ANNUAL
REPORT
2021

UOL
华业集团

BUILT FOR GOOD

ABOUT US

UOL Group Limited (UOL) is one of Singapore's leading public-listed property companies with total assets of about $20 billion. We have a diversified portfolio of development and investment properties, hotels and serviced suites in Asia, Oceania, Europe and North America.

With a track record of over 50 years, UOL strongly believes in delivering product excellence and quality service in all our business ventures. Our unwavering commitment to architectural and quality excellence is reflected in all our developments, winning us prestigious prizes such as the FIABCI Prix d'Excellence Award, Aga Khan Award for Architecture, Urban Land Institute Awards for Excellence and President's Design Award.

UOL, through hotel subsidiary Pan Pacific Hotels Group Limited (PPHG), owns three acclaimed brands namely "Pan Pacific", PARKROYAL COLLECTION and PARKROYAL. PPHG currently owns and/or manages over 30 hotels in Asia, Oceania and North America with over 10,000 rooms. Our Singapore-listed property subsidiary, Singapore Land Group Limited (SingLand), owns an extensive portfolio of prime commercial assets and hotels in Singapore.

UOL values and recognises our people as the leading asset. The culture of competitiveness, commitment, competency, creativity, collaboration and caring, shapes our people and drives us forward.

UOL Group Vision

To be a robust and sustainable property and hospitality group dedicated to creating value, shaping future

Core Values

Passion Drives Us
Innovation Defines Us
Enterprise Propels Us
Corporate Sustainability Responsibility Shapes Us
People, Our Leading Asset

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Scan here for UOL corporate website

PARKROYAL COLLECTION Marina Bay

Planning For Good

Laying the groundwork for a sustainable and resilient built environment.

The Watergardens at Canberra

Embracing Change For Good

Building agility and strength
in an ever-changing landscape.

PARKROYAL COLLECTION Marina Bay

Future-proofing For Good

Forming solid and diversified partnerships for a sustainable way forward.

One Bishopsgate Plaza

FINANCIAL HIGHLIGHTS

Revenue

$2.61b

Increased 32% from FY2020's $1.98b

Pre-Tax Profit
(Before Fair Value and Other Gains/Losses)

$450.9m

Increased 2% from FY2020's $443.2m

Net Attributable Profit

$307.4m

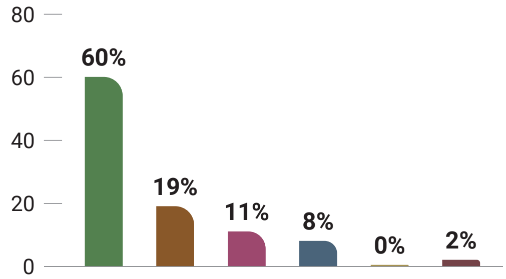
A 22-fold increase from FY2020's $13.1m

Return on Equity

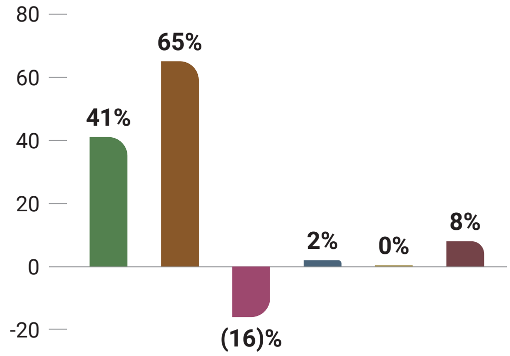
3.1%

A 30-fold increase from FY2020's 0.1%

Revenue
By Business Segment



Profit From Operations
By Business Segment



● Property Development ● Property Investments ● Hotel Operations ● Technology Operations ● Management Services ● Investments

HALF-YEARLY RESULT	1ST HALF		2ND HALF		TOTAL	
	$'000	%	$'000	%	$'000	%
REVENUE						
2021	**1,193,453**	**46**	**1,413,383**	**54**	**2,606,836**	**100**
2020	908,161	46	1,068,987	54	1,977,148	100
PROFIT/(LOSS) BEFORE INCOME TAX						
2021	**199,092**	**34**	**392,737**	**66**	**591,829**	**100**
2020	(66,949)	(62)	175,665	162	108,716	100
NET PROFIT/(LOSS)						
2021	**154,104**	**31**	**345,301**	**69**	**499,405**	**100**
2020	(94,784)	(111)	180,133	211	85,349	100
NET ATTRIBUTABLE PROFIT/(LOSS)						
2021	**91,343**	**30**	**216,068**	**70**	**307,411**	**100**
2020	(82,144)	(625)	95,285	725	13,141	100
BASIC EARNINGS/(LOSS) PER ORDINARY SHARE (IN CENTS)						
2021	**10.8**	**30**	**25.6**	**70**	**36.4**	**100**
2020	(9.7)	(609)	11.3	709	1.6	100

Property Development

Residential developments by UOL, as well as those held by SingLand.

Revenue (+67% Year-on-Year)

2021 $1,571.5m

2020 $943.1m

Profit from Operations (+6% Year-on-Year)

2021 $218.9m

2020 $206.3m

- Sold 799 residential units in Singapore with a total value of about $1.53 billion based on bookings for seven projects – The Watergardens at Canberra, Clavon, Avenue South Residence, MEYER HOUSE, The Tre Ver, V on Shenton and Mon Jervois
- Awarded residential site at Ang Mo Kio Avenue 1 for $381.4 million in June 2021
- Acquired the freehold Watten Estate Condominium for $550.8 million via collective sale in October 2021
- Launched the 448-unit The Watergardens at Canberra in August 2021
- Sales in progress for two overseas projects – The Sky Residences in London and Park Eleven in Shanghai

Property Investments

Commercial offices, retail malls and serviced suites under UOL, as well as those held under SingLand.

Revenue (0%)

2021 $502.2m

2020 $503.3m

Profit from Operations (-4% Year-on-Year)

2021 $341.5m

2020 $356.4m

- Five commercial offices in Singapore – United Square, Novena Square, Odeon Towers, Faber House and One Upper Pickering, with a total net lettable area of 97,798 sqm, as well as a portfolio of eight commercial offices through SingLand – The Gateway, Singapore Land Tower, UIC Building, SGX Centre 2, Clifford Centre, Tampines Plaza 1 and Tampines Plaza 2, and Stamford Court – with a net floor area of 227,730 sqm
- Five shopping malls in Singapore with a net lettable area of 144,599 sqm – United Square, Velocity@ Novena Square, KINEX, Marina Square shopping mall and West Mall
- Four owned serviced suites with a total of 683 units – Pan Pacific Serviced Suites Orchard, Pan Pacific Serviced Suites Beach Road, PARKROYAL Serviced Suites Singapore and PARKROYAL Serviced Suites Kuala Lumpur
- Two commercial properties in the United Kingdom with a total net lettable area of 42,863 sqm – 110 High Holborn and 120 Holborn Island
- One commercial property in Australia with a net lettable area of 11,259 sqm – 72 Christie Street

Hotel Operations

Hotels and resorts under UOL, as well as those under SingLand. Through PPHG, UOL owns the "Pan Pacific", PARKROYAL COLLECTION and PARKROYAL brands.

Revenue (+14% Year-on-Year)

2021 $282.0m

2020 $246.5m

Profit from Operations (-13% Year-on-Year)

-$84.6m 2021

-$74.8m 2020

- "Pan Pacific" brand comprises 28 hotels and resorts, including those under development
- PARKROYAL COLLECTION brand comprises three hotels, including PARKROYAL COLLECTION Kuala Lumpur, which is expected to reopen in 2022 after a major refurbishment
- PARKROYAL brand comprises 21 hotels and resorts, including those under development
- Interests in three other hotels – Mandarin Oriental in Singapore, Sofitel Saigon Plaza and The Westin Tianjin
- Opened the 237-key Pan Pacific London in September 2021

TWO-YEAR FINANCIAL HIGHLIGHTS

	2021 $'000	2020 $'000	INCREASE/ (DECREASE) %
FOR THE FINANCIAL YEAR			
Revenue	**2,606,836**	1,977,148	32
Profit before income tax	**591,829**	108,716	444
Profit after income tax and non-controlling interests	**307,411**	13,141	2,239
Return on equity (%)	**3.1**	0.1	3,000
AT 31 DECEMBER			
Share capital	**1,566,802**	1,563,860	0
Reserves	**960,059**	753,145	27
Retained earnings	**7,641,462**	7,471,136	2
Shareholders' funds	**10,168,323**	9,788,141	4
Total assets	**21,274,971**	20,373,494	4
PER ORDINARY SHARE			
Basic earnings before fair value and other gains/(losses) (cents)	**27.7**	30.8	(10)
Basic earnings (cents)	**36.4**	1.6	2,175
Gross dividend declared (cents)	**15.0**	15.0	–
Dividend cover (times)	**2.4**	0.1	2,300
Net tangible asset backing ($)	**11.99**	11.55	4

Faber House (artist's impression) will be redeveloped into a 250-key hotel in the heart of Orchard Road.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Wee Cho Yaw
Chairman

Wee Ee Lim
Deputy Chairman

Liam Wee Sin

Low Weng Keong[1]

Tan Tiong Cheng

Poon Hon Thang Samuel

Wee Ee-chao

Sim Hwee Cher

Lee Chin Yong Francis

Lau Cheng Soon

EXECUTIVE COMMITTEE

Wee Cho Yaw
Chairman

Wee Ee Lim
Deputy Chairman

Liam Wee Sin

Low Weng Keong[1]

Lee Chin Yong Francis

Lau Cheng Soon[2]

AUDIT AND RISK COMMITTEE

Sim Hwee Cher[3]
Chairman

Low Weng Keong[1]

Tan Tiong Cheng

Lau Cheng Soon

Lee Chin Yong Francis

NOMINATING COMMITTEE

Poon Hon Thang Samuel[4]
Chairman

Low Weng Keong[1]

Wee Ee Lim

Lee Chin Yong Francis

REMUNERATION COMMITTEE

Tan Tiong Cheng
Chairman

Wee Ee Lim

Low Weng Keong[1]

Lau Cheng Soon

Sim Hwee Cher[3]

MANAGEMENT

Liam Wee Sin
Group Chief Executive

Choe Peng Sum
Chief Executive Officer
(Pan Pacific Hotels Group Limited)

Kwa Bing Seng
Chief Financial Officer

Goh Hwee Peng Jesline
Chief Investment and Asset Officer

Neo Soon Hup
Chief Operating Officer
(Pan Pacific Hotels Group Limited)

Yeong Sien Seu
Chief Legal Officer

COMPANY SECRETARY

Yeong Sien Seu

ASSISTANT SECRETARY

Liang Kaiting, Kalyn

AUDITORS

PricewaterhouseCoopers LLP
7 Straits View
#12-00 Marina One
East Tower Singapore 018936
Partner-in-charge:
Choo Eng Beng
Year of appointment: 2021

PRINCIPAL BANKERS

United Overseas Bank Limited

DBS Bank Ltd

Oversea-Chinese Banking Corporation Limited

Sumitomo Mitsui Banking Corporation, Singapore Branch

Bank of China Limited, Singapore Branch

REGISTERED OFFICE

101 Thomson Road
#33-00 United Square
Singapore 307591
Telephone : 6255 0233
Facsimile : 6252 9822
Website : www.uol.com.sg

SHARE REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue
Keppel Bay Tower
#14-03/07
Singapore 098632
Telephone : 6536 5355
Facsimile : 6536 1360

Notes:
[1] Low Weng Keong retired with effect from 1 January 2022.
[2] Lau Cheng Soon was appointed as a member of the Executive Committee with effect from 16 February 2022.
[3] Sim Hwee Cher was appointed as chairman of the Audit and Risk Committee with effect from 1 January 2022, and a member of the Remuneration Committee with effect from 16 February 2022.
[4] Poon Hon Thang Samuel was appointed as chairman of the Nominating Committee with effect from 1 January 2022.

HIGHLIGHTS

JANUARY

- UOL received in-principle approval under the Urban Redevelopment Authority's Strategic Development Initiative (SDI) scheme to redevelop Faber House into a 250-key hotel with a bank, and food and beverage establishments.

MARCH

- UOL obtained in-principle approval for the asset enhancement of Odeon Towers, which will be enlarged with the development of a standalone seven-storey building at the 333 North Bridge Road site.
- PARKROYAL on Kitchener Road participated in the Job Redesign Reskilling Programme launched by Workforce Singapore for the hotel industry. The hotel received commendation from Minister for Manpower Josephine Teo, who toured the hotel.
- SingLand secured its first green and sustainability-linked loans totalling $300 million to partially finance major upgrading works at the 47-storey Singapore Land Tower.

APRIL

- PARKROYAL COLLECTION Marina Bay clinched an exclusive partnership with Club Med to offer guests a holistic wellness staycation, which included access to Club Med's curated schedule of fitness classes and wellness workshops, and the hotel's lifestyle offerings of farm-to-table experiences and urban farm tours.

The enlarged Odeon Towers (artist's impression) will have a new seven-storey building that commands a 50-metre frontage along North Bridge Road, opposite Raffles Hotel.

MAY

- UOL obtained practical completion of the 43-storey One Bishopsgate Plaza, the Group's first integrated development in London.
- PARKROYAL COLLECTION Marina Bay fully reopened after a $49 million major renovation to be transformed into a "garden-in-a-hotel".
- The UOL Sustainability Framework was rolled out. It defines the Group's sustainability and centres on creating value and shaping future for its stakeholders in a responsible and structured manner. The framework aligns the Group's sustainability approach with Sustainable Development Goals (SDGs), sustainability benchmarks and standards.
- In support of special needs artists, UOL sponsored the Facets of Reflection exhibition organised by ART:DIS (formerly known as Very Special Arts Singapore). The hybrid exhibition featured the works of students from ART:DIS' VOICES programme, which aims to help people with special needs to pursue a career in visual arts.

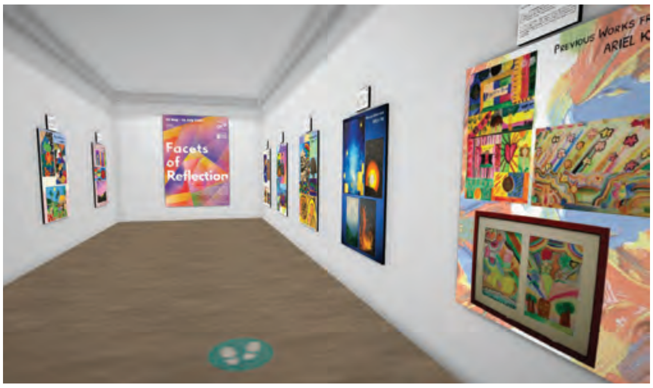
JUNE

- UOL was awarded a 12,679.4 sqm residential site at Ang Mo Kio Avenue 1 for $381.4 million. The project is a 60:20:20 joint venture between UOL, SingLand and Kheng Leong.

AUGUST

- The Watergardens at Canberra, a 448-unit residential development, was launched. About 60% of its total units were sold during its launch weekend. It was also the month's best-selling project with 267 units sold. The project is a 50:30:20 joint venture between UOL, SingLand and Kheng Leong.

Minister for Manpower Josephine Teo (right) viewed the RFID-enabled device used to store and retrieve guests' luggage at PARKROYAL on Kitchener Road during her visit to understand the hotel's job redesign efforts. Photo: Ministry of Manpower



UOL sponsored a hybrid art exhibition organised by ART:DIS to support aspiring artists.

- UOL pledged its commitment in a joint effort to address climate change through the Singapore Built Environment Embodied Carbon Pledge, which was organised by the Singapore Green Building Council.

SEPTEMBER

- UOL opened the 237-key Pan Pacific London, the Group's first Pan Pacific hotel, in the United Kingdom.
- PPHG was conferred the Enabling Mark (Gold) award by SG Enable for its disability-inclusive hiring practices.

OCTOBER

- UOL secured its first sustainability-linked loan of $540 million pegged to the Singapore Overnight Rate Average (SORA). The five-year loan was used for general corporate purposes and to refinance an existing loan facility.
- UOL acquired Watten Estate Condominium for $550.8 million via collective sale. The acquisition which has a land area of 20,461.1 sqm, is a 80:20 joint venture between UOL and SingLand.
- UOL emerged as Runner-up for the Most Transparent Company Award in the Real Estate category at the SIAS Investors' Choice Awards 2021 organised by the Securities Investors Association (Singapore).
- SingLand acquired the remaining 49% interest in its subsidiary, UIC JinTravel (Tianjin) Development Co., Ltd, which holds the Westin Tianjin Hotel for RMB361 million (S$76 million) and disposed of its 36% interest in an associated company, Tianjin Yanyuan International Hotel for RMB177 million (S$38 million).
- UOL sponsored open spaces at PARKROYAL on Beach Road for artists from ART:DIS to showcase their paintings and for guests to enjoy art.

NOVEMBER

- UOL was conferred the Corporate Excellence and Resilience Award for companies with market capitalisation of $1 billion or more at the Singapore Corporate Awards 2021 (Special Edition).
- UOL was named Friend of Heritage by the National Heritage Board for supporting the Asian Civilisations Museum in continuing to organise family-friendly online activities to promote heritage and culture during the pandemic period.
- UOL rallied shoppers to contribute to meaningful causes with the launch of a series of activities for its Christmas campaign, including the purchase of presents for beneficiaries and making donations through vending machines placed in the malls.

DECEMBER

- UOL clinched the Best Hospitality Developer (Asia) award, while Pan Pacific Orchard won two top awards for architectural excellence on a regional level at the PropertyGuru Asia Property Awards Grand Final 2021.
- UOL launched its Sustainability Vision – "Less Carbon, More Life" to articulate its commitment in shaping a resilient built environment and contributing towards a clean, green and sustainable future.
- PPHG was conferred the Best Regional Hotel Chain award and PARKROYAL COLLECTION Marina Bay clinched the Best Upscale Hotel (Asia Pacific) at Travel Weekly Asia Readers' Choice Awards 2021. The hybrid awards presentation was held at PARKROYAL COLLECTION Marina Bay.

UOL provided opportunities for shoppers to help disadvantaged groups while they shopped during the festive season.

CHAIRMAN'S STATEMENT

DR WEE CHO YAW
Chairman

2021 REVIEW

2021 was another challenging year for Singapore as the COVID-19 pandemic continued to weigh on life not only in Singapore but also in many countries worldwide. Fortunately, through a series of careful steps taken by the authorities to contain the spread of the virus, together with the cooperation of the people, Singapore's economy began to recover. The economy expanded 7.6%, albeit unevenly across business sectors, rebounding from the recession in 2020.

Singapore's private residential prices increased 10.6% compared with a 2.2% gain in 2020. Sales volume increased to 13,027 units, which outpaced the sale of 9,982 units in the previous year. The vibrant residential market was driven by the low interest rate environment and strong demand. The office market concluded on a positive note with higher absorption in the last quarter, and rents rose 1.9% compared with the decline of 8.5% in 2020. Retail rents fell 6.8% compared with the decrease of 14.7% in 2020.

Tourist arrivals in Singapore were 330,000 against the 2.7 million arrivals in 2020. Average occupancy rate for the hotel industry in Singapore was 56.2%, a 1.1 % decrease compared with the previous year. Average room rate increased slightly by 2.7% to $158, while revenue per available room held steady at $89.

FINANCIAL PERFORMANCE AND DIVIDEND

Despite the challenging economic conditions for the year ended 31 December 2021, UOL's pre-tax profit before fair value and other gains/losses was $450.9 million, an increase of $7.7 million from the 2020 profit of $443.2 million. Profit after tax and non-controlling interest was $307.4 million, an increase from the 2020 profit of $13.1 million with fair value gains of $114.2 million recognised on investment properties against fair value losses of $293.3 million in 2020.

The Group's shareholders' funds rose to $10.2 billion as at 31 December 2021 from $9.8 billion as at 31 December 2020 resulting mainly from the fair value gains on financial assets at fair value through other comprehensive income and profit recognised for the period, set off partially by deductions of dividends paid against retained earnings. Consequently, the net tangible asset per ordinary share of the Group increased to $11.99 as at 31 December 2021 from $11.55 as at 31 December 2020.

The Board is recommending a first and final dividend of 15 cents per share (2020: 15 cents per share). Total dividend payout amounts to approximately $126.7 million (2020: $126.6 million) or about 54% of attributable profit excluding fair value and other gains and losses.

CORPORATE DEVELOPMENTS

Renaming of United Industrial Corporation and Appointment of its New Chief Executive Officer

During the year, the Group's subsidiary United Industrial Corporation Limited ("UIC") underwent a brand refresh and was renamed to Singapore Land Group Limited ("SingLand"). On 1 September 2021, Mr Jonathan Eu was promoted to Chief Executive Officer.

Acquisition of Residential Site at Ang Mo Kio Avenue 1, Singapore

In June 2021, the Group's wholly-owned subsidiary, UOL Venture Investments Pte. Ltd., together with UIC Homes Pte. Ltd., a wholly-owned subsidiary of SingLand, and Kheng Leong Company (Private) Limited, successfully tendered for the Urban Redevelopment Authority's residential site at Ang Mo Kio Avenue 1 for $381.38 million through a 60:20:20 joint venture company, United Venture Development (2021) Pte. Ltd. The 99-year leasehold site with an area of 12,679.4 sqm will be developed into an estimated 372-unit project that will enjoy unblocked views of the Bishan-Ang Mo Kio Park, Lower Peirce Reservoir and Shangri-la Park landed housing estate.

Acquisition of Watten Estate Condominium, Singapore

In October 2021, the Group acquired another residential site at Watten Estate Condominium for $550.8 million via collective sale. This is an 80:20 joint venture of UOL and SingLand, held by the Company's indirect subsidiary, United Venture Development

(Watten) Pte Ltd. The freehold development has a land area of 20,461.1 sqm. The Group plans to develop a luxury project with over 200 residential units on elevated ground.

Issue of $400 Million Fixed Rate Notes

On 31 August 2021, UOL Treasury Services Pte. Ltd. ("UTS"), a wholly-owned subsidiary, issued $400 million in principal amount of fixed rate notes due 2028 at 2.33% per annum ("Notes"). The Notes were issued as the fourth series of notes under the $2 billion Multicurrency Medium Term Note Programme established by UTS and are unconditionally and irrevocably guaranteed by UOL under the Programme. The net proceeds from the issue were used for refinancing of existing borrowings of UOL and its subsidiaries.

Arrangement of First Sustainability-linked Loan

In October 2021, UTS secured a five-year $540 million Sustainability-linked Club Term Loan pegged to Singapore Overnight Rate Average (SORA). The loan will be used for general corporate purposes and refinancing of an existing loan facility. The Group will be eligible for an interest rate reduction if its sustainability targets are met in reducing carbon emissions, energy and water intensities for its commercial properties.

2022 OUTLOOK

The global economic growth is likely to be gradual and patchy as it continues to be disrupted by the pandemic. Geopolitical risks loom large should there be no improvement in the bilateral relations between the United States and China and should the conflict over Ukraine among the western nations and Russia remain unresolved.

As Singapore begins to move from the pandemic to the endemic stage of COVID-19, the Ministry of Trade and Industry projected the Singapore economy to expand by 3% to 5% in 2022. With the opening of borders, office demand for Grade A offices is expected to improve. There will be a "flight to quality" to new and Green Mark office buildings, which will increase vacancies at older buildings. As for retail, the recovery of shopper footfall is still below the pre-pandemic level. However, the recovery in consumer sentiment and the eventual return of tourism spending will help stabilise the sector. Sales volume of new private homes may moderate on the back of the cooling measures announced last year and a limited pipeline of launches.

As of 28 February 2022, Singapore has Vaccinated Travel Lane (VTL) with 28 countries. Singapore is committed to re-open its international borders in a safe and calibrated manner. In the near term, Singapore hotel sector is still expected to be supported by domestic demand. But in the mid to longer term, with rising vaccination rates globally, Singapore may benefit when international visitors start to travel. According to World Tourism Organization, the widespread vaccination rollout and a major coordinated lifting of travel restrictions could help to restore consumer confidence and accelerate the recovery of international tourism in 2022.

Against this backdrop, the hospitality business of the Group in Singapore, the United Kingdom and the Asia Pacific may see signs of recovery. The business at the Holborn commercial properties in the United Kingdom may improve in tandem eventually.

ACKNOWLEDGEMENT

I am pleased to welcome Mr Lau Cheng Soon who joined the Board on 23 April 2021. I would also like to extend my deep appreciation to Mr Low Weng Keong who retired as a Director of the Company on 1 January 2022.

At the same time, I wish to thank my fellow board members for their wise counsel and guidance in the past year. On behalf of the Board, I also wish to thank the management and staff for their commitment and hard work, and our shareholders, business associates and customers for their confidence and support in a challenging year.

The pandemic has made the operating environment one of the toughest in recent times. Additionally, it has underscored the importance of environmental, social and governance issues.

As the Chinese proverb goes: 独拳难打虎 (*Du Quan Nan Da Hu*), which means there is no strength without unity. We must work as a team. I believe with the resolute and resilience of our people, we will emerge stronger as one.

DR WEE CHO YAW
Chairman
February 2022

BOARD OF DIRECTORS

WEE CHO YAW
Chairman
Non-Executive and
Non-Independent Director

First appointed as a Director: 23 April 1973
Last appointed as a Director: 23 April 2021

Dr Wee, aged 93, is the Chairman of UOL. A distinguished banker with more than 60 years' experience and a veteran in the banking, insurance, real estate and hospitality industries, Dr Wee has received national and regional awards and industry accolades for his business achievements and support of education, community welfare and the business community.

Length of service as a Director (as at 31 December 2021):
48 years 8 months

Board Committee(s) served on:
- Executive Committee (Chairman)

Present Directorships in other listed companies (as at 31 December 2021):
- United Overseas Insurance Limited (Chairman)
- Haw Par Corporation Limited (Chairman)
- Singapore Land Group Limited (Chairman)

Major Appointments/Principal Commitments:
- United Overseas Bank Limited (Chairman Emeritus and Honorary Adviser)
- Pan Pacific Hotels Group Limited (Chairman)
- Marina Centre Holdings Private Limited (Chairman)
- Nanyang Technological University (Pro-Chancellor)
- Singapore Chinese Chamber of Commerce & Industry (Honorary President)
- Singapore Federation of Chinese Clan Associations (Honorary President)
- Singapore Hokkien Huay Kuan (Honorary President)
- Wee Foundation (Chairman)
- Chung Cheng High School (Chairman)

Past Directorships in listed companies and Principal Commitments held over the preceding five years:
- Far Eastern Bank (till May 2018)
- United Overseas Bank Limited (till April 2018)

Academic, Professional Qualification(s) & Achievement(s):
- Chinese high school education
- ASEAN Business Advisory Council Legacy Award for Singapore (2017)
- Honorary Doctor of Letters, Nanyang Technological University, Singapore (2014)
- The Distinguished Service Order, Singapore National Day Award (2011)
- The Asian Banker Lifetime Achievement Award (2009)
- Honorary Doctor of Letters, National University of Singapore (2008)
- Credit Suisse-Ernst & Young Lifetime Achievement Award (2006)
- Businessman of the Year, Singapore Business Awards (2001 and 1990)

WEE EE LIM
Deputy Chairman
Non-Executive and
Non-Independent Director

First appointed as a Director: 9 May 2006
Last appointed as a Director: 25 April 2019

Mr Wee, aged 60, is the Deputy Chairman of UOL. He was appointed as Deputy Chairman on 12 August 2015 and has been a Board Member since 2006.

Mr Wee is also the President & Chief Executive Officer of Haw Par Corporation Limited ("HPC"), a mainboard-listed company with businesses in the healthcare, leisure, property and investment sectors. Mr Wee joined HPC in 1986. He was appointed to the board of HPC in 1994 and to his current role of President & Chief Executive Officer in 2003. Mr Wee has been closely involved in the management and growth of the HPC group for more than 30 years.

Length of service as a Director (as at 31 December 2021):
15 years 7 months

Board Committee(s) served on:
- Executive Committee (Deputy Chairman)
- Nominating Committee (Member)
- Remuneration Committee (Member)

Present Directorships in other listed companies (as at 31 December 2021):
- United Overseas Bank Limited
- Haw Par Corporation Limited
- Singapore Land Group Limited

Major Appointments/Principal Commitments:
- Haw Par Corporation Limited (President and Chief Executive Officer)
- Wee Foundation (Director)

Past Directorships in listed companies and Principal Commitments held over the preceding five years:
- Nil

Academic, Professional Qualification(s) & Achievement(s):
- Bachelor of Arts (Economics), Clark University, USA

LIAM WEE SIN
Group Chief Executive
Executive and
Non-Independent Director

First appointed as a Director: 25 April 2019
Last appointed as a Director: -

Mr Liam, aged 63, has been the Group Chief Executive of UOL since 2019. Prior to this, he was the Deputy Group Chief Executive Officer. He is also a Board Member of several UOL subsidiaries. Before joining UOL in 1993, Mr Liam was in the public sector for eight years, overseeing architectural works and facilities management. He also worked with Jones Lang Wootton for project management and consultancy work.

An advocate of good design as well as green and sustainable architecture, Mr Liam is a member of the URA Architecture and Urban Design Excellence Committee. He had previously served as a member of the URA Design Advisory Committee, Preservation of Monuments Board and National Crime Prevention Council. In February 2021, Mr Liam was appointed second vice-president of the Real Estate Developers' Association of Singapore ("REDAS"). Previously he was first vice-president of REDAS from 2017 to 2018. In April 2021, Mr Liam was appointed as a new member of the Future Economy Council (FEC) to co-chair the Urban Systems Sub-Committee.

Length of service as a Director (as at 31 December 2021):
2 years 8 months

Board Committee(s) served on:
- Executive Committee (Member)

Present Directorships in other listed companies (as at 31 December 2021):
- Singapore Land Group Limited

Major Appointments/Principal Commitments:
- UOL Group Limited (Group Chief Executive)
- Director of various UOL subsidiaries

Past Directorships in listed companies and Principal Commitments held over the preceding five years:
- Nil

Academic, Professional Qualification(s) & Achievement(s):
- Bachelor of Architecture, University of Singapore
- REDAS Luminary Service Award (2021)

BOARD OF DIRECTORS

LOW WENG KEONG
Non-Executive and Independent Director*

First appointed as a Director: 23 November 2005
Last appointed as a Director: 10 June 2020

Mr Low, aged 69, was a past country managing partner of Ernst & Young, Singapore, and a past global chairman and president of CPA Australia.

Length of service as a Director (as at 31 December 2021):
16 years 1 month

Board Committee(s) served on:
- Audit and Risk Committee (Chairman)
- Nominating Committee (Chairman)
- Executive Committee (Member)
- Remuneration Committee (Member)

Present Directorships in other listed companies (as at 31 December 2021):
- Riverstone Holdings Limited
- iX Biopharma Limited (listed on Catalist)
- Haw Par Corporation Limited

Major Appointments/Principal Commitments:
- Singapore Chartered Tax Professionals Limited (formerly known as Singapore Institute of Accredited Tax Professionals Limited) (Chairman)

Past Directorships in listed companies and Principal Commitments held over the preceding five years:
- NTUC Education and Training Fund (Member of Board of Trustees) (till October 2019)
- Confederation of Asian and Pacific Accountants Limited (Board member) (till May 2019)

Academic, Professional Qualification(s) & Achievement(s):
- Fellow and Life member of CPA Australia
- Fellow of the Institute of Chartered Accountants in England & Wales
- Fellow of the Institute of Singapore Chartered Accountants
- Associate of the Chartered Institute of Taxation (United Kingdom)
- Accredited Tax Advisor of the Singapore Chartered Tax Professionals Limited

** Retired as Director with effect from 1 January 2022.*

TAN TIONG CHENG
Non-Executive and Independent Director

First appointed as a Director: 29 May 2013
Last appointed as a Director: 10 June 2020

Mr Tan, aged 71, has amassed an extensive and in-depth knowledge of real estate, both in the public and private sectors over the last four decades. Mr Tan stepped down as President of Knight Frank Asia Pacific on 31 March 2019. Upon his retirement, Mr Tan assumed the role of senior adviser to Knight Frank Asia Pacific till April 2020.

Length of service as a Director (as at 31 December 2021):
8 years 7 months

Board Committee(s) served on:
- Remuneration Committee (Chairman)
- Audit and Risk Committee (Member)

Present Directorships in other listed companies (as at 31 December 2021):
- Heeton Holdings Limited
- The Straits Trading Company Limited
- Amara Holdings Limited

Major Appointments/Principal Commitments:
- Straits Real Estate Pte. Ltd. (Director)

Past Directorships in listed companies and Principal Commitments held over the preceding five years:
- Knight Frank Asia Pacific (Senior Adviser) (till April 2020)
- Knight Frank Asia Pacific (President) (till March 2019)
- Knight Frank Pte Ltd (Chairman) (till March 2017)
- Knight Frank group of companies (till March 2017)

Academic, Professional Qualification(s) & Achievement(s):
- Diploma in Urban Valuation, University of Auckland, New Zealand
- Fellow of the Singapore Institute of Surveyors and Valuers
- Fellow of the Association of Property and Facility Managers
- Associate of the New Zealand Institute of Valuers

POON HON THANG SAMUEL
Non-Executive and Independent Director

First appointed as a Director: 12 May 2016
Last appointed as a Director: 10 June 2020

Mr Poon, aged 72, has more than three decades of experience in the financial industry. From 1979 to 1988, Mr Poon served at Citibank N.A. (Singapore) where he was responsible for credit, marketing, remedial management and structured finance. From 1988 to 2006, before he retired as senior executive vice president from United Overseas Bank Limited ("UOB"), Mr Poon was responsible for consumer banking, corporate banking, commercial banking, corporate finance and international banking at UOB.

Length of service as a Director (as at 31 December 2021):
5 years 7 months

Board Committee(s) served on:
- Nominating Committee (Chairman)

Present Directorships in other listed companies (as at 31 December 2021):
- Enviro-Hub Holdings Ltd
- Soilbuild Construction Group Ltd

Major Appointments/Principal Commitments:
- Ping An Fund Management Company Limited (Director)

Past Directorships in listed companies and Principal Commitments held over the preceding five years:
- Irodori Japanese Restaurant Pte Ltd (Director) (till June 2021)
- Raffles Town Club Pte Ltd (till September 2019)

Academic, Professional Qualification(s) & Achievement(s):
- Bachelor of Commerce (Honours), Nanyang University of Singapore

WEE EE-CHAO
Non-Executive and Non-Independent Director

First appointed as a Director: 9 May 2006
Last appointed as a Director: 23 April 2021

Mr Wee, aged 67, was appointed chairman of the Singapore Tourism Board from January 2002 to December 2004. He was also the first vice-president of the Real Estate Developers' Association of Singapore ("REDAS") from 2005 to 2006 and continued to serve on the committee of REDAS from 2007 to 2010.

Length of service as a Director (as at 31 December 2021):
15 years 7 months

Board Committee(s) served on:
- Nil

Present Directorships in other listed companies (as at 31 December 2021):
- UOB-Kay Hian Holdings Limited
- Haw Par Corporation Limited

Major Appointments/Principal Commitments:
- UOB Kay Hian group of companies (Chairman and Managing Director)
- Kheng Leong Company (Private) Limited (Director)
- Wee Foundation (Director)

Past Directorships in listed companies and Principal Commitments held over the preceding five years:
- Nil

Academic, Professional Qualification(s) & Achievement(s):
- Bachelor of Business Administration, American University Washington D.C., USA

BOARD OF DIRECTORS

SIM HWEE CHER
Non-Executive and Independent Director

First appointed as a Director: 25 April 2019
Last appointed as a Director: 23 April 2021

Mr Sim, aged 64, has over 30 years of audit experience and has been actively involved in managing audits of companies including real estate, construction and insurance industries. Mr Sim was vice chairman (operations), assurance leader and member of the leadership team at PricewaterhouseCoopers LLP Singapore ("PwC") and executive committee member of PwC China, Taiwan, Singapore and Hong Kong before his retirement in July 2018.

