 2021, the Group had received a favorable tax judgement from the Income Tax Board of Review in respect of gains arising from the disposal of four properties in previous years. As such, the tax expense of S\$23.6 million recorded in prior years was written back in the current year. The related tax refund of approximately S\$23.6 million has been received in January 2022.

As at 31 December 2021, there were remaining assessments that are pending review by the IRAS, for which full provision has been made.

Subsequent to the year end, there was a S\$20.3 million of tax discharge arising from the sale of Hotel Windsor. Please refer to note 15(i).

6. Property, plant and equipment

During the year ended 31 December 2021, the Group acquired assets amounting to \$2,318,000 (31 December 2020: \$9,269,000) and disposed of assets amounting to \$221,000 (31 December 2020: \$26,000).

7. Investment properties

	Group	
	2021	2020
	\$'000	\$'000
Freehold properties		
At 1 January	2,448,639	2,417,394
Changes in fair value for the year	33,874	(16,830)
Movements in exchange rates for the year	28,707	48,075
At end of financial year	2,511,220	2,448,639
Leasehold properties		
At 1 January	2,181,206	2,182,972
Additions/capital expenditure for the year	184,482	12,591
Reclassification from deposit for land premium*	55,900	–
Changes in fair value for the year	19,232	(15,962)
Movements in exchange rates for the year	953	1,605
At end of financial year	2,441,773	2,181,206
Total investment properties at end of financial year	4,952,993	4,629,845
Comprising:		
– Completed investment properties	4,705,918	4,617,254
– Investment properties under development	247,075	12,591
	4,952,993	4,629,845

7. Investment properties (cont'd)

* The deposit for land premium pertains to the progressive payment made for the acquisition of the Biopolis Phase 6 land parcel located at Buona Vista, Singapore in 2020. Following the payment of the balance of land premium and assumption of the land title, the Group reclassified the deposit for land premium to investment properties in the current year. Construction of the biomedical science development in one-north, Biopolis Phase 6 has commenced. During the year, interest expense on bank borrowings capitalised as cost of investment properties amounted to approximately \$1,609,000 (2020: Nil).

Investment properties comprise a number of commercial properties that are leased to third party customers and those under development. Investment properties are stated at fair value. External, independent valuation companies value the Group's investment property portfolio annually, at the end of each financial year. These valuers have the appropriate recognised professional qualifications and recent experience in the location and category of property being valued. The carrying value of the investment properties as at 31 December 2021 were based on valuations conducted by independent valuers Savills Valuation & Professional Services (S) Pte Ltd and Cushman & Wakefield Debenham Tie Leung Limited. The valuers have considered valuation techniques including market comparison method, the income capitalisation method and residual value method in arriving at the open market value as at the reporting date.

COVID-19 has created market uncertainties which could impact property valuations in the short-term. As such, the estimates of fair value of investment properties as at 31 December 2021 are subject to a high degree of uncertainty, and values may change rapidly and/or significantly when there are new developments.

Valuation technique and significant unobservable inputs

In determining the fair value, valuation techniques including market comparison method, the income capitalisation method and residual value method were used. These valuation techniques involve the use of certain estimates. Assumptions used to determine the fair value of investment properties include market-corroborated capitalisation rate, discount rate, comparable market price and occupancy rate.

7. Investment properties (cont'd)

The following table shows the key unobservable inputs used in the valuation models for deriving Level 3 fair values as at 31 December 2021:

Type	Valuation technique	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Commercial properties in Singapore	Market comparison method	Transacted price of comparable properties ¹ : 31 Dec 2021: \$647 - \$2,170 psf (31 Dec 2020: \$585 - \$2,301 psf)	The estimated fair value would increase/(decrease) if: - The transacted price of comparable properties was higher/(lower)
	Income capitalisation approach	Capitalisation rates: 31 Dec 2021: 3.50% - 5.00% (31 Dec 2020: 3.50% - 5.00%)	The estimated fair value would increase/(decrease) if: - The capitalisation rate was lower/(higher)
Commercial property under development in Singapore	Residual value method	Gross development value: 31 Dec 2021: \$463,900,000 (31 Dec 2020: Not applicable ²)	The estimated fair value would increase/(decrease) if: - The gross development value increases/(decreases)
Commercial properties in United Kingdom	Income capitalisation approach	Capitalisation rates: 31 Dec 2021: 4.03% - 5.65% (31 Dec 2020: 4.02% - 5.50%)	The estimated fair value would increase/(decrease) if: - The capitalisation rate was lower/(higher)

¹ Adjusted for any differences in age, location, tenure, size and conditions of the specific property.

² With the assumption of land title of Biopolis Phase 6 during the year, valuation was first performed in 2021.

The market comparison method involves the analysis of comparable sales of similar properties and adjusting the sale prices to that reflective of the investment properties.

The income capitalisation method capitalises the estimated net income of the property for perpetuity or the balance term of the lease tenure at a capitalisation rate that is appropriate for the type of use, tenure and reflective of the quality of the investment property. Where applicable, capital adjustments are then made to derive the capital value of the property.

The residual value method, which is used to value the property in its existing partially completed state of construction, involves estimating the gross development value (“GDV”) of the proposed development and then deducting from that amount the estimated costs to complete construction, financing costs and a reasonable profit margin on construction and development.

The GDV is the estimated value of the property assuming satisfactory completion of the development as at the date of valuation. In estimating the GDV, the valuer has considered the sale of comparable properties with adjustments made to reflect the differences in location, tenure, size, standard of finishes and fittings as well as the dates of transactions.

8. Financial instruments

Estimation of fair values for financial assets and liabilities

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

Group	Financial assets at amortised cost \$'000	Financial assets at FVTPL \$'000	FVOCI – equity instruments \$'000	Fair value – hedging instruments \$'000	Financial liabilities at amortised cost \$'000	Total \$'000
31 December 2021						
Trade and other receivables*	214,293	–	–	–	–	214,293
Financial assets at FVOCI	–	–	78	–	–	78
Financial assets at FVTPL	–	231,280	–	–	–	231,280
Cash and cash equivalents	123,415	–	–	–	–	123,415
Loans and borrowings	–	–	–	–	(2,545,759)	(2,545,759)
Trade and other payables**	–	–	–	(14,843)	(105,319)	(120,162)
	<u>337,708</u>	<u>231,280</u>	<u>78</u>	<u>(14,843)</u>	<u>(2,651,078)</u>	<u>(2,096,855)</u>
31 December 2020						
Trade and other receivables*	290,928	–	–	–	–	290,928
Financial assets at FVOCI	–	–	77	–	–	77
Financial assets at FVTPL	–	174,431	–	–	–	174,431
Cash and cash equivalents	118,739	–	–	–	–	118,739
Loans and borrowings	–	–	–	–	(2,429,535)	(2,429,535)
Trade and other payables**	–	–	–	(33,500)	(78,641)	(112,141)
	<u>409,667</u>	<u>174,431</u>	<u>77</u>	<u>(33,500)</u>	<u>(2,508,176)</u>	<u>(1,957,501)</u>

* Excludes prepayments, deposits for land premium for development properties, tax recoverable and goods and services tax recoverable.