Length of service as a Director (as at 31 December 2021):
2 years 8 months

Board Committee(s) served on:
- Audit and Risk Committee (Chairman)
- Remuneration Committee (Member)

Present Directorships in other listed companies (as at 31 December 2021):
- Nil

Major Appointments/Principal Commitments:
- Mandai Park Holdings Pte Ltd (Director)
- Duke-NUS Medical School: Centre for Aging Research & Education (Advisory Board Member)
- The Esplanade Company Ltd (Director)
- National Youth Achievement Award Association (Council Member)
- Asia Capital Reinsurance Group Pte. Ltd. (Director)

Past Directorships in listed companies and Principal Commitments held over the preceding five years:
- Asia Capital Reinsurance Malaysia Sdn Bhd (till October 2020)
- NTUC Income Insurance Co-operative Limited (till June 2020)
- National Council of Social Service (Honorary General Secretary and Council Member) (2010 – 2018)

Academic, Professional Qualification(s) & Achievement(s):
- Bachelor of Accountancy (Honours), National University of Singapore
- Fellow of Certified Practising Accountants Australia
- Fellow of the Association of Chartered Certified Accountants of the United Kingdom
- Completed INSEAD International Directors Programme in 2018
- Pingat Bakti Masyarakat (PBM) and Bintang Bakti Masyarakat (BBM)

LEE CHIN YONG FRANCIS
Non-Executive and Independent Director

First appointed as a Director: 2 January 2020
Last appointed as a Director: 10 June 2020

Mr Lee, aged 67, joined United Overseas Bank Limited ("UOB") in 1980 and has more than 40 years' experience in the financial industry. He was the adviser to UOB Group Retail before retiring in April 2019. Mr Lee was the Country CEO of UOB (Malaysia) before he was appointed in 2003 as Head of International Division, UOB. Mr Lee was also concurrently the then Group Retail Head (Personal Financial Services and Business Banking). Mr Lee was also a non-executive director of UOB-Kay Hian Holdings Limited from 2006 to 2017 and a member of its audit committee.

Length of service as a Director (as at 31 December 2021):
2 years

Board Committee(s) served on:
- Executive Committee (Member)
- Nominating Committee (Member)
- Audit and Risk Committee (Member)

Present Directorships in other listed companies (as at 31 December 2021):
- Nil

Major Appointments/Principal Commitments:
- Kemaris group of companies (Director)
- GXS Bank Pte Ltd (formerly known as A5-DB Operations (S) Pte Ltd) (Director)

Past Directorships in listed companies and Principal Commitments held over the preceding five years:
- PT Bank UOB Indonesia (Commissioner) (till May 2019)
- United Overseas Bank (China) Limited (till April 2019)
- United Overseas Bank (Thai) Public Company Limited (till April 2019)
- UOB-Kay Hian Holdings Limited (till June 2017)

Academic, Professional Qualification(s) & Achievement(s):
- Malaysia Certificate of Education

LAU CHENG SOON

Non-Executive and Independent Director

First appointed as a Director: 23 April 2021
Last appointed as a Director: -

Mr Lau, aged 66, has over 29 years of senior management roles in the Asia Pacific real estate investment business and has been actively involved in planning, developing, managing and marketing numerous real estate investment and development projects across major markets in the Asia Pacific region.

Length of service as a Director (as at 31 December 2021):
8 months

Board Committee(s) served on:
- Executive Committee (Member)
- Remuneration Committee (Member)
- Audit and Risk Committee (Member)

Present Directorships in other listed companies (as at 31 December 2021):
- Nil

Major Appointments/Principal Commitments:
- Pro-invest Australia Hospitality Fund I (Director)
- Pro-invest Australia Hospitality Fund II (Director)
- Pro-invest Asia Pacific Distressed Hospitality Fund III (Director)
- Straits Real Estate Pte. Ltd. (Director)

Past Directorships in listed companies and Principal Commitments held over the preceding five years:
- Invesco Real Estate, Asia Pacific (Managing Director) (till March 2021)

Academic, Professional Qualification(s) & Achievement(s):
- Bachelor of Science in Chemical Engineering (Honors), Oregon State University
- Master of Business Administration, University of Chicago – Booth School of Business

KEY MANAGEMENT EXECUTIVES

Liam Wee Sin
Group Chief Executive
UOL Group Limited

Information on Mr Liam is found in the "Board of Directors" section of this report.

Choe Peng Sum
Chief Executive Officer
Pan Pacific Hotels
Group Limited

Mr Choe was appointed Chief Executive Officer of PPHG in September 2019. He is responsible for PPHG's day-to-day operations and existing hotel management business, as well as business development and expansion of management business. Mr Choe has over 30 years of hospitality experience gained from managing and developing hotels and serviced apartments globally.

Prior to joining PPHG, Mr Choe was senior adviser to Frasers Property Limited. He was previously chief executive officer of Frasers Hospitality International Ltd and was instrumental in growing its global portfolio. Mr Choe graduated with a Bachelor of Science (Distinction) degree from Cornell University (Ithaca, New York).

Kwa Bing Seng
Chief Financial Officer
UOL Group Limited

Mr Kwa was appointed Chief Financial Officer on 1 January 2021. He oversees the Finance, Tax, Treasury, Investor Relations & Corporate Communications and Information Technology functions of the Group. Prior to that, he was Deputy Chief Financial Officer. Mr Kwa is a Director of several UOL and PPHG subsidiaries.

Before joining UOL in 2007, Mr Kwa was the financial controller of a listed company. In the early part of his professional career, Mr Kwa held various audit and academic positions.

Mr Kwa has a Master of Business Administration degree from the Nanyang Technological University and a Bachelor of Accountancy (Honours) degree from the National University of Singapore. He also holds a Postgraduate Diploma in Higher Education from the National Institute of Education.

Goh Hwee Peng Jesline
Chief Investment and
Asset Officer
UOL Group Limited

Ms Goh was appointed Chief Investment and Asset Officer in January 2019. She is responsible for investment, asset management and operation of the Group's commercial and residential portfolio. Previously, she was Senior General Manager, Asset Management and Marketing. Ms Goh serves on the boards of various subsidiaries.

Prior to joining UOL in 2017, Ms Goh was chief executive officer of Keppel REIT Management Limited and deputy chief executive officer (Singapore) of Perennial Real Estate Holdings Limited. She had also held various senior positions at CapitaLand Group, where her last appointment was deputy chief executive officer of CapitaLand Mall Trust Management Limited.

Ms Goh graduated from the National University of Singapore with a Bachelor of Business Administration (First Class Honours) degree. She also completed the Executive Development Program at the University of Chicago Graduate School of Business, USA. Ms Goh is a Chartered Financial Analyst.

Neo Soon Hup
Chief Operating Officer
Pan Pacific Hotels
Group Limited

Mr Neo was appointed Chief Operating Officer of PPHG in March 2020. Prior to this, he was Executive Vice-President, Operations.

Mr Neo drives the operational performance, systems management and development, and service quality standards across PPHG's global portfolio. He also oversees new hotel openings and projects, food and beverage, and performance management. Before joining PPHG in 2003, he had spent more than a decade with PricewaterhouseCoopers. He is a member of the Association of Chartered Certified Accountants, and a fellow of the Institute of Singapore Chartered Accountants and the Chartered Secretaries Institute of Singapore. Mr Neo serves as a Director of several PPHG subsidiaries.

Chan Weng Khoon
Senior General Manager
Corporate Engineering and
Development (Commercial)
UOL Group Limited

Mr Chan is responsible for the corporate engineering and development of the Group's commercial properties. He joined UOL in 2007 and is a Director of several UOL subsidiaries.

Mr Chan holds a Bachelor of Electrical and Electronics Engineering (Honours) degree and a Master of Business Administration (International Business) from the Nanyang Technological University. He is a member of the Fire Code Review Committee of the Singapore Civil Defence Force.

Yeong Sien Seu
Chief Legal Officer/
Company Secretary
UOL Group Limited

Mr Yeong was appointed Chief Legal Officer/Company Secretary on 1 January 2021. He is responsible for the Legal, Corporate Secretarial, Data Protection and Risk Management functions of the Group, covering the property and hospitality businesses and operations. Prior to this, he was Senior General Manager (Legal & Secretariat)/Company Secretary. He serves as a Director of several UOL and PPHG subsidiaries.

Before joining UOL in 2005, he was responsible for legal matters at Fraser and Neave Limited. Prior to that, he practised as a litigation lawyer with Rajah and Tann.

Mr Yeong graduated from the National University of Singapore with a Bachelor of Laws (Honours) degree. He is an advocate and solicitor of the Supreme Court of Singapore and a member of the Singapore Academy of Law.

SENIOR MANAGEMENT

UOL Group Limited

Therese Jezamine Chew Pak Ngoh
General Manager
Commercial

Siti Aisha Bernice Peng
General Manager
Finance

Joyce Sng
General Manager
Product Development

Jenny Swee
General Manager
Project Development

Tan Kian Siew
General Manager
Investment

Yeo Bin Hong
Deputy General Manager
Group Internal Audit

Pan Pacific Hotels Group Limited

Wee Wei Ling
Executive Director
Sustainability
Partnerships,
Lifestyle & Asset

Kevin Croley
Senior Vice President
Business Development

Valerie Foo
Senior Vice President
Finance

Andreas Sungaimin
Senior Vice President
Human Capital &
Development

Cinn Tan
Chief Sales &
Marketing Officer

AWARDS & ACCOLADES

CORPORATE

UOL Group Limited

Singapore Corporate Awards 2021 (Special Edition)

- Corporate Excellence and Resilience Award (Companies with market capitalisation of $1 billion or more)

SIAS Investors' Choice Awards 2021

- Runner-up — Most Transparent Company Award (Real Estate)

PropertyGuru Asia Property Awards Grand Final 2021

- Best Hospitality Developer (Asia)

Patron of Heritage Awards 2020 by National Heritage Board

- Friend of Heritage

Brand Finance

- Top 100 Singapore Brands 2021 (#31)

Pan Pacific Hotels Group Limited

Travel Weekly Asia Readers' Choice Awards 2021

- Best Regional Hotel Chain

World Travel Awards 2021

- China's Leading Lifestyle Hotel Brand

SG Enable Enabling Mark Awards 2021

- Enabling Mark (Gold)

PRODUCT, DESIGN AND ARCHITECTURAL EXCELLENCE

Amber45, Singapore

EdgeProp Singapore Excellence Awards 2021

- Top Development (Completed — Central)
- Design Excellence (Completed — Central)
- Landscape Excellence (Completed — Central)
- Sustainability Excellence (Completed — Central)

Clavon, Singapore

International Property Awards (Asia Pacific) 2021

- Winner — Residential Interior Show Home Singapore
- Winner — Residential High-rise Architecture Singapore

PropertyGuru Asia Property Awards Singapore 2021

- Best Private Condo Development
- Best Private Condo Landscape Architectural Design

EdgeProp Singapore Excellence Awards 2021

- Innovation Excellence (Uncompleted – Non-Central)

The Watergardens at Canberra, Singapore

International Property Awards (Asia Pacific) 2021

- Winner — Architecture Multiple Residence Singapore

UOL Chief Legal Officer and Company Secretary Yeong Sien Seu (right) received the Patron of Heritage Award from Mr Edwin Tong, Minister for Culture, Community and Youth, and Second Minister for Law.

The 640-unit Clavon (artist's impression) won several international awards for its architectural excellence.

PARKROYAL on Beach Road clinched a top award at the Tripadvisor Travellers' Choice Awards 2021.

Pan Pacific Orchard, Singapore

PropertyGuru Asia Property Awards Grand Final 2021

- Best Green Development (Asia)
- Best Hotel Architectural Design (Asia)

PARKROYAL COLLECTION Marina Bay, Singapore

International Property Awards (Asia Pacific) 2021

- Best Hotel Interior Singapore

PropertyGuru Asia Property Awards Singapore 2021

- Best Hotel Interior Design

Travel Weekly Asia Readers' Choice Awards 2021

- Best Upscale Hotel (Asia Pacific)

PARKROYAL COLLECTION Pickering, Singapore

World Travel Awards 2021

- Asia's Leading Green Hotel
- World's Leading Green City Hotel

SERVICE EXCELLENCE

Pan Pacific Singapore

World Travel Awards 2021

- Singapore's Leading Business Hotel

PARKROYAL on Beach Road, Singapore

Tripadvisor Travellers' Choice Awards 2021

- Best of the Best Award for Hotels

Pan Pacific Serviced Suites Beach Road, Singapore

World Travel Awards 2021

- Singapore's Leading Hotel Residences

Pan Pacific Serviced Suites Orchard, Singapore

World Travel Awards 2021

- Asia's Leading Serviced Apartments

Pan Pacific Perth, Australia

Australian Hotels Association (WA) Awards 2021

- Service to Australia Award
- Hotel Management Team of the Year Award

OPERATION HIGHLIGHTS

PROPERTY INVESTMENTS

COMMERCIAL PROPERTIES

During the year, the Group continued to support retail tenants to cope with COVID-19 safety protocols. With restrictions on mall capacity and dining-in, as well as working from home remaining a default, UOL's three malls – United Square, Velocity@Novena Square and KINEX – launched a myriad of digital initiatives to promote retailers' products and offerings to drive sales.

In July 2021, safe management measures were tightened as Singapore returned to Phase 2 (Heightened Alert)[1]. UOL malls partnered online food delivery platform, Grab, to incentivise shoppers to place takeaway orders from the malls' participating food and beverage (F&B) outlets. The malls also partnered online shopping platform, Lazada, during the 9:9 and 11:11 sales. There were a series of Flash Deals on the U-POPP mobile application for members to redeem UOL e-vouchers and other shopping perks with their POPPoints. To safeguard the health and safety of staff, shoppers and tenants by minimising human contact during entry verification, Automated SafeEntry Gantries were implemented at the Group's commercial properties. During the year, electric vehicle (EV) charging stations were installed at the malls and EV drivers could enjoy one-hour free parking when they charge their cars.

The Group believes in contributing to the community. It also gives back to the community through the malls' activities and campaigns. During the Christmas season, the malls launched various campaigns, including a redemption programme for shoppers to redeem unique premiums designed by people with special needs from Cerebral Palsy Alliance Singapore and Extra•Ordinary People. To make donation convenient, UOL partnered Endowus to place machines in the malls for shoppers to donate to any of the 15 partnering charities, including Children's Aid Society and Tan Tock Seng Hospital Community Fund.

United Square

Located in the Novena precinct, United Square is a 33-storey mixed-use development with a total lettable office area of 26,851 sqm and a retail area of 19,630 sqm. The office component achieved a committed occupancy rate of 81% while the retail component achieved a committed occupancy rate of 95% as at 31 December 2021. United Square was certified Green Mark Gold^{Plus} by the Building and Construction Authority (BCA) in 2021.

Christmas gift sets were designed by Cerebral Palsy Alliance Singapore for UOL malls' festive campaign. Photo: The Smart Local

During the year, United Square brought in one of Singapore's popular tuition centres, The Physics Cafe. Several new F&B merchants, which included Food Dynasty (a food court), Peperoni Pizzeria, and Crown Prince Wine and Dine, opened at the mall. Other new stores such as Sultans barbershop, Lifetime Vision Care, Liangyi TCM, Young by Multiflora and AsterSpring also commenced operations. In early 2022, Genki Sushi and KOI Thé commenced operations at the mall.

Novena Square

Novena Square is a mixed-use development located above Novena MRT station. It consists of two blocks of 18- and 25-storey offices with a total lettable area of 42,567 sqm and Velocity@Novena Square, a three-storey retail mall with a total lettable area of 14,740 sqm. As at 31 December 2021, both the office component and retail mall each achieved a committed occupancy rate of 95%. Novena Square is a Green Mark Gold^{Plus}-certified building.

In 2021, Velocity@Novena Square brought in new F&B stores such as CHICHA San Chen, Aburi-En and KooKooNut, as well as new F&B concepts with PO Chicken and Lucky Kitchen. New retail stores included The Digital Gadgets, Sweet Home, Hearing Solution Group, Lenskart, Novela and THEFACESHOP – Nature Collection. In early 2022, new tenants included Xin Wang Hong Kong Café and DaXi 大喜. Josh's Grill and Cookhouse by Koufu food court will also open in 2022.

[1] During the return to Phase 2 (Heightened Alert) from 22 July 2021 to 18 August 2021 (both dates inclusive), the permissible group size for social gatherings was a maximum of two persons with a cap of two distinct visitors per household per day. Only takeaway and delivery options were allowed at all F&B establishments (including hawker centres and food courts). Work from home was the default.

KINEX
Located near the Paya Lebar MRT station, KINEX is a four-storey mall with a total net lettable area of 18,831 sqm. The retail mall achieved a committed occupancy rate of 91% as at 31 December 2021. Key tenants include Eccellente by HAO Mart, Beauty in The Pot, Mr. D.I.Y. and Evolve MMA. KINEX is a Green Mark Gold-certified building.

During the year, KINEX welcomed F&B brands such as Chongqing Premium Grilled Fish, Osomatsu Japanese Kitchen & Bar, Joyfulness Dining, Rotiboy, Soul Coffee, CocoAndNut, Sizzle Whizzle, Yogurt Lady, Chu Yi Jia 厨艺家, and new retailers such as Daiso Japan X Threeppy, Guang An TCM, The Lab, Zenith Education Studio and For Duchess, by Duke. New retail offerings such as JumprRocks by The Polliwogs, Beef Bro and Fitri Creations Halal Bakery opened in early 2022.

During the Christmas period, shoppers could make personalised gifts through festive craft workshops such as candle-making and DIY terrarium, held at the mall. Children could also participate in Holiday Camp, a three-day programme organised by the enrichment schools at KINEX. The mall partnered Extra•Ordinary People to set up a pop-up Christmas Gift Shop for shoppers to purchase handmade crafts and jewellery. All proceeds went into the funding of programmes and initiatives that would benefit the special needs community.

Marina Square shopping mall
Located at Raffles Boulevard, Marina Square shopping mall has an approximate net floor area of 74,356 sqm. The committed occupancy rate was 91% as at 31 December 2021. Marina Square shopping mall is a Green Mark-certified building.

West Mall
Located at Bukit Batok Town Centre, West Mall has an approximate net floor area of 17,042 sqm. The committed occupancy rate was 100% as at 31 December 2021. West Mall is a Green Mark Gold-certified building.

The Gateway
Located at Beach Road, The Gateway has an approximate net floor area of 69,803 sqm. The committed occupancy rate was 91% as at 31 December 2021.

Singapore Land Tower
Located along Battery Road, the 47-storey Singapore Land Tower has an approximate net floor area of 57,500 sqm. The committed occupancy rate was 85% as at 31 December 2021. In January 2021, Singapore Land Tower embarked on an asset enhancement initiative, which is targeted to complete in the second half of 2023. There will be more green features such as energy-efficient lifts and lush landscaped public spaces. Singapore Land Tower is a Green Mark Gold^{Plus}-certified building.

UIC Building
Located at 5 Shenton Way, UIC Building has an approximate net floor area of 26,373 sqm. The committed occupancy rate was 100% as at 31 December 2021. UIC Building is a Green Mark Gold^{Plus}-certified building.

An artist's impression of the communal garden at Singapore Land Tower after the asset enhancement works.

OPERATION HIGHLIGHTS

SGX Centre 2

Located at 4 Shenton Way, SGX Centre 2 has an approximate net floor area of 25,800 sqm. The committed occupancy rate was 93% as at 31 December 2021. SGX Centre 2 is a Green Mark Platinum-certified building.

Clifford Centre

Facing Raffles Place and Collyer Quay, Clifford Centre has an approximate net floor area of 25,470 sqm. The committed occupancy rate was 89% as at 31 December 2021.

Odeon Towers

Located at North Bridge Road, Odeon Towers has a total lettable office space of 16,335 sqm. The committed occupancy rate was 96% as at 31 December 2021. The Group received in-principle approval for the asset enhancement of Odeon Towers, which will be enlarged with the development of a standalone seven-storey building at the 333 North Bridge Road site, with a 50-metre frontage along North Bridge Road, opposite Raffles Hotel. Construction is expected to commence in the first half of 2022. Odeon Towers is in the process of receiving Green Mark certification by 2H2022.

Tampines Plaza 1 and Tampines Plaza 2

Located in Tampines Finance Park, Tampines Plaza 1 and Tampines Plaza 2 have approximate net floor areas of 8,397 sqm each. As at 31 December 2021, their committed occupancy rates were 100% and 98% respectively.

One Upper Pickering

Located at the junction of Upper Pickering Street and New Bridge Road, the 8,089 sqm office tower was fully leased to the Attorney-General's Chambers. One Upper Pickering is a Green Mark Platinum-certified building.

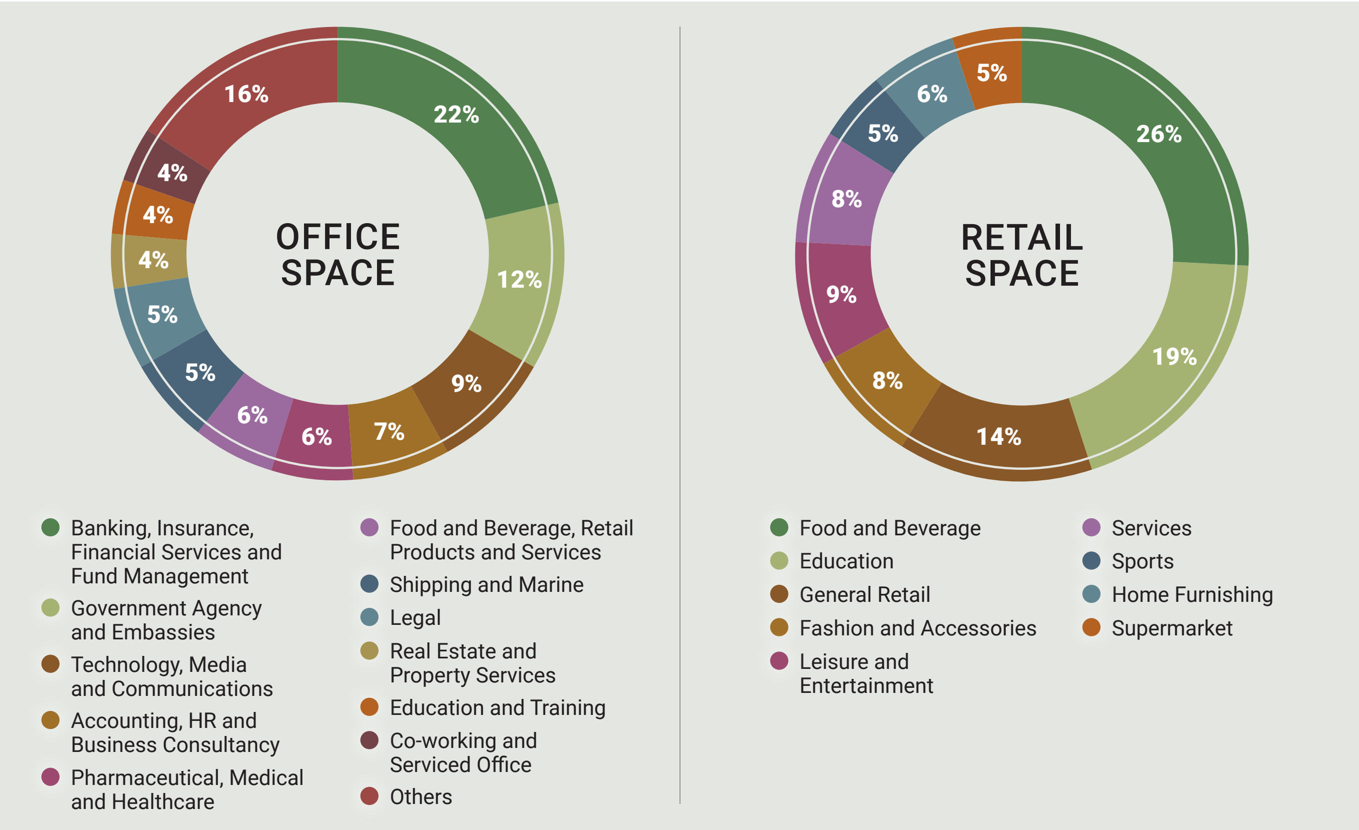
Stamford Court

Situated at the junction of Stamford Road and Hill Street, Stamford Court has an approximate net floor area of 5,990 sqm. The committed occupancy rate was 100% as at 31 December 2021. Stamford Court is a Green Mark Platinum-certified building.

Faber House

Located along Orchard Road, Faber House has a total lettable office space of 3,956 sqm. The committed occupancy rate was 88% as at 31 December 2021. The Group received in-principle approval under the Strategic Development Initiative scheme to redevelop Faber House into a 250-key hotel. Construction is expected to commence in the first half of 2023.

COMMERCIAL TENANT MIX FOR SINGAPORE PROPERTY INVESTMENTS



OVERSEAS

72 Christie Street, Australia

Located in Sydney, 72 Christie Street is a freehold eight-storey office building with four storeys of basement parking and a net lettable area of 11,259 sqm. It had a committed occupancy rate of 100% as at 31 December 2021.

110 High Holborn, United Kingdom

Located in Midtown London, 110 High Holborn has a net lettable area of 10,722 sqm. The committed occupancy rate was 89% as at 31 December 2021.

120 Holborn Island, United Kingdom

Located in Midtown London, 120 Holborn Island is a nine-storey building and has a net lettable area of 32,142 sqm. The committed occupancy rate was 92% as at 31 December 2021.

The Esplanade, The People's Republic of China

The Esplanade in Tianjin is a mixed-use development with an office component and a three-storey retail mall, with a total net lettable area of 16,327 sqm. The committed occupancy rate was 75% as at 31 December 2021.

Park Eleven Mall, The People's Republic of China

Park Eleven Mall in Shanghai is part of a mixed-use development comprising a three-storey retail mall with a net lettable area of 3,837 sqm and a 398-unit residential development. The committed occupancy rate was 91% as at 31 December 2021.

SERVICED SUITES

Pan Pacific Serviced Suites Orchard, Singapore

Located next to the Somerset MRT station, the 126-suite Pan Pacific Serviced Suites Orchard offers easy access to the wide variety of shopping and dining options along Orchard Road. In April 2021, the property completed an extensive refurbishment to its apartments, gym and residents' lounge to enhance guest experience and wellness offerings. During the year, the occupancy rate improved by 36% and average daily rate increased by 1% as compared with the previous year.

Pan Pacific Serviced Suites Beach Road, Singapore

Located close to Haji Lane and Arab Street, as well as the Marina Bay Central Business District, the 180-suite Pan Pacific Serviced Suites Beach Road caters to both leisure and business travellers. During the year, the property saw a 9% increase in occupancy rate and a 2% decrease in average daily rate.

PARKROYAL Serviced Suites, Singapore

The 90-suite PARKROYAL Serviced Suites Singapore is within walking distance to the historically rich Arab Street and the Central Business District. In 2021, the average daily rate declined by 3% against 2020, whilst occupancy rate remained constant.

PARKROYAL Serviced Suites Kuala Lumpur, Malaysia

Situated in the heart of Kuala Lumpur, the 287-suite PARKROYAL Serviced Suites Kuala Lumpur is close to the shopping and entertainment district of Bukit Bintang. During the year, the occupancy rate declined by 16% and average daily rate declined by 19% as compared with the previous year. This was in line with the ongoing impact of COVID-19, which brought about several nationwide lockdowns within Malaysia amid continued restrictions on international travel.

PIPELINE PROJECTS

Owned

Pan Pacific Serviced Suites Kuala Lumpur, Malaysia

Located in Bukit Bintang, the 210-suite Pan Pacific Serviced Suites Kuala Lumpur is a redevelopment of the multi-storey car park at PARKROYAL COLLECTION Kuala Lumpur (the former PARKROYAL Kuala Lumpur). The property is slated to open in the second half of 2022.

PARKROYAL Serviced Suites Jakarta, Indonesia

The 180-suite PARKROYAL Serviced Suites Jakarta is located in Tower 2 of Thamrin Nine, a mixed-use development in the heart of Jakarta's financial district. The property is expected to open in the first half of 2023.

Managed

PARKROYAL Suites Bangkok, Thailand

PARKROYAL Suites Bangkok is a 194-suite property located close to the Nana BTS skytrain station and within walking distance to several shopping malls. The property is targeted to open in the second half of 2022.

PARKROYAL Serviced Suites Hanoi, Vietnam

PARKROYAL Serviced Suites Hanoi offers scenic views of local attractions such as West Lake and Tran Quoc Pagoda. The 122-suite property is targeted to open in the second half of 2022.

OPERATION HIGHLIGHTS

PROPERTY DEVELOPMENT

REPLENISHMENT OF LANDBANK

The Group, through a 60:20:20 joint venture with SingLand and Kheng Leong, was awarded a 12,679.4 sqm residential site at Ang Mo Kio Avenue 1 for $381.4 million in June 2021. Located close to the Mayflower MRT station and in a popular residential town complete with good amenities and schools, the site will be redeveloped to offer a 24/25-storey project of about 372 residential units.

In October 2021, the Group's tender to acquire Watten Estate Condominium for $550.8 million was accepted by the members of the Sale Committee. The en-bloc acquisition was undertaken by an 80:20 joint venture between UOL and SingLand. The freehold property in Bukit Timah has a land area of 20,461.1 sqm. The site will be developed into a luxury project with about 200 units on elevated ground.

LAUNCH OF PROJECT

In August 2021, the Group launched The Watergardens at Canberra (沁水轩), a 448-unit development located along Canberra Drive and near the Canberra MRT station and the future North Coast Innovation Corridor. The project is a 50:30:20 joint venture between UOL, SingLand and Kheng Leong, offering a mix of two- to four-bedroom apartments. It is also the first private development to come to the market in the northern part of Singapore in over six years. The Watergardens at Canberra achieved about 60% sales during the launch weekend.

Artist's impression of The Watergardens at Canberra, which is surrounded by an abundance of lush greenery and pool facilities.

SALES AND COMPLETION STATUS OF LAUNCHED PROJECTS*

PROJECTS	TOTAL UNITS	BOOKED^ %	SOLD* %	COMPLETE* %	ACTUAL/EXPECTED TOP DATE
SINGAPORE					
The Watergardens at Canberra	448	73.7	69.4	8.0	2H2024
Clavon	640	95.0	93.6	11.8	1H2024
Avenue South Residence	1,074	85.1	80.6	74.8	1H2023
MEYER HOUSE	56	57.1	35.7	97.0	1H2022
The Tre Ver	729	100.0	100.0	72.3	2H2022
Amber45	139	99.3	99.3	100.0	Obtained
V on Shenton	510	98.4	95.3	100.0	Obtained
Mon Jervois	109	99.1	93.6	100.0	Obtained
UNITED KINGDOM					
The Sky Residences at One Bishopsgate Plaza, London	160	28.8	19.4	100.0	Obtained
THE PEOPLE'S REPUBLIC OF CHINA					
Park Eleven, Shanghai	398	97.0	88.4	100.0	Obtained

* *As at 31 December 2021.*
^ *Based on bookings from date of launch.*

The Sky Residences at One Bishopsgate Plaza offers panoramic views of the London city.

OPERATION HIGHLIGHTS

HOTEL OPERATIONS

UOL currently owns and/or manages over 30 hotels in Asia, Oceania and North America with over 10,000 rooms. Through hotel subsidiary PPHG, it owns three acclaimed brands, namely "Pan Pacific", PARKROYAL COLLECTION and PARKROYAL.

NEW INITIATIVES AND MARKETING STRATEGY

During the year, the pandemic continued to affect the global hotel industry. Although border restrictions eased towards the fourth quarter in 2021, the volume of travel remained low and continued to suppress occupancy rate, average daily rate and revenue per available room during 2021 in relation to 2020.

To manage the challenging tourism environment, PPHG continued to focus on domestic markets in the areas of staycations, dining and permitted meetings and events to drive performance. Global promotions were launched throughout the year, emphasising on competitive value as well as themed stays offering family, wellness and dining experiences. True to the PARKROYAL COLLECTION brand with sustainability and well-being at its core, from April to September 2021, PARKROYAL COLLECTION Marina Bay partnered Club Med to offer guests a holistic wellness experience, which included access to Club Med's extensive schedule of fitness classes and wellness workshops, together with the hotel's farm-to-table experiences and urban farm tours. To enrich staycation experiences for families with young children, Pan Pacific Singapore recently opened a new play area with seven interactive zones called Urban Jungle Village and four jungle-themed family suites in early 2022.

The Group's hotels in Singapore worked with five authorised local tourism partners to roll out promotions through Singapore ReDiscovers Vouchers, which were tourism credits worth $100 given to Singapore citizens aged 18 and above by the Singapore Tourism Board to support domestic tourism businesses. The campaign ended on 31 December 2021.

The Group continued to embrace the new normal and transition the business to focus on e-commerce platforms and digital channels. In addition to online food delivery channels, PPHG launched an e-Shop on its website, which offers hospitality products as well as specially curated packages and experiences at its Singapore hotels. Interactive events such as virtual wedding shows continued to offer package bookings leads, while EzyMeet virtual meeting packages were expanded to include hybrid meeting and studio set-ups for corporate customers at Pan Pacific Singapore and PARKROYAL COLLECTION Marina Bay. During the year, the Group further developed offerings in China on the WeChat mobile application and online travel platform, Fliggy, which offered hotel room bookings and promotions to Chinese travellers, so as to drive businesses to the Group's hotels in domestic China and globally.

In December 2021, PPHG launched a revamped loyalty programme, Pan Pacific DISCOVERY, to bring more benefits and rewards to guests. Pan Pacific DISCOVERY loyalty programme is part of the Global Hotel Alliance's DISCOVERY loyalty programme. Members can earn DISCOVERY Dollars (D$), a new easy-to-use digital rewards currency, and redeem premium hotel amenities and experiences, including all PPHG-owned dining outlets across its global portfolio. In addition, the programme allows for faster membership tier

A wedding showcase at PARKROYAL COLLECTION Marina Bay.

progression, provides more flexible ways for guests to advance tiers, and introduces Live Local offerings for members to access hotel facilities such as swimming pool and fitness centre without a stay.

EXTENDING GLOBAL FOOTPRINT

In 2021, PPHG expanded its global reach with the opening of Pan Pacific London in September, its first Pan Pacific hotel in the United Kingdom. Its managed hotel, PARKROYAL Monash Melbourne, which is the Group's sixth Australian property, opened in April. PPHG continues to grow its global pipeline with 18 properties in countries including Cambodia, China, Indonesia, Malaysia, Singapore, Thailand and Vietnam, which are slated to open by 2025. The Group's global portfolio will be expanded to 56 hotels, resorts and serviced suites across 32 cities.

PARKROYAL COLLECTION Marina Bay fully completed its renovation in May 2021 and transformed into a "garden-in-a-hotel". During the year, PPHG also completed the asset enhancement initiative for Pan Pacific Serviced Suites Orchard, Singapore. The property underwent phased renovation works to refurbish the guestrooms, gym and residents' lounge. PARKROYAL Kuala Lumpur was closed for major renovation since June 2020 and will reopen its doors in 2022 as PARKROYAL COLLECTION Kuala Lumpur. Pan Pacific Singapore, Pan Pacific Perth and PARKROYAL Melbourne Airport will also undergo renovations in 2022.

SINGAPORE

Pan Pacific Singapore

Pan Pacific Singapore is a 790-room hotel located in the Marina Bay area. Awarded Singapore's Leading Business Hotel in 2021 and 2020 at the annual World Travel Awards, it is located close to the Central Business District and accessible to a wide array of retail and entertainment options. The hotel's revenue per available room declined by 34% against 2020 due to a 17% decline in occupancy and a 20% decline in average daily rate.

PARKROYAL COLLECTION Pickering

The 367-room PARKROYAL COLLECTION Pickering was awarded World's Leading Green City Hotel for the fourth consecutive year at the annual World Travel Awards. The hotel is strategically located in the enclave of Chinatown and close to Singapore's Central Business District. The hotel's revenue per available room declined by 5% against 2020 due to a 48% decline in occupancy which was partially offset by an 82% increase in average daily rate.

PARKROYAL COLLECTION Marina Bay

PARKROYAL COLLECTION Marina Bay, a 583-room hotel, is connected directly to Marina Square shopping mall. Renovation works to the public areas and guestrooms were completed in May 2021 to transform it into a "garden-in-a-hotel" with curated lush landscapes and stylish interiors. In 2021, the hotel achieved 31% occupancy and average daily rate of $242.

PARKROYAL on Kitchener Road

PARKROYAL on Kitchener Road is located in the heart of Little India. The 542-room hotel offers guests the experience of living in a vibrant ethnic enclave as well as the convenience of a wide variety of food and shopping options within walking distance. The hotel's revenue per available room increased by 8% against 2020 due to a 31% increase in occupancy which was partially offset by a 17% decline in average daily rate.

PARKROYAL on Beach Road

PARKROYAL on Beach Road is located in the cultural precinct of Bugis and Kampong Glam, and close to Singapore's downtown attractions, business hubs and convention facilities. The hotel's revenue per available room declined by 8% against 2020 due to a 13% decline in average daily rate which was partially offset by a 6% growth in occupancy.