** Excludes goods and services tax payable and sales option fees/pre-sale deposits.

8. Financial instruments (cont'd)

Company	Financial assets at amortised cost \$'000	Financial assets at FVTPL \$'000	Financial liabilities at amortised cost \$'000	Total \$'000
31 December 2021				
Trade and other receivables*	1,197,605	–	–	1,197,605
Financial assets at FVTPL	–	225,833	–	225,833
Cash and cash equivalents	56,249	–	–	56,249
Loans and borrowings	–	–	(35,472)	(35,472)
Trade and other payables**	–	–	(16,401)	(16,401)
	<u>1,253,854</u>	<u>225,833</u>	<u>(51,873)</u>	<u>1,427,814</u>
31 December 2020				
Trade and other receivables*	1,080,779	–	–	1,080,779
Financial assets at FVTPL	–	174,086	–	174,086
Cash and cash equivalents	47,712	–	–	47,712
Loans and borrowings	–	–	(36,573)	(36,573)
Trade and other payables**	–	–	(31,309)	(31,309)
	<u>1,128,491</u>	<u>174,086</u>	<u>(67,882)</u>	<u>1,234,695</u>

* Excludes prepayments.

** Excludes goods and services tax payable.

Fair values versus carrying amounts

The carrying amounts of the Group's and the Company's financial instruments carried at amortised cost are not materially different from their fair values as at 31 December 2021 and 31 December 2020. Fair value disclosure of lease liability is not required.

8.1 Financial assets

	Group		Company	
	31.12.2021 \$'000	31.12.2020 \$'000	31.12.2021 \$'000	31.12.2020 \$'000
Non-current				
Investments designated at FVTPL:				
- Quoted equity securities	5,221	–	–	–
- Private equity funds	226	345	–	–
- European property fund	42,314	41,212	42,314	41,212
Investments mandatorily at FVTPL:				
- Debt instruments – subscription of notes	183,519	132,874	183,519	132,874
Investments designated at FVOCI:				
- Unquoted equity securities	78	77	–	–
	<u>231,358</u>	<u>174,508</u>	<u>225,833</u>	<u>174,086</u>

8.1 Financial assets (cont'd)

The fair value of the Group's and the Company's financial assets designated at FVTPL and FVOCI is determined by reference to their quoted bid price at the balance sheet date. If a quoted market price is not available, the fair value of the financial assets is estimated using valuation techniques disclosed in the respective fair value levels.

Fair value hierarchy

The table below analyses financial assets carried at fair value by valuation method. The different levels have been defined as follows:

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

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets carried at fair value				
Group				
31 December 2021				
Financial assets carried at FVTPL	5,221	–	226,059	231,280
Financial assets designated at FVOCI	–	–	78	78
Interest rate swaps used for hedging	–	(14,843)	–	(14,843)
	<u>5,221</u>	<u>(14,843)</u>	<u>226,137</u>	<u>216,515</u>
31 December 2020				
Financial assets carried at FVTPL	–	–	174,431	174,431
Financial assets designated at FVOCI	–	–	77	77
Interest rate swaps used for hedging	–	(33,500)	–	(33,500)
	<u>–</u>	<u>(33,500)</u>	<u>174,508</u>	<u>141,008</u>

8.1 Financial assets (cont'd)

Level 2 fair values

The Group entered into interest rate swaps to hedge its interest rate exposure on its variable rate borrowings. The interest rate swaps are carried at fair value at each reporting date, based on broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments. There are no significant unobservable inputs in measuring the fair value.

	Group	
	Contract/ notional amount \$'000	Fair value of assets \$'000
31 December 2021		
Cash flow hedges – Interest rate swaps	450,000	(14,843)
31 December 2020		
Cash flow hedges – Interest rate swaps	450,000	(33,500)

Level 3 fair values

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy:

	Financial assets at FVTPL \$'000	Financial assets at FVOCI \$'000	Total \$'000
Group 2021			
At 1 January	174,431	77	174,508
Net changes in fair value	37,520	–	37,520
Distribution income	67	–	67
Exchange (loss)/gain recognised in profit or loss	(11,575)	1	(11,574)
Purchases	27,388	–	27,388
Distributions from financial assets designated at FVTPL	(170)	–	(170)
Redemption	(1,602)	–	(1,602)
At 31 December	226,059	78	226,137
Total gain for the year included in profit or loss for assets held as at 31 December	26,012	1	26,013