Mandarin Oriental

The 527-room Mandarin Oriental is located in the Marina Bay area. In 2021, the hotel's revenue per available room declined by 12% against 2020 due to a 53% increase in occupancy and a 43% decline in average daily rate.

SINGAPORE	2021	2020
Hotel Occupancy	61%	67%
Average Daily Rate	$116	$124
Revenue Per Available Room	$71	$83

OPERATION HIGHLIGHTS

MALAYSIA

PARKROYAL Penang Resort

The 310-room PARKROYAL Penang Resort is situated along Batu Ferringhi beach and overlooks the Andaman Sea. The hotel's revenue per available room declined by 22% against 2020 due to a 21% decline in occupancy and a 1% decline in average daily rate.

VIETNAM

Pan Pacific Hanoi

Located in the city centre and offering scenic views of West Lake and Red River, Pan Pacific Hanoi comprises 270 rooms and 54 serviced suites. The hotel's revenue per available room declined by 38% against 2020 due to a 36% decrease in occupancy and a 3% drop in average daily rate.

PARKROYAL Saigon

A short drive away from Ho Chi Minh City's international airport and Tan Binh Exhibition and Convention Centre, the 186-room PARKROYAL Saigon is also accessible to popular places of interest such as Mekong Delta and Cu Chi Tunnels. The hotel's revenue per available room increased by 46% against 2020 due to a 58% growth in occupancy in spite of a 7% decline in average daily rate.

Sofitel Saigon Plaza

The 286-room Sofitel Saigon Plaza is located on the historic Le Duan Boulevard and within walking distance to the city's commercial centre. During the year, the hotel's revenue per available room declined by 32% against 2020 due to a 65% decline in average daily rate which is mitigated by a 96% increase in occupancy.

MYANMAR

Pan Pacific Yangon

Pan Pacific Yangon is a 331-room luxury hotel, including ten serviced suites, located close to popular tourist attractions such as Shwedagon Pagoda and Bogyoke Aung San Market. During the year, the hotel's revenue per available room declined by 11% against 2020 due to a 5% decline in occupancy and a 6% decline in average daily rate.

PARKROYAL Yangon

PARKROYAL Yangon is located in the heart of Yangon and a short walk away from iconic and historic attractions such as the Shwedagon Pagoda and Bogyoke Aung San Market. The hotel has 342 rooms including nine SOHO (small office home office) units and 14 serviced suites. In 2021, the hotel's revenue per available room declined by 33% against 2020 due to a 27% decline in occupancy and an 8% decline in average daily rate.

SOUTHEAST ASIA (EXCLUDING SINGAPORE)	2021	2020
Hotel Occupancy	24%	24%
Average Daily Rate	$95	$119
Revenue Per Available Room	$23	$29

Note:
Refers to the Group's hotels in Malaysia, Vietnam and Myanmar. Excludes PARKROYAL COLLECTION Kuala Lumpur as the hotel was closed for major refurbishment.

OCEANIA

Pan Pacific Perth

The 486-room Pan Pacific Perth is located within walking distance from the city's major landmarks such as Swan River and the iconic Kings Park and Botanic Garden. In 2021, the hotel's revenue per available room increased by 59% against 2020 due to a 45% growth in occupancy and a 10% increase in average daily rate.

Pan Pacific Melbourne

The 396-room Pan Pacific Melbourne is located near the scenic Yarra River. In 2021, the hotel's revenue per available room increased by 13% against 2020 due to a 6% growth in occupancy and a 7% increase in average daily rate.

PARKROYAL Darling Harbour, Sydney

Located in central Sydney, PARKROYAL Darling Harbour is easily accessible to the Central Business District and popular destinations such as the Darling Harbour precinct, International Convention Centre Sydney and Chinatown. During the year, the 340-room hotel's revenue per available room grew by 23% against 2020 due to a 15% increase in occupancy and a 7% growth in average daily rate.

PARKROYAL Parramatta

The 286-room PARKROYAL Parramatta is located near the bank of the Parramatta River and within the Central Business District. The riverside hotel is a short drive away from signature landmarks such as CommBank

Stadium and Rosehill Gardens Racecourse. In 2021, revenue per available room increased by 15% due to an increase of 22% in occupancy in spite of a 6% drop in average daily rate.

PARKROYAL Melbourne Airport

The 276-room PARKROYAL Melbourne Airport enjoys direct connectivity to Melbourne Tullamarine Airport and is a choice location for meetings, conferences as well as airport layovers. In 2021, the hotel's revenue per available room declined by 32% against 2020 due to a 25% decline in occupancy and a 10% decline in average daily rate.

OCEANIA	2021	2020
Hotel Occupancy	65%	59%
Average Daily Rate	$143	$136
Revenue Per Available Room	$93	$ 80

THE PEOPLE'S REPUBLIC OF CHINA

Pan Pacific Xiamen

Pan Pacific Xiamen comprises 329 hotel rooms and 25 serviced suites. Offering views of the city's coastline, the hotel is located close to the financial district and major tourist attractions such as the Nan Putuo Temple and Overseas Chinese Museum. In 2021, the hotel's revenue per available room declined by 7% due to a 4% decline in both occupancy and average daily rate.

Pan Pacific Tianjin

Pan Pacific Tianjin is situated along the Haihe River and is part of the mixed-use development The Esplanade. The property comprises 289 hotel rooms and 30 serviced suites and is a short drive away from Tianjin railway station and close to places of interest such as Tianjin Ancient Culture Street. During the year, the hotel's revenue per available room increased by 34% against 2020 due to a 26% growth in occupancy and a 6% increase in average daily rate.

The Westin Tianjin

The Westin Tianjin is a 275-room hotel in Tianjin's Heping district. In 2021, the hotel's revenue per available room increased by 37% against 2020 due to a 35% increase in occupancy and 2% increase in average daily rate.

THE PEOPLE'S REPUBLIC OF CHINA	2021	2020
Hotel Occupancy	54%	46%
Average Daily Rate	$102	$98
Revenue Per Available Room	$55	$44

UNITED KINGDOM

Pan Pacific London

Pan Pacific London opened in September 2021. Located in Bishopsgate, London's central financial district, Pan Pacific London is within walking distance to the Liverpool Street Station. The hotel offers 237 guestrooms, 42 of which are suites. The hotel features an array of dining destinations including its signature restaurant Straits Kitchen that showcases Singaporean-style dining; Ginger Lily, a lively cocktail bar; and The Orchid Lounge, an elegant room serving afternoon tea. In 2021, the hotel achieved 23% occupancy and average daily rate of $676.

PIPELINE PROJECTS

Owned

PARKROYAL COLLECTION Kuala Lumpur, Malaysia

Located in Bukit Bintang, PARKROYAL COLLECTION Kuala Lumpur (the former PARKROYAL Kuala Lumpur) was closed for major refurbishment in June 2020. Refurbishment works included the renovation of guestrooms and the conversion of office units at its annex building President House to rooms. The 535-room hotel is expected to reopen in the first half of 2022.

PARKROYAL COLLECTION Kuala Lumpur will be an iconic green hotel when it reopens in 2022.

OPERATION HIGHLIGHTS

Pan Pacific Orchard was awarded Green Mark Platinum for its design and performance that adhere to best practices in environmental sustainability.

Pan Pacific Orchard, Singapore
Pan Pacific Orchard was closed for redevelopment in April 2018 and is targeted to reopen in the first half of 2023. Located within walking distance to the prime Orchard Road shopping belt, the 347-room hotel will offer rooms with eco-friendly features and three curated sky terraces with a green replacement ratio of more than 200%.

Pan Pacific Jakarta, Indonesia
Located in the heart of Jakarta's financial district, the 158-room hotel at Tower 2 of Thamrin Nine is accessible to many key commercial businesses. It is located in the same tower as PARKROYAL Jakarta and PARKROYAL Serviced Suites Jakarta, and is expected to open in the second half of 2023.

Managed

PARKROYAL Langkawi Resort, Malaysia
Located along Pantai Tengah Beach, PARKROYAL Langkawi Resort offers 308 guestrooms as well as comprehensive facilities such as outdoor swimming pools, event spaces and activity areas for families and children. The resort is expected to open in the second half of 2022.

PARKROYAL A'Famosa Melaka Resort, Malaysia
A short drive away from Melaka town, PARKROYAL A'Famosa Resort offers 216 rooms and an extensive range of dining options and meeting facilities. The resort is expected to open in the second half of 2022.

PARKROYAL Dalian, The People's Republic of China
The 216-room PARKROYAL Dalian is located within walking distance to city landmarks such as Xinghai Square, Dalian World Expo Centre and Dalian Xinghai Convention & Exhibition Centre, and is a short drive from Dalian Airport. Slated to open in the second half of 2022, the hotel offers panoramic views of both the sea and surrounding hills at a height of 52 storeys.

Pan Pacific Phnom Penh, Cambodia
Located along Norodom Boulevard, the 227-room hotel is in close proximity to Central Market, a major tourist attraction in Phnom Penh. Expected to open in the first half of 2025, it is under an hour's drive from the Phnom Penh International Airport.

PARKROYAL Siem Reap, Cambodia
The 131-room PARKROYAL Siem Reap is slated to open in the second half of 2023. The hotel is a short drive from tourist attractions such as Angkor Wat, Pub Street, Old Market, Night Market Street and Siem Reap International Airport.

PARKROYAL Jakarta, Indonesia
The 162-room PARKROYAL Jakarta is located at Tower 2 of Thamrin Nine. It is slated to open in the first half of 2024.

PARKROYAL Jakarta (artist's impression) is located in Tower 2 of Thamrin Nine (building on the extreme right), which is a mixed-use development in the heart of Jakarta's financial district.

PORTFOLIO OVERVIEW

	EXISTING		PIPELINE		TOTAL	
BY BRAND	**No. of hotels**	**No. of rooms**	**No. of hotels**	**No. of rooms**	**No. of hotels**	**No. of rooms**
Pan Pacific	21	6,808	7	1,503	28	8,311
PARKROYAL COLLECTION	2	950	1	535	3	1,485
PARKROYAL	12	3,345	9	1,749	21	5,094
Others	3	1,088	1	250	4	1,338
TOTAL	38	12,191	18	4,037	56	16,228
BY OWNERSHIP TYPE						
Owned	25	8,586	6	1,680	31	10,266
Managed	12	3,197	12	2,357	24	5,554
Marketing Partnership	1	408	-	-	1	408
TOTAL	38	12,191	18	4,037	56	16,228

	NO. OF HOTELS	REVENUE PER AVAILABLE ROOM	
		2021	**2020**
SINGAPORE[1]			
Owned	9	$81	$91
TOTAL	9	$81	$91
SOUTH EAST ASIA[2] (EXCLUDING SINGAPORE)			
Owned	7	$22	$28
Managed	2	$26	$22
TOTAL	9	$23	$27
OCEANIA			
Owned	5	$93	$80
Managed	1	$7	-
TOTAL	6	$85	$80
THE PEOPLE'S REPUBLIC OF CHINA			
Owned[3]	4	$52	$41
Managed	4	$44	$36
TOTAL	8	$48	$38
UNITED KINGDOM			
Owned	1	$154	-
TOTAL	1	$154	-
NORTH AMERICA			
Managed	5	$63	$57
TOTAL	5	$63	$57
PORTFOLIO REVENUE PER AVAILABLE ROOM			
Owned	26	$66	$65
Managed	12	$47	$43
TOTAL	38	$61	$59

Notes:
Reported in Singapore dollar at constant exchange rate unless otherwise stated, and includes serviced suites and hotels held by associated companies.
[1] Excludes revenue per available room figures for Pan Pacific Orchard which was closed on 1 April 2018 for redevelopment.
[2] Excludes revenue per available room figures for PARKROYAL COLLECTION Kuala Lumpur as the hotel was closed for major refurbishment.
[3] Includes revenue per available room figures for Tianjin Yanyuan International Hotel which was sold in fourth quarter of 2021.

OPERATION HIGHLIGHTS

MIXED-USE DEVELOPMENTS & INVESTMENTS

SHANGHAI

Located within Shanghai's Changfeng Ecological Park and close to Hongqiao Transportation Hub and The Bund, the mixed-use development comprises Park Eleven (沁和园), a 398-unit residential development and Park Eleven Mall, a retail mall with 3,837 sqm of net lettable area. The project is a 40:30:30 joint venture with UOL, SingLand and Kheng Leong. Units in both Phase 1 and 2 were fully sold. Phase 3 with 51 units of townhouses was opened for sales booking in November 2021 with about 76% booked. Overall project has achieved a sales rate of 97%.

LONDON

One Bishopsgate Plaza, a freehold mixed-use development located in Bishopsgate, London's Central Business District, was completed in mid-2021. The 41-storey luxury tower comprises a 237-room Pan Pacific London, a 160-unit residential development The Sky Residences, and a commercial space with 2,160 sqm of net lettable area. The mixed-use project is located close to Liverpool Street Station and the upcoming Crossrail's Elizabeth line. As at 31 December 2021, The Sky Residences recorded a sales booking rate of 29%.

The private club room at level 34 of The Sky Residences offers views across the London city.

INVESTMENTS IN SECURITIES

	PERCENTAGE HOLDINGS IN INVESTEE		FAIR VALUE		GROSS DIVIDEND RECEIVED	
	2021 %	2020 %	**2021 $'m**	2020 $'m	**2021 $'m**	2020 $'m
LISTED SECURITIES						
United Overseas Bank Limited	**2.4**	2.4	**1,071.6**	899.9	**39.4**	45.4
Others			**34.2**	31.7	**0.9**	0.9
			1,105.8	931.6	**40.3**	46.3
UNLISTED SECURITIES			**71.8**	82.0	**2.5**	2.7
TOTAL			**1,177.6**	1,013.6	**42.8**	49.0

The fair value of the Group's listed securities increased from $931.6 million as at 31 December 2020 to $1,105.8 million as at 31 December 2021 due mainly to the increase in the share price of United Overseas Bank Limited. Overall, an unrealised gain of $201.5 million arising from changes in the fair value of investments has been recognised in the fair value reserve account in 2021.

Dividend yield from investment in securities was 3.6% in 2021 (2020: 4.8%).

MANAGEMENT SERVICES AND TECHNOLOGY OPERATIONS

MANAGEMENT SERVICES

UOL Management Services Pte Ltd manages the Group's various properties in Singapore, while another wholly-owned subsidiary of the Group, UOL Project Management Services Pte Ltd, oversees project management and related services to the Group's development projects and properties.

TECHNOLOGY OPERATIONS

UIC Technologies Group (UICT) specialises in providing system integration, IT services and payroll software, and human resource outsourcing services. Its customers are from the education, financial services, healthcare and public sectors. UICT continues to focus on raising productivity and deepening its core competencies to participate in high value IT infrastructure and cloud computing projects.

SPA/LIFESTYLE-RELATED OPERATIONS

"St. Gregory"
Known for its diverse selection of traditional healing therapies, comprehensive workout facilities, personal training programmes and fitness classes, "St. Gregory" is an established integrated lifestyle brand with presence in eight "Pan Pacific", PARKROYAL COLLECTION and PARKROYAL hotels across Singapore, Malaysia, China, Vietnam and Myanmar.

"Si Chuan Dou Hua"
A purveyor of authentic Sichuan cuisine, "Si Chuan Dou Hua" operates five restaurants in Singapore, Japan and Myanmar. It also operates Chuān @ The Sixtieth, a craft cocktail bar adjoined to the Singapore flagship at UOB Plaza. The Singapore flagship outlet at UOB Plaza made it into Singapore Tatler's Best Restaurants 2019/20 edition of Tatler Dining.

"Tian Fu Tea Room"
"Tian Fu Tea Room" is adjoined to "Si Chuan Dou Hua" restaurants in Singapore at PARKROYAL on Beach Road and UOB Plaza. The tea room offers a wide selection of Chinese tea paired with handcrafted dim sum.

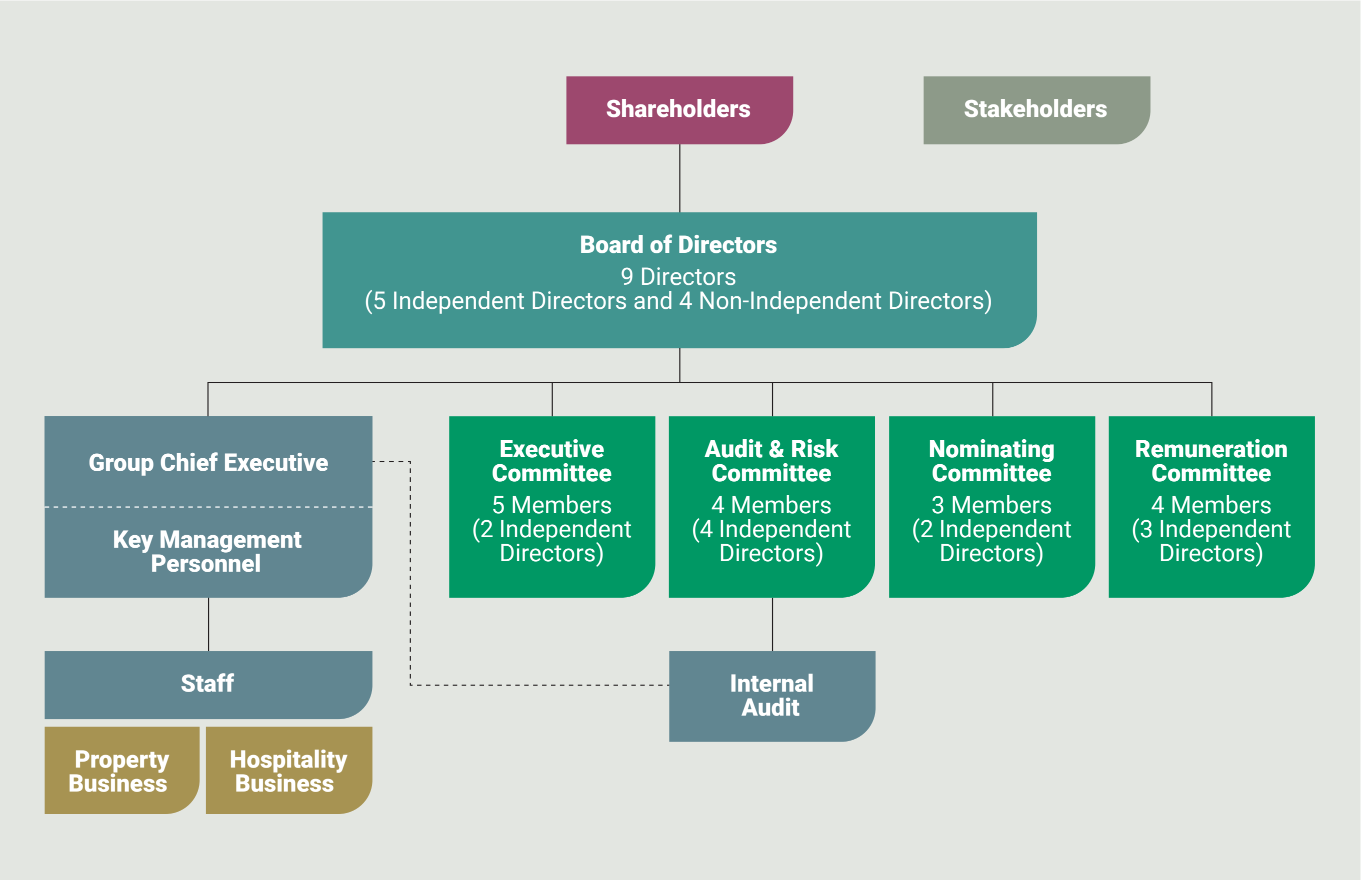
CORPORATE GOVERNANCE REPORT

For the Financial Year Ended 31 December 2021

UOL Group Limited (the "Company") is committed in its continuing efforts to achieve high standards of corporate governance and business conduct so as to enhance long-term shareholder value and safeguard the interests of its stakeholders.

This corporate governance report ("Report") sets out the framework of corporate governance policies and practices that have been adopted by the Company with reference to the principles and provisions of the Code of Corporate Governance issued by the Monetary Authority of Singapore on 6 August 2018 (the "Code").

CORPORATE GOVERNANCE FRAMEWORK



STATEMENT OF COMPLIANCE

The Board of Directors (the "Board") of the Company confirms that for the financial year ended 31 December 2021 ("FY2021"), the Company has complied with the principles under the Code and substantially all the provisions set out thereunder, deviation from which are explained in this Report.

BOARD MATTERS

THE BOARD'S CONDUCT OF AFFAIRS
Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

Responsibilities of the Board

The principal responsibilities of the Board are to:

1. review the Company's strategic business plans, taking into account sustainability and environmental issues, value creation and innovation;
2. review and approve the corporate policies, budgets and financial plans of the Company;
3. monitor financial performance including approval of the annual and interim financial results;
4. approve major funding proposals, investments, acquisitions and divestment proposals;
5. establish a framework of good corporate governance, values and ethics to safeguard Shareholders' interests and the assets of the UOL group of companies (the "Group");
6. oversee and review the processes for evaluating the adequacy and effectiveness of internal controls, risk management, financial reporting and compliance;
7. review the performance of the management team (the "Management") and the resources needed for the Company to meet its objectives; and
8. review the succession plans and remuneration policies for the Board and key management personnel.

Board Approval

To facilitate effective oversight, certain functions of the Board have been delegated to various board committees ("Board Committees"), which review and make recommendations to the Board on specific areas. Notwithstanding the delegation, the Board remains ultimately responsible for all matters which have been reserved in its written terms of reference. Management has also been provided with clear directions on the matters which must be approved by the Board. In this regard, the Board will review and approve all material transactions and matters, including any expenditure, budget and variance, investment, acquisition or disposal, which exceed specified limits.

The material matters that require Board approval include:
- the Group's policies, strategies and objectives;
- appointment of Directors and changes to the Board Committees;
- appointment of the Group Chief Executive (the "GCE") and other key management personnel;
- issue of equity or debt securities;
- acquisitions and disposals of investments exceeding certain limits and other significant transactions; and
- annual and interim financial results.

Board Committees

EXECUTIVE COMMITTEE (EXCO)	AUDIT & RISK COMMITTEE (ARC)	NOMINATING COMMITTEE (NC)	REMUNERATION COMMITTEE (RC)

There are four standing Board Committees appointed by the Board, namely the EXCO, ARC, NC and RC.

Each Board Committee has its own written terms of reference setting out its composition, authority and duties (including reporting back to the Board), which is reviewed periodically to ensure its continued relevance. Changes to the Board Committees' composition and appointments to the Board Committees are reviewed by the NC and approved by the Board.

CORPORATE GOVERNANCE REPORT

For the Financial Year Ended 31 December 2021

Composition and Role of EXCO and GCE

EXECUTIVE COMMITTEE (EXCO)
5 Members
Wee Cho Yaw (Chairman) / Wee Ee Lim (Deputy Chairman) / Liam Wee Sin / Lee Chin Yong Francis / Lau Cheng Soon[1] / (Low Weng Keong)[2]

Notes:
[1] *Mr Lau Cheng Soon was appointed as an additional member of the EXCO with effect from 16 February 2022.*
[2] *Mr Low Weng Keong stepped down as member of the EXCO with effect from 1 January 2022.*

The Board has conferred upon the EXCO and the GCE certain discretionary limits and powers for capital expenditure, budgeting, treasury and investment activities as well as acquisitions and disposals. The levels of authorisation required for specified transactions are specified in the EXCO's terms of reference adopted by the Board.

The EXCO and the GCE are assisted by Management in the daily operations and administration of the business activities of the Group and the effective implementation of the operating expenditures and the Group's strategies. The GCE in turn issues a chart of authority and limits for capital expenditure, budgets, investment and other activities for Management's compliance.

The EXCO is chaired by the Chairman of the Board and has been given certain authority and functions, such as the formulation and review of policies, approval of treasury and investments, overall planning and review of budgets and strategies as well as dealing with business of an urgent, important or extraordinary nature whilst the GCE is responsible for the day-to-day management, operations and administration of the Group.

Directors' Discharge of Duties and Responsibilities

The Directors discharge their duties and responsibilities as fiduciaries who act objectively in the best interests of the Company and hold Management accountable for the Company's performance. At Board meetings, the Directors review the financial performance of the Company, and also participate in detailed discussions of matters relating to corporate governance, business operations, risks as well as transactions undertaken by the Company.

The Board conducts regular scheduled meetings on a quarterly basis. Additional ad-hoc meetings are convened when circumstances require. The Board may also meet informally where necessary. The Company's Constitution ("Constitution") allows a board meeting to be conducted by way of telephonic and video conferencing. The attendance of Directors at Board and Board Committee meetings, as well as the frequency of such meetings in FY2021, are disclosed on page 61. Directors receive meeting materials ahead of meetings. Directors who are unable to attend Board meetings may convey their views to another Director or to the Company Secretary.

During the Board's quarterly meetings in FY2021, the Board together with senior management staff discussed and reviewed the impact of the COVID-19 pandemic on the Group's businesses and operations.

Conflicts of Interest

Each Director is required to act honestly, in good faith and with due care and diligence when exercising his powers. He has to notify the Company in a timely manner of his interests or appointments. Directors' direct and deemed interests in shares and debentures of the Company and its related corporations are disclosed in the "Directors' Statement" section of the Annual Report. Where a Director has an interest in a matter which may conflict with his duties to the Company, he must disclose his interests, recuse himself from the discussion and abstain from voting on the matter.

Directors' Induction and Training

All Directors appointed to the Board are provided with a formal letter of appointment which sets out the Director's roles and key responsibilities. The NC ensures that new Directors are made aware of their duties and obligations. In particular, new Directors receive comprehensive induction on joining the Board. They are provided with information on the corporate background, key personnel, core businesses, group structure, financial statements of the Group and their scope of duties and responsibilities. They are also briefed on the Group's businesses and operations. Site visits are conducted as necessary to familiarise them with the Group's properties. Guidance is also given to all Directors on regulatory requirements concerning disclosure of interests and restrictions on dealings in securities.

At the Company's cost and through the Company Secretary, training is made available to Directors on the Company's business and governance practices, and updates/developments in the regulatory framework affecting the Company. Directors are provided with opportunities to attend courses and talks on board matters organised by professional and reputable organisations including the Singapore Exchange Securities Trading Limited ("SGX-ST") and the Singapore Institute of Directors. This aims to give Directors a better understanding of the corporate governance matters relating to the Group and allows them to integrate into their roles and duties.

From time to time, the Company keeps the Directors apprised of new laws, regulations, changes to the SGX-ST listing requirements and changes to legislation which may impact the Group's businesses or business outlook, or may change the risks affecting the Group. The external auditor also briefs and updates ARC Members on developments in accounting and governance standards and issues which have a direct impact on financial statements. The Directors are also kept updated on the outlook and trends in the property and hospitality markets during the quarterly Board meetings. A new Director appointed who has no prior experience as a director of an issuer listed on SGX-ST is required to undergo mandatory training in his roles and responsibilities as prescribed by the SGX-ST, unless the NC is of the view that training is not required because he has other relevant experience.

During FY2021, the Directors were briefed on, among others, the new legislation and regulations introduced in connection with COVID-19, the amendments to the SGX-ST Listing Manual, changes to the accounting standards and steps undertaken by Management to manage the businesses and operations.

Access to Information

The Directors receive regular financial and operational reports on the Group's businesses and briefings during the quarterly Board meetings. Management reports comparing actual performance with budget and previous corresponding periods and highlighting key performance indicators, as well as accounts and reports on the financial performance of the Group are provided to Directors. Relevant Management staff make the appropriate presentations and answer queries from Directors at the Board meetings. Directors who require additional information may approach Management staff directly and independently and the required information is provided in a timely manner. Directors have separate and independent access to the advice and services of the Company Secretary and they may, either individually or as a group, in the furtherance of their duties and where necessary, obtain independent professional advice at the Company's expense. Such access to information is intended to enable the Directors to make informed decisions to discharge their duties and responsibilities.

Company Secretary

Under the direction of the Chairman, the Company Secretary is responsible for ensuring good information flow within the Board and Board Committees and between Management and Non-Executive Directors, advising the Board on all governance matters, monitoring the execution of their decisions, facilitating the induction of new Directors and assisting with professional development as required. The Company Secretary, from time to time, circulates to the Board articles and press releases relevant to the Directors and the Group's businesses, and material announcements issued to/by SGX-ST and the Accounting & Corporate Regulatory Authority. The Company Secretary keeps the Board informed of relevant laws and regulations, industry issues, practices and trends pertaining to corporate governance affecting the Board and the Board Committees.

The Company Secretary attends all Board and Board Committee meetings and ensures that all meeting procedures are followed. The Company Secretary, together with Management, ensures that the Company complies with all applicable statutory and regulatory rules. The minutes of all Board and Board Committee meetings are circulated to the Board. The appointment and removal of the Company Secretary is subject to the approval of the Board as a whole.

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BOARD COMPOSITION AND GUIDANCE

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Board Independence and Number of Independent Directors on the Board

As at 31 December 2021, the Board comprised ten members of whom six were independent and four were non-independent. Except for the GCE, all the other Directors were Non-Executive Directors. Mr Low Weng Keong, a Non-Executive and Independent Director, retired with effect from 1 January 2022. The review of independence of the Directors is set out in the "Board Membership" section on pages 45 to 47.

With a majority of the Board comprising Independent Directors and such Independent Directors having the requisite experience, expertise and standing, the Board is able to exercise objective judgment independently from the Company's substantial shareholders and Management, and no individual or small group of individuals dominates the Board's decision-making process. Where necessary, Non-Executive Directors may meet, formally or informally, without the presence of Management, and provide feedback to the Board and/or the Chairman after such meetings, as appropriate.

Size and Composition of Board and Board Committees

The Board considers the current size and composition of the Board and the Board Committees to be appropriate, taking into account the nature and scope of the Group's businesses and operations and the requirements of the Code.

The Company believes in the benefits that diversity can bring to the Board. Diversity would enhance the decision-making process of the Board through the sharing of different perspectives and insights, avoiding groupthink and enabling the Company to draw on a diverse mix and combination of skills, experience, independence and knowledge. The Company's board diversity policy seeks to ensure that the Board will comprise directors appointed based on merit, who as a group possesses an appropriate balance and combination of business experience, skills, age, gender, ethnicity and culture, tenure of service and other relevant qualities.

The Board, taking into account the views of the NC, considers that the current Board comprises persons with diverse business experiences and as a group, possesses an appropriate balance and diversity necessary to manage and contribute effectively to the Company and accordingly, the Board composition is in line with the board diversity policy. In this regard, the Directors are business leaders and professionals with backgrounds and experience in real estate, hospitality, banking, finance (including accounting, tax and audit), economics and business management. Collectively, they have core competencies spanning the relevant areas of the Group's businesses and operations. The ongoing Board renewal process results in a Board with staggered tenure for the Independent Directors. This provides continuity and stability for the conduct of Board matters while also ensuring the ability to have different perspectives and insights to meet the changing business environment of the Group. In identifying successors to retiring Directors, the Board appoints new Directors who bring other strategic, business and investment experience to the Board. This allows different perspectives to be brought into the Board discussions and review of the Group's businesses and operations. The composition of the Board will continue to be assessed annually taking into consideration the provisions of the board diversity policy and the needs of the Group.

CHAIRMAN AND GCE

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Separation of the Roles of Chairman and GCE

The Company has a separate Chairman and GCE as it believes that a distinct separation of responsibilities between the Chairman and the GCE will ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making in the best interest of the Company and its Shareholders. The Chairman and the GCE have no familial relationship with each other.

Responsibilities of Chairman and GCE

The Board establishes and sets out in writing the division of responsibilities between the Chairman and the GCE. The Chairman provides leadership to the Board and ensures that Board meetings are held as and when necessary. He sets the meeting agenda in consultation with the GCE and ensures that Directors are provided with accurate, timely and clear information. He further ensures that adequate time is provided for each agenda item included in the Board papers to be reviewed and debated at the Board meetings. The Chairman also facilitates the communications between the Shareholders, Board and Management and between the Non-Independent and Independent Directors. On the other hand, the GCE has the executive responsibility for the overall operations and administration of the Group.

Lead Independent Director

Provision 3.3 of the Code provides that the Board should have a lead independent director to provide leadership in situations where the Chairman is conflicted, and especially when the Chairman is not independent. It further provides that the lead independent director should be available to Shareholders where they have concerns for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate.

While the Chairman is non-independent, the Company is of the view that it is not necessary to appoint a lead independent director as the Independent Directors are able to function effectively and provide objective feedback to the Chairman. The Company believes that there are sufficient channels of open communications and access to any of the Independent Directors by any Shareholder without the presence of the other Directors. Where necessary, the Independent Directors also have the discretion to meet without the presence of the other Directors and they are able to provide their feedback to the Chairman after such meetings. The Independent Directors chairing the ARC, NC and RC have sufficient standing and authority to look into any matter which the Chairman, the GCE or the Chief Financial Officer ("CFO") fails to resolve. Further, as disclosed above, the Chairman and GCE are separate persons and have no familial relationship with each other. Accordingly, the Company is of the view that despite its deviation from Provision 3.3 of the Code, there is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

BOARD MEMBERSHIP

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

NC Composition and Role

NOMINATING COMMITTEE (NC)
2 Independent Directors
1 Non-Executive Non-Independent Director
Poon Hon Thang Samuel (Chairman)[1] / Wee Ee Lim / Lee Chin Yong Francis / (Low Weng Keong)[2]

Notes:
1 *Mr Poon Hon Thang Samuel was appointed as chairman of the NC with effect from 1 January 2022.*
2 *Mr Low Weng Keong stepped down as chairman of the NC with effect from 1 January 2022.*

Based on its written terms of reference which sets out clearly its authority and duties, the NC will make its recommendations to the Board on all board appointments and re-appointments, the process and criteria for evaluating the performance of the Board, the Board Committees and the Directors, review the adequacy of the training and professional development programmes for the Board and the Directors, and review the succession plans for Directors, in particular for the Chairman, the GCE and the other key management personnel.

Director Independence

Annually, the Directors submit declarations on their independence to the NC for assessment. The NC reviews the independence of each Director annually, and as and when circumstances require, in accordance with the requirements of the SGX-ST Listing Manual and the provisions of the Code, and also taking into account the guidance in the

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relevant Practice Guidance. A Director is considered independent if he is independent in conduct, character and judgment, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of his independent business judgment in the best interests of the Company. Each member of the NC and the Board abstained from the NC's and the Board's deliberations in respect of his own independence assessment.

The Directors who are considered to be independent are Low Weng Keong, Tan Tiong Cheng, Poon Hon Thang Samuel, Sim Hwee Cher, Lee Chin Yong Francis and Lau Cheng Soon.

For FY2021, the effectiveness and independence of Low Weng Keong who has served on the Board beyond nine years was subject to particularly rigorous scrutiny. Despite his long period of service, the NC found and recommended to the Board that Low Weng Keong had, at all times, expressed his individual viewpoints, objectively debated issues brought up at meetings of the Board and/or Board Committees and closely scrutinised Board matters and Board Committee matters. He had sought clarification and advice, as and when he considered necessary, from Management, other employees and external advisors, and exercised strong independence in character and impartial judgment whilst discharging his duties as a member of the Board and Board Committees. Both the Board and NC noted that Low Weng Keong has made decisions objectively in the best interests of the Group and its stakeholders. The Board, having considered the NC's recommendation and weighing the need for the Board's refreshment against tenure and familiarity with the Group's businesses and operations, deems Low Weng Keong as independent and agrees that his years of service has not compromised his independence or ability to discharge his duties as a member to the Board and Board Committees. Low Weng Keong has retired from the Board with effect from 1 January 2022.

Directors' Principal Commitments

Where a Director has multiple board representations, the NC also considers whether or not the Director is able to and has adequately carried out his duties as a Director of the Company. Taking into account the Directors' number of listed company board representations and other principal commitments and the contributions made by the Directors, the NC is satisfied that the Directors have given sufficient time and attention to the affairs of the Company. The Board does not set any prescribed maximum number of listed company board representations which any Director may hold. It is restrictive and not practical to do so, given that the demands and commitments on the individual Director will vary for every Director and each Director will be best able to assess for himself if he is able to discharge his duties as a Director of the Company effectively. It is also noted in this regard that none of the Directors has more than four listed company board representations.

Alternate Directors

The Company does not have any alternate Directors appointed to the Board.