8.1 Financial assets (cont'd)

Level 3 fair values (cont'd)

Group	Financial assets at FVTPL \$'000	Financial assets at FVOCI \$'000	Total \$'000
2020			
At 1 January	103,342	78	103,420
Net changes in fair value	(66)	–	(66)
Distribution income	113	–	113
Exchange gain/(loss) recognised in profit or loss	11,297	(1)	11,296
Purchases	59,977	–	59,977
Distributions from financial assets designated at FVTPL	(232)	–	(232)
At 31 December	<u>174,431</u>	<u>77</u>	<u>174,508</u>
Total gain/(loss) for the year included in profit or loss for assets held as at 31 December	<u>11,344</u>	<u>(1)</u>	<u>11,343</u>

The gain/(loss) included in profit or loss for the year (above) is presented as follows:

	Year ended 31st Dec 2021 \$'000	Year ended 31st Dec 2020 \$'000
Other income		
Fair value gain/(loss) for the year	37,520	(66)
Distribution income for the year	<u>67</u>	<u>113</u>
	<u>37,587</u>	<u>47</u>
(Loss)/gain on foreign exchange		
Exchange (loss)/gain recognised for the year	<u>(11,574)</u>	<u>11,296</u>
Total gain included in profit or loss for the year	<u>26,013</u>	<u>11,343</u>

The fair values of the Group's unquoted investments in private equity funds and unquoted equity securities are determined based on quotations from the respective fund managers.

The fair values of European property fund and debt instruments (notes) are determined by the investment property/fund manager based on the net asset value of the funds and notes, which had underlying unlisted investments categorised as Level 3 in the fair value hierarchy. The fair value of such underlying investments is determined based on various unobservable inputs including contractual agreements, current and projected operating performance, rounds of financing, discounted cash flow analysis and market-based information, among other factors.

Due to the inherent uncertainty of valuations of financial assets, the estimated values may differ significantly from the values that would have been used had a ready market for the securities existed, and the differences could be material.

8.1 Financial assets (cont'd)

Level 3 fair values (cont'd)

Sensitivity analysis

For financial assets at FVTPL, a change of 10% in fair value of the investments would result in an increase or decrease of profit before income tax by \$23,128,000 (31 December 2020: \$17,443,000).

9. Loan and borrowings

	Group		Company	
	31.12.2021 \$'000	31.12.2020 \$'000	31.12.2021 \$'000	31.12.2020 \$'000
Non-current liabilities				
Secured bank loans	1,802,497	1,995,634	–	–
Lease liabilities	224	–	972	2,113
	<u>1,802,721</u>	<u>1,995,634</u>	<u>972</u>	<u>2,113</u>
Current liabilities				
Secured bank loans	742,839	433,714	33,360	33,348
Lease liabilities	199	187	1,140	1,112
	<u>743,038</u>	<u>433,901</u>	<u>34,500</u>	<u>34,460</u>
	<u>2,545,759</u>	<u>2,429,535</u>	<u>35,472</u>	<u>36,573</u>

The bank loans are secured over certain investment properties and development properties of the Group.

In addition, the Group's bank loans are secured by legal assignment of sales and rental proceeds of the properties pledged.

10. Development properties

	Group	
	31.12.2021 \$'000	31.12.2020 \$'000
<i>Properties for which revenue is to be recognised at a point in time</i>		
Properties held for sale	126,141	200,404
Properties under development	196,557	67,599
	<u>322,698</u>	<u>268,003</u>
Allowance for foreseeable losses	(551)	(545)
Total development properties	<u>322,147</u>	<u>267,458</u>

For the year ended 31 December 2021, development properties of \$98,070,000 (2020: \$583,000) were recognised as cost of sales and included in 'cost of sales – residential development projects'.