Selection, Appointment and Re-election of Directors

In conjunction with succession planning, the Board regularly reviews the composition of the Board. The NC makes recommendations to the Board on all board appointments and re-appointments. For new Director appointments suitable candidates are identified through personal and professional networks and recommendations, and are nominated for appointment through an objective and comprehensive selection process. Where necessary, external consultants may be engaged to assist in the search and selection process. In determining the suitability of a candidate, the NC and the Board consider whether the candidate would complement and enhance the existing Board taking into consideration the current Board composition together with other factors such as core competencies, skills, experience, diversity, independence and time commitments. In recommending to the Board any re-nomination and re-election of existing Directors, in addition to the above-mentioned factors, the NC also takes into consideration the Directors' contribution and performance at Board meetings, including attendance, preparedness, participation and candour.

The Constitution requires one-third of the Directors, or the number nearest to (but not less than) one-third, to retire from office by rotation at every Annual General Meeting ("AGM"). The Directors to retire in the relevant year by rotation shall be those who have been longest in office since their last re-election or appointment and as between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. This effectively results in all Directors having to retire at least once every three years, or earlier. A retiring Director shall be eligible for re-election. A Director appointed by the Board to fill a casual vacancy or as an additional Director may only hold office until the next AGM, and will be eligible for re-election at such AGM. The NC, with each member abstaining in respect of his own re-election and in accordance with the Constitution, has recommended that Wee Ee Lim, Liam Wee Sin and Lee Chin Yong Francis, who retire by rotation pursuant to the Constitution, be nominated for re-election.

The detailed information as required under Rule 720(6) of the SGX-ST Listing Manual on Directors seeking appointment and re-election are disclosed in the "Supplemental Information" section of the Annual Report.

Key Information on Directors

Key information on each Director, including his academic qualifications and principal commitments, are set out in the "Board of Directors" section of the Annual Report. In addition, information on shareholdings in the Company held by each Director is set out in the "Directors' Statement" section of the Annual Report.

Information relating to Directors who are nominated for appointment or re-election, including any relationships between such Directors, and the other Directors, the Company, its related corporations, substantial shareholders or officers respectively, are set out as notes accompanying the relevant resolutions.

BOARD PERFORMANCE

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Evaluation of Board Performance

Using objective performance criteria and process which are recommended by the NC and approved by the Board, the NC has assessed, on an annual basis, the effectiveness of the Board as a whole, the Board Committees and the individual Directors. As part of the evaluation process, each Director completes an evaluation questionnaire covering matters relating to the performance of the Board and the Board Committees as well as a self-assessment of his own performance. The results from this exercise are presented to the NC and the Board, and are taken into consideration in the NC's annual overall assessment.

In evaluating the performance of the Board as a whole, the NC has adopted certain quantitative indicators which include return on equity, return on assets, the Company's share price performance and total shareholders' return. The quantitative performance criteria allow the Company to make comparisons with its industry peers and are linked to long-term shareholder value. The NC has also adopted certain qualitative criteria which include the Board's composition (including the balance of skills, experience, independence, knowledge of the Company and diversity), Board practices and conduct and how the Board as a whole adds value to the Company. For consistency in assessment, the performance criteria are not changed from year to year and where circumstances deem it necessary for any of the criteria to be changed, the NC, in consultation with the Board, will justify such changes.

In the assessment of the Board Committees, the NC considered, inter alia, the frequency of Board Committee meetings and the matters considered by the Board Committees. In assessing the contributions of the Chairman and each other Director to the Board, the NC takes into account various factors including the size and composition of the Board, the conduct of the Board meetings, the Director's attendance records, the rigour of debate and discussion at the Board and Board Committee meetings and the knowledge, experience and inputs provided by each Director. The Chairman reviews the NC's evaluation and acts, where appropriate and in consultation with the NC, to propose new members to be appointed to the Board or seek the resignation of Directors.

The Board and the NC are satisfied that for FY2021, all Directors have discharged their duties adequately and the performance of the Board as a whole and the Board Committees have been satisfactory.

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NC's Access to External Expert Advice

The NC has access to appropriate expert advice to facilitate the evaluation process where necessary, and did not consider it necessary to engage a consultant for FY2021.

REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

RC Composition and Role

REMUNERATION COMMITTEE (RC)
3 Independent Directors
1 Non-Executive Non-Independent Director
Tan Tiong Cheng (Chairman) / Wee Ee Lim / Lau Cheng Soon / Sim Hwee Cher[1] / (Low Weng Keong)[2]

Notes:
1 Mr Sim Hwee Cher was appointed as an additional member of the RC with effect from 16 February 2022.
2 Mr Low Weng Keong stepped down as member of the RC with effect from 1 January 2022.

The RC's written terms of reference sets out the roles and responsibilities of the RC, which include reviewing and making recommendations to the Board on:

- a framework of remuneration for the Board and the key management personnel. The framework takes into account the specific roles and circumstances of each Director and key management personnel to ensure an appropriate remuneration level and mix that recognises the performance, potential and responsibilities of these individuals;
- the specific remuneration package for each Director and the key management personnel which covers all aspects of remuneration, including Directors' fees, salaries, allowances, bonuses, options, share-based incentives, benefits-in-kind and termination payments; and
- whether Non-Executive Directors should be eligible for benefits under long-term incentive schemes.

The RC considers all aspects of remuneration and aims to be fair and avoids rewarding poor performance. In particular, the RC has reviewed the Company's obligations arising in the event of termination of the Executive Director's and key management personnel's contracts of service and ensures that such contracts contain fair and reasonable termination clauses which are not overly generous. It also administers the UOL 2012 Share Option Scheme and such other incentive schemes as may be approved by Shareholders from time to time.

None of the RC Members is involved in the deliberation on any remuneration, compensation or form of benefit to be granted to himself.

RC's Access to External Expert Advice

The RC Members are familiar with executive remuneration/compensation matters as they manage their own businesses and/or are serving on the boards of other listed companies. The RC has access to appropriate expert advice where necessary in framing the remuneration policy and determining the level and mix of remuneration for Directors and Management. During FY2021, to help the Company stay competitive in its remuneration packages, it has engaged Mercer (Singapore) Pte Ltd and Willis Towers Watson Public Limited Company as human resources/remuneration consultants. The Company has no relationship with the consultants which would affect their independence and objectivity.

LEVEL AND MIX OF REMUNERATION

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Remuneration Framework

The remuneration policy of the Company seeks to align the interests of the Directors and the key management personnel with those of the Company, as well as to ensure that remuneration is commercially attractive to attract, retain and motivate Directors to provide good stewardship of the Company and key management personnel to successfully manage the Company and enhance value creation for the long term. In determining remuneration packages, the RC takes into consideration industry practices, norms in compensation and the strategic objectives of the Company, as well as the need for remuneration to be linked with the long-term interest, risk policies, sustained performance and value creation of the Company. There are appropriate measures in place to assess the performance of the Executive Director and the other key management personnel.

Remuneration for Executive Director and the Other Key Management Personnel

For the Executive Director and the other key management personnel, the performance-linked elements of their remuneration packages constitute a significant and appropriate proportion of the entire package, are designed to align their interests with those of Shareholders, other stakeholders and the long-term success of the Company and take into account the risk policies of the Company. The Executive Director and the other key management personnel are eligible for share options under the UOL 2012 Share Option Scheme and are encouraged to hold their shares beyond the vesting period, subject to the need to finance any cost of acquiring the shares and associated tax liability. Liam Wee Sin, the sole Executive Director, is remunerated as the GCE and does not receive any director fee for serving as a member of the Board.

Remuneration of Non-Executive Directors

For Non-Executive Directors, their remuneration is appropriate to their level of contribution, taking into account factors such as effort and time spent as well as their respective responsibilities. The RC reviews and makes recommendations to the Board in relation to Non-Executive Directors' fees and allowances. The Board recommends the fees to be paid to Non-Executive Directors for Shareholders' approval annually. The fees consist of a basic fee for service on the Board and additional fees for service as member or chairman of Board Committees. The fees are pro-rated based on a Director's length of service in the year under review. Non-Executive Directors do not receive any variable remuneration such as options or bonuses.

The fee structure for Non-Executive Directors for FY2021 is as follows:

BOARD	$
Chairman	100,000
Deputy Chairman	65,000
Member	50,000
EXCO	
Chairman	25,000
Member	16,500
ARC	
Chairman	37,500
Member	25,000
NC AND RC	
Chairman	25,000
Member	12,500

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Contractual Provisions to Reclaim Incentive Components of Remuneration

Liam Wee Sin, who is the Executive Director and GCE, has an employment contract with the Company which may be terminated by either party giving three months' notice. His remuneration package includes a variable bonus element (which is substantially linked to the performance of the Company) and the grant of share options under the UOL 2012 Share Option Scheme as mentioned above.

Currently, the Company does not have and does not deem it appropriate to have, any contractual provisions to allow the Company to reclaim incentive components of remuneration from the Executive Director and the other key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company.

DISCLOSURE ON REMUNERATION

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

The remuneration policy of the Company seeks to align the interests of the employees with the Company's short and long term business objectives, as well as to ensure that the Company remains attractive as a prospective employer, and a fair employer to retain and motivate the existing staff. The entire remuneration package of all employees comprises salaries, short and long term incentives, as well as benefits in kind. Short term incentives include bonuses for staff to drive business performance, and long term incentives in the form of share options are used to ensure alignment of shareholders' and employees' interests and to reward value creation. As part of the Company's performance management system, the Company sets and reviews the key performance indicators ("KPIs") of our employees on an annual basis and the rewards package of each employee is dependent on achieving these annual targets.

The KPIs of each employee take into consideration the Company's, respective departments' and each individual's performance in accordance with his/her designation and responsibilities within the Group. The KPIs are communicated to each employee at the beginning of each year so as to align the employee's performance to the performance of the Company. The entire remuneration package and policy is reviewed periodically to ensure market competitiveness, and is considered against the wider industry landscape and trends.

Provision 8.1 of the Code provides for disclosure of the remuneration of the top five key management personnel (who are not also Directors or the GCE) of the Company. Following a review of the Company's policies and principles, and taking into account the practices and disclosures of other companies, the Board has decided to provide the aggregate remuneration of the key management personnel together with the percentage breakdown of the components of remuneration. Disclosure of further remuneration details would not be in the best interests of the Company given the confidential and sensitive nature of employees' remuneration and the intense competition in attracting and retaining talent. This also better aligns the Company's disclosure with its peers, both listed and unlisted, and does not put the Company at an undue disadvantage in talent management. The RC is of the view that the level and structure of remuneration are aligned with the Company's long-term interests and risk-management policies. The Remuneration Report is set out on pages 62 to 63.

Details of the UOL 2000 and 2012 Share Option Schemes are disclosed in the "Directors' Statement" section of the Annual Report.

Save as disclosed on page 63, there were no employees of the Company and its subsidiaries who are substantial shareholders of the Company, or are immediate family members of a Director, the GCE or a substantial shareholder of the Company, and whose remuneration exceeded $100,000 for FY2021.

ACCOUNTABILITY AND AUDIT

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

Risk Governance

The Board has overall responsibility for the governance of risk. To pursue a sustainable long-term growth path, and with increasing environmental, social and governance ("ESG") concerns, the Board recognises the importance of, and is responsible for, ensuring that Management designs, implements and monitors a sound system of risk management and internal controls that incorporate stakeholders' considerations as part of good governance. The ARC assists the Board in carrying out the Board's responsibilities of overseeing the Group's risk profile, providing guidance on key risks, and monitoring the adequacy and effectiveness of the risk management framework and policies, as well as the internal control system. The ARC reviews and the Board endorses the Group's risk strategy, appetite and risk policies, which determine the nature and extent of significant risks that the Group is willing to take to achieve its strategic and business objectives. The Board also reviews annually the adequacy and effectiveness of the Group's risk management and internal control systems.

At the Management level, the Group Risk Management Committee ("GRMC"), chaired by the GCE and comprising the senior management staff from both the property and hospitality businesses, reports to the ARC on a half-yearly basis or more frequently as needed. The GRMC highlights significant risk issues, both existing and emerging, for discussion with the ARC and the Board, taking into account the immediate operating environment and the next half-year prospects. In addition, the GRMC directs and monitors the implementation and running of the enterprise-wide risk management across the Group.

Enterprise Risk Management Framework

The Group has established an Enterprise Risk Management ("ERM") framework, and is continuously reinforcing it across all levels of the Group's businesses and operations. The ERM framework aims to increase the confidence in the Group's strategies, businesses and operations, through assurance that key risks are properly and systematically addressed.

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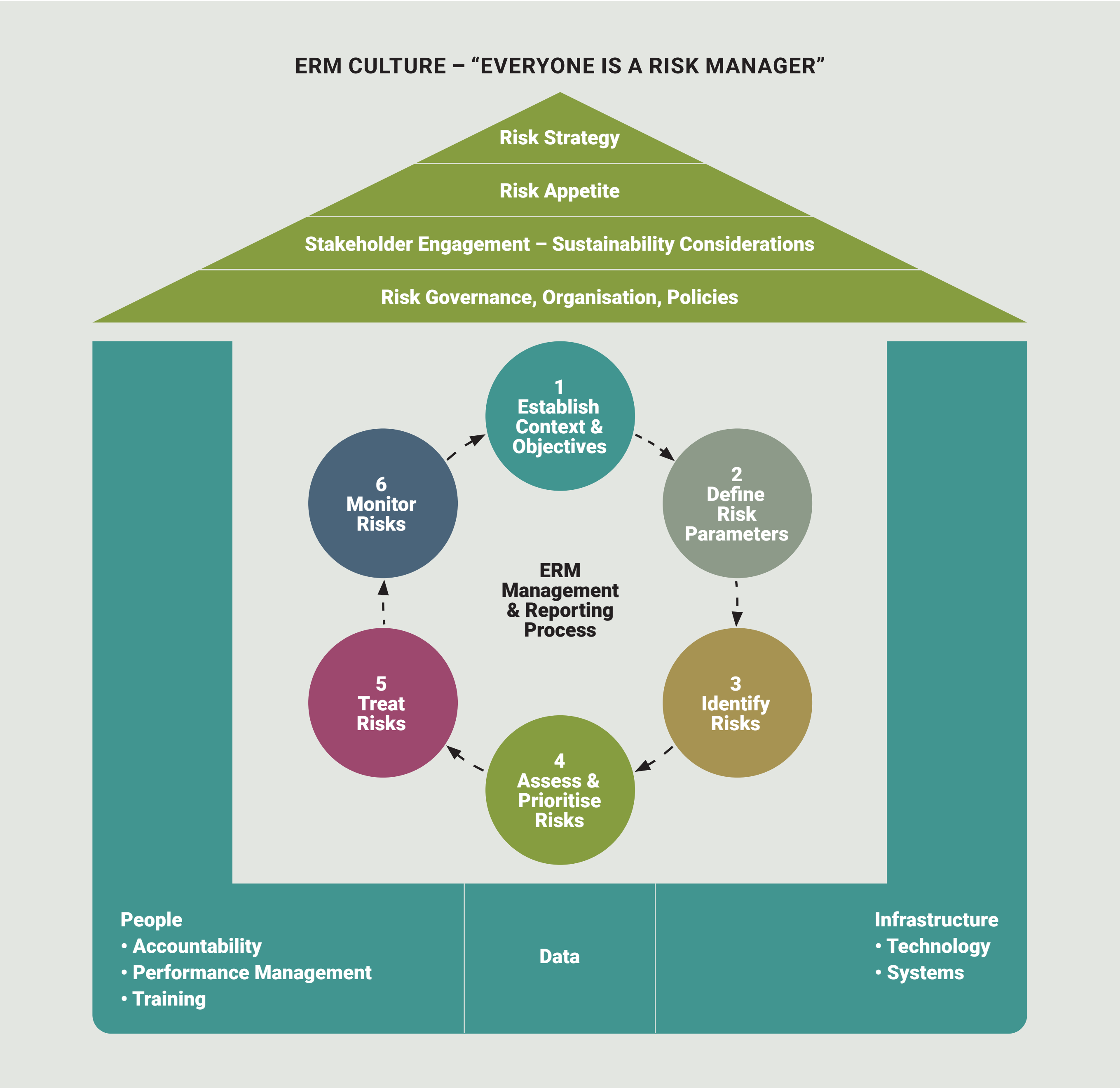

The ERM framework enables Management to have a formal structure to:

1. define the risk strategy and appetite of the Group, incorporating stakeholders' considerations;
2. set up the risk governance structures, organisation, policies and processes;
3. identify and assess the key risks which the Group faces and the current controls and measures for the Group to respond to these risks;
4. evaluate the effectiveness of the current controls and measures, and determine if further risk treatment plans are needed;
5. design key risk indicators to monitor risks that may have a material impact on the Group's businesses and operations as and when they arise and take mitigating steps as necessary;
6. develop and strengthen our people, data management and infrastructure which are key pillars of a sound ERM; and
7. report and review the Group's overall risk profile.

For a comprehensive risk identification and assessment, an integrated top-down and bottom-up risk review process is in place. Business functions undertake and perform their self-assessment of key risks and mitigating measures via their respective risk scorecards under their ownership. These operational risks are then aggregated and reported to the GRMC, together with any emergent issues identified from both the internal and external operating environment. The GRMC examines the Group's top-tier risks and deliberates on any potential significant threats that may impact the Group's businesses, at both the strategic and operational level. New or emerging concerns that are highlighted from these forums are addressed in consultation with the business owners for further assessment and appropriate follow up actions. This ongoing dialogue and communication with the relevant stakeholders facilitate a more robust and relevant ERM within the Group.

Management sets the appropriate tone at the top and is continuously reinforcing the "risk-aware" culture within the Group. With the belief that risk management is every employee's responsibility, Management works towards embedding risk management principles in the day-to-day decision-making and business processes. To promote risk awareness and enhance risk management knowledge, management staff in both the property and hospitality businesses actively participate in regular ERM discussions, training and workshops to acquire and maintain an adequate understanding of ERM concepts, methodologies and tools to enable them to manage risks in their respective areas of work.

To demonstrate ownership and accountability, senior management staff who are key risk and control owners review and provide assurances by way of sign-offs to the GCE, CFO and the other key management personnel in respect of the risks and controls under their charge or purview. In turn, based on these assurances, the GCE, CFO and other key management personnel provide an annual written confirmation to the Board.

As at 31 December 2021, the Board has received assurances from:

(a) the GCE and the CFO, that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and

(b) the GCE and the other key management personnel who are responsible, that the Group's risk management and internal control systems were adequate and effective to address the risks (including financial, operational, compliance and information technology risks) which the Group considers material to its current business environment.

Based on the internal controls currently in place, the work undertaken by the internal and external auditors, the assurances from the GCE, the CFO and the other key management personnel as well as reviews by the ARC and the Board, the Board, with the concurrence of the ARC, has commented that the Group's risk management and internal control systems are adequate and effective as at 31 December 2021. In commenting on the risk management and internal control systems, the Board has noted the ERM framework and processes as set out in the preceding paragraphs under "Enterprise Risk Management Framework".

The Group's risk management and internal control systems provide reasonable but not absolute assurance that the Group will not be adversely affected by the occurrence of material errors, poor judgment in decision-making, human error, losses, fraud or other irregularities or other events arising from the business environment which the Group operates in.

Key Risks

The Group's performance and operations are influenced by an array of both external and internal factors. The Group identifies macro trends (e.g. geopolitical, economic, business, social and technological) in the rapidly evolving business landscape and assesses how they may impact the Group's ongoing navigation in the new normal.

The key risks identified for the Group can be broadly classified under strategic/investment risks, financial risks, operational risks, compliance risks, and information technology risks.

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- Strategic/Investment Risks

The Group closely monitors developments and trends in the property and hospitality industries, and calibrates its strategies to achieve the Group's business objectives. The ongoing COVID-19 pandemic may bring about potential structural shifts and the Board and Management are continually assessing the longer-term implications in particular the outlook for hotels and retail, and the impact of work-from-home ("WFH") arrangement on the demand for office space and design of residential developments. ESG and climate change are part of the long-term global risks that may potentially affect the Group's properties, operations and supply chain. The Group will continue to monitor their impact, review its strategies and necessary measures to mitigate the risks.

Risks associated with the Group's acquisitions, market conditions and competition are constantly being analysed and managed, especially in the current uncertain environment where countries are on different cycles of recovery and reopening. The Board and the EXCO have overall responsibility for determining the level and type of business risk that the Group undertakes. The Group has a dedicated Investment, Asset Management & Strategy Department that evaluates all new investment opportunities based on the criteria set out by the Board and the EXCO. All major investment proposals are submitted to the EXCO and the Board, as the case may be, for approval. Ongoing performance monitoring and asset management of new and existing investments are performed by the Group.

- Financial Risks

The Group is exposed to a variety of financial risks, including interest rate, foreign currency, credit and liquidity risks. While it is still difficult to fully ascertain the impact of COVID-19, the uncertain market conditions and elevated investment risks arising from the pandemic is expected to affect valuation of the Group's investment and hotel properties. The management of financial risks is outlined under Note 36 of the Notes to the Financial Statements.

- Operational Risks

Stakeholders' health and safety are of top priority to the Group. Safe management measures are in place to ensure wellbeing of the Group's employees, customers, business partners and the community.

The Group's development projects as well as investment and hotel properties are subject to operational risks that are common to the respective industries, and to the business environment of the countries in which the Group has a presence in. The Group's operational risk framework, which is implemented at each operating unit, is designed to ensure that operational risks are continuously identified, addressed and mitigated. It is recognised that risks can never be entirely eliminated and the Group must always weigh the cost and benefit in managing risks. Operating in the midst of the pandemic, existing policies and procedures are adapted when restrictions in various countries occurred. The Group monitors closely the potential impact of disruption in supply chains, construction costs and availability of labour on its development projects.

The ability to attract, recruit, train and retain employees who are of the right fit and competencies is key to achieve the Group's current and long term business objectives. In addition to ongoing benchmarking and reviewing of remuneration framework and working environment, resources such as tools and online trainings/guides are rolled out to facilitate employees' new working arrangements and promote continuous learning to keep up with changes. Regular communications, engagement and feedback processes are in place as part of employees' welfare and mental wellbeing.

The Group uses insurance as a tool to transfer and/or mitigate certain portions of risks, and maintains insurance covers at appropriate levels after taking into account the cost of cover and risk profiles of the businesses. The insurance covers are reviewed regularly to ensure that they are adequate. Complementing Management's role is the Internal Audit function which provides an independent perspective on the controls that helps to mitigate major operational risks. Management reviews and implements further improvements to the current measures as and when any concern is identified. This ensures the continuity of the Group's businesses and operations.

- Compliance Risks

The Group ensures compliance risks are adequately addressed as part of the ERM framework. The relevant policies and procedures are put in place to ensure compliance with the applicable laws and regulations in Singapore, including the SGX-ST listing requirements, as well as the laws and regulations of the jurisdictions where the Group operates in. Management is kept apprised of applicable legislation updates, particularly the changing business requirements due to the COVID-19 pandemic, and other factors such as ESG/climate change, and takes adequate steps to ensure continuing compliance which is embedded in the day-to-day operations. In addition, the Company has in place a Code of Business Conduct which all employees are required to comply with. Amongst other provisions, the Code of Business Conduct specifies compliance with all relevant anti-bribery and corruption laws by all employees.

Management is cognisant of changes in the compliance requirements arising from the hybrid working arrangement and modification in work processes. Proper risk assessments are performed prior to implementing adjustments in workflows to mitigate potential risks while ensuring business continuity.

- Information Technology ("IT") Risks

IT being a business enabler is essential to the Group's operations and processes. Against the COVID-19 and WFH backdrop of rising phishing and hacking attempts, and a possible higher security risk arising from employees working outside of the office, cybersecurity is a key focus. Given the risk of disruption to the Group's businesses during system down times, as well as the potential regulatory, financial and reputational impact from the loss of critical/personal data, the Group conducts regular reviews on the management and maintenance of the Group's IT systems and software. The Group also partners with cyber security vendors to implement adequate measures including policies, information security controls and equipment to identify security gaps and safeguard against any malicious and deliberate hacking of its IT systems. Continuous education to raise awareness and preparedness in the form of cybersecurity and data protection trainings, and regular reminders to employees to stay vigilant with good cyber hygiene practices are also in place.

AUDIT AND RISK COMMITTEE
Principle 10: The Board has an Audit Committee which discharges its duties objectively.

ARC Composition and Role

AUDIT AND RISK COMMITTEE (ARC)
4 Independent Directors
Sim Hwee Cher (Chairman)[1] / Tan Tiong Cheng / Lau Cheng Soon / Lee Chin Yong Francis / (Low Weng Keong)[2]

Notes:
[1] *Mr Sim Hwee Cher was appointed as chairman of the ARC with effect from 1 January 2022.*
[2] *Mr Low Weng Keong stepped down as chairman of the ARC with effect from 1 January 2022.*

The ARC comprises four members who have recent and relevant accounting and financial management expertise and experience. All of the ARC Members are Independent Directors. None of the ARC Members were previous partners or directors of, or had any financial interest in, the Company's external auditor, PricewaterhouseCoopers LLP, within the past 24 months.

The ARC carries out the functions set out in the Code and the Companies Act 1967. The ARC's written terms of reference include:
- reviewing and reporting to the Board on the significant financial reporting issues and judgments so as to ensure the integrity of the financial statements and any announcements relating to the Company's financial performance;
- reviewing and reporting to the Board on the adequacy, effectiveness, independence, scope and results of the external audit and internal audit function at least annually, including reviewing the internal and external audit

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plans and audit reports, the external auditor's evaluation of the system of internal accounting controls, the scope and results of the internal audit procedures, the cost-effectiveness, independence and objectivity of the external auditor;
- considering and recommending to the Board the appointment/re-appointment of the external auditor, the audit fee and matters relating to the resignation or dismissal of the external auditor;
- reviewing and reporting to the Board on interested person transactions in compliance with the SGX-ST Listing Manual;
- reviewing and reporting to the Board the adequacy and effectiveness of the Company's internal controls and risk management systems at least annually;
- reviewing the assurances from the GCE and the CFO on the financial records and financial statements; and
- reviewing the procedures for detecting fraud and for concerns about possible improprieties in financial reporting or other matters to be safely raised, and ensuring that these arrangements allow proportionate and independent investigation of such matters and are appropriately followed up on.

In performing the functions, the ARC has reviewed the Group's audited consolidated financial statements and discussed with Management and the external auditor the significant matters which involved judgment by the Management. The ARC reviewed, amongst other matters, the following key audit matters as reported by the external auditor for FY2021:

SIGNIFICANT MATTERS	HOW THE ARC REVIEWED THESE MATTERS
Valuation of investment properties	The ARC reviewed the outcomes of the valuation process with Management, focusing on the methodologies and key underlying assumptions applied to the valuation models in assessing the fair value of the investment properties of the Group determined by independent professional valuers, particularly in view of the estimation uncertainty amidst the COVID-19 pandemic. The ARC also considered the findings of the external auditor and was satisfied that the valuation methodologies used were in line with generally accepted market practices and the key assumptions used were within the range of market data.
Valuation of development properties and revenue and cost of sales recognition from the sales of development properties	The ARC reviewed the approach taken by the Management in determining whether any foreseeable losses should be recognised in the respective development properties, particularly how Management intended to sell the properties under prevailing market conditions and how the impact of COVID-19 has been considered in estimating total development costs. In addition, the ARC considered the use of the percentage of completion method in recognising revenue and profit for the sale of development properties in Singapore and discussed with Management the justifications for adopting the various revenue and cost of sales assumptions for each project. The ARC also discussed with the external auditor on their assessment of the valuation of development properties and the estimates and assumptions used in determining total development costs and selling prices and in the recognition of revenue and costs of sales. Based on the discussion with Management and external auditor, the ARC concluded that the estimates and assumptions used were reasonable.

The ARC has met with the internal and external auditors, without the presence of Management, at least annually and reviewed the overall scope of the internal and external audits and the assistance given by Management to the auditors.

The ARC has explicit authority to investigate any matter within its terms of reference. It has full access to, and the co-operation of Management, and full discretion to invite any Director or executive officer to attend its meetings. It has reasonable resources to enable it to discharge its functions properly.

PricewaterhouseCoopers LLP is the Company's current external auditor. In accordance with Rule 1207(6) of the SGX-ST Listing Manual, details of the aggregate amount of fees paid to PricewaterhouseCoopers LLP and the breakdown of fees payable in respect of audit and non-audit services can be found under Note 5 of the Notes to the Financial Statements. Further to the above, the Company has also complied with Rules 712 and 715 of the SGX-ST Listing Manual.

The ARC has reviewed and is satisfied with the independence and objectivity of the external auditor and has approved the remuneration and terms of engagement of PricewaterhouseCoopers LLP. In its review, the ARC has taken into account the non-audit services provided by the external auditor and is of the opinion that these services do not affect the auditor's independence. The ARC has reviewed the Audit Quality Indicators and the performance of PricewaterhouseCoopers LLP and has recommended to the Board the nomination of PricewaterhouseCoopers LLP for re-appointment by the Shareholders at the AGM on 27 April 2022.

Code of Business Conduct

The Company has in place the Code of Business Conduct which all employees are required to comply with. Employees are expected to conduct themselves professionally with the highest regard for honesty and in compliance with all applicable laws and the code provides guidance on the business ethics practices that employees are required to observe. The code covers key matters such as fraud, bribery, conflicts of interests, health, safety and environment. The code also requires all employees to comply with anti-corruption laws in countries where the Company operates, and sets out the Company's anti-corruption practices in its business operations as well as the reporting policy and procedure.

Whistle-Blowing Policy

The Company has a whistle-blowing policy which aims to encourage and provide a channel to employees and any other persons to report, in good faith and in confidence, concerns about possible fraud, improprieties in financial reporting or other matters. The objective of such an arrangement is to ensure independent investigation of such matters and for appropriate follow-up action. Employees and any other persons may report their concerns to the head of Group Internal Audit by post or through the online feedback form, details of which are disclosed in the Company's website (http://www.uol.com.sg). The head of Group Internal Audit is responsible for investigating any concerns raised and he reports his findings to the ARC independent of Management. The ARC is able to act independently to take such action as may be necessary to address the concerns raised and has the authority to instruct any senior management staff to assist or co-operate in such action. The ARC reports significant matters raised to the Board.

In addition, the ARC is also responsible for assisting the Board in the oversight of the risk management and internal control systems within the Group (see "Risk Management and Internal Controls" section above).

Internal Audit

The head of Group Internal Audit reports directly to the ARC and administratively to the GCE. The ARC approves the appointment, remuneration and resignation of the head of Group Internal Audit. Group Internal Audit aims to meet or exceed the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. As part of its audit activities, Group Internal Audit monitors all interested party transactions and provides assurance that the necessary controls are in place and are complied with. Group Internal Audit conducts its audit reviews based on the approved internal audit plans and its audit reports containing findings and recommendations are provided to Management for their responses and follow-up action.

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The Internal Audit function is adequately resourced and independent of the activities it audits, comprises persons with relevant qualifications and experience and has appropriate standing within the Group. It has unfettered access to all documents, records, properties and personnel (including the ARC) and has appropriate standing within the Group. The head of Group Internal Audit, who joined the Group in October 1997, holds a Bachelor of Accountancy (Honours) Degree from the Nanyang Technological University. He is also a fellow of the Institute of Singapore Chartered Accountants and a member of the Institute of Internal Auditors (Singapore).

The ARC has reviewed and commented that the Group's Internal Audit function is independent, effective and adequately resourced.

SHAREHOLDER RIGHTS AND ENGAGEMENT

SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS
Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Shareholder Rights and Participation at General Meetings

The Company encourages shareholder participation at its general meetings and allows Shareholders the opportunity to communicate their views on various matters affecting the Company. The notices of general meetings setting out the agenda are despatched to the Shareholders with the annual reports, explanatory notes and if necessary, letters to shareholders on the items of special businesses, at least 14 days before general meetings are called to pass ordinary resolutions, or 21 days before general meetings are called to pass special resolutions, in compliance with the Companies Act 1967 and the SGX-ST Listing Manual.

Shareholders have the opportunity to participate effectively in and vote at the general meetings and may, under the Constitution, appoint up to two proxies to attend, speak and vote on their behalf. Shareholders, who hold shares in the Company through corporations which provide nominee/custodial services and who provide satisfactory evidence of their share ownership, are allowed to attend, speak and vote at the general meetings. The Company allows such corporations to appoint more than two proxies following revisions to the Companies Act 1967.

Barring unforeseen circumstances, all Directors and in particular, the Chairpersons of the EXCO, NC, RC and ARC, as well as senior management personnel will be available to address questions at general meetings. The external auditor is also present to address any Shareholder's query on the conduct of audit and the preparation of the Auditors' Report. The Company Secretary attends all general meetings to ensure that procedures under the Constitution and the SGX-ST Listing Manual are followed.

COVID-19 Alternative Arrangements for 2020, 2021 and 2022 AGMs

In view of the COVID-19 situation, the AGMs held on 10 June 2020 and 23 April 2021 ("2020 & 2021 AGMs") were convened and held by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Alternative arrangements relating to attendance at the 2020 & 2021 AGMs via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only steam), submission of questions to the chairman of the meeting in advance of the 2020 & 2021 AGMs, addressing of substantial and relevant questions at, or prior to, the 2020 & 2021 AGMs and voting by appointing the chairman of the meeting as proxy at the 2020 & 2021 AGMs, were put in place for the 2020 & 2021 AGMs.

As the COVID-19 situation continues to remain uncertain, the forthcoming AGM to be held on 27 April 2022 will also be convened and held in substantially the same manner as the 2020 & 2021 AGMs.

Separate Resolutions at General Meetings
In compliance with the Code, the Company tables separate resolutions at general meetings on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. In the event that there are resolutions which are interdependent and linked, the Board will explain the reasons and material implications in the notice of meeting.

Voting by Poll at General Meetings
At the general meetings, Shareholders are briefed on the poll voting procedures and the resolutions that they are voting on. For greater transparency and efficiency, the Company has implemented electronic poll voting since 2012, and will continue with electronic poll voting for the upcoming general meeting. Under this approach, each Shareholder votes on each of the resolutions by poll, instead of by hand, thereby enabling the Shareholders and proxies present at the AGM to vote on a one-share, one-vote basis. The Company engages an independent external party as scrutineer for the electronic poll voting. Prior to the commencement of the meeting, the scrutineer will review the proxies and the electronic poll voting system and will also review the proxy verification process to ensure that the proxy information is compiled correctly. The results of the voting for each resolution are validated by the scrutineer, and broadcast at the AGM and announced on SGXNET after the AGM.

Provision 11.4 of the Code provides that a company's constitution should allow for absentia voting at general meetings of shareholders. Presently, the Constitution does not permit Shareholders to vote at general meetings in absentia (such as via mail, email or fax), and the Company does not currently intend to amend its Constitution to provide for absentia voting, having taken into account the costs of implementation and the reliability of safeguards against error, frauds and other irregularities. Nevertheless, the Company is of the opinion that notwithstanding its deviation from Provision 11.4 of the Code, Shareholders are treated fairly and equitably and have the opportunity to communicate their views on matters affecting the Company even when they are not in attendance at general meetings. For example, Shareholders may appoint proxies to attend, speak and vote, on their behalf, at general meetings.

Minutes and Results of General Meetings
The Company Secretary prepares the minutes of the general meetings and includes all substantial and relevant comments or queries from Shareholders relating to the agenda of the meeting, and responses from the Board and Management. The minutes of the general meetings, when available, are published on the Company's corporate website. Results of the general meetings are also released as an announcement via SGXNET.

Dividend Policy
The Company adopts the policy of declaring dividends at the rate of approximately 20-50% of the profit after tax and minority interest and excluding fair value gains and other non-cash exceptional gains. Barring any unforeseen circumstances and provided that cash is not required for major investments in the future, the Company will continue to declare dividends at sustainable rates. Major investments may include potential mergers and acquisitions and the development of new assets and capabilities to expand the existing operations.

The payment of dividends is communicated to Shareholders in announcements released through SGXNET. The Board is recommending the declaration and payment of a first and final tax exempt (one-tier) dividend of 15.0 cents per ordinary share for FY2021 at the AGM on 27 April 2022.

ENGAGEMENT WITH SHAREHOLDERS
Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

The Group engages in regular, effective and fair communication with its Shareholders through the release of the Group's periodic and annual results, the timely release of material information through SGXNET and the publication of the Annual Report. Announcements of the Group's results are released and Annual Reports and Sustainability

CORPORATE GOVERNANCE REPORT

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Reports are issued within the periods prescribed under the SGX-ST Listing Manual. The Company also makes timely disclosures to Shareholders via SGXNET in accordance with the SGX-ST listing requirements on any changes in the Company or the Group which would likely materially affect the price or value of the Company's shares. Where appropriate, the Company also discloses such information on the "Investors and Media" section of its website. In line with maintaining communication with Shareholders, as and when briefings on the Company's performance and financial results are conducted for analysts and the media, the Company will disclose the presentation materials on SGXNET. During the year, the Company engaged with its Shareholders and the investment community virtually through various platforms such as the AGM, earnings calls, post-results luncheons, conferences and one-on-one meetings.

The Group's website (http://www.uol.com.sg) has a dedicated "Investors and Media" section that contains key information for Shareholders, investors, and other stakeholders, including announcements, stock information, financial results, annual reports, letters to shareholders, information on AGMs, financial summary, upcoming events, shareholding statistics, corporate governance and analyst coverage. The website is updated regularly, and allows users to subscribe for email notifications of the Company's latest updates on the website. The website also provides contact details of the Corporate Communications and Investor Relations Department for Shareholders to be able to reach out to the Company.

The Group's investor relations policy sets out the mechanism through which Shareholders may contact the Company with questions, allowing for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with Shareholders. The Group's investor relations policy is available on the above-mentioned "Investors and Media" section of the website. Further information on the Group's investor relations approach is set out in the "Investor Relations" section of the Annual Report.

MANAGING STAKEHOLDERS RELATIONSHIPS

ENGAGEMENT WITH STAKEHOLDERS

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

The Company's approach towards its engagement with stakeholders, including arrangements to identify and engage with its material stakeholder groups and to manage its relationship with such groups, and its strategy and key areas of focus in relation to the management of stakeholder relationships, is set out under the "Commitment to Stakeholders" heading in the "Sustainability" section of the Annual Report. The Company's full sustainability report for FY2021 will be issued within five months from the end of FY2021 in compliance with the SGX-ST Listing Manual.

OTHER MATTERS

Dealings in Securities

Pursuant to Rule 1207(19) of the SGX-ST Listing Manual on Dealings in Securities, during FY2021, the Company issued circulars, memorandums, notifications and updates, on a regular basis and as-and-when required, to its Directors and employees to prohibit the dealing in listed securities of the Company in the following periods:

1. one month before the announcement of the Group's half-year and full-year financial results and ending on the date of announcement of the results; and
2. at any time when they are in possession of unpublished material price sensitive information.

During FY2021, the Company also issued announcements at least one month before announcing the Group's half-year and full-year financial results to provide notice of when such financial results will be released.

Directors and employees are required to comply with and observe the laws on insider trading even if they trade in the Company's securities outside the prohibited periods. They are discouraged from dealing in the Company's securities on short-term considerations and are reminded of the laws on insider trading.

Interested Person Transactions and Material Contracts

The Company's interested person transactions policy sets out the review and approval process for interested person transactions. Interested person transactions are to be undertaken at arm's length and on normal commercial terms consistent with the Group's usual business practices and policies. Interested person transactions are also reviewed by the ARC and recorded in the Company's interested person transactions register.

In compliance with the SGX-ST Listing Manual, the Company has disclosed information on interested person transactions and material contracts in the "Interested Person Transactions" section of the Annual Report.

ATTENDANCE AT AGM, BOARD MEETINGS AND BOARD COMMITTEE MEETINGS

	NUMBER OF MEETINGS ATTENDED IN 2021					
NAME OF DIRECTOR	**AGM**	**BOARD**	**EXCO**	**ARC**	**RC**	**NC**
Wee Cho Yaw[1]	1	3	3	NA	2	–
Wee Ee Lim[2]	1	4	3	NA	1	NA
Liam Wee Sin	1	4	3	NA	NA	NA
Low Weng Keong	1	4	3	4	3	1
Tan Tiong Cheng	1	4	NA	4	3	NA
Poon Hon Thang Samuel	1	4	NA	NA	NA	1
Wee Ee-chao	1	4	NA	NA	NA	NA
Sim Hwee Cher	1	4	NA	4	NA	NA
Lee Chin Yong Francis[3]	1	4	3	1	NA	NA
Lau Cheng Soon[4]	NA	3	NA	1	1	NA
Number of meetings held in 2021	**1**	**4**	**3**	**4**	**3**	**1**

Notes:
NA: Not Applicable
1 *Dr Wee Cho Yaw stepped down as member of NC and RC with effect from 12 October 2021.*
2 *Mr Wee Ee Lim was appointed as member of NC and RC with effect from 12 October 2021.*
3 *Mr Lee Chin Yong Francis was appointed as member of ARC and NC with effect from 12 October 2021.*
4 *Mr Lau Cheng Soon was appointed as Director on 23 April 2021 and member of RC and ARC with effect from 12 October 2021.*

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REMUNERATION REPORT

The following table shows a breakdown (in percentage terms) of the remuneration of and details of share options granted to Directors and key management for FY2021:

REMUNERATION OF DIRECTORS

NAME	Total remuneration $'000	Salary %	Bonuses %	Directors' fees[1] %	Share option grants[2] %	Defined contribution plans %	Others %	Total remuneration %	Share options granted[3] number
Wee Cho Yaw	150	–	–	100	–	–	–	100	–
Wee Ee Lim	94	–	–	100	–	–	–	100	–
Liam Wee Sin	2,206	32	54	–	6	–	8	100	120,000
Low Weng Keong	142	–	–	100	–	–	–	100	–
Tan Tiong Cheng	100	–	–	100	–	–	–	100	–
Poon Hon Thang Samuel	63	–	–	100	–	–	–	100	–
Wee Ee-chao	50	–	–	100	–	–	–	100	–
Sim Hwee Cher	75	–	–	100	–	–	–	100	–
Lee Chin Yong Francis	85	–	–	100	–	–	–	100	–
Lau Cheng Soon[4]	69	–	–	100	–	–	–	100	–

REMUNERATION OF KEY MANAGEMENT PERSONNEL

<table>
<tr><th>NAME</th><th>Salary %</th><th>Bonuses %</th><th>Share option grants[2] %</th><th>Defined contribution plans %</th><th>Others %</th><th>Total remuneration %</th><th>Share options granted[3] number</th></tr>
<tr><td>Choe Peng Sum
Chief Executive Officer (Hotels), PPHG</td><td rowspan="5">67</td><td rowspan="5">16</td><td rowspan="5">8</td><td rowspan="5">2</td><td rowspan="5">7</td><td rowspan="5">100</td><td rowspan="5">252,000</td></tr>
<tr><td>Kwa Bing Seng
Chief Financial Officer, UOL</td></tr>
<tr><td>Goh Hwee Peng Jesline
Chief Investment and Asset Officer, UOL</td></tr>
<tr><td>Yeong Sien Seu
Chief Legal Officer and Company Secretary, UOL</td></tr>
<tr><td>Neo Soon Hup
Chief Operating Officer, PPHG</td></tr>
</table>

Notes:
1 *Directors' fees are subject to approval by the Shareholders at the forthcoming AGM and exclude fees payable by subsidiaries.*
2 *Fair value of share options is estimated using the Trinomial Tree model at date of grant.*
3 *Refers to options granted on 8 March 2021 under the UOL 2012 Share Option Scheme to subscribe for ordinary shares in the capital of the Company. The options may be exercised at any time during the option period from 8 March 2022 to 7 March 2031 at the offer price of $7.42 per ordinary share.*
4 *Mr Lau Cheng Soon was appointed as Director on 23 April 2021.*

Total remuneration paid to the top five key management personnel (excluding the GCE) set out above amounted to $3,240,000 for FY2021.

Details of the UOL 2012 Share Option Scheme can be found under the "Directors' Statement" section of the Annual Report.

Remuneration of employees who are immediate family members of a Director, the GCE or a substantial shareholder of the Company

The remuneration of an employee who is an immediate family member of a Director, the GCE or a substantial shareholder of the Company for FY2021 is as follows:

Remuneration band of $300,000 to $400,000

- Wee Wei Ling (Executive Director (Sustainability Partnerships, Lifestyle and Assets), PPHG, daughter of Dr Wee Cho Yaw and sister of Mr Wee Ee-chao, Mr Wee Ee Lim and Mr Wee Ee Cheong)

Except as disclosed above, there were no employees of the Company and its subsidiaries who are substantial shareholders of the Company, or are immediate family members of a Director, the GCE or a substantial shareholder of the Company, and whose remuneration exceeded $100,000 for FY2021.

The above remuneration report excludes those relating to the key management personnel of the Company's subsidiary, Singapore Land Group Limited ("SingLand") as SingLand is separately listed and the relevant information can be found in SingLand's annual report for FY2021.

INVESTOR RELATIONS

UOL is committed to establishing strong relationships with its stakeholders which include institutional and retail shareholders, investors, equity and fixed income analysts and the media. The Group's Investor Relations Policy describes the principles and communication platforms the company uses to engage with the investor community.

REGULAR ENGAGEMENT WITH STAKEHOLDERS

To provide the investor community with insights to the Group's business strategy and market outlook, the Senior Management and the Investor Relations team engage them regularly through various channels such as Annual General Meeting (AGM), earnings calls, post-results luncheons, conferences and one-on-one meetings.

Due to the prolonged pandemic, many of the engagements were held virtually during the year. The Group's Senior Management met with institutional shareholders and investors through its participation in several post-results luncheons and virtual investor conferences including Macquarie ASEAN Virtual Conference and SGX-Credit Suisse Real Estate Virtual Corporate Day.

OPEN COMMUNICATION PLATFORMS

The UOL corporate website (www.uol.com.sg) is a key source of information for the investor community. Its "Investors and Media" section contains all disclosures submitted to the Singapore Exchange Securities Trading Limited through SGXNET, including material announcements such as the Group's financial results, investor presentations, annual and sustainability reports, and media releases. Other pertinent information like minutes of AGMs, shareholding statistics, and contact information of the Corporate Communications and Investor Relations department are also available on the website. In addition, investors can subscribe to email alerts for the announcements through the corporate website. The Group's latest business activities and sustainability efforts are covered in UOL's quarterly newsletter Channel (https://www.uol.com.sg/about-uol/uol-channel/).

SHARE PRICE PERFORMANCE

UOL's share price closed the year at $7.09, a decrease of 8% from $7.71 at the end of 2020. Over the same period, the FTSE ST Real Estate Holding and Development Index and and Straits Times Index increased by 18.8% and 9.8% respectively.

UOL's highest share price was recorded at $7.99 on 30 March 2021 and the lowest share price at $6.79 on 1 October 2021 (source: NASDAQ). Shareholders' funds increased to $10.2 billion, bringing net tangible asset per ordinary share to $11.99, a 4% increase from $11.55 in 2021.

As at 31 December 2021, UOL's issued share capital comprised 844.3 million ordinary shares. The majority of the Group's shareholders were Singapore-based, with the remainder from North America, Asia (excluding Singapore), Europe and the rest of the world.

RECOGNITION BY ESTABLISHED RANKINGS AND AWARDS

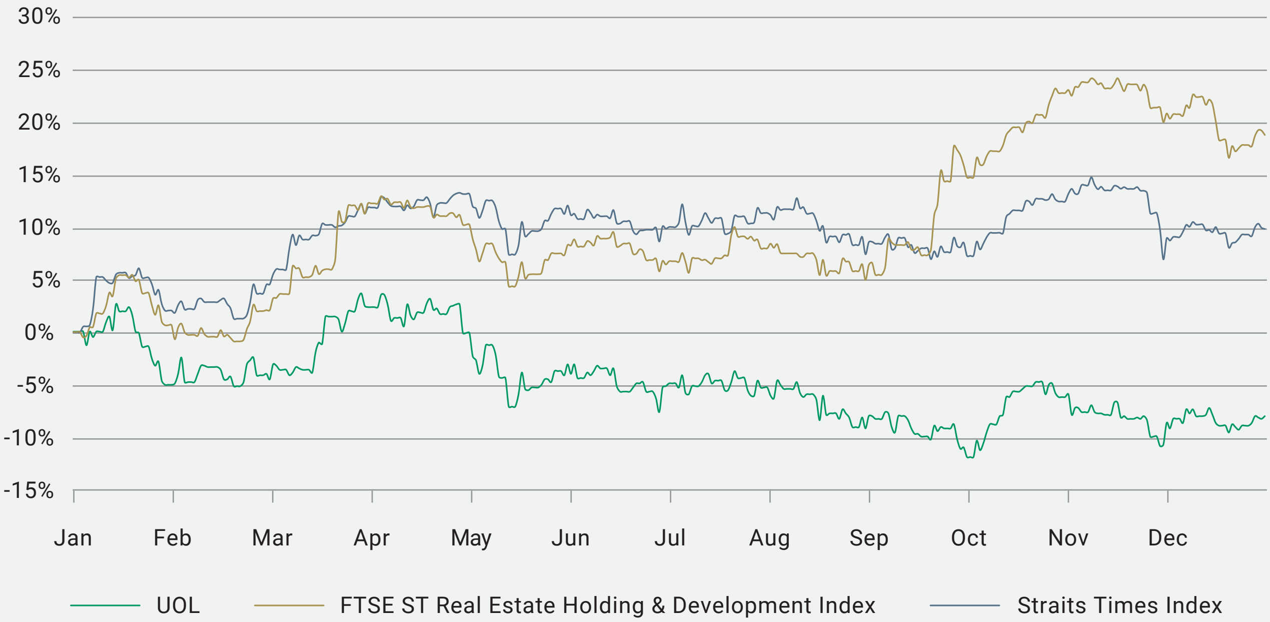
The Group continued to remain a constituent of STI, as well as other indices such as iEdge SG ESG Indices, FTSE EPRA/NAREIT Developed Index, FTSE EPRA/NAREIT Developed Pure Asia Index and FTSE EPRA/NAREIT Singapore Index. UOL was ranked 35th out of a total of 519 SGX-listed companies in the annual Singapore Governance and Transparency Index (SGTI) for 2021. For its strong corporate governance and ESG (environmental, social and governance) practices, UOL emerged as Runner-Up for the Most Transparent Company Award in the Real Estate category at the SIAS Investors' Choice Awards 2021. It also clinched the Corporate Excellence and Resilience Award for companies with market capitalisation of $1 billion or more at the Singapore Corporate Awards 2021 (Special Edition). The Group continued to receive an "A" rating under MSCI ESG Ratings.

UOL Group Chief Executive Liam Wee Sin (left) received the Corporate Excellence and Resilience Award from Ms Indranee Rajah, Minister, Prime Minister's Office and Second Minister for Finance and National Development at the Singapore Corporate Awards 2021 (Special Edition). Photo: The Singapore Corporate Awards

EVENTS CALENDAR FOR 2021	
FY2020 earnings call	26 February 2021
1H2021 earnings call	12 August 2021
Post FY2020 Results Virtual Conference hosted by Macquarie	4 March 2021
Macquarie ASEAN Virtual Conference	24 August 2021
SGX-Credit Suisse Real Estate Virtual Corporate Day	28 September 2021

FINANCIAL CALENDAR	
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021	
Announcement of first half results	12 August 2021
Announcement of unaudited full year results	28 February 2022
AGM	27 April 2022
Record date	9 May 2022
First & final dividend payment date	20 May 2022
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020	
Announcement of first quarter business update	18 May 2020
Announcement of first half results	13 August 2020
Announcement of third quarter business update	11 November 2020
Announcement of unaudited full year results	26 February 2021
AGM	23 April 2021
Record date	3 May 2021
First & final dividend payment date	14 May 2021

2021 SHARE PRICE PERFORMANCE (BASED ON CLOSING)



SUSTAINABILITY

BOARD STATEMENT

UOL is committed to its vision of creating value and shaping future for its stakeholders by sustaining its business growth that focuses on environmental and social impacts.

The Board reviews environmental, social and governance (ESG) matters as fundamental factors in UOL's strategic business plans. It also oversees the management of materiality issues, as well as their targets and performance.

SUSTAINABILITY FRAMEWORK AND VISION

The UOL Sustainability Framework defines the Group's sustainability. It centres on creating value and shaping future for its stakeholders in a responsible and structured manner. The framework aligns the Group's sustainability approach with Sustainable Development Goals (SDGs), sustainability benchmarks and standards.

In 2021, UOL unveiled its Sustainability Vision – "Less Carbon, More Life" that underpins its commitment to shape a resilient built environment and contribute towards a clean, green and sustainable future.

SUSTAINABILITY GOVERNANCE STRUCTURE

The Group's sustainability governance structure permeates functions and seniority, ensuring that sustainability is integrated both at the strategic and operational levels.

The Board of Directors oversees ESG topics and considers them in UOL's strategic business plans. The Group's sustainability efforts are driven by the Sustainability Steering Committee (SSC), which is chaired by both the Group Chief Executive and Chief Financial Officer, and comprises PPHG Chief Executive Officer and members of the Senior Management team. The SSC makes key decisions on UOL's sustainability strategy. Led by the Corporate Communications & Investor Relations department, the Sustainability Working Committee (SWC) supports the SSC in sustainability plans, reporting and materiality assessment. The SWC comprises representatives across departments including Commercial and Group Marketing (Commercial), Corporate Engineering and Development (Commercial), Finance, Human Resource, Legal & Secretariat, Management Office, Project Development, and the Group's hotel subsidiary PPHG.

UOL GROUP SUSTAINABILITY GOVERNANCE STRUCTURE

BOARD OF DIRECTORS

SUSTAINABILITY STEERING COMMITTEE
(Chaired by Group Chief Executive and Chief Financial Officer)

SUSTAINABILITY WORKING COMMITTEE
(Led by Corporate Communications & Investor Relations and supported by business units across the Group)

COMMITMENT TO SUSTAINABILITY

The Group was one of the first companies in Singapore to report on its ESG practices voluntarily through the publication of its inaugural sustainability report for the financial year ended 2013. Its annual sustainability report, which is available on its corporate website, covers UOL's core businesses of property development, property investments and hotel operations in Singapore, excluding those of listed SingLand but including the common associated and joint venture companies of UOL Group and SingLand.

2021 was a critical year for global climate action with an urgency to increase climate ambitions to reach the goals of the Paris Agreement. In August 2021, UOL pledged its commitment in a joint effort to address climate change through the Singapore Built Environment Embodied Carbon Pledge launched by the Singapore Green Building Council (SGBC). The Pledge aims to unify and amplify industry action to accelerate decarbonisation in the built environment. UOL is also a member of SGBC.

Against the backdrop of heightened climate change, the Group is developing a three-year sustainability roadmap with an external consultant to step up on its decarbonisation plans. The Group targets to adopt the Task Force on Climate-Related Financial Disclosures (TCFD) in the next two years. It is committed to greening its buildings and supporting the Singapore Green Plan 2030 and government's plan to achieve at least 80% of all buildings in Singapore to be Green Mark certified by 2030.

In October 2021, a carbon inventory workshop was organised across business units for participants to understand and review the Group's greenhouse gas emissions, in particular Scope 3 emissions, in preparation for future disclosures.

UOL Sustainability Working Committee organised a carbon inventory workshop to build in-house capabilities.

To complement its green efforts, UOL secured a $540 million sustainability-linked loan pegged to Singapore Overnight Rate Average, a first for the Group. UOL will be eligible for an interest rate reduction if its sustainability targets are met in reducing carbon emissions, energy and water intensities for its commercial properties. The five-year loan will be used for general corporate purposes and refinancing of an existing loan facility.

UOL has been a constituent member of iEdge SG ESG Leaders Index and iEdge SG ESG Transparency Index since 2016, affirming its role as a leading organisation in ESG practices in Singapore.

SUSTAINABILITY

MATERIALITY

In January 2022, a materiality workshop was conducted by an external consultant for the Sustainability Steering and Working Committees to review and validate the Group's sustainability strategy and material topics.

UOL'S MATERIAL ISSUES

DEVELOPING BETTER	BUILDING GOOD	DOING RIGHT
1. Climate Change – Greenhouse Gas Emissions – Energy – Water – Waste	2. Health & Safety 3. Talent Attraction & Retention 4. Diversity & Equal Opportunity 5. Service Quality 6. Product Quality 7. Local Communities	8. Anti-corruption & Anti-bribery 9. Compliance & Fair Competition 10. Data Protection 11. Economic Performance

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Since 2017, UOL contributes to the global effort by aligning its sustainability efforts with nine SDGs most relevant to its business operations. Under the SDGs framework by the United Nations, there are 17 Goals in total, which are designed to address a range of global challenges such as climate change and inequalities by 2030.

UOL'S COMMITMENT TO SDGs

SDGs	SIGNIFICANCE TO UOL
3 GOOD HEALTH AND WELL-BEING	As a provider of living, working and leisure spaces, promoting good health and well-being of its workforce, customers and guests is the Group's primary responsibility. Across the Group's business, there is a strong focus on occupational health and safety.
5 GENDER EQUALITY	Gender diversity is important in attracting and retaining talent. The Group also recognises its shared responsibility in fostering a more productive and equal society.
8 DECENT WORK AND ECONOMIC GROWTH	People are the Group's leading asset. Developing employees' capabilities ensures that UOL maintains its competitive advantage.
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	The Group is dedicated to incorporating innovative design and quality excellence in the buildings it develops. It also promotes sustainable practices across its businesses.
11 SUSTAINABLE CITIES AND COMMUNITIES	The Group actively considers sustainable design in its development, investment properties and hotels. It explores ways to preserve the environment's inherent character and cultural heritage wherever it operates.

SDGs	SIGNIFICANCE TO UOL
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	The Group engages key stakeholders on sustainable consumption and production to positively impact the value chains in its property investments, property development and hospitality business.
13 CLIMATE ACTION	The Group is committed to fighting climate change and its impact by regulating its greenhouse gas emissions through the reduction of energy usage.
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	The Group has zero tolerance towards fraud and corruption. It is committed to conducting business with integrity and in compliance with all applicable laws.
17 PARTNERSHIPS FOR THE GOALS	The Group actively seeks to form long lasting and strong partnerships, built on respect, trust and mutual benefit, with its stakeholders. Partnerships are necessary to achieve the SDGs and relevant to all its material issues.

COMMITMENT TO STAKEHOLDERS

UOL's sustainability strategy is built upon its commitment to its key stakeholders. The Group engages its key stakeholders regularly to understand their views and expectations that will help define the business strategy for sustainable growth. Stakeholders are engaged through multiple in-person and online channels, including dialogues and calls, written communications and social media platforms. They are also kept updated on the Group's sustainability initiatives through annual sustainability reports, quarterly newsletters and the corporate website.

UOL'S COMMITMENT TO STAKEHOLDERS

KEY STAKEHOLDERS	COMMITMENT
Business Partners	To provide fair and competitive policies and practices in day-to-day dealings and, over time, cultivate beneficial long-term relationships
Communities	To support and contribute to the well-being of communities in which the company operates
Employees	To motivate and develop employees to their full potential in a safe working environment
Guests/Shoppers	To provide a safe and positive environment where quality services and products are offered, thereby creating a memorable experience
Home Buyers	To deliver quality, innovative products that meet the aspirations of home owners and investors
Investors	To generate long-term value and sustainable returns on investments
Regulators	To adhere to and comply with existing laws and legislation
Tenants	To cultivate long-term collaborative relationships with tenants

SUSTAINABILITY

PEOPLE

As at 31 December 2021, the Group hired about 1,500 employees in Singapore, with about 90% employed in its hotel subsidiary PPHG.

The Group believes that people are its leading asset. The unique culture of encouraging its employees to be competitive, committed, competent, creative, collaborative and caring, defines the way the Company operates and guides the Group in recruiting talent.

Attracting, Developing and Retaining Talent

The Group's employees had shown their tenacity and professionalism in working towards corporate goals during the pandemic period. UOL recognises the importance to attract, develop and retain talent that share the same vision. It constantly seeks to enhance its talent acquisition framework. UOL is active in the selective recruitment of high-calibre individuals to bolster professional and managerial ranks. A total compensation framework that emphasises pay for performance and participation in annual total compensation and benefits surveys also enabled UOL to remain market competitive. During the year, online and in-person training sessions continued to be organised to hone and develop the employees' functional and developmental skills.

PPHG used the downtime of the pandemic to embark on job redesign and upskilling programmes to future-proof the service and operations teams, including the Central Reservations Office, Security and Front Office, Engineering, Global Procurement, IT and Marketing, in preparation for recovery in travel demand. Service-with-skills training programmes customised to each hotel were also implemented to refresh and reinforce its commitment to provide guests with memorable experiences. Training was conducted for its employees working in the restaurants of all its hotels in Singapore, and will be extended to other departments progressively.

With the changing hospitality landscape, PPHG's Sales & Marketing team partnered a specialised sales training provider to design a progressive and customised modular training programme for different positions across the Sales & Marketing functions. The programme was successfully conducted for its employees in Singapore in 2021 and will gradually be rolled out to its overseas employees in 2022.

Fostering Inclusivity and Diversity

The Group embraces a fair and inclusive work environment, especially for its diverse employees within the hospitality group. It advocates gender diversity with men and women making up about 53% and 47% respectively of its total workforce.

Recognising the Group as a champion in inclusive hiring, Group Chief Executive Liam Wee Sin was invited to speak at the inaugural Extra•Ordinary Conversations held in May 2021, where he shared how a company could support people with special needs and still meet business needs. Mr Eric Chua, Parliamentary Secretary in the Ministry of Social and Family Development, was the guest speaker.

PPHG is a pioneer of inclusive hiring in Singapore's hospitality sector. It employs about 30 persons with disabilities (PWDs) in its Singapore properties. During the year, PPHG collaborated with SG Enable to offer on-site training to about five PWDs at PARKROYAL COLLECTION Marina Bay. PPHG continued to foster a strong internal support system for PWDs by training employees with coaching responsibilities. In 2021, all identified PPHG Senior Management completed their course on Introduction to Disability Management. Some PPHG employees were selected to attend a course for an Advanced Certificate in Supported Employment, and a few among them progressed and completed their higher certification.

In 2021, PPHG was conferred the Enabling Mark (Gold) award by SG Enable for its exemplary efforts in disability-inclusive employment practices.

Caring for its People

Health, safety and well-being of employees remain top priorities for the Group. During the year, flexible work arrangements like work-from-home continued to be in place, and employees were reminded regularly to comply with the safe management measures if they were to work in the office. UOL continued to provide the Employee Assistance Programme and

Long-serving UOL employees received recognition from UOL Group Chief Executive (third from right) in November 2021.

UOL Chief Financial Officer Kwa Bing Seng engaged staff at a hybrid townhall meeting with live-streaming from PARKROYAL COLLECTION Marina Bay in March 2021.

initiatives, including telemedicine, health screening and mental wellness and preparedness workshops, to help employees manage the stress brought on by the pandemic. Recognising that the prolonged pandemic may have created home-based anxiety due to caregiving responsibilities, related courses such as the Dementia Awareness and Phones and Games Addiction workshops were organised for employees to understand and manage any stress-related issues. Employees were also regularly engaged through townhall meetings and other virtual engagement sessions, aimed at building a strong people culture within the Group. Long service awards were organised to recognise employees for their loyalty to the company.

ENVIRONMENT

Over the years, the Group leverages its strong foundation and core competencies to deliver positive impact for the environment. There are environmental policies, management systems and targets developed for its property and hospitality businesses. Its property business is also ISO 14001 certified, which is an internationally recognised environmental management system. In addition, PPHG is currently working on getting ISO 14001 certification for the hospitality properties. Launched in 2020, the Group's Sustainability Data Management System ensures the quality and consistency of data collected across its operations, thus enhancing the monitoring and managing of its sustainability performance against targets.

Addressing Climate Change

To address climate change concerns and in support of the Singapore Green Plan 2030, the Group carried out sustainability efforts in various ways.

Avenue South Residence, which will be the world's tallest prefabricated residential development when completed in 2023, uses CarbonCure, a type of green concrete that reduces carbon emission compared with conventional concrete.

The Group strives to operate buildings efficiently to improve their sustainability performance through maintenance and fit-out. UOL was recognised as BCA Green Mark Champion in 2020 for attaining a substantial number of Green Mark buildings at Gold level or higher. During the year, United Square was the latest commercial property to obtain Green Mark, after Novena Square and KINEX. The Group will attain Green Mark for all its existing properties in Singapore progressively. UOL also installed electric vehicle charging points at United Square, Novena Square, KINEX, Odeon Towers and PARKROYAL COLLECTION Pickering. Solar panels were installed at PARKROYAL COLLECTION Marina Bay in 2021, and the Group planned to do the installation across its commercial and other hospitality properties in Singapore, where feasible.

PARKROYAL COLLECTION Marina Bay installed solar panels for renewable energy.

Leveraging Expertise, Innovation and Partnerships

As a leading developer, UOL has always been committed to greening Singapore's urban habitat through its design expertise to build green and sustainable developments. Its green developments are inspiring prototypes for the industry. PARKROYAL COLLECTION Pickering has been winning multiple international awards across the globe since its completion in 2013.

SUSTAINABILITY

During the year, the hotel was featured on TIME magazine cover for its listing of The World's 100 Greatest Places 2021 to represent Singapore as one of the world's greenest, safest and most ethnically diverse cities. UOL will be setting a new benchmark in sustainability with the redevelopment of Pan Pacific Orchard into a green hotel. Slated to open in 2023, the hotel has already received the Green Mark Platinum Award. The iconic hotel was featured in 2021 in an informative video by the Ministry of National Development, which highlighted exemplary green buildings as part of the Singapore Green Building Masterplan.

PPHG has been partnering local companies and government agencies such as the National Environment Agency and Enterprise Singapore to testbed and implement various new technologies at the hospitality properties. Food waste digesters were implemented to convert food waste into greywater that is safe for sewage discharge. A food waste artificial intelligence technology is currently being tested at a food and beverage establishment to detect which types of food waste are more prevalent to help make better procurement decisions.

Environmental Advocacy

At the International Built Environment Week (IBEW) 2021 organised by the Building and Construction Authority, Group Chief Executive Liam Wee Sin shared during the panel discussion that digitalisation and innovation would help build resilience and improve productivity in the built environment sector in Singapore, especially during the challenging times brought about by COVID-19. For the second year, UOL was the Silver Sponsor of IBEW, which is a showcase of conferences and exhibitions on the latest innovations in areas including sustainability, built environment technologies and smart facilities management.

HEALTH AND SAFETY

UOL strives to provide a healthy and safe environment for its employees, customers, tenants, suppliers and contractors. All incidents on the Group's premises are reported to the property or hotel management, and the priority is to assist the injured, investigate these incidents and come up with remedial actions.

UOL requires all its main contractors engaged for its development projects to be ISO 45001 certified, or equivalent, to ensure that they have an accredited health and safety management system. The main contractor working on UOL's project – MEYER HOUSE – received recognition at the prestigious RoSPA Award 2021 and the Workplace Safety and Health (WSH) Awards 2021 for its good safety and health performance.

COMMUNITY

During the year, the Group remained committed to supporting the immediate needs of the underprivileged groups, who were still affected by the pandemic.

Education is a key focus area for UOL's corporate social responsibility efforts. In 2021, UOL contributed to the bursaries of Care Corner Student Care Centres, Institute of Technical Education and Ngee Ann Polytechnic, to provide financial assistance to needy

UOL Group Chief Executive Liam Wee Sin (second from left) was a panellist for CEOs in Conversation: Re-Imagining the Future of Singapore's Built Environment at IBEW 2021.

UOL Chief Investment and Asset Officer Jesline Goh (fourth from left) led the delivery of presents to Care Corner Student Care Centres, Extra•Ordinary People and AWWA Senior Community Home to bring festive cheer to the beneficiaries.

students. For the second time in 2021, UOL contributed to the NP COVID-19 Fund, which was established by Ngee Ann Polytechnic, to provide immediate cash relief to its students who were affected by the pandemic. UOL also continued its partnership with the Singapore University of Technology and Design (SUTD) to support local students from the Architecture and Sustainable Design degree programme under the UOL Group – SUTD Scholarship.

UOL has been a long-time supporter of inclusive arts. It continued to support ART:DIS, which empowers people with disabilities through arts, through several initiatives. UOL sponsored the Facets of Reflection exhibition, which showcased the artworks of about 20 students, who aspired to pursue visual art as a career. The Group also sponsored a space at PARKROYAL on Beach Road to display artworks by ART:DIS to create awareness and spruce up the walkway at the hotel. The paintings were available for sale to support the livelihood of the artists. For the first time, UOL introduced paintings from ART:DIS to its overseas property, where some paintings themed after the Singapore heritage were purchased for Pan Pacific London's all-day dining restaurant. Additionally, PPHG sponsored art exhibition spaces for Extra•Ordinary People, a charity that supports individuals with special needs. In support of the annual Purple Parade movement in Singapore that celebrates abilities of persons with disabilities, PPHG employees donned Purple Parade masks and PPHG sponsored meal boxes for the Parade's concert performers.

During the December festive season, UOL brought cheer to some 200 children and seniors from Care Corner Student Care Centres, Extra•Ordinary People and AWWA Senior Community Home with presents purchased by shoppers at UOL malls and some sponsored by the Group.

The Group continued to support SG Cares Giving Week, which celebrates the spirit of giving during 1 to 7 December every year. SG Cares Giving Week 2021 was co-driven by SG Cares, the National Volunteer & Philanthropy Centre and National Council of Social Service. To inspire others in doing good, UOL shared its staff volunteerism story and UOL malls' Christmas campaign that provided various avenues for shoppers to give back and spread festive cheer, on the platforms of SG Cares Giving Week. For PPHG, it partnered The Hidden Good to organise Dating for Good, a programme for singles who share a similar passion for doing good and with part of the proceeds going towards charities that support people with disabilities, including Autism Resource Centre, Extra•Ordinary People and MINDS. The Group's lifestyle brand, "St. Gregory", also partnered ClassPass to enable ClassPass users to pay forward 30-minute wellness sessions to caregivers of people with disabilities.

In 2021, for the second time, UOL was recognised by the National Heritage Board as a Friend at the Patron of Heritage Awards, for supporting the Asian Civilisations Museum (ACM) in continuing to organise family activities, which were moved from on-site to online, during the pandemic year of 2020. In 2021, UOL helped ACM raise awareness by incorporating ACM craft kits into United Square's promotional campaign for shoppers to redeem.

GEOGRAPHICAL PRESENCE

I REGIONAL

MIXED DEVELOPMENTS

CHINA
The Esplanade (海河华鼎), Tianjin[1]
Park Eleven (沁和园), Shanghai[2]

UNITED KINGDOM
One Bishopsgate Plaza, London[3]
110 High Holborn, London[4]
120 Holborn Island, London[5]

OFFICE

AUSTRALIA
72 Christie Street, Sydney

HOTELS/SERVICED SUITES

AUSTRALIA
Pan Pacific Melbourne
Pan Pacific Perth
PARKROYAL Darling Harbour
PARKROYAL Melbourne Airport
PARKROYAL Parramatta
PARKROYAL Monash Melbourne

MALAYSIA
Pan Pacific Serviced Suites Kuala Lumpur[6]
PARKROYAL COLLECTION Kuala Lumpur[6]
PARKROYAL Serviced Suites Kuala Lumpur
PARKROYAL Penang Resort
PARKROYAL A'Famosa Melaka Resort[6]
PARKROYAL Langkawi Resort[6]

CHINA
Pan Pacific Tianjin
Pan Pacific Xiamen
Pan Pacific Beijing
Pan Pacific Ningbo
Pan Pacific Suzhou
Pan Pacific Serviced Suites Ningbo
The Westin Tianjin[7]
PARKROYAL Dalian[6]

VIETNAM
Pan Pacific Hanoi[8]
PARKROYAL Saigon
PARKROYAL Serviced Suites Hanoi[6]
Sofitel Saigon Plaza[9]

MYANMAR
PARKROYAL Yangon
Pan Pacific Yangon[10]
PARKROYAL Nay Pyi Taw

UNITED KINGDOM
Pan Pacific London

INDONESIA
Pan Pacific Jakarta[11]
PARKROYAL Serviced Suites Jakarta[11]
PARKROYAL Jakarta[19]

THAILAND
PARKROYAL Suites Bangkok[6]

BANGLADESH
Pan Pacific Sonargaon Dhaka

CAMBODIA
Pan Pacific Phnom Penh[20]
PARKROYAL Siem Reap[11]

JAPAN
Pan Pacific Partner Hotel - Cerulean Tower Tokyu Hotel

NORTH AMERICA
Pan Pacific Seattle
Pan Pacific Toronto
Pan Pacific Vancouver
Pan Pacific Whistler Mountainside
Pan Pacific Whistler Village Centre

I SINGAPORE

RESIDENTIAL
1. Amber45
2. The Tre Ver[8]
3. V on Shenton[12]
4. Mon Jervois[12]
5. Avenue South Residence[13]
6. MEYER HOUSE[12]
7. Clavon[14]
8. The Watergardens at Canberra[13]
9. Ang Mo Kio Avenue 1 site[15]
10. Watten Estate Condominium site[14]

RETAIL MALLS
11. United Square
12. Velocity@Novena Square[15]
13. KINEX
14. West Mall[12]
15. Marina Square shopping mall[16]

OFFICES
16. United Square
17. Novena Square[15]
18. Odeon Towers[21]
19. Faber House[22]
20. One Upper Pickering
21. UIC Building[12]
22. Stamford Court[12]
23. Clifford Centre[12]
24. The Gateway[12]
25. Singapore Land Tower[12]
26. SGX Centre 2[12]
27. Tampines Plaza 1 and Tampines Plaza 2[12]

HOTELS/SERVICED SUITES
28. Pan Pacific Orchard[11]
29. Pan Pacific Singapore[16]
30. Pan Pacific Serviced Suites Beach Road
31. Pan Pacific Serviced Suites Orchard
32. PARKROYAL on Beach Road
33. PARKROYAL on Kitchener Road
34. PARKROYAL Serviced Suites Singapore
35. PARKROYAL COLLECTION Marina Bay[17]
36. PARKROYAL COLLECTION Pickering
37. Mandarin Oriental[18]

LEGEND
Owned by the Group
Partially owned by the Group
Managed hotels
Marketing partnership

1. Comprises residential units, offices, retail space and Pan Pacific Tianjin.
2. 55% stake, comprises Park Eleven and Park Eleven Mall.
3. Comprises residential units, commercial space and Pan Pacific London.
4. Comprises offices and retail space.
5. 75% stake, comprises offices and retail space.
6. Opening in 2022.
7. 50% stake.
8. 75% stake.
9. 26% stake.
10. 40% stake.
11. Opening in 2023.
12. 50% stake.
13. 65% stake.
14. 90% stake.
15. 70% stake.
16. 62% stake.
17. 71% stake.
18. 31% stake.
19. Opening in 2024.
20. Opening in 2025.
21. To redevelop 333 North Bridge Road site and part of Odeon Towers into a standalone seven-storey building. Construction expected to start in 1H2022.
22. To be redeveloped into a 250-key hotel. Construction expected to start in 1H2023.