10. Development properties (cont'd)

Movements in allowance for foreseeable losses are as follows:

	Group	
	2021	2020
	\$'000	\$'000
At 1 January	(545)	–
Allowance made for the year	–	(536)
Movement in exchange difference for the year	(6)	(9)
At 31 December	<u>(551)</u>	<u>(545)</u>

During the year, the Group has assessed the allowance for foreseeable losses to record the properties at net realisable values and no further allowance (2020: \$536,000) was required to be made.

11. Commitments

As at 31 December 2021, commitments for expenditure which have not been provided for in the financial statements were as follows:

	Group	
	30.12.2021	31.12.2020
	\$'000	\$'000
Authorised and contracted for:		
- subscription for additional interest in European property funds and notes	55,604	86,973
- development expenditure for properties under development	30,257	16,689
- capital expenditure for investment properties	166,896	8,644
- balance sum on purchase of land for development properties	235,620	97,545
- balance sum on purchase of land for investment property	–	167,700
	<u>488,377</u>	<u>377,551</u>

12. Share capital

	31.12.2021		31.12.2020	
	No. of Shares	\$'000	No. of Shares	\$'000
Beginning of financial year	703,338,000	156,048	703,338,000	156,048
End of financial year	703,338,000	156,048	703,338,000	156,048

There were 39,321,600 treasury shares held by the Company as at 31 December 2021 (31 December 2020: 39,321,600). There were no sale, transfer, cancellation and/or use of treasury shares for the financial year ended 31 December 2021.

No subsidiary companies held shares in the Company as at 31 December 2021 and 31 December 2020. There was no allotment or transfer of shares in the Company to its subsidiaries for the financial year ended 31 December 2021.

13. Earnings per share

	6 months ended 31 st December		Full year ended 31 st December	
	2021	2020	2021	2020
Profit attributable to owners of the Company (\$'000)	224,984	46,455	330,512	137,065
Weighted average number of shares (excluding treasury shares)	664,016,400	664,498,737	664,016,400	664,862,669
Earnings per ordinary share for the period (cents)				
i) Based on weighted average number of ordinary shares (excluding treasury shares)	33.88	6.99	49.77	20.62
ii) On a fully diluted basis	33.88	6.99	49.77	20.62

Basic earnings per share and earnings per share on a fully diluted basis were computed using the net profit attributable to owners of the Company and weighted average number of ordinary shares as disclosed above for each year.

There were no dilutive potential ordinary shares for the current and previous year.

14. Net asset value

	Group		Company	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Net assets after adjusting for non-controlling interests (\$'000)	3,929,317	3,624,129	1,994,357	1,882,833
Ordinary shares at end of year (excluding treasury shares)	664,016,400	664,016,400	664,016,400	664,016,400
Net asset value per ordinary share	\$5.92	\$5.46	\$3.00	\$2.84

15. Subsequent events

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

(i) Tax discharge for gain arising from the sale of Hotel Windsor

In February 2022, the Group had received a Notice of Amended Tax Assessment relating to the gain from the sale of Hotel Windsor in FY2013. The Group had previously made a provision for tax of S\$20.3 million in FY2018 when it received the Notice of Additional Assessment.

This S\$20.3 million has been discharged pursuant to the Notice of Amended Tax Assessment. Accordingly, the Group will reverse the provision for tax and record the tax credit of S\$20.3 million in the financial year ending 31 December 2022.

(ii) Acquisition of a new London property

On 24 February 2022, the Company announced that it had entered into a share purchase agreement with Berkley Insurance Company and Berkley Regional Insurance Company to acquire all the ordinary shares representing the entire issued share capital of 34 Leadenhall Street Limited (the "Acquisition").

The consideration for the Acquisition is £718 million (approximately S\$1.31 billion), which was arrived at on a willing-seller and willing-buyer basis. The consideration will be settled fully in cash. A deposit of £35.9 million was paid on 23 February 2022, with the balance payable upon completion on 7 March 2022.