PROPERTY SUMMARY

	Completed	Purchased	Tenure of Land	Approximate Net Lettable/ Net Floor# Gross Floor* Area (sqm)	Car Park Facilities	2021 Committed/ Average^ Occupancy %	Valuation as at 31.12.2021 ($m)	Effective percentage of Interest %
INVESTMENT PROPERTIES OWNED BY THE GROUP								
FABER HOUSE 230 Orchard Road, Singapore 12-storey office building (excluding first storey which was sold)	1973	–	Freehold	3,956	48	88	107.0	100
ODEON TOWERS 331 North Bridge Road, Singapore 23-storey commercial building with 3 basement levels	1992 & 2003	–		16,335	167			
333 North Bridge Road, Singapore			999-year lease from 1827			96	576.0	100
A proposed new standalone 7-storey building as an extension of the existing Odeon Towers	–	2019		7,430 *	–			
UNITED SQUARE 101 Thomson Road, Singapore Retail-cum-office building comprising a 4-storey retail podium with a basement, a 30-storey office tower and 7 car park decks								
Shops	1982 & 2002			19,630		95		
		1987	Freehold		658		1098.0	100
Offices	1982			26,851		81		
NOVENA SQUARE 238/A/B Thomson Road, Singapore A commercial building above the Novena MRT station, comprising 2 blocks of 18- and 25-storey office towers and a 3-storey retail podium (excluding #01-38 which was sold)								
Shops	2000 & 2006			14,740		95		
		–	99-year lease from 1997		491		1,414.0	70
Offices	2000			42,567		95		
KINEX 11 Tanjong Katong Road, Singapore 3-storey commercial podium with a basement located within a commercial/residential development	2014	2011	Freehold	18,831	278	91	364.0	100
STAMFORD COURT 61 Stamford Road, Singapore 4-storey commercial building of shops and offices	1996	–	99-year lease from 1994	5,990 #	36	100	98.0	50
WEST MALL 1 Bukit Batok Central Link, Singapore 5-storey retail and entertainment complex with three basements of car park	1998	–	99-year lease from 1995	17,042 #	314	100	387.0	50
SINGAPORE LAND TOWER 50 Raffles Place, Singapore 47-storey complex of banks and offices and three basements of car park	1982	–	999-year lease from 1826	57,500 #	288	85	1,671.0	50
SGX CENTRE 2 4 Shenton Way, Singapore 29-storey office building with two basements of car park	2001	–	99-year lease from 1995	25,800 (inclusive of 3,336 sqm in SGX Centre 1) #	136	93	548.0 (SingLand Group's interest in SGX Centre 1 & 2)	50

	Completed	Purchased	Tenure of Land	Approximate Net Lettable/ Net Floor# Gross Floor* Area (sqm)	Car Park Facilities	2021 Committed/ Average^ Occupancy %	Valuation as at 31.12.2021 ($m)	Effective percentage of Interest %
INVESTMENT PROPERTIES OWNED BY THE GROUP (CONTINUED)								
CLIFFORD CENTRE 24 Raffles Place, Singapore 29-storey complex of shops and office	1977	–	999-year lease from 1826	25,470 #	268	89	581.0	50
THE GATEWAY 152 Beach Rd, Singapore A pair of 37-storey towers with two basements of car park	1990	–	99-year lease from 1982	69,803 #	689	91	1,162.0	50
TAMPINES PLAZA 1 **TAMPINES PLAZA 2** 3 Tampines Central 1 and 5 Tampines Central 1, Singapore A pair of 8-storey office buildings with two basements of car park								
Tampines Plaza 1			99-year lease from 1996	8,397 #	87	100	102.0	50
Tampines Plaza 2	1998	–		8,397 #	79	98	102.0	
MARINA SQUARE SHOPPING MALL 6 Raffles Boulevard, Singapore The 5-storey retail mall (including basement) is part of a mixed development that includes 3 hotels	1986	–	99-year lease from 1980	74,356 #	1990 (shared with 3 hotels)	91	1,038.0	62
UIC BUILDING 5 Shenton Way, Singapore Part of a mixed development (residential and commercial) with the residential component, V on Shenton	2017	–	99-year lease from 2011	26,373 #	591 (for the whole development)	100	696.0	50
ONE UPPER PICKERING 1 Upper Pickering Street, Singapore 15-storey office building with a roof terrace within a hotel and office development	2012	–	99-year lease from 2008	8,089	51	100	218.0	100
THE ESPLANADE (海河华鼎) No. 1, Zhang Zi Zhong Road, Hong Qiao District, Tianjin, The People's Republic of China 3-storey retail mall with an office component with basement car parks within a commercial/ residential development	2014	2007	40-year lease from 2007	16,327	513	75	51.8	100
PARK ELEVEN MALL (沁和园) No. 368, Danba Road, Putuo District, Shanghai The People's Republic of China 3-storey retail podium with basement car park	2018	2011	70-year lease from 2011	3,837	77	91	55.4	55
110 HIGH HOLBORN Midtown, London, WC1V 6JS, United Kingdom A retail-cum-office building comprising basement and 1st storey retail space and a 9-storey office block with basement car park								
Shops & Offices	–	2016	Part freehold and part 999-year leasehold from 1999	10,722	10	89	170.0	100

PROPERTY SUMMARY

	Completed	Purchased	Tenure of Land	Approximate Net Lettable/ Net Floor# Gross Floor* Area (sqm)	Car Park Facilities	2021 Committed/ Average^ Occupancy %	Valuation as at 31.12.2021 ($m)	Effective percentage of Interest %
INVESTMENT PROPERTIES OWNED BY THE GROUP (CONTINUED)								
120 HOLBORN ISLAND Midtown, London, EC1N 2TD, United Kingdom Comprises 120 Holborn, an office building with retail units, a gym and club/restaurant on part basement, ground floor and mezzanine level with nine upper floors of office, and 100 Hatton Garden, which has retail units and two floors of offices								
Shops & Offices	–	2016	Freehold	32,142	36	92	451.7	75
72 CHRISTIE STREET 72 Christie Street, St Leonards Sydney, New South Wales 2065, Australia 8-storey office building with 4 floors of basement car park	–	2018	Freehold	11,259	222	100	162.1	100
THE PLAZA 7500 Beach Road, Singapore Retained interests in a 32-storey tower block comprising restaurants, function rooms, shops, offices and serviced suites, and a 15-storey Pan Pacific Serviced Suites, Beach Road above the existing car park block								
Shops & Offices	1974 & 1979	–		4,311		91 ^	70.0	100
PARKROYAL SERVICED SUITES, SINGAPORE 90 serviced suites and 1 owner-occupied apartment	1979	–	99-year lease from 1968	6,125 & 165 respectively	449	68 ^	73.0	100
PAN PACIFIC SERVICED SUITES BEACH ROAD, SINGAPORE 180 serviced suites	2013	–		8,260		65 ^	126.0	100
PAN PACIFIC SERVICED SUITES ORCHARD, SINGAPORE 96 Somerset Road, Singapore 16-storey tower block comprising 126 units of serviced suites, restaurants and a basement car park	2008 (redeveloped)	1979	Freehold	8,821	40	69 ^	152.0	100
PARKROYAL SERVICED SUITES KUALA LUMPUR No. 1 Jalan Nagasari, Off Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia 31-storey serviced suite with 287 units and a car park	2010	2005	Freehold	19,005	290	23 ^	63.1	100

	Completed	Purchased	Tenure of Land	Approximate Net Lettable/ Gross Floor* Area (sqm)	Car Park Facilities	2021 Average Occupancy %	Valuation as at 31.12.2021 ($m)	Effective percentage of Interest %
HOTELS OWNED AND MANAGED BY THE GROUP								
PARKROYAL ON BEACH ROAD 7500C Beach Road, Singapore 7-storey hotel building with 346 rooms	1971 & 1979	–	99-year lease from 1968	22,047 *	28	83	217.0	100
PARKROYAL ON KITCHENER ROAD 181 Kitchener Road, Singapore Comprising a 5-storey podium with a basement and a 16-storey Y-shaped tower with 542 rooms	1976 & 1981	1989	Freehold	37,800 *	263	99	400.0	100
PARKROYAL COLLECTION PICKERING 3 Upper Pickering Street, Singapore 16-storey hotel building with 367 rooms	2012	–	99-Year lease from 2008	21,175 *	53	37	467.0	100
PAN PACIFIC SINGAPORE 7 Raffles Boulevard, Singapore 790 rooms in a 38-storey hotel building with a basement level	1986	–	99-Year lease from 1980	83,384 *	–	69	845.0	62
PARKROYAL COLLECTION MARINA BAY 6 Raffles Boulevard, Singapore 583 rooms in a 22-storey hotel building with a basement level	1986	–	99-Year lease from 1980	56,801 *	–	31	710.0	71
PAN PACIFIC XIAMEN 19 Hubin Bei Road, Xiamen The People's Republic of China Comprising two towers of 19-storey and 29-storey with 329 hotel rooms and 25 serviced apartments, including a two-storey basement car park	2005 (redeveloped)	2001	70-year lease from 1991	39,004 *	76	44	44.8	100
PAN PACIFIC TIANJIN No. 1, Zhang Zi Zhong Road, Hong Qiao District, Tianjin, The People's Republic of China Hotel with 289 rooms and 30 serviced apartments	2014	2007	40-year lease from 2007	40,132 *	176	55	79.9	100
PARKROYAL SAIGON 309B-311 Nguyen Van Troi Street, Tan Binh District, Ho Chi Minh City, Vietnam Comprising 186 rooms in a 10-storey hotel building with a 9-storey extension wing and a 6-storey annex office building	1997	–	49-year lease from 1994	12,165 *	25	44	21.5	100
PAN PACIFIC HANOI 1 Thanh Nien Road, Ba Dinh District, Hanoi, Vietnam 10000 20-storey hotel with 270 rooms and 54 serviced apartments	1998	2001	48-year lease from 1993	39,250 *	45	17	71.3	75
PARKROYAL YANGON 33 Alan Pya Phaya Road, Dagon Township, Yangon, Myanmar 8-storey V-shaped tower with 319 hotel rooms and 23 serviced suites	1997	2001	50-year lease from 1998 (with an option to extend for 2 consecutive terms of 10 years each with the approval of Myanmar Investment Commission)	17,700 *	140	17	28.9	100

PROPERTY SUMMARY

	Completed	Purchased	Tenure of Land	Approximate Net Lettable/ Gross Floor* Area (sqm)	Car Park Facilities	2021 Average Occupancy %	Valuation as at 31.12.2021	Effective percentage of Interest %
HOTELS OWNED AND MANAGED BY THE GROUP (CONTINUED)								
PARKROYAL COLLECTION KUALA LUMPUR AND PAN PACIFIC SERVICED SUITES KUALA LUMPUR Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia Hotel with proposed 535 rooms to be operated as PARKROYAL COLLECTION Kuala Lumpur	1974 & 2008	1999	Freehold	56,707 *	104	–	64.7	100
24-storey 210 serviced suites under development to be operated as Pan Pacific Serviced Suites Kuala Lumpur			Leasehold, expiring in 2080	18,901 *	–	–	42.4	
PARKROYAL PENANG RESORT Batu Ferringhi Beach, 11100 Penang, Malaysia 310-room 8-storey beachfront resort hotel	1990	1999	Freehold	31,502 *	149	26	60.5	100
PARKROYAL DARLING HARBOUR, SYDNEY 150 Day Street, Sydney, Australia 13-level hotel with 340 rooms	1991	1993	Freehold	24,126 *	58	72	157.2	100
PARKROYAL MELBOURNE AIRPORT Arrival Drive, Melbourne Airport, Tullamarine, Victoria, Australia 6-level hotel with 276 rooms	2001	2011	Leasehold, expiring in 2047 (with an option to extend for a further 49 years subject to renewal of head lease)	20,584 *	–	66	105.1	100
PAN PACIFIC MELBOURNE 2 Convention Centre Place, South Wharf, Victoria, Australia 20-level hotel with 396 rooms	2009	2017	99-year lease from 2009	30,668 *	–	80	218.1	100
PARKROYAL PARRAMATTA 30 Phillip Street, Parramatta, New South Wales, Australia A 286-room hotel in a 15-level hotel building with a 8-storey extension wing	1986 & 2016	1994	Freehold	19,798 *	150	27	77.6	100
PAN PACIFIC PERTH 207 Adelaide Terrace Perth, Australia Comprising 486 rooms in a 23-storey hotel tower and a 4-level extension wing	1973	1995	Freehold	31,513 *	220	71	91.4	100
PAN PACIFIC LONDON AND DEVONSHIRE ROW London, EC2M 4JY, United Kingdom Hotel with 237 rooms with commercial component	2021	2014	Freehold	29,161 * 2,160	–	23 –	334.8	100
HOTELS OWNED BY THE GROUP AND MANAGED BY THIRD PARTIES								
THE WESTIN TIANJIN 101 Nanjing Road, Heping District, Tianjin The People's Republic of China 275 rooms located in B3 to 20th floor of a 41-storey building	2010	–	50-year lease from 2005	39,495 *	–	63	157.8	50

	Completed	Purchased	Tenure of Land	Approximate Net Lettable Area (sqm)	Valuation as at 31.12.2021 ($m)	Effective percentage of Interest %
OTHER PROPERTIES OWNED BY THE GROUP						
EUNOS WAREHOUSE COMPLEX 1 Kaki Bukit Road 2, Singapore Retained interests in 3 units of a 4-storey flatted warehouse	1983	–	60-year lease from 1982	1,295	2.8	100
THE PLAZA 7500A Beach Road, Singapore Owner-occupied corporate office and lobby	1979	–	99-year lease from 1968	1,824	23.4	100
CHINATOWN POINT 133 New Bridge Road, Singapore Owner-occupied back office for PARKROYAL COLLECTION Pickering	1,980	2008	99-year lease from 1980	223	4.5	100

	Purchased	Tenure of Land	Approximate Gross Floor Area (sqm)	Stage of Completion as at 31.12.2021 %	Expected Completion	Effective percentage of Interest %
PROPERTIES UNDER CONSTRUCTION						
PAN PACIFIC ORCHARD 10 Claymore Road, Singapore New 23-storey hotel with proposed 347 rooms	2006	Freehold	19,625	43	2nd Half 2022	100
PARKROYAL SERVICED SUITES JAKARTA Situated within Tower 2 of Thamrin Nine, an integrated development located on Jalan MH Thamrin Jakarta Pusat, Indonesia Serviced Suites with proposed 180 rooms	2018	30-year lease from 2014	16,667	55	1st Half 2023	100
PAN PACIFIC JAKARTA Situated within Tower 2 of Thamrin Nine, an integrated development located on Jalan MH Thamrin Jakarta Pusat, Indonesia Hotel with proposed 158 rooms	2020	30-year lease from 2014	12,577	55	2nd Half 2023	100

	Type of Development	Tenure of Land	Approximate Gross Floor Area (sqm)	Site Area (sqm)	Sales Status as at 31.12.2021 %	Stage of Completion as at 31.12.2021 %	Expected Completion	Effective percentage of Interest %
PROPERTIES FOR SALE UNDER DEVELOPMENT								
THE TRE VER Potong Pasir Avenue 1 729 units of condominium apartments	Residential	99-year leasehold commencing 27.3.2018	52,391	18,711	100	72	2nd Half 2022	75
AVENUE SOUTH RESIDENCE Silat Avenue 1,074 units of condominium apartments	Residential	99-year leasehold commencing 14.8.2018	92,876	22,852	81	75	1st Half 2023	65
CLAVON Clementi Avenue 1 640 units of condominium apartments	Residential	99-year leasehold commencing 7.10.2019	57,900	16,543	94	12	1st Half 2024	90
THE WATERGARDENS AT CANBERRA Canberra Drive 448 units of condominium apartments	Residential	99-year leasehold commencing 8.6.2020	41,489	27,566	69	8	2nd Half 2024	65
SITE AT ANG MO KIO AVENUE 1 Ang Mo Kio Avenue 1 372 units of condominium apartments	Residential	99-year leasehold commencing 30.08.2021	31,669	12,679	0	0	2nd Half 2025	70

SIMPLIFIED GROUP FINANCIAL POSITION

TOTAL ASSETS OWNED

	2021 $m	2020 $m	2021 %	2020 %
Property, plant and equipment	**2,967**	2,912	**14**	14
Investment properties	**11,513**	11,343	**54**	56
Financial assets, at fair value through other comprehensive income	**1,178**	1,014	**5**	5
Associated and joint venture companies	**370**	377	**2**	1
Development properties	**3,173**	3,158	**15**	16
Other assets and cash	**2,074**	1,569	**10**	8
	21,275	20,373	**100**	100

TOTAL LIABILITIES OWED AND CAPITAL INVESTED

	2021 $m	2020 $m	2021 %	2020 %
Shareholders' funds	**10,168**	9,788	**48**	48
Non-controlling interests	**4,448**	4,313	**21**	21
Borrowings	**5,279**	5,126	**25**	25
Trade and other payables	**1,035**	708	**5**	4
Deferred income tax liabilities	**254**	259	**1**	1
Other liabilities	**91**	179	**0**	1
	21,275	20,373	**100**	100

FIVE-YEAR FINANCIAL SUMMARY

	2021 $'000	2020 $'000	2019 $'000	2018 $'000	2017 $'000
GROUP REVENUE					
Property development	**1,571,529**	943,101	847,057	989,344	1,166,729
Property investments	**502,187**	503,334	551,734	541,012	338,284
Hotel operations	**281,965**	246,499	653,703	678,655	526,221
Investments	**42,771**	49,036	55,240	48,213	29,768
Technology operations	**197,332**	225,746	160,099	125,484	33,071
Management services	**11,052**	9,432	15,508	14,635	20,298
	2,606,836	1,977,148	2,283,341	2,397,343	2,114,371
GROUP INCOME STATEMENT					
Property development	**218,883**	206,272	132,105	156,356	129,078
Property investments	**341,492**	356,356	385,226	377,970	218,001
Hotel operations	**(84,616)**	(74,831)	73,662	78,623	40,540
Investments	**42,471**	48,875	55,265	47,677	29,542
Technology operations	**9,670**	10,888	5,235	3,986	1,081
Management services	**1,489**	(4,308)	11,904	9,064	12,431
	529,389	543,252	663,397	673,676	430,673
Unallocated costs	**(22,654)**	(19,615)	(25,156)	(25,279)	(18,086)
Profit from operations	**506,735**	523,637	638,241	648,397	412,587
Finance income	**15,295**	12,546	12,128	13,936	11,666
Finance expense	**(67,552)**	(83,360)	(116,528)	(93,097)	(37,942)
Share of (loss)/profit of associated companies excluding fair value losses of associated companies' investment properties	**(9,576)**	(7,671)	6,019	5,442	107,099
Share of profit/(loss) of joint venture companies	**5,982**	(1,929)	(3,770)	(2,837)	11,605
Profit before fair value and other gains/(losses) and income tax	**450,884**	443,223	536,090	571,841	505,015
Other gains/(losses) of the Group	**26,740**	(41,212)	28,124	(34,418)	518,149
Fair value losses on associated companies' investment properties	**–**	–	–	–	(1,094)
Fair value gains/(losses) on the Group's investment properties	**114,205**	(293,295)	220,331	149,279	15,593
Profit before income tax	**591,829**	108,716	784,545	686,702	1,037,663
Profit attributable to equity holders of the Company	**307,411**	13,141	478,817	418,304	880,239

FIVE-YEAR FINANCIAL SUMMARY

	2021 $'000	2020 $'000	2019 $'000	2018 $'000	2017 $'000
GROUP STATEMENT OF FINANCIAL POSITION					
Property, plant and equipment	**2,966,898**	2,911,670	2,869,771	2,807,688	2,856,164
Investment properties	**11,512,665**	11,343,168	11,593,671	11,264,120	10,917,340
Associated companies, joint venture companies, receivables and other assets (non-current)	**521,439**	495,368	441,797	411,718	380,943
Financial assets, at fair value through other comprehensive income	**1,177,590**	1,013,621	1,189,755	1,075,536	1,131,702
Intangibles	**41,755**	43,735	43,969	122,691	180,951
Deferred tax assets	**58,061**	59,535	33,334	1,931	1,005
Net current assets (excluding borrowings)	**4,077,168**	3,840,167	3,663,450	4,026,483	3,127,239
Non-current liabilities (excluding borrowings)	**(460,822)**	(479,797)	(549,874)	(566,703)	(594,553)
	19,894,754	19,227,467	19,285,873	19,143,464	18,000,791
Share capital	**1,566,802**	1,563,860	1,560,918	1,556,201	1,549,744
Reserves	**8,601,521**	8,224,281	8,486,562	8,064,850	7,901,389
Interests of the shareholders	**10,168,323**	9,788,141	10,047,480	9,621,051	9,451,133
Non-controlling interests	**4,447,752**	4,313,007	4,286,809	4,812,597	4,702,674
Borrowings	**5,278,679**	5,126,319	4,951,584	4,709,816	3,846,984
	19,894,754	19,227,467	19,285,873	19,143,464	18,000,791
FINANCIAL RATIOS					
Basic earnings per ordinary share* (cents)	**36.41**	1.56	56.79	49.66	107.50
Gross dividend declared ($'000)	**126,651**	126,632	147,626	147,543	147,418
Gross dividend declared					
First and final (cents)	**15.0**	15.0	17.5	17.5	17.5
Cover (times)	**2.4**	0.1	3.2	2.8	6.0
Net tangible asset backing per ordinary share ($)					
Before accounting for surplus on revaluation of hotel properties	**11.99**	11.55	11.86	11.27	11.01
After accounting for surplus on revaluation of hotel properties	**13.71**	13.23	13.74	12.83	12.34
Gearing ratio	**0.26**	0.29	0.30	0.28	0.21

** Note:*
Basic earnings per ordinary share is calculated by reference to the weighted average number of ordinary shares in issue during the year.

SEGMENTAL PERFORMANCE ANALYSIS

TOTAL REVENUE BY BUSINESS SEGMENTS

	2021 $'000	2021 %	2020 $'000	2020 %
Property development	**1,571,529**	**60.3**	943,101	47.7
Property investments	**502,187**	**19.3**	503,334	25.5
Hotel operations	**281,965**	**10.8**	246,499	12.5
Investments	**42,771**	**1.6**	49,036	2.4
Technology operations	**197,332**	**7.6**	225,746	11.4
Management services	**11,052**	**0.4**	9,432	0.5
	2,606,836	**100.0**	1,977,148	100.0

ADJUSTED EBITDA* BY BUSINESS SEGMENTS

	2021 $'000	2021 %	2020 $'000	2020 %
Property development	**225,957**	**35.5**	205,182	31.5
Property investments	**346,464**	**54.4**	360,738	55.4
Hotel operations	**8,271**	**1.3**	27,058	4.2
Investments	**42,674**	**6.7**	48,964	7.4
Technology operations	**10,354**	**1.6**	11,586	1.8
Management services	**3,295**	**0.5**	(1,996)	(0.3)
	637,015	**100.0**	651,532	100.0

** Excludes unallocated costs, other gains/losses and fair value gains/losses on investment properties*

TOTAL ASSETS BY BUSINESS SEGMENTS

	2021 $'000	2021 %	2020 $'000	2020 %
Property development	**4,715,421**	**22.2**	4,205,712	20.6
Property investments	**11,621,629**	**54.6**	11,498,481	56.5
Hotel operations	**3,481,019**	**16.4**	3,428,466	16.8
Investments	**1,188,412**	**5.6**	996,844	4.9
Technology operations	**112,645**	**0.5**	111,043	0.5
Management services	**56,288**	**0.2**	52,726	0.3
	21,175,414	**99.5**	20,293,272	99.6
Unallocated assets	**99,557**	**0.5**	80,222	0.4
	21,274,971	**100.0**	20,373,494	100.0

SEGMENTAL PERFORMANCE ANALYSIS

TOTAL REVENUE BY GEOGRAPHICAL SEGMENTS

	2021		2020	
	$'000	%	$'000	%
Singapore	**2,103,220**	**80.7**	1,452,583	73.5
The People's Republic of China	**240,964**	**9.2**	380,847	19.3
United Kingdom	**147,518**	**5.7**	33,212	1.7
Australia	**93,246**	**3.6**	79,050	4.0
Vietnam	**10,023**	**0.4**	12,717	0.6
Malaysia	**7,420**	**0.3**	12,603	0.6
Myanmar	**3,568**	**0.1**	5,140	0.3
Others	**877**	**0.0**	996	0.0
	2,606,836	**100.0**	1,977,148	100.0

ADJUSTED EBITDA* BY GEOGRAPHICAL SEGMENTS

	2021		2020	
	$'000	%	$'000	%
Singapore	**543,461**	**85.3**	493,407	75.7
The People's Republic of China	**54,111**	**8.5**	120,461	18.5
United Kingdom	**18,219**	**2.9**	25,568	3.9
Australia	**27,707**	**4.3**	19,497	3.0
Vietnam	**1,032**	**0.2**	1,400	0.3
Myanmar	**(3,445)**	**(0.5)**	(4,976)	(0.8)
Malaysia	**(3,592)**	**(0.6)**	(3,383)	(0.5)
Others	**(478)**	**(0.1)**	(442)	(0.1)
	637,015	**100.0**	651,532	100.0

** Excludes unallocated costs, other gains/losses and fair value gains/losses on investment properties*

TOTAL ASSETS BY GEOGRAPHICAL SEGMENTS

	2021		2020	
	$'000	%	$'000	%
Singapore	**17,453,736**	**82.0**	16,840,458	82.7
United Kingdom	**1,449,959**	**6.8**	1,364,639	6.7
The People's Republic of China	**1,321,810**	**6.2**	1,152,544	5.6
Australia	**629,826**	**3.0**	651,921	3.2
Malaysia	**209,158**	**1.0**	177,571	0.9
Myanmar	**56,002**	**0.3**	61,522	0.3
Vietnam	**37,662**	**0.2**	38,886	0.2
Others	**116,818**	**0.5**	85,953	0.4
	21,274,971	**100.0**	20,373,494	100.0

VALUE-ADDED STATEMENT

	2021 $'000	2020 $'000
Sales of goods and services	**2,564,065**	1,928,112
Purchase of materials and services	**(1,875,555)**	(1,079,263)
Gross value added	**688,510**	848,849
Share of loss of associated companies	**(9,576)**	(7,671)
Share of profit/(loss) of a joint venture company	**5,982**	(1,929)
Income from investments and interest	**58,066**	61,083
Other gains/(losses)	**26,740**	(41,212)
Fair value gains/(losses) on investment properties	**114,205**	(293,295)
Currency exchange differences	**(103)**	499
TOTAL VALUE ADDED	**883,824**	566,324
DISTRIBUTION OF VALUE ADDED:		
To employees and directors		
Employees' salaries, wages and benefits	**219,618**	212,017
Directors' remuneration	**3,033**	2,947
	222,651	214,964
To government		
Corporate and property taxes	**146,467**	81,065
To providers of capital		
Interest expense	**65,337**	85,080
Dividend attributable to non-controlling interests	**42,987**	42,642
Dividend attributable to equity holders of the Company	**126,632**	147,626
	234,956	275,348
TOTAL VALUE ADDED DISTRIBUTED	**604,074**	571,377
Retained in the business		
Depreciation	**109,527**	116,012
Retained earnings	**(19,084)**	159,994
	90,443	276,006
Non-production cost and income		
Bad debts	**(9,601)**	(8,134)
Income from investments and interest	**58,066**	61,083
Other gains/(losses)	**26,740**	(41,212)
Fair value gains/(losses) on investment properties	**114,205**	(293,295)
Currency exchange differences	**(103)**	499
	189,307	(281,059)
	883,824	566,324
PRODUCTIVITY RATIOS:	**$**	$
Value added per employee	**158,789**	174,016
Value added per $ employment costs	**3.09**	3.95
Value added per $ investment in property, plant and equipment and investment properties (before depreciation)		
- at cost	**0.05**	0.07
- at valuation	**0.04**	0.06
Value added per $ net sales	**0.27**	0.44

FINANCIAL CONTENTS

Avenue South Residence

DIRECTORS' STATEMENT

For the Financial Year Ended 31 December 2021

The directors have pleasure in submitting this statement to the members together with the audited financial statements of the Group for the financial year ended 31 December 2021 and the statement of financial position of the Company as at 31 December 2021.

In the opinion of the directors,

(a) the statement of financial position of the Company and the consolidated financial statements of the Group as set out on pages 100 to 201 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2021 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

DIRECTORS

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

Wee Cho Yaw	–	Chairman
Wee Ee Lim	–	Deputy Chairman
Liam Wee Sin	–	Group Chief Executive
Tan Tiong Cheng		
Poon Hon Thang Samuel		
Wee Ee-chao		
Sim Hwee Cher		
Lee Chin Yong Francis		
Lau Cheng Soon	–	(appointed on 23 April 2021)

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed under "Share Options" on pages 91 to 93 of this statement.

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

(a) The directors holding office at 31 December 2021 are also the directors holding office at the date of this statement, save for Low Weng Keong who retired on 1 January 2022. Their interests in the share capital of and options to subscribe for ordinary shares of the Company and related corporations, as recorded in the register of directors' shareholdings, were as follows:

	Holdings registered in name of director		Holdings in which director is deemed to have an interest	
	At 31.12.2021	**At 1.1.2021**	**At 31.12.2021**	**At 1.1.2021**
UOL Group Limited ("UOL")				
– Ordinary Shares				
Wee Cho Yaw	**3,661,566**	3,661,566	**316,799,397**	312,208,597
Wee Ee Lim	**260,975**	260,975	**129,319,115**	124,728,315
Liam Wee Sin	**288,777**	288,777	**–**	–
Low Weng Keong	**37,694**	37,694	**–**	–
Tan Tiong Cheng	**120,528***	120,528*	**–**	–
Wee Ee-chao	**31,735***	31,735*	**129,594,685***	125,003,885*

DIRECTORS' STATEMENT

For the Financial Year Ended 31 December 2021

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES (continued)

	Holdings registered in name of director		Holdings in which director is deemed to have an interest	
	At 31.12.2021	**At 1.1.2021**	**At 31.12.2021**	**At 1.1.2021**
UOL Group Limited ("UOL")				
– Executives' Share Options				
Liam Wee Sin	**660,000**	540,000	**–**	–
Singapore Land Group Limited ("SingLand") (formerly known as United Industrial Corporation Limited)				
– Ordinary Shares				
Wee Cho Yaw	**–**	–	**721,582,791***	721,582,791*
Tan Tiong Cheng	**21,626**	21,626	**–**	–

* Includes shares registered in the name of nominees.

(b) The directors' interests in the share capital of and options to subscribe for ordinary shares of the Company and related corporations, as recorded in the register of directors' shareholdings at 21 January 2022, were the same as those at 31 December 2021.

(c) Pursuant to Section 7 of the Companies Act 1967, Wee Cho Yaw is deemed to be interested in the shares of the subsidiaries of the Company.

(d) Save as disclosed above, none of the other directors holding office at 31 December 2021 has any interest in the ordinary shares and Executives' Share Options of the Company and any other related corporations of the Company, as recorded in the register of directors' shareholdings.

SHARE OPTIONS

UOL Group Executives' Share Option Scheme

(a) The UOL Group Executives' Share Option Scheme ("the 2000 Scheme") was approved by the shareholders of the Company at an Extraordinary General Meeting held on 23 May 2000. The 2000 Scheme was replaced by a new scheme ("the 2012 Scheme") which was approved by the shareholders of the Company at the Annual General Meeting held on 19 April 2012. The termination of the 2000 Scheme and the adoption of the 2012 Scheme will not affect the rights of the holders of the options granted under the 2000 Scheme.

(b) Under the terms of the 2012 Scheme, the total number of shares granted shall not exceed 10% of the issued share capital of the Company (excluding treasury shares, if any) and the executives may exercise the options by giving notice in writing to the Company in the prescribed form during the option period, accompanied by remittance of the amount of the Exercise Price.

The Exercise Price is equal to the average of the last dealt prices per share as determined by reference to the daily official list published by the Singapore Exchange Securities Trading Limited for a period of 5 consecutive trading days immediately prior to the relevant Date of Grant.

(c) On 8 March 2021, options were granted pursuant to the 2012 Scheme to the executives of the Company and its subsidiaries to subscribe for 1,783,000 ordinary shares in the Company (known as "the 2021 Options") at the exercise price of $7.42 per ordinary share. 1,716,000 options granted were accepted by the executives, including Liam Wee Sin. The total fair value of the options granted was estimated to be $1,819,000 using the Trinomial Tree Model.

DIRECTORS' STATEMENT

For the Financial Year Ended 31 December 2021

SHARE OPTIONS (continued)

UOL Group Executives' Share Option Scheme (continued)

The details of the options accepted are as follows:

	No. of employees	At exercise price of $7.42 per share
Executive Director	1	120,000
Other Executives	65	1,596,000
	66	1,716,000

(d) Statutory information regarding the 2021 Options is as follows:

(i) The option period begins on 8 March 2022 and expires on 7 March 2031 or on the date of termination of employment or in the case of the executive director, on the date he ceases to be the executive director of the Company, whichever is earlier, subject to the provisions of Rule 11 of the Rules of the 2012 Scheme.

(ii) The options may be exercised in full or in part in respect of 1,000 shares or a multiple thereof, on the payment of the exercise price.

(iii) Except as set out in Rule 12.2 and subject to Rule 10 of the Rules of the 2012 Scheme, an option does not confer on a participant any right to participate in any new shares of the Company.

Details of options granted in previous financial years were set out in the Directors' Statement for the respective financial years.

(e) Other information required by the Singapore Exchange Securities Trading Limited:

Pursuant to Rule 852 of the Listing Manual of the Singapore Exchange Securities Trading Limited, it is reported that during the financial year:

(i) The Remuneration Committee, comprising the following directors, administers the 2012 Scheme:

Tan Tiong Cheng	Chairman	(Independent)	
Wee Ee Lim	Member	(Non-independent)	
Lau Cheng Soon	Member	(Independent)	
Low Weng Keong	Member	(Independent)	(retired 1 January 2022)

(ii) The details of options granted to a director of the Company, Liam Wee Sin, under the 2000 and 2012 Scheme are as follows:

Aggregate options granted since commencement of the 2000 and 2012 Scheme to 31.12.2020	Options granted during the financial year	Aggregate options granted since commencement of the 2000 and 2012 Scheme to 31.12.2021	Aggregate options exercised since commencement of the 2000 and 2012 Scheme to 31.12.2021	Aggregate options outstanding at 31.12.2021
1,358,000	120,000	1,478,000	818,000	660,000

(iii) Save as disclosed above, no options have been granted to controlling shareholders or their associates, parent group employees, and no employee has received 5% or more of the total options available under the 2012 Scheme. No options were granted at a discount during the financial year.