The Acquisition will be financed by internal funds and bank borrowings.

G Other Information Required by Listing Rule Appendix 7.2

1. Review

The condensed consolidated statement of financial position of Ho Bee Land Limited and its subsidiaries as at 31 December 2021 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the year then ended and certain explanatory notes have not been audited or reviewed.

2. Performance Review for the Group

(i) Consolidated income statement

2H2021 vs 2H2020

For the six months ended 31st December 2021 (“2H2021”), Group revenue increased 76% year-on-year (“y-o-y”) to S\$190.4 million (2H2020: S\$108.3 million).

During 2H2021, sale of development properties was S\$80.6 million (2H2020: S\$0.7 million), mainly contributed by Turquoise in Sentosa Cove.

Included in other income was the net fair value gain on the Group’s financial assets designated at FVTPL amounting to S\$37.3 million.

Net fair value gain on the Group’s investment properties was S\$56.8 million in 2H2021, compared to a fair value loss of S\$32.8 million in 2H2020. Overall, the Group recorded S\$18.3 million fair value gain on the Singapore portfolio and S\$38.5 million fair value gain on the UK portfolio of investment properties.

The Group recorded a net exchange loss of S\$4.5 million in 2H2021 (2H2020: exchange gain of S\$9.8 million), mainly due to the revaluation of its net monetary assets in AUD and Euro, as AUD and Euro weakened against the SGD during the current period.

Profit from operations increased 191% y-o-y to S\$188.8 million (2H2020: S\$64.8 million).

In 2H2021, the Group’s share of profits from associates increased 53% y-o-y to S\$33.4 million (2H2020: S\$21.9 million) as there were more units handed over to purchasers of the Zhuhai project compared to 2H2020.

In 2H2021, the y-o-y increase in the Group’s share of profits from jointly-controlled entities was largely contributed by sale of units in Seascape in Sentosa Cove, and the increase in the net realisable value (“NRV”) of the Cape Royale project in Sentosa Cove. The Group’s share of the NRV increase was approximately S\$17.2 million (2H2020: share of decrease in NRV approximately S\$25.9 million).

Net income tax credit of S\$2.3 million was recorded in 2H2021 (2H2020: income tax expense of S\$15.3 million). Income tax credit of approximately S\$23.6 million was recorded in 2H2021 due to a favorable judgement received from the Income Tax Board of Review in respect of the gains on disposal of certain investment properties in Singapore. The judgement was received in December 2021 and the refund of the income tax paid in prior years was completed in January 2022.

Profit attributable to owners of the Company increased 384% y-o-y to S\$225.0 million (2H2020: S\$46.5 million). This translates to earnings per share of 33.88 cents (2H2020: 6.99 cents).

2. Performance Review for the Group (cont'd)

(i) Consolidated income statement (cont'd)

Full Year Ended 31st December 2021 vs Full Year Ended 31st December 2020

In FY2021, Group revenue increased 61% y-o-y to S\$347.7 million (FY2020: S\$215.7 million). The increase was due mainly to the sale of development properties in Turquoise in Sentosa Cove, as well as the Group's maiden master-planned community project, Parklakes 2 in Queensland, Australia. The Group had also received rent-back charge and positive rental reversions in certain London properties during the year, which resulted in the increase in rental income in the current year.

Included in other income was the net fair value gain on the Group's financial assets designated at FVTPL amounting to S\$37.7 million.

Net fair value gain on the Group's investment properties was S\$53.1 million in FY2021, compared to a fair value loss of S\$32.8 million in FY2020. Overall, the Group recorded S\$18.3 million fair value gain on the Singapore portfolio and S\$34.8 million fair value gain on the UK portfolio of investment properties.

The Group recorded a net exchange loss of S\$5.8 million in FY2021 (FY2020: exchange gain of S\$15.5 million), mainly due to the revaluation of its net monetary assets in AUD and Euro, as AUD and Euro weakened against the SGD during the current period. The Group's net monetary assets in AUD and Euro had also increased due to increase in business activities in Australia and additional investments in Euro-denominated financial assets during the year.

Staff costs and directors' remuneration increased 19% y-o-y to S\$21.1 million from S\$17.7 million last year. The increase is mainly attributable to higher bonuses due to the Group's improved financial performance in the current year.

Consequently, the Group's current year profit from operations increased 78% y-o-y to S\$281.8 million (FY2020: S\$158.1 million).

Net finance cost decreased 7.1% y-o-y due to the repayment of GBP bank borrowings and SGD revolving credit facilities as well as the decline in interest rates for GBP bank borrowings at floating rates. The y-o-y increase in bank borrowings was used to fund the land premium for Biopolis Phase 6 and as such, the interest expense was capitalised in investment properties rather than expensed off.

The Group's share of profits from its jointly-controlled entities increased to S\$71.3 million from S\$2.2 million in FY2020. The increase was attributable to (i) higher number of units handed over to purchasers of the Tangshan project in China; (ii) higher occupancy rate in Cape Royale in the current year resulting in higher rental income; (iii) as explained above, the Group's share of the increase in the net realisable value of Cape Royale of approximately S\$17.2 million; and (iv) higher sales of Seascape units in Sentosa Cove in the current year.

As explained above, income tax credit of approximately S\$23.6 million was recorded in 2H2021 due to a favorable judgement received from the Income Tax Board of Review in respect of the gains on disposal of certain investment properties in Singapore. This resulted in the income tax expense declining 40% y-o-y to S\$17.6 million (FY2020: S\$29.0 million).

Profit attributable to owners of the Company increased 141% y-o-y to S\$330.5 million (FY2020: S\$137.1 million). This translates to earnings per share of 49.77 cents (FY2020: 20.62 cents).

(ii) Consolidated statement of financial position

31 December 2021 vs 31 December 2020

Total equity increased by S\$309.0 million to S\$3.9 billion as of 31 December 2021. The increase was attributable to profit for the year of S\$340.0 million, increase in fair value on cash flow hedges and foreign exchange translation gains, partially offset by payment of final and special dividend of 10.0 cents per share in respect of financial year 2020.

The Group's total assets increased by S\$414.1 million to S\$6.7 billion as of 31 December 2021.

The increase in total assets was mainly attributable to an increase of S\$323.1 million in investment properties, S\$36.0 million increase in associates and jointly-controlled entities, increase in financial assets of S\$56.9 million, and increase in development properties of S\$54.7 million during the year.

The increase in investment properties was mainly attributable to fair value gains of S\$53.1 million, and reclassification of the S\$55.9 million deposit for land premium to investment properties following the payment of the balance of land premium and assumption of the land title for Biopolis Phase 6 project during the current year.

S\$180.8 million of development costs for Biopolis Phase 6 was also capitalised during the year as the construction of the building progresses.

The increase in associates and jointly-controlled entities resulted from current year's share of profits from associates and jointly-controlled entities, as well as foreign exchange translation gains of these balances (mainly due to the appreciation of RMB against SGD during the current year), and net of the capital repatriated during the year.

The increase in financial assets was mainly attributable to the fair value gain of S\$37.7 million recorded in the current year as well as additional capital calls during the year.

The number of master-planned community projects in Queensland and Victoria states in Australia increased during the year, and resulted in higher land costs and development expenditure incurred in the current year. This increase exceeded the amounts transferred to cost for sales for the units sold in Australia and Turquoise, resulting in a net increase in development properties.

Included in trade and other receivables are land deposits of S\$56.9 million for the above projects in Queensland and Victoria and tax recoverable of S\$23.6 million.

The Group's total liabilities increased by S\$105.1 million to S\$2.8 billion as of 31 December 2021.