DIRECTORS' STATEMENT

For the Financial Year Ended 31 December 2021

SHARE OPTIONS (continued)

Outstanding Share Options

At 31 December 2021, the holders of the Executives’ Share Options include a director of the Company as disclosed under “Directors’ interests in shares or debentures”.

The holders of the Executives’ Share Options have no right to participate by virtue of the options in any share issue of any other company in the Group.

During the financial year, 450,000 ordinary shares of the Company were issued upon the exercise of options by:

Holders of	Number of ordinary shares	Exercise price per share $
2012 Options	18,000	5.40
2013 Options	28,000	6.55
2014 Options	53,000	6.10
2016 Options	61,000	5.87
2017 Options	40,000	6.61
2019 Options	157,000	6.59
2020 Options	93,000	7.32
	450,000	

Unissued ordinary shares under options at 31 December 2021 comprise:

	At 1.1.2021	Options granted in 2021	Options exercised	Options forfeited	At 31.12.2021	Exercise/ Subscription price/$	Option period
Executives’ Share Options							
2012 Options	18,000	–	18,000	–	–	5.40	23.08.2013 to 22.08.2022
2013 Options	274,000	–	28,000	–	246,000	6.55	08.03.2014 to 07.03.2023
2014 Options	239,000	–	53,000	–	186,000	6.10	12.03.2015 to 11.03.2024
2015 Options	469,000	–	–	18,000	451,000	7.67	11.03.2016 to 10.03.2025
2016 Options	243,000	–	61,000	–	182,000	5.87	11.03.2017 to 10.03.2026
2017 Options	595,000	–	40,000	35,000	520,000	6.61	10.03.2018 to 09.03.2027
2018 Options	1,015,000	–	–	170,000	845,000	8.49	09.03.2019 to 08.03.2028
2019 Options	1,124,000	–	157,000	57,000	910,000	6.59	08.03.2020 to 07.03.2029
2020 Options	1,552,000	–	93,000	144,000	1,315,000	7.32	09.03.2021 to 08.03.2030
2021 Options	–	1,716,000	–	122,000	1,594,000	7.42	08.03.2022 to 07.03.2031
	5,529,000	1,716,000	450,000	546,000	6,249,000		

DIRECTORS' STATEMENT

For the Financial Year Ended 31 December 2021

AUDIT & RISK COMMITTEE

At 31 December 2021, the Audit & Risk Committee comprises five members as follows:

Independent and non-executive directors

Low Weng Keong – Chairman	(retired on 1 January 2022)
Tan Tiong Cheng	
Sim Hwee Cher	(appointed Chairman on 1 January 2022)
Lau Cheng Soon	
Lee Chin Yong Francis	

The Audit & Risk Committee carries out the functions set out in the Companies Act 1967. The terms of reference include reviewing the financial statements, the internal and external audit plans and audit reports, the scope and results of the internal audit procedures and proposals for improvements in internal controls, the cost effectiveness, independence and objectivity of the independent auditor and interested persons transactions.

In performing the functions, the Audit & Risk Committee has met with the internal and independent auditors and reviewed the overall scope of the internal and external audits and the assistance given by Management to the auditors.

The Audit & Risk Committee has nominated PricewaterhouseCoopers LLP for re-appointment as independent auditor of the Company at the forthcoming Annual General Meeting.

INDEPENDENT AUDITOR

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors

WEE CHO YAW
Chairman

LIAM WEE SIN
Director

28 February 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of UOL Group Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our Opinion

In our opinion, the accompanying consolidated financial statements of UOL Group Limited ("the Company") and its subsidiaries ("the Group") and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the 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 31 December 2021 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of the Company and the Group comprise:
- the consolidated income statement of the Group for the financial year ended 31 December 2021;
- the consolidated statement of comprehensive income of the Group for the financial year then ended;
- the statements of financial position of the Group and of the Company as at 31 December 2021;
- the consolidated statement of changes in equity of the Group for the financial year then ended;
- the consolidated statement of cash flows of the Group for the financial year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

INDEPENDENT AUDITOR'S REPORT

To the Members of UOL Group Limited (continued)

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 for the financial year ended 31 December 2021. 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.

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation of investment properties Refer to Note 3(b) (Key accounting estimates, assumptions and judgements) and Note 20 (Investment properties) to the financial statements. As at 31 December 2021, the carrying value of the Group's investment properties stated at fair value based on independent external valuation of $11.5 billion accounted for 54% of the Group's total assets. The valuation of the investment properties is significant to our audit due to the use of estimates in the valuation techniques based on certain key assumptions. The key assumptions include adopted value per square foot, discount rates, capitalisation rates and growth rates. These assumptions are dependent on the prevailing market conditions. The valuation reports obtained from independent property valuers for certain investment properties have included a clause which highlights the unknown future impact of the COVID-19 pandemic on the real estate market. In recognition of the potential for market conditions to move rapidly in response to changes in the control or future spread of COVID-19, the valuers highlighted the importance of the valuation date.	Our audit procedures focused on the valuation process and included the following: • assessed the competency and independence of the professional valuers engaged by the Group; • discussed the key assumptions and critical judgemental areas with the professional valuers and understood the approaches taken by them in determining the valuation of each investment property, including how they have considered the impact of COVID-19 and market uncertainty in their valuations; • checked, on a sample basis, the accuracy of underlying lease and financial information provided to the valuers; and • assessed the reasonableness of the adopted value per square foot, discount rates, capitalisation rates and growth rates assumptions by benchmarking the rates against specific property data, comparables and prior year's inputs. We also assessed the appropriateness of the disclosures relating to the valuation techniques, key inputs applied by the professional valuers and the impact of COVID-19 on the valuation of investment properties as at 31 December 2021. The external valuers are members of recognised bodies for professional valuers. We found that the valuation methodologies used were in line with generally accepted market practices and the key assumptions used were within the range of market data. We also found the disclosures in the financial statements to be appropriate.

INDEPENDENT AUDITOR'S REPORT

To the Members of UOL Group Limited (continued)

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation of development properties and revenue and cost of sales recognition from sales of development properties	
Refer to Note 3(c), Note 3(d) (Key accounting estimates, assumptions and judgements) and Note 13 (Development properties) to the financial statements. As at 31 December 2021, the carrying value of the Group's development properties of $3.2 billion accounted for 15% of the Group's total assets. For the year ended 31 December 2021, revenue from sales of development properties of $1.6 billion accounted for 60% of the Group's total revenue and the corresponding cost of sales of $1.2 billion accounted for 69% of the Group's total cost of sales. The determination of the carrying value and whether to recognise any foreseeable losses for development properties is highly dependent on the estimated cost to complete each development and the estimated selling price as disclosed in Note 2.7. Significant estimates and assumptions are involved in estimating the stage of completion and costs of each development. Management also utilised a number of different assumptions which were highly subjective to determine the estimated selling prices which are impacted by market demand for properties and local government policies. These estimates and assumptions impact the carrying value of development properties, and the revenue and cost of sales recognised from sales of development properties. In addition to uncertainty over estimated costs and selling prices arising from the COVID-19 pandemic, selling prices of the Group's development projects in Singapore may also be affected by the cooling measures announced by the Singapore government in December 2021.	In assessing the valuation of development properties, we focused on development projects with slower than expected sales or low margins. Our audit procedures to assess the adequacy of management's estimated development costs and the reasonableness of the assumptions used included the following: • compared actual cost incurred against underlying contracts with vendors and supporting documents; • assessed the reasonableness of cost to complete by substantiating costs that have been committed to quotations from and contracts with suppliers; • discussed with the project managers the basis for the estimated cost to complete, challenged the underlying assumptions by benchmarking against the Group's past projects, and understood how the impact of COVID-19 has been considered in the estimated costs; and • evaluated the competency and capabilities of the quantity surveyors used by management for the certification of proportion of construction cost to date. We have also assessed the reasonableness of estimated selling prices by comparing against recently transacted prices based on sales achieved to date, comparable market data and market price trends. We held discussions with management to understand how the estimated selling prices may be impacted by COVID-19 and the cooling measures introduced in December 2021, and evaluated the sensitivity of the margins to changes in selling prices. We have also recomputed the percentage of completion as at the reporting date to assess the appropriateness of the revenue and cost of sales recognised. The evidence we obtained from performing our procedures indicated that management's estimates and assumptions were reasonable.

INDEPENDENT AUDITOR'S REPORT

To the Members of UOL Group Limited (continued)

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the other sections of the annual report ("the Other Sections"), which are expected to be made available to us after that date.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above 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 on the other information that we obtained prior to the date of this auditor's report, 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.

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

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)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.

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:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

INDEPENDENT AUDITOR'S REPORT

To the Members of UOL Group Limited (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

The engagement partner on the audit resulting in this independent auditor's report is Choo Eng Beng.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants

Singapore, 28 February 2022

CONSOLIDATED INCOME STATEMENT

For the Financial Year Ended 31 December 2021

	Note	The Group 2021 $'000	The Group 2020 $'000
Revenue	4	**2,606,836**	1,977,148
Cost of sales		**(1,799,254)**	(1,249,563)
Gross profit		**807,582**	727,585
Other income			
– Finance income	4	**15,295**	12,546
– Miscellaneous income	4	**44,258**	91,260
Expenses			
– Marketing and distribution		**(115,966)**	(78,736)
– Administrative		**(105,707)**	(99,965)
– Finance	7	**(67,552)**	(83,360)
– Other operating			
• Impairment loss on financial assets		**(9,601)**	(8,134)
• Others		**(113,831)**	(108,373)
Share of loss of associated companies		**(9,576)**	(7,671)
Share of profit/(loss) of a joint venture company		**5,982**	(1,929)
		450,884	443,223
Other gains/(losses)	8	**26,740**	(41,212)
Fair value gains/(losses) on investment properties	20	**114,205**	(293,295)
Profit before income tax		**591,829**	108,716
Income tax expense	9(a)	**(92,424)**	(23,367)
Net profit		**499,405**	85,349
Net profit attributable to:			
Equity holders of the Company		**307,411**	13,141
Non-controlling interests		**191,994**	72,208
		499,405	85,349
Earnings per share attributable to equity holders of the Company (expressed in cents per share)	10		
– Basic		**36.41**	1.56
– Diluted		**36.41**	1.56

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Financial Year Ended 31 December 2021

		The Group	
	Note	**2021 $'000**	2020 $'000
Net profit		**499,405**	85,349
Other comprehensive income/(loss):			
Items that may be reclassified subsequently to profit or loss:			
Cash flow hedges	32(e)	**12,545**	(2,514)
Currency translation differences arising from consolidation of foreign operations	32(d)	**24,423**	33,959
		36,968	31,445
Items that will not be reclassified subsequently to profit or loss:			
Financial assets, at fair value through other comprehensive income ("FVOCI")			
– Fair value gains/(losses)	32(b)	**201,535**	(176,134)
Currency translation differences arising from consolidation of foreign operations	32(d)	**16,164**	20,425
Other comprehensive income/(loss), net of tax		**254,667**	(124,264)
Total comprehensive income/(loss)		**754,072**	(38,915)
Total comprehensive income/(loss) attributable to:			
Equity holders of the Company		**532,225**	(128,672)
Non-controlling interests		**221,847**	89,757
		754,072	(38,915)

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION – GROUP AND COMPANY

As at 31 December 2021

		The Group		The Company	
	Note	**2021 $'000**	2020 $'000	**2021 $'000**	2020 $'000
ASSET					
Current assets					
Cash and bank balances	11	**1,489,683**	976,942	**9,582**	5,982
Trade and other receivables	12	**191,941**	308,161	**5,768**	4,338
Derivative financial instrument	27	**8**	–	**–**	–
Development properties	13	**3,172,884**	3,157,530	**–**	–
Inventories	14	**2,488**	1,242	**–**	–
Other assets	16	**138,436**	62,268	**600**	818
Current income tax assets	9(b)	**1,123**	254	**–**	–
		4,996,563	4,506,397	**15,950**	11,138
Non-current assets					
Trade and other receivables	12	**158,978**	154,695	**795,452**	857,329
Other assets	16	**108,395**	69,243	**–**	–
Derivative financial instrument	27	**4,656**	–	**–**	–
Financial assets, at FVOCI	15	**1,177,590**	1,013,621	**885,364**	752,117
Investments in associated companies	17	**249,410**	271,430	**–**	–
Investment in a joint venture company	18	**–**	–	**–**	–
Investments in subsidiaries	19	**–**	–	**1,923,254**	1,941,510
Investment properties	20	**11,512,665**	11,343,168	**577,101**	562,113
Property, plant and equipment	21	**2,966,898**	2,911,670	**1,850**	2,280
Intangibles	24	**41,755**	43,735	**264**	431
Deferred income tax assets	30	**58,061**	59,535	**–**	–
		16,278,408	15,867,097	**4,183,285**	4,115,780
Total assets		**21,274,971**	20,373,494	**4,199,235**	4,126,918
LIABILITIES					
Current liabilities					
Trade and other payables	25	**832,049**	495,144	**262,499**	396,880
Current income tax liabilities	9(b)	**86,494**	164,907	**7,340**	7,666
Borrowings	26	**1,559,949**	1,670,540	**65,818**	–
Derivative financial instrument	27	**852**	6,179	**239**	–
		2,479,344	2,336,770	**335,896**	404,546
Non-current liabilities					
Trade and other payables	25	**203,267**	213,193	**3,515**	3,972
Borrowings	26	**3,550,309**	3,324,554	**199,875**	267,430
Derivative financial instrument	27	**229**	4,329	**–**	1,319
Loans from non-controlling shareholders of subsidiaries (unsecured)	28	**168,421**	131,225	**–**	–
Provision for retirement benefits	29	**3,772**	3,712	**–**	–
Deferred income tax liabilities	30	**253,554**	258,563	**425**	188
		4,179,552	3,935,576	**203,815**	272,909
Total liabilities		**6,658,896**	6,272,346	**539,711**	677,455
NET ASSETS		**14,616,075**	14,101,148	**3,659,524**	3,449,463
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	31	**1,566,802**	1,563,860	**1,566,802**	1,563,860
Reserves	32	**960,059**	753,145	**711,246**	575,475
Retained earnings		**7,641,462**	7,471,136	**1,381,476**	1,310,128
		10,168,323	9,788,141	**3,659,524**	3,449,463
Non-controlling interests		**4,447,752**	4,313,007	**–**	–
Total equity		**14,616,075**	14,101,148	**3,659,524**	3,449,463

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Financial Year Ended 31 December 2021

		Attributable to equity holders of the Company					
	Note	Share capital $'000	Reserves $'000	Retained earnings $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
2021							
Beginning of financial year		**1,563,860**	**753,145**	**7,471,136**	**9,788,141**	**4,313,007**	**14,101,148**
Profit for the year		–	–	307,411	307,411	191,994	499,405
Other comprehensive income for the year		–	224,814	–	224,814	29,853	254,667
Total comprehensive income for the year		**–**	**224,814**	**307,411**	**532,225**	**221,847**	**754,072**
Employee share option scheme							
– Value of employee services	32(a)	–	1,757	–	1,757	129	1,886
– Proceeds from shares issued	31	2,942	–	–	2,942	–	2,942
Dividends	33	–	–	(126,632)	(126,632)	(42,987)	(169,619)
Acquisition of interests from non-controlling shareholders		–	–	(30,110)	(30,110)	(45,644)	(75,754)
Issue of shares to non-controlling shareholders		–	–	–	–	1,400	1,400
Total transactions with owners, recognised directly in equity		**2,942**	**1,757**	**(156,742)**	**(152,043)**	**(87,102)**	**(239,145)**
Transfer upon disposal of investments	32(b)	–	(19,657)	19,657	–	–	–
End of financial year		**1,566,802**	**960,059**	**7,641,462**	**10,168,323**	**4,447,752**	**14,616,075**
2020							
Beginning of financial year		**1,560,918**	**893,862**	**7,592,700**	**10,047,480**	**4,286,809**	**14,334,289**
Profit for the year		–	–	13,141	13,141	72,208	85,349
Other comprehensive (loss)/income for the year		–	(141,813)	–	(141,813)	17,549	(124,264)
Total comprehensive (loss)/income for the year		**–**	**(141,813)**	**13,141**	**(128,672)**	**89,757**	**(38,915)**
Employee share option scheme							
– Value of employee services	32(a)	–	1,096	–	1,096	5	1,101
– Proceeds from shares issued	31	2,942	–	–	2,942	–	2,942
Dividends	33	–	–	(147,626)	(147,626)	(42,642)	(190,268)
Acquisition of interests from non-controlling shareholders		–	–	12,921	12,921	(19,512)	(6,591)
Issue of shares to non-controlling shareholders		–	–	–	–	203	203
Liquidation of a subsidiary		–	–	–	–	(1,613)	(1,613)
Total transactions with owners, recognised directly in equity		**2,942**	**1,096**	**(134,705)**	**(130,667)**	**(63,559)**	**(194,226)**
End of financial year		**1,563,860**	**753,145**	**7,471,136**	**9,788,141**	**4,313,007**	**14,101,148**

An analysis of movements in each category within “Reserves” is presented in Note 32.

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year Ended 31 December 2021

	2021 $'000	2020 $'000
Cash flows from operating activities	**499,405**	85,349
Net profit		
Adjustments for		
– Income tax expense	**92,424**	23,367
– Depreciation and amortisation	**111,220**	117,880
– Allowance for foreseeable losses on development properties	**1,451**	749
– Impairment loss on financial assets - net	**9,601**	8,134
– Share of loss of associated companies	**9,576**	7,671
– Share of (profit)/loss of a joint venture company	**(5,982)**	1,929
– Unrealised translation (gains)/losses	**(5,047)**	4,239
– Net provision/(write-back) for retirement benefits	**305**	(2,578)
– Employee share option expense	**1,886**	1,101
– Dividend income and interest income	**(58,066)**	(61,083)
– Interest expense	**67,449**	83,360
– Fair value (gains)/losses on the Group's investment properties	**(114,205)**	293,295
– Gain on disposal of an associated company	**(24,592)**	–
– Property, plant and equipment written off and net loss on disposals	**431**	9,467
– Write-back of impairment charge on property, plant and equipment	**(2,148)**	(1,021)
– Impairment charge on property, plant and equipment	**–**	42,233
	583,708	614,092
Change in working capital		
– Receivables	**(95,947)**	(104,462)
– Development properties	**78,897**	267,737
– Inventories	**(1,246)**	3,047
– Payables	**359,331**	(104,648)
	341,035	61,674
Cash generated from operations	**924,743**	675,766
Income tax paid	**(173,288)**	(96,083)
Retirement benefits paid	**(196)**	(89)
Net cash from operating activities	**751,259**	579,594
Cash flows from investing activities		
Payment to non-controlling shareholders on liquidation of a subsidiary	**–**	(1,613)
(Payments)/grant received for intangibles	**(381)**	25
Loans to an associated company and a joint venture company	**(3,000)**	(2,571)
Net proceeds from disposal of property, plant and equipment	**346**	52
Proceeds from disposal of an associated company	**37,619**	–
Payments for property, plant and equipment and investment properties	**(229,559)**	(205,559)
Payments for financial assets, at FVOCI	**(483)**	–
Net proceeds from disposal of financial assets, at FVOCI	**38,048**	–
Interest received	**15,295**	12,047
Dividends received	**42,771**	50,161
Net cash used in investing activities	**(99,344)**	(147,458)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year Ended 31 December 2021

	Note	2021 $'000	2020 $'000
Cash flows from financing activities			
Proceeds from shares issued		**2,942**	2,942
Payment to non-controlling shareholders for purchase of shares in subsidiaries		**(75,754)**	(6,591)
Net proceeds from issue of shares to non-controlling shareholders of subsidiaries		**1,400**	203
Loans from non-controlling shareholders of subsidiaries		**37,196**	23,863
Proceeds from 2.33% unsecured fixed rate notes due 2028		**400,000**	–
Repayment of 2.5% unsecured fixed rate notes due 2020		**–**	(240,000)
Proceeds from borrowings		**2,521,603**	1,875,364
Repayment of borrowings		**(2,808,942)**	(1,570,233)
Expenditure relating to bank borrowings		**(9,891)**	(3,505)
Interest paid		**(63,114)**	(93,015)
Proceeds from trade financing		**26,613**	35,691
Repayment of trade financing		**(19,166)**	(6,748)
Repayment of lease liabilities		**(3,728)**	(3,270)
Bank deposits pledged as security		**–**	500
Dividends paid to equity holders of the Company		**(126,632)**	(147,626)
Dividends paid to non-controlling interests		**(42,987)**	(42,642)
Net cash used in financing activities		**(160,460)**	(175,067)
Net increase in cash and cash equivalents		**491,455**	257,069
Cash and cash equivalents at the beginning of the financial year		**974,442**	714,377
Effects of currency translation on cash and cash equivalents		**21,286**	2,996
Cash and cash equivalents at the end of the financial year	11(d)	**1,487,183**	974,442

Reconciliation of liabilities arising from financing activities

	Beginning of financial year $'000	Principal, interest and facility fees payments/ receipts $'000	Non-cash changes $'000 Additions/ Lease remeasurement	Interest expense	Foreign exchange movement	End of financial year $'000
2021						
Medium term notes	199,974	392,180	–	9,449	–	601,603
Bank borrowings	4,747,879	(352,507)	–	61,023	(806)	4,455,589
Loans from non-controlling shareholders	138,820	37,196	–	2,587	–	178,603
Lease liabilities	16,582	(3,728)	2,950	1,154	91	17,049
Trade financing	37,494	6,439	–	1,008	–	44,941
2020						
Medium term notes	441,160	(252,034)	–	10,848	–	199,974
Bank borrowings	4,387,338	221,145	–	82,250	57,146	4,747,879
Loans from non-controlling shareholders	112,430	23,863	–	2,527	–	138,820
Lease liabilities	18,617	(3,333)	–	1,154	144	16,582
Trade financing	8,551	28,506	–	437	–	37,494

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL INFORMATION

UOL Group Limited (the "Company") is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office is as follows:

101 Thomson Road
#33-00 United Square
Singapore 307591

The principal activities of the Company are investments in properties, subsidiaries, associated companies and listed and unlisted securities. The principal activities of its subsidiaries are set out in Note 19.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain key accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

2.2 Interpretations and amendments to published standards effective 2021

On 1 January 2021, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years except as follows:

Interest Rate Benchmark Reform – Phase 2

The Group has adopted the amendments to SFRS(I) 9 *Financial Instruments* ("SFRS(I) 9"), SFRS(I) 7 *Financial Instruments: Disclosure* ("SFRS(I) 7") and SFRS(I) 16 *Leases* ("SFRS(I) 16") Interest Rate Benchmark Reform – Phase 2 effective 1 January 2021. In accordance with the transition provisions, the amendments shall be applied retrospectively to hedging relationships and financial instruments. Comparative amounts have not been restated, and there was no impact on the current period opening reserves amounts on adoption.

Hedge relationships

The Phase 2 amendments address issues arising during interest rate benchmark reform ("IBOR reform"), including specifying when hedge designations and documentation should be updated, and when amounts accumulated in cash flow hedge reserve should be recognised in profit or loss.

Note 36(a)(iii) provides further information about the reliefs applied by the Group and the hedging relationships for which the Group has applied the reliefs. No changes were required to any of the amounts recognised in the current or prior period as a result of these amendments.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Interpretations and amendments to published standards effective 2021 (continued)

Interest Rate Benchmark Reform – Phase 2 (continued)

Hedge relationships (continued)

In the current year, the Group has adopted the following hedge accounting reliefs provided by the 'Phase 2' amendments to existing cash flow hedges (notional amount of $663,281,845) that have transited to alternative benchmark rates required by IBOR reform:

- **Hedge designation**: When the 'Phase 1' amendments cease to apply, the Group will amend its hedge designation to reflect changes which are required by IBOR reform. These amendments to the hedge documentation do not require the Group to discontinue its hedge relationships.

- **Amounts accumulated in the cash flow hedge reserve**: When the interest rate benchmark on which the hedged future cash flows were based is changed as required by IBOR reform, the accumulated amount outstanding in the cash flow hedge reserve is deemed to be based on the alternative benchmark rate.

Financial instruments measured at amortised cost and lease liabilities

Phase 2 of the amendments requires that, for financial instruments measured using amortised cost measurement, changes to the basis for determining the contractual cash flows required by IBOR reform are reflected by adjusting their effective interest rate. No immediate gain or loss is recognised. A similar practical expedient exists for lease liabilities (see below).

These expedients are only applicable to changes that are required by IBOR reform, which is the case if, and only if, the change is necessary as a direct consequence of IBOR reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis immediately preceding the change.

For lease liabilities where there is a change to the basis for determining the contractual cash flows, as a practical expedient the lease liability is remeasured by discounting the revised lease payments using a discount rate that reflects the change in the interest rate where the change is required by IBOR reform. If lease modifications are made in addition to those required by IBOR reform, the Group applies the relevant SFRS(I) 16 requirements to account for the entire lease modification, including those changes required by IBOR reform.

For the year ended 31 December 2021, the Group has applied the practical expedients provided under Phase 2 to amendments to $663,281,845 of its bank borrowings.

Effect of IBOR reform

Following the global financial crisis, the reform and replacement inter-bank offered rates ("IBOR") has become a priority for global regulators. The Group's risk exposure that is directly affected by the IBOR reform predominantly comprises its variable rate borrowings that are linked to the Singapore Swap Offer Rate ("SOR") or the London Interbank Offered Rate ("GBP LIBOR"). Some of these floating rate borrowings are hedged using interest rate swaps, which have been designated as cash flow hedges.

The GBP LIBOR loses its representativeness after 31 December 2021. The Group has amended all its GBP LIBOR linked borrowings and interest rate swaps to reference to the Sterling Overnight Index Average ("SONIA"), and the Group has applied the Phase 2 amendments for amortised cost measurement and hedge accounting. Difference in the timings of transition of the borrowing and swaps gave rise to hedge ineffectiveness in the current year, as disclosed in Note 36(a)(iii). The transition from GBP LIBOR to SONIA had no material effect on the amounts reported for the current and prior financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Interpretations and amendments to published standards effective 2021 (continued)

Interest Rate Benchmark Reform – Phase 2 (continued)

Effect of IBOR reform (continued)

The SOR will cease publication after 30 June 2023, and it is expected to be replaced by the Singapore Overnight Rate Average ("SORA"). The Group has variable-rate SGD borrowings which references to SOR and matures after 30 June 2023. The Group hedges the variability in cash flows using SOR-linked interest rate swaps. The Group's communication with its swap and debt counterparties is ongoing, but specific changes required by IBOR reform have not yet been agreed. As IBOR uncertainty is still present, the Group continues to apply the Phase 1 temporary amendments for hedge accounting on cash flow hedges relating to SOR risk, and further information on the hedging relationship has been disclosed in Note 36(a)(iii). The expected transition from SOR to SORA had no effect on the amounts reported for the current and prior financial years.

The following table contains details of all the financial instruments that the Group and Company holds at 31 December 2021 which are referenced to SOR and have not yet transitioned to new benchmark rates:

	SOR	
31 December 2021	**Carrying amount $'000**	**Of which: Not yet transited to an alternative benchmark rate $'000**
Group		
Liabilities		
- Borrowings	1,609,253	1,609,253
- Derivative financial instruments	323	323
- Loans from non-controlling shareholders of subsidiaries (unsecured)	135,785	135,785
Total	**1,745,361**	**1,745,361**
Company		
Liabilities		
- Borrowings	**199,875**	**199,875**

Assumptions

In calculating the change in fair value attributable to the variability of SOR in hedged SGD borrowings, the Group assumed that:

- The borrowings will move to SORA at the same time as the interest rate swap (hedging instrument) with a similar adjustment spread computed on the same basis;
- No other changes to the terms of the borrowing and interest rate swap are anticipated; and
- The interest rate swap will not be derecognised.

Given that the critical terms are assumed to continue to match, the change in fair value of the hedged risk is the same as the change in fair value of the hedging instrument. Therefore, no hedge ineffectiveness is recognised as a result of the expected transition of the cash flow hedges from SOR to SORA.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 <u>Impact of COVID-19</u>

The COVID-19 pandemic has persisted in 2021. Whilst there has been less uncertainty and signs of economic recovery, the Group's operations continued to be impacted by border restrictions, movement control and safe-distancing measures taken by various governments to contain the pandemic. This in turn have continued to affect the Group's results for the reporting period.

Set out below is the impact of COVID-19 on the Group's financial performance reflected in this set of financial statements for the year ended 31 December 2021:

(i) The Group has assessed that the going concern basis of preparation for this set of financial statements remains appropriate.

(ii) In 2021, the Group continued to receive government grants and support, albeit at lower quantum. The Group recognised government wage and productivity subsidies mainly under the Job Support Scheme in Singapore and JobKeeper's Payment in Australia amounting to $17,354,000 (2020: $55,103,000). The Group further received rental support grants and property tax rebates for its hotels and serviced suites and own-use spaces amounting to $7,958,000 (2020: $17,207,000). The effects of such government grants are disclosed in Note 4.

(iii) In 2021, the Group received rental rebates for its leased premises and also provided rental concessions to tenants in its retail and office buildings. The effects of such rental concessions received/provided are disclosed in Note 4.

(iv) The Group has considered the market conditions (including the impact of COVID-19) as at the end of the reporting period, in making estimates and judgements on the recoverability of assets as at 31 December 2021. The significant estimates and judgement applied on valuation of investment properties, impairment of property, plant and equipment and impairment of trade receivables are disclosed in Notes 3(b), 3(e) and 3(g) respectively.

As the global COVID-19 situation continues to evolve, the Group will continue to monitor and review the impact of the situation on its operations, results and valuation.

2.4 <u>Revenue recognition</u>

(a) Revenue from property development – sale of development properties

Revenue from sale of development properties is recognised when or as the control of the asset is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer at a point in time or over time.

For development properties where the Group does not have an enforceable right to payment for performance completed to date, revenue is recognised when the customer obtains control of the asset, such as when the property is accepted by the customer, or deemed as accepted according to the contract, or when title has passed to the customer.

For development properties where the Group is restricted contractually from directing the properties for another use as they are being developed and has an enforceable right to payment for performance completed to date, revenue is recognised over time, based on the Group's efforts or inputs to the fulfillment of the performance obligation, by reference to the stage of completion of the properties. The stage of completion is measured by reference to the proportion of the total construction cost incurred to date, as per certification by quantity surveyors, to the estimated total construction costs. Management has determined that a cost-based input method provides a faithful depiction of the Group's performance in transferring control of the development properties to the customers, as it reflects the Group's efforts incurred to date relative to the total inputs expected to be incurred for the development properties. Costs incurred that are not related to the contract or that do not contribute towards fulfilling a performance obligation are excluded from the measure of progress and instead are expensed as incurred.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Revenue recognition (continued)

(a) *Revenue from property development – sale of development properties* (continued)

Progress billings to the customers are based on a payment schedule in the contract and are typically triggered upon achievement of specified construction milestones. Payment is typically due within two weeks. A contract asset is recognised as "unbilled revenue" under development properties when the Group has performed under the contract but has not yet billed the customer. Conversely, a contract liability is recognised as "contract liability for development properties" under trade and other payables when the Group has not yet performed under the contract but has received advanced payments from the customer. Contract assets are transferred to receivables when the rights to consideration become unconditional. Contract liabilities are recognised as revenue as the Group performs under the contract.

For costs incurred in fulfilling the contract which are within the scope of another SFRS(I) (eg. Inventories), these have been accounted for in accordance with those other SFRS(I). If these are not within the scope of another SFRS(I), the Group will capitalise these as contract costs assets only if the costs relate directly to the contract, generate or enhance resources used in fulfilling the contract and are expected to be recovered. Other contract costs are expensed as incurred. Incremental costs of obtaining a contract are capitalised if these costs are recoverable.

Capitalised contract costs and costs to obtain contracts are subsequently amortised on a systematic basis as the Group recognises the related revenue. An impairment loss is recognised in profit or loss to the extent that the carrying amount of the capitalised contract costs and costs to obtain contracts exceeds the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the contract costs relates less the costs that relate directly to providing the goods and that have not been recognised as expenses.

The period between the transfer of the promised goods and payment by the customer may exceed one year. For such contracts, the Group adjusts the promised amount of consideration for the effect of a financing component, if significant.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by management.

(b) *Revenue from hotel ownership and operations*

Revenue from the ownership and operation of hotels is recognised over the period in which the accommodation and related services are provided, except for revenue from the sale of food and beverages, which is recognised at a point in time when the food and beverages are delivered. For retail customers, payment is due immediately when the accommodation and related services are rendered. For corporate customers, invoices are issued on a monthly basis and are payable within 30 days.

(c) *Revenue from hotel and other management services*

Revenue from hotel and other management services includes property and project management fees, hotel management fees, franchise fees and other related fees.

(i) *Property and project management fees*

Property and project management fees are recognised over time as services are rendered under the terms of the contract. The customers are invoiced on monthly or on a progress payment schedule and payment is due within 30 days. A contract asset is recognised for the cumulative revenue recognised but not yet invoiced.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Revenue recognition (continued)

(c) *Revenue from hotel and other management services* (continued)

(ii) *Hotel management fees*

Management fees earned from hotels managed by the Group, usually under long-term contracts with the hotel owner, are recognised over time as services are rendered under the terms of the contract. The fees include a base fee, which is generally a percentage of hotel revenue, and/or an incentive fee, which is generally based on the hotel's profitability. Customers are invoiced on a monthly basis and payment is due within 30 days.

(iii) *Franchise fees*

Franchise fees received in connection with licensing of the Group's brand names, usually under long-term contracts with the hotel owner, are recognised over time over the license period. The Group generally charges franchise fees as a percentage of hotel revenue. Customers are invoiced on a monthly basis and payment is due within 30 days.

(iv) *Other related fees*

Other related fees earned from hotels managed by the Group are recognised when services are rendered under the terms of the contract. Payment of the transaction price is due immediately when the services are rendered.

(d) *Interest income*

Interest income, including income arising from financial instruments, is recognised using the effective interest method.

(e) *Dividend income*

Dividend income is recognised when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be reliably measured.

(f) *Revenue from property investments - rental income*

Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term.

(g) *Revenue from technology operations*

Revenue from technology operations mainly comprise the following for which payment is generally due within 30 to 90 days from the invoice date.

(i) Software license reselling arrangements, either as a standalone or bundled with computer hardware, including value-added services which are not distinct from the software license in the context of the contract with customers. The Group is acting as a principal in the reselling arrangement and revenue is recognised gross in the profit or loss at the point in time control of the license is transferred to the customers.

(ii) Sale of computer hardware which may include an element of significant financing in certain contracts. All goods sold are non-refundable and non-returnable unless faulty. Where required, the Group adjusts the transaction price for the effects of the significant financing component using a discount rate that would be reflected in a separate financing transaction between the Group and its customer at contract inception. Revenue allocated to the sale of goods is recognised at a point in time when the computer hardware is delivered with formal acceptance from the customer.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on which control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and statement of financial position for the Group. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (b) the fair value of the identifiable net assets acquired is recorded as goodwill. If those amounts are less than the fair value of the identifiable net assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a gain from purchase. Please refer to the paragraph "Intangibles – Goodwill on acquisition" for the subsequent accounting policy on goodwill.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Group accounting (continued)

(a) *Subsidiaries* (continued)

(iii) *Disposals*

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to the income statement or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in the income statement.

Please refer to the paragraph "Investments in subsidiaries, associated companies and joint venture companies" for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(b) *Transactions with non-controlling interests*

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

(c) *Associated companies and joint venture companies*

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%.

Joint venture companies are entities over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

Investments in associated companies and joint venture companies are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) *Acquisitions*

Investments in associated companies and joint venture companies are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associated companies or joint venture companies represents the excess of the cost of acquisition of the associated company or joint venture company over the Group's share of the fair value of the identifiable net assets of the associated company or joint venture company and is included in the carrying amount of the investments.

(ii) *Equity method of accounting*

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise Group's share of its associates' or joint ventures' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the associates or joint ventures are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in an associates or joint venture equals to or exceeds its interest in the associates or joint venture, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the associates or joint venture. If the associates or joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised. Interest in an associates or joint venture includes any long-term loans for which settlement is never planned nor likely to occur in the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Group accounting (continued)

(c) *Associated companies and joint venture companies* (continued)

(ii) *Equity method of accounting* (continued)

Unrealised gains on transactions between the Group and its associated companies and joint venture companies are eliminated to the extent of the Group's interest in the associated companies and joint venture companies. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of associated companies and joint venture companies are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) *Disposals*

Investments in associated companies or joint venture companies are derecognised when the Group loses significant influence or joint control. If the retained equity interest in the former associated company or joint venture company is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when significant influence or joint control is lost, and its fair value and any proceeds on partial disposal, is recognised in the income statement.