The increase in total liabilities was mainly attributable to a net increase in loans and borrowings. During the year, the Group took on new borrowings to partially fund the land premium of Biopolis Phase 6 and the purchase of financial assets. Net of loan repayments and foreign exchange translation difference on GBP bank loans, total bank borrowings increased by S\$123.0 million (excluding lease liabilities).

Total shareholders' fund as at 31 December 2021 amounted to S\$3.9 billion (31 Dec 2020: S\$3.6 billion), representing a net asset value of S\$5.92 per share (31 Dec 2020: S\$5.46 per share).

3. Variance between Actual Results for the current period and prospect statement previously disclosed

Not applicable.

4. Commentary on the Group Prospects

The global economic outlook continues to be uncertain due to the Covid pandemic and impending interest rate hikes. The uncertainty has been compounded when Russia invaded Ukraine. However, the Group's resilient recurring income base will help us to navigate through these very uncertain and challenging times.

5. Dividend

(a) Current financial period reported on

Any dividend recommended for the current financial period reported on? Yes

Name of Dividend	First & Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	10 cents per ordinary share
Tax Rate	Tax exempt

(b) Corresponding period of the immediately preceding financial year

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

Name of Dividend	First & Final	Special Dividend
Dividend Type	Cash	Cash
Dividend Amount per Share (in cents)	8 cents per ordinary share	2 cents per ordinary share
Tax Rate	Tax exempt	Tax exempt

(c) Date payable

Subject to shareholders' approval at the Annual General Meeting of the Company to be held on 21 April 2022, the proposed first and final dividend will be paid on 20 May 2022.

(d) Record Date

Notice is hereby given that subject to shareholders of the Company approving the proposed payments of a first and final one-tier tax exempt dividend of 10 cents per share for the financial year ended 31 December 2021 ("**Dividends**") at the Annual General Meeting to be held on 21 April 2022, the Register of Members and the Share Transfer Books of the Company will be closed at 5.00 p.m. on 10 May 2022 for the purpose of determining shareholders' entitlements to the Dividends. Duly completed registrable transfers received by the Company's Share Registrar, M & C Services Private Limited at 112 Robinson Road #05-01, Singapore 068902, up to 5.00 p.m. on 10 May 2022 will be registered before entitlements to the Dividends are determined. Shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 10 May 2022 will be entitled to the Dividend.

6. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

Not applicable.

7. Interested Person Transactions

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

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

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

9. Breakdown of sales

	Group		
	FY2021 S\$'000	FY2020 S\$'000	Change %
Sales reported for first half year	157,280	107,335	46.5
Profit for the year for first half year	114,569	90,741	26.3
Sales reported for second half year	190,413	108,346	75.7
Profit for the year for second half year	225,440	50,914	342.8

10. Breakdown of total annual dividend (net of tax)

	Latest Full Year S\$'000	Previous Full Year S\$'000
Ordinary shares	66,402	66,402
Total	66,402	66,402

11. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or Chief Executive Officer or substantial shareholder of the issuer pursuant to Rule 704(13).

Name	Age	Family relationship with any director, chief executive officer and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Mr Chua Thian Poh	73	Father of Mr Chua Wee-Chern (Executive Director and Chief Executive Officer)	Executive Chairman Providing leadership and setting the Group's strategies and policies. Since 1 January 2022	Redesignated from Chairman and Chief Executive Officer to Executive Chairman on 1 January 2022.
Mr Chua Wee-Chern	46	Son of Mr Chua Thian Poh (Executive Chairman, Executive Director and substantial shareholder)	Executive Director and Chief Executive Officer Implementation of the Group's strategies and policies and the day to day management of the Group's business and operations. Since 1 January 2022	Appointed as Executive Director and Chief Executive Officer on 1 January 2022. Previously, Mr Chua Wee-Chern was the Deputy Chief Executive Officer.

By Order of the Board

Nicholas Chua
Executive Director and
Chief Executive Officer

28 February 2022