Please refer to the paragraph "Investments in subsidiaries, associated companies and joint venture companies" for the accounting policy on investments in associated companies and joint venture companies in the separate financial statements of the Company.

2.6 Property, plant and equipment

(a) *Measurement*

(i) *Land and buildings*

Land and buildings are initially recognised at cost. Freehold land is subsequently carried at cost less accumulated impairment losses. Leasehold land and buildings are subsequently carried at cost or valuation less accumulated depreciation and accumulated impairment losses.

(ii) *Properties under development*

Hotel property under development is carried at cost less accumulated impairment losses until construction is completed at which time depreciation will commence over its estimated useful life.

(iii) *Other property, plant and equipment*

Plant, equipment, furniture and fittings and motor vehicles are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(iv) *Component of costs*

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, including borrowing costs incurred for the properties under development. The projected cost of dismantlement, removal or restoration is also recognised as part of the cost of property, plant and equipment if the obligation for the dismantlement, removal or restoration is incurred as a consequence of either acquiring the asset or using the asset for purpose other than to produce inventories.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Property, plant and equipment (continued)

(b) Depreciation

Freehold land, properties under development and renovation in progress are not depreciated. Leasehold land is amortised evenly over the term of the lease. Please refer to Note 21(e) for the lease period of each property.

Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Leasehold land and buildings	40 to 93 years
Plant, equipment, furniture and fittings	3 to 20 years
Motor vehicles	5 to 7 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at the end of each reporting period. The effects of any revision are recognised in the income statement when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in the income statement when incurred.

(d) Disposals

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in the income statement. Any amount in revaluation reserve relating to that item is transferred to retained earnings directly.

2.7 Development properties

Development properties refer to properties developed for sale. Development properties that are unsold are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less costs to complete the development and selling expenses.

2.8 Intangibles

(a) Goodwill on acquisitions

Goodwill on acquisitions of subsidiaries and businesses represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired.

If those amounts are less than the fair value of the identifiable net assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference (“negative goodwill”) is recognised directly in the income statement as a gain from purchase.

Goodwill on subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses. Goodwill on associated companies and joint venture companies is included in the carrying amount of the investments.

Gains and losses on the disposal of subsidiaries, associated companies and joint venture companies include the carrying amount of goodwill relating to the entity sold.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Intangibles (continued)

(b) Acquired trademarks

Trademarks acquired are initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to the income statement using the straight-line method over their estimated useful lives of 10 to 20 years.

(c) Acquired computer software costs

Acquired computer software costs are initially capitalised at cost which includes the purchase prices (net of any discounts and rebates) and other directly attributable costs of preparing the asset for its intended use. Direct expenditures including employee costs, which enhance or extend the performance of computer software beyond its specifications and which can be reliably measured, are added to the original cost of the software. Costs associated with maintaining the computer software are recognised as an expense when incurred.

Computer software under development is not amortised. Other computer software costs are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to the income statement using the straight-line method over their estimated useful life of 3 to 5 years.

(d) Contract acquisition costs

Directly attributable costs incurred in the securing of management contracts or franchise agreements are capitalised as intangibles. These costs do not represent a physical asset which the Group has legal title to. They represent costs incurred to obtain a legal contractual right.

The directly attributable costs are amortised to the income statement using the straight-line method over the number of years of the management contract or franchise agreement they relate to, which is generally within 5 to 10 years. They are also reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The amortisation period and amortisation method of intangible assets other than goodwill are reviewed at least at the end of each financial year. The effects of any revision are recognised in the income statement when the changes arise.

2.9 Borrowing costs

Borrowing costs are recognised in the income statement using the effective interest method except for those costs that are directly attributable to the construction or development of property, plant and equipment or development properties for which revenue is recognised at a point in time. This includes those costs on borrowings acquired specifically for the construction or development of such properties, as well as those in relation to general borrowings used to finance the construction or development of such properties.

The actual borrowing costs incurred for construction or development of property, plant and equipment or development properties for which revenue is recognised at a point in time during the period up to the issuance of the temporary occupation permit less any investment income on temporary investment of these borrowings, are capitalised in the cost of the property under construction. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings.

2.10 Investment properties

Investment properties include those land and buildings or portions of buildings that are held for long-term rental yields and/or for capital appreciation and right-of-use assets relating to leasehold land that are held for long-term capital appreciation or for a currently indeterminate use. Investment properties include properties that are being constructed or developed for future use as investment properties.

Investment properties are initially recognised at cost and subsequently carried at fair value, determined annually by independent professional valuers on the highest-and-best-use basis. Changes in fair values are recognised in the income statement.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 Investment properties (continued)

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in the income statement. The cost of maintenance, repairs and minor improvements is recognised in the income statement when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in the income statement.

2.11 Investments in subsidiaries, associated companies and joint venture companies

Investments in subsidiaries, associated companies and joint venture companies are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in the income statement.

2.12 Impairment of non-financial assets

(a) Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised in the income statement and is not reversed in a subsequent period.

(b) Intangibles
Property, plant and equipment
Right-of-use assets
Investments in subsidiaries, associated companies and joint venture companies

Intangibles, property, plant and equipment, right-of-use assets and investments in subsidiaries, associated companies and joint venture companies are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in the income statement.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.12 Impairment of non-financial assets (continued)

(b) *Intangibles*
Property, plant and equipment
Right-of-use assets
Investments in subsidiaries, associated companies and joint venture companies (continued)

For an asset other than goodwill, management assesses at the end of the reporting period whether there is any indication that an impairment recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated and may result in a reversal of impairment loss. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in the income statement.

2.13 Financial assets

(a) *Classification and measurement*

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income (FVOCI); and
- Fair value through profit or loss (FVPL).

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

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

At subsequent measurement

(i) *Debt instruments*

Debt instruments mainly comprise of cash and cash equivalents, trade and other receivables and loans to associated companies and a joint venture company.

There are three subsequent measurement categories, depending on the Group's business model for managing the asset and the cash flow characteristics of the asset:

- Amortised cost: Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.13 Financial assets (continued)

(a) *Classification and measurement* (continued)

At subsequent measurement (continued)

(i) *Debt instruments* (continued)

- FVOCI: Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income (OCI) and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss.

  When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "other gains/(losses)". Interest income from these financial assets is recognised using the effective interest rate method and presented in "finance income".

- FVPL: Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "other gains/(losses)".

(ii) *Equity instruments*

The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other gains/(losses)", except for those equity securities which are not held for trading. The Group has elected to recognise changes in fair value of equity securities not held for trading in other comprehensive income as these are strategic investments and the Group considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "fair value gains/(losses)" in Other Comprehensive Income. Dividends from equity investments are recognised in profit or loss as "revenue".

(b) *Impairment*

The Group assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 36(b) details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables and contract assets, the Group applies the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(c) *Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.13 Financial assets (continued)

(c) *Recognition and derecognition* (continued)

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

(d) *Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.14 Financial guarantees

The Company has issued corporate guarantees to banks for bank borrowings of its subsidiaries. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiaries fail to make principal or interest payments when due in accordance with the terms of their borrowings.

Financial guarantee contracts are initially measured at fair value plus transaction costs, except when the fair value is determined to be insignificant, and subsequently measured at the higher of (a) amount initially recognised less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15 Revenue from Contracts with Customers ("SFRS(I) 15"); and (b) the amount of expected loss computed using the impairment methodology under SFRS(I) 9.

Intra-group transactions are eliminated on consolidation.

2.15 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least twelve months after the end of the reporting period, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

2.16 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.17 Derivative financial instruments and hedging activities

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in the income statement when the changes arise.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.17 Derivative financial instruments and hedging activities (continued)

The Group documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis on whether the hedging relationship meets the hedge effectiveness requirements under SFRS(I) 9.

The fair value of various derivative financial instruments used for hedging purposes are disclosed in Note 27. The carrying amount of a derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged item is more than 12 months, and as a current asset or liability if the remaining expected life of the hedged item is less than 12 months. The fair value of a trading derivative is presented as a current asset or liability.

The Group has derivative financial instruments which are designated as cash flow hedges and fair value hedges.

The following hedges in place qualified respectively as cash flow and fair value hedges under SFRS(I) 9.

Cash flow hedge - Interest rate swaps

The Group has entered into interest rate swaps that are cash flow hedges for the Group's exposure to interest rate risk on its borrowings. These contracts entitle the Group to receive interest at floating rates on notional principal amounts and oblige the Group to pay interest at fixed rates on the same notional principal amounts, thus allowing the Group to raise borrowings at floating rates and swap them into fixed rates.

The fair value changes on the effective portion of interest rate swaps designated as cash flow hedges are recognised in other comprehensive income, accumulated in the hedging reserve and reclassified to the income statement when the hedged interest expense on the borrowings is recognised in the income statement. The fair value changes on the ineffective portion of interest rate swaps are recognised immediately in the income statement.

Fair value hedge

The firm commitment of contracts entered into with various customers denominated in foreign currencies are designated as the hedged item. The Group uses foreign currency forwards to hedge its exposure to foreign currency risk arising from these contracts. Under the Group's policy, the critical terms of the forward exchange contracts must align with the hedged items. The Group designates the spot component of forward contracts as the hedging instrument. The fair value changes on the hedged item resulting from currency risk are recognised in income statement. The fair value changes on the spot of the currency forwards designated as fair value hedges are recognised in income statement within the same line item as the fair value changes from the hedged item. The fair value changes on the ineffective portion of currency forwards are recognised in income statement and presented separately in "other gains/(losses)".

2.18 Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities and derivatives) are based on quoted market prices at the end of the reporting period. The quoted market prices used for financial assets are the current bid prices; the appropriate quoted market prices used for financial liabilities are the current asking prices.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions based on market conditions that are existing at the end of each reporting period. Where appropriate, quoted market prices or dealer quotes for similar instruments are used. Valuation techniques, such as discounted cash flow analysis, are also used to determine the fair values of the financial instruments.

The fair values of interest rate swaps are calculated as the present value of the estimated future cash flows discounted at actively quoted interest rates.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.19 <u>Leases</u>

(a) *When the Group is the lessee:*

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

- Right-of-use assets

  The Group recognises right-of-use assets and lease liabilities at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

  These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

  Right-of-use assets (except for those which meets the definition of an investment property) are presented within “Property, plant and equipment”.

  Right-of-use assets which meet the definition of an investment property is presented within “Investment properties” and accounted for in accordance with Note 2.10.

- *Lease liabilities*

  Lease liabilities are initially measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

  Lease payments include the following:

  - Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
  - Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
  - Amount expected to be payable under residual value guarantees;
  - The exercise price of a purchase option if is reasonably certain to exercise the option; and
  - Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

  For contracts that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Group has elected to not separate lease and non-lease components for property leases and account these as one single lease component.

  Lease liabilities are measured at amortised cost using the effective interest method. Lease liabilities shall be remeasured when:

  - There is a change in future lease payments arising from changes in an index or rate;
  - There is a change in the Group’s assessment of whether it will exercise an extension option; or
  - There is a modification in the scope or the consideration of the lease that was not part of the original term.

  Lease liabilities are remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.19 Leases (continued)

(a) When the Group is the lessee: (continued)

- *Short term and low value leases*

  The Group has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

(b) When the Group is the lessor:

The Group leases certain investment properties under operating leases to non-related parties.

- *Lessor – Operating leases*

  Leases of investment properties where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in the income statement on a straight-line basis over the lease term.

  Rental due but unpaid is presented under 'Trade and other receivables'.

  Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in the income statement over the lease term on the same basis as the lease income.

  Contingent rents are recognised as income in the income statement when earned.

  Any changes in the scope or the consideration for a lease, that was not part of the original terms and conditions of the lease (for example, rent concessions given which were not contemplated as part of the original terms and conditions of the lease) are accounted for as lease modifications. The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, recognising the remaining lease payments as income on a either a straight-line basis or another systematic basis over the remaining lease term.

2.20 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method and includes all costs in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

2.21 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associated companies and joint venture companies, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.21 <u>Income taxes</u> (continued)

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in the income statement, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

The Group accounts for investment tax credits (for example, productivity and innovation credit) similar to accounting for deductible temporary differences and tax losses where deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

2.22 <u>Provisions</u>

Provisions for legal claims, asset dismantlement, removal or restoration are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

The Group recognises the estimated costs of dismantlement, removal or restoration of items of property, plant and equipment arising from the acquisition or use of assets. This provision is estimated based on the best estimate of the expenditure required to settle the obligation, taking into consideration time value.

Other provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the income statement as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in the income statement when the changes arise, except for changes in the estimated timing or amount of the expenditure or discount rate for asset dismantlement, removal and restoration costs, which are adjusted against the cost of the related property, plant and equipment unless the decrease in the liability exceeds the carrying amount of the asset or the asset has reached the end of its useful life. In such cases, the excess of the decrease over the carrying amount of the asset or the changes in the liability is recognised in the income statement immediately.

2.23 <u>Employee compensation</u>

(a) Post-employment benefits

The Group has various post-employment benefit schemes in accordance with local conditions and practices in the country in which it operates. These benefit plans are either defined contribution or defined benefit plans.

<u>Defined contribution plans</u>

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The Group's contributions are recognised as employee compensation expense when they are due.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.23 Employee compensation (continued)

(a) Post-employment benefits (continued)

Defined benefit plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans. Defined benefit plans typically define the amount of benefit that an employee will receive on or after retirement, usually dependent on one or more factors such as age, years of service and compensation.

A subsidiary in Malaysia operates an unfunded defined benefit scheme under the Collective Union Agreement for unionised employees and certain management staff. Benefits payable on retirement are calculated by reference to the length of service and earnings over the employees' period of employment; that benefit is discounted to determine the present value. The discount rate is the market yield at the end of reporting period on high quality corporate bonds or government bonds. Provision for employee retirement benefits is made in the financial statements so as to provide for the accrued liability at year end. An actuarial valuation, based on the projected credit unit method, of the fund is conducted by a qualified independent actuary once in every three years as the yearly movements in provision for the defined benefit plan is not likely to be significant.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised as an expense in the income statement on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in the income statement.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period when they arise.

Where the calculation results in a benefit to the Group, the recognised asset is limited to the net total of any unrecognised actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

(b) Share-based compensation

The Group operates an equity-settled, share-based compensation plan under the 2012 Share Option Scheme. The value of the employee services received in exchange for the grant of options is recognised as an expense with a corresponding increase in the share option reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted on the date of the grant. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date. At the end of each reporting period, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in the income statement, with a corresponding adjustment to the share option reserve over the remaining vesting period.

2.24 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars, which is the functional currency of the Company.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the end of the reporting period are recognised in the income statement. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.24 Currency translation (continued)

(b) Transactions and balances (continued)

When a foreign operation is disposed of or any borrowings forming part of the net investment of the foreign operation are repaid, a proportionate share of the accumulated currency translation differences is reclassified to income statement, as part of the gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented net in the income statement within "finance income" or "finance expenses". All other foreign exchange gains and losses impacting profit or loss are presented in the income statement within "miscellaneous income".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities are translated at the closing exchange rates at the reporting date;

(ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to the income statement on disposal or partial disposal of the entity giving rise to such reserve.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

2.25 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Executive Committee whose members are responsible for allocating resources and assessing performance of the operating segments.

2.26 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash and bank balances, highly liquid short-term deposits with financial institutions which are subject to an insignificant risk of change in value, bank overdrafts and exclude bank deposits pledged as security. Bank overdrafts are presented as current borrowings on the statement of financial position.

2.27 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

When the Company purchases its own ordinary shares and cancels them upon purchase, the consideration paid including any directly attributable incremental cost is deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained profits of the Company if the shares are purchased out of earnings of the Company.

2.28 Dividends

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.29 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Government grants relating to assets are deducted against the carrying amount of the assets.

3. KEY ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Classification of the Group's serviced suites as investment property or property, plant and equipment

Management applies judgement in determining the classification of the serviced suites owned by the Group. The key criteria used to distinguish the Group's serviced suites which are classified as investment properties and its other properties classified as property, plant and equipment, is the level of services provided to tenants of the serviced suites.

The Group's serviced suites have been classified as investment properties and the carrying amount at the end of the reporting period was $406,142,000.

(b) Fair values of investment properties

The Group carries its investment properties at fair value with changes in fair value being recognised in the income statement. In determining fair values, the valuers have used valuation techniques which involve certain estimates. The key assumptions to determine the fair value of investment properties include the adopted value per square foot, market-corroborated capitalisation rate, growth rate and discount rate.

In 2021, the majority of valuation reports obtained from the independent property valuers have continued to highlight the conditions under which the valuations have been conducted, as compared to standard market conditions. In recognition of the potential for market conditions to move rapidly in response to changes in the control or future spread of COVID-19, the valuers highlighted the importance of the valuation date and continued to recommend for the valuations to be kept under frequent review. The valuers have factored impact of COVID-19 into the valuation of the investment properties, specifically in estimating passing rents, vacancy rates, lease incentives, capitalisation rates, growth rates, discount rates and cash flow projections.

Management has assessed that the valuation methods and estimates are reflective of current market conditions. The carrying amount of investment properties and the key assumptions used to determine the fair value of the investment properties are disclosed in Note 20. If the fair values of investment properties decrease/increase by 1% from the estimates, profit after tax and net assets of the Group will decrease/increase by $114,428,000.

(c) Revenue and cost of sales recognition from sales of development properties

The Group recognises revenue and cost of sales from the sale of certain development properties over time by reference to the Group's progress towards completion of the properties. The stage of completion is measured in accordance with the accounting policy stated in Note 2.4(a). Significant estimates and assumptions are involved in determining the stage of completion and estimated total construction costs of each development. In making these estimates, management has relied on quotations from and contracts with suppliers, past experience as well as the work of third party experts.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

3. KEY ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (continued)

(d) Valuation of development properties

The Group assesses the carrying value of development properties in accordance with the accounting policy stated in Note 2.7, which is highly dependent on the estimated cost to complete each development and the estimated selling prices. Estimation uncertainty involved in determining the costs of each development is as disclosed in Note 3(c). In determining the estimated selling prices, management has utilised a number of assumptions which are highly subjective and are impacted by market demand for properties and local government policies.

(e) Impairment of hotel properties

The Group's hotel properties classified as property, plant and equipment are assessed for impairment by considering the valuations of the hotel properties as determined by independent professional valuers. In determining fair values, the valuers have used valuation techniques which involve certain estimates. As disclosed in Note 21(f), the Group did not record any impairment loss during the year. The valuation reports of hotel properties as at 31 December 2021 also contain similar clauses as described in Note 3(b) highlighting considerations under which the valuations have been conducted.

(f) Revenue recognition of technology operations

The Group's revenue from technology operations include software license reselling arrangements bundled with computer hardware and value-added services, and the assessment of whether the Group acts as a principal or an agent is judgmental and requires a weighting of the individual factors in reaching a conclusion.

Management concluded that the Group is the principal with respect to such arrangements and revenue is recognised gross in the profit or loss at the point in time when control of the licence is transferred to the customer. The Group provides value-added services for the software license promised in the contract that represent the combined output for which the customer has contracted. Therefore, the software license and value-added service offering is not distinct within the context of the contract and the Group controls the specified value-added services before it is transferred to the customer.

This is evidenced by the fact that the customer views the Group as primarily responsible for fulfilling the performance obligation to the customer, including ensuring the compatibility of software licenses to the customer's operations and providing support for the software installation. Furthermore, the Group has discretion in establishing the price for the specified software license or bundled software service.

(g) Impairment of trade receivables

The level of estimation and judgement used in the expected credit loss ("ECL") calculation has increased as a result of COVID-19 outbreak.

The Group has identified a group of tenants in UK and Singapore who were adversely impacted by mall closures and social distancing measures as a result of the COVID-19 outbreak. The recovery from respective receivables are assessed individually after consideration of deposits and banker's guarantees held and the Group has considered the volatility of the forward-looking macroeconomic factors affecting the ability of the customer to repay their debts.

A loss allowance of $11,281,000 is recognised as at 31 December 2021 on trade receivables as disclosed in Note 36(b).

(h) Fair values of unquoted financial assets, at FVOCI

The Group, on its own or in reliance on third party experts, also applies estimates, assumptions and judgements in the determination of the fair values of unquoted financial assets, at FVOCI. These estimates, assumptions and judgements are however not expected to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities as disclosed in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

4. REVENUE, FINANCE INCOME AND MISCELLANEOUS INCOME

	The Group	
	2021 $'000	2020 $'000
Revenue from contracts with customers under SFRS(I) 15		
Revenue from property development		
– recognised at a point in time	**358,399**	480,554
– recognised over time	**1,213,130**	462,547
Revenue from hotel ownership and operations		
– recognised at a point in time	**108,055**	88,793
– recognised over time	**173,910**	157,706
Revenue from technology operations		
– recognised at a point in time	**189,443**	216,516
– recognised over time	**7,889**	9,230
Revenue from management services		
– recognised over time	**11,052**	9,432
	2,061,878	1,424,778
Other revenue		
Revenue from property investments	**502,187**	503,334
Dividend income from equity investments designated at FVOCI	**42,771**	49,036
Total revenue	**2,606,836**	1,977,148
Interest income from financial assets measured at amortised cost		
Fixed deposits with financial institutions	**11,682**	8,985
Loans to a joint venture company	**2,078**	2,253
Others	**1,535**	809
	15,295	12,047
Currency exchange gains – net	**–**	499
Finance income	**15,295**	12,546
Miscellaneous income, including government grants		
Government grant income – COVID-19 related [Note (e) below]	**26,958**	105,789
Less: Government grant expense – COVID-19 related rent concessions given to tenants [Note (f) below]	**(1,513)**	(33,354)
	25,445	72,435
Other miscellaneous income	**18,813**	18,825
Miscellaneous income	**44,258**	91,260

(a) Contract assets and liabilities

	The Group		
	31 December		1 January
	2021 $'000	2020 $'000	2020 $'000
Contract assets			
– Unbilled revenue for development properties (Note 13)	**571,392**	26,888	69,063
– Unbilled revenue for technology operations (Note 12)	**53,302**	41,370	9,772
Contract liabilities			
– Contract liabilities for development properties (Note 25)	**(345,939)**	(33,980)	(197,428)
– Contract liabilities for technology operations (Note 25)	**(4,157)**	(5,655)	(1,154)
– Deferred revenue for technology operations (Note 25)	**(5,226)**	(3,669)	(4,348)

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

4. REVENUE, FINANCE INCOME AND MISCELLANEOUS INCOME (continued)

(a) Contract assets and liabilities (continued)

Unbilled revenue relates to the Group's rights to consideration for work completed but not billed at the reporting date. Unbilled revenue is transferred to receivables when the rights to consideration become unconditional. Total unbilled revenue for development properties increased in 2021 as the Group provided more services and transferred more goods ahead of the agreed payment schedules compared to the previous financial year. Total unbilled revenue for technology operations increased as the Group provided more products ahead of the agreed payment schedules.

Contract liabilities for development properties relates to advance consideration received from customers for sale of development properties. Contract liabilities have increased in 2021 due mainly to increase in sales proceeds in advance for the Group's development properties, where revenue will only be recognised based on actual performance completed to date; or upon sales completion where control of the properties have been transferred to the customer.

Contract liabilities for technology operations relate to advance consideration received from customers for unfulfilled performance obligations in fulfilling the delivery of computer hardware and software licenses. Total advances decreased as the Group received less consideration ahead of delivery of goods.

Deferred revenue for technology operations relate to consideration received from customers for the unfulfilled performance obligation in providing maintenance and warranty services. Total deferred revenue from technology operations increased as the Group received more consideration ahead from provision of services.

(i) Revenue recognised in relation to contract liabilities

	The Group	
	2021 $'000	2020 $'000
Revenue recognised in current period that was included in the contract liabilities balance at the beginning of the period		
– sale of development properties	**25,864**	190,960
– advances from customers for technology operations	**5,399**	1,202
– deferred revenue for technology operations	**1,836**	3,274

(ii) Transaction price allocated to unfulfilled performance obligations

The following table includes revenue expected to be recognised in the future related to performance obligations that are unfulfilled (or partially fulfilled) at the reporting date.

	The Group				
	2021 $'000	**2022 $'000**	**2023 $'000**	**2024 $'000**	**Total $'000**
Revenue from property development					
31 December 2021	**–**	**1,190,383**	**695,688**	**51,209**	**1,937,280**
31 December 2020	855,823	261,925	2,670	–	1,120,418

There is no variable consideration that is subject to significant risk of reversal.

As permitted under SFRS(I) 15, the aggregated transaction price allocated to unfulfilled contracts of periods one year or less, or are billed based on time incurred, is not disclosed.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

4. REVENUE, FINANCE INCOME AND MISCELLANEOUS INCOME (continued)

(b) Assets recognised from costs to obtain contracts

Incremental costs of obtaining a contract are capitalised and are presented within other assets in the statement of financial position if these costs are recoverable. The Group has applied the practical expedient and recognised the incremental costs of obtaining contracts as an expense when incurred if the amortisation period of the assets that the Group otherwise would have recognised is one year or less.

	The Group	
	2021	2020
	$'000	$'000
Other assets		
Assets recognised from costs to obtain contracts (Note 16)	**56,552**	34,185
Amortisation recognised to marketing and distribution expense during the period	**45,812**	16,662

(c) Assets recognised from costs to fulfil contracts

The Group has also recognised an asset in relation to costs to fulfil technology operations contracts.

	The Group	
	2021	2020
	$'000	$'000
Contract fulfilment costs (Note 12)	**2,546**	1,607
Amortisation recognised to cost of sales during the period	**1,139**	1,632

(d) Trade receivables from contracts with customers

	The Group		
	31 December		1 January
	2021	2020	2020
	$'000	$'000	$'000
Trade receivables from contracts with customers	**97,307**	215,236	348,510
Less: Loss allowance	**(832)**	(934)	(471)
	96,475	214,302	348,039

(e) Government grant income – COVID-19 related

The Group received various COVID-19 related government grants as disclosed in Note 2.3(ii).

For the property tax rebates received in 2020 where the Group was a lessor, the Group was obliged to pass on the benefits to its tenants and had transferred these to the tenants in the form of rent rebates. For the cash grant in 2020, the Group was obliged to waive up to two months of rental to eligible tenants.

(f) Government grant expense

Government grant expense relates to the property tax rebates received from the Singapore Government that were transferred to tenants in the form of rent rebates during the year and rental waivers provided to eligible tenants as part of the qualifying conditions of the cash grant.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

5. EXPENSES BY NATURE

	The Group	
	2021 $'000	2020 $'000
Cost of inventories sold	**189,058**	203,959
Depreciation of property, plant and equipment (Note 21)	**109,527**	116,012
Amortisation of intangibles [Note 24(a),(b),(c)]	**1,693**	1,868
Total depreciation and amortisation	**111,220**	117,880
Property, plant and equipment written off and net loss on disposals	**431**	9,467
Auditors' remuneration paid/payable to:		
– auditor of the Company	**1,431**	1,387
– other auditors	**781**	558
Other fees paid/payable to:		
– auditor of the Company	**330**	218
– other auditors	**235**	264
Employees compensation (Note 6)	**221,825**	214,191
Rent paid to other parties [Note 22(d)]	**509**	822
Heat, light and power	**31,242**	25,601
Property tax	**54,043**	57,698
Development cost included in cost of sales	**1,246,488**	660,370
Advertising and promotion	**83,202**	47,342
Management fees	**2,133**	1,995
IT related expenses	**8,763**	7,660
Repairs and maintenance	**46,702**	44,883
Commission	**12,888**	13,202
Reservation expenses	**2,076**	2,355
Cleaning services, security services and other sub-contractor charges	**20,427**	17,787
Guest supplies and cleaning expenses	**5,599**	5,004
Linen, uniform and laundry	**4,126**	3,892
Allowance for foreseeable losses on development properties	**1,451**	749
Impairment loss on financial assets	**9,601**	8,134
Other expenses	**89,798**	99,353
Total cost of sales, marketing and distribution, administrative and other operating expenses	**2,144,359**	1,544,771

6. EMPLOYEES COMPENSATION

	The Group	
	2021 $'000	2020 $'000
Wages and salaries	**201,035**	198,258
Employer's contribution to defined contribution plans including Central Provident Fund	**18,648**	17,406
Retirement benefits	**256**	(2,574)
Share options granted to directors and employees	**1,886**	1,101
	221,825	214,191

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

7. FINANCE EXPENSE

	The Group	
	2021 **$'000**	2020 $'000
Interest expense:		
– bank loans, notes and overdrafts	**55,304**	75,771
– loans from non-controlling shareholders of subsidiaries	**2,586**	2,527
– trade financing	**1,008**	437
– lease liabilities	**1,153**	1,154
– bank facility fees	**5,286**	5,191
	65,337	85,080
Cash flow hedges, transfer from hedging reserve [Note 32(e)]	**8,891**	12,135
Less:		
Borrowing costs capitalised in development properties [Note 13(a)]	**(1,655)**	(4,480)
Borrowing costs capitalised in property, plant and equipment [Note 21(b)]	**(5,124)**	(9,375)
	67,449	83,360
Currency exchange losses – net	**103**	–
	67,552	83,360

8. OTHER GAINS/(LOSSES)

	The Group	
	2021 **$'000**	2020 $'000
Gain on disposal of an associated company [Note (a) below]	**24,592**	–
Impairment charge on property, plant and equipment	**–**	(42,233)
Write-back of impairment charge on property, plant and equipment	**2,148**	1,021
	26,740	(41,212)

(a) In 2021, the Group disposed of its investment in an associated company, Tianjin Yanyuan International Hotel, for a consideration of $37,619,000. The gain on disposal of $24,592,000 was recognised in the income statement.

9. INCOME TAXES

(a) Income tax expense

	The Group	
	2021 **$'000**	2020 $'000
Tax expense attributable to profit is made up of:		
– Profit for the financial year:		
Current income tax [Note (b) below]		
– Singapore	**61,647**	99,695
– Foreign	**33,565**	38,293
– Withholding tax paid	**3,309**	309
	98,521	138,297
Deferred income tax (Note 30)	**(8,699)**	(83,367)
	89,822	54,930
– (Over)/under provision in prior financial years:		
Current income tax [Note (b) below]		
– Singapore	**(2,681)**	(6,328)
– Foreign	**2,115**	(765)
	(566)	(7,093)
Deferred income tax (Note 30)	**3,168**	(24,470)
	2,602	(31,563)
	92,424	23,367

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

9. INCOME TAXES

(a) Income tax expense (continued)

The tax expense on profit for the financial year differs from the amount that would arise using the Singapore standard rate of income tax due to the following:

	The Group	
	2021	2020
	$'000	$'000
Profit before income tax	**591,829**	108,716
Share of loss of associated companies, net of tax	**9,576**	7,671
Share of (profit)/loss of a joint venture company, net of tax	**(5,982)**	1,929
Profit before tax and share of loss of associated companies and (profit)/loss of a joint venture company	**595,423**	118,316
Tax calculated at a tax rate of 17% (2020: 17%)	**101,222**	20,114
Effects of:		
– Singapore statutory stepped income exemption	**(713)**	(610)
– Tax rebates	**(340)**	(340)
– Different tax rates in other countries	**4,557**	2,613
– Income not subject to tax	**(36,950)**	(21,077)
– Expenses not deductible for tax purposes	**18,613**	62,103
– Recognition/utilisation of previously unrecognised tax losses	**(1,592)**	(8,553)
– Deferred tax assets not recognised in the current financial year	**5,025**	680
– Under/(over) provision in prior financial years	**2,602**	(31,563)
Tax charge	**92,424**	23,367

(b) Movements in current income tax (assets)/liabilities

	The Group		The Company	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
At the beginning of the financial year	**164,653**	135,620	**7,666**	3,679
Currency translation differences	**1,351**	1,195	**–**	–
Income tax paid	**(173,328)**	(96,127)	**(2,494)**	(1,118)
Tax expense on profit [Note (a) above]				
– current financial year	**98,521**	138,297	**2,168**	1,806
– Group tax relief	**(2,188)**	(7,239)	**–**	–
– (over)/under provision in prior financial years	**(566)**	(7,093)	**–**	3,299
Transfer from prepayments	**(3,072)**	–	**–**	–
At the end of the financial year	**85,371**	164,653	**7,340**	7,666
Comprise:				
Current income tax assets	**(1,123)**	(254)	**–**	–
Current income tax liabilities	**86,494**	164,907	**7,340**	7,666
	85,371	164,653	**7,340**	7,666

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

10. EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	2021	2020
Net profit attributable to equity holders of the Company ($'000)	**307,411**	13,141
Weighted average number of ordinary shares in issue for basic earnings per share ('000)	**844,197**	843,595
Basic earnings per share (cents per share)	**36.41**	1.56

(b) Diluted earnings per share

For the purpose of calculating diluted earnings per share, profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares. As at 31 December 2021, the Company's dilutive potential ordinary shares are its share options.

The weighted average number of shares in issue is adjusted as if all share options that are dilutive were exercised. The number of shares that could have been issued upon the exercise of all dilutive share options less the number of shares that could have been issued at fair value (determined as the Company's average share price for the financial year) for the same total proceeds is added to the denominator as the number of shares was issued for no consideration. No adjustment is made to the net profit.

Diluted earnings per share attributable to equity holders of the Company are calculated as follows:

	2021	2020
Net profit attributable to equity holders of the Company ($'000)	**307,411**	13,141
Weighted average number of ordinary shares in issue for basic earnings per share ('000)	**844,197**	843,595
Adjustments for share options ('000)	**217**	194
Weighted average number of ordinary shares for diluted earnings per share ('000)	**844,414**	843,789
Diluted earnings per share (cents per share)	**36.41**	1.56

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

11. CASH AND BANK BALANCES

	The Group		The Company	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Cash at bank and on hand	**1,103,934**	662,910	**9,569**	5,969
Fixed deposits with financial institutions	**385,749**	314,032	**13**	13
	1,489,683	976,942	**9,582**	5,982

(a) Included in cash and bank balances of the Group is an amount of $371,070,000 (2020: $157,545,000) maintained in Project accounts. The funds in the Project Accounts can only be applied in accordance with Housing Developers (Project Account) Rules (1997 Ed.).

(b) Included in cash and bank balances of the Group is an amount of $73,000 (2020: $1,041,000) maintained in maintenance fund accounts for completed development properties. The funds in the maintenance fund accounts can only be applied for the upkeep of the completed development properties.

(c) Cash and cash equivalents of the Group included amounts of $764,712,000 (2020: $466,273,000) held in The People's Republic of China and are subject to local exchange control regulations which impose restrictions on exporting capital from the country, other than through normal dividends.

(d) For the purposes of the consolidated statement of cash flows, the consolidated cash and cash equivalents comprised the following:

	The Group	
	2021	2020
	$'000	$'000
Cash and bank balances (as above)	**1,489,683**	976,942
Less: Bank deposits pledged as security [Note 26(c)]	**(2,500)**	(2,500)
Cash and cash equivalents per consolidated statement of cash flows	**1,487,183**	974,442

(e) The fixed deposits with financial institutions for the Group and the Company mature on varying dates within 10 months (2020: 11 months) from the end of the financial year and have the following weighted average effective interest rates as at the end of the reporting period:

	The Group		The Company	
	2021	2020	**2021**	2020
	%	%	**%**	%
Singapore Dollar	**0.1**	0.1	**0.1**	0.2
United States Dollar	**0.1**	*	**–**	–
Pound Sterling	*****	0.1	**–**	–
Australian Dollar	*****	0.1	**–**	–
Malaysian Ringgit	**1.9**	1.9	**–**	–
Vietnamese Dong	**2.2**	1.9	**–**	–
Chinese Renminbi	**1.6**	1.8	**–**	–

* Less than 0.1%

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

12. TRADE AND OTHER RECEIVABLES

	The Group		The Company	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Current				
Trade receivables:				
– non-related parties	**139,568**	260,885	**154**	577
– subsidiaries	**–**	–	**197**	285
– associated companies	**4,148**	297	**–**	–
Less: Loss allowance on receivables - non-related parties	**(11,281)**	(8,728)	**–**	(253)
Trade receivables – net	**132,435**	252,454	**351**	609
Other receivables:				
– subsidiaries (non-trade)	**–**	–	**5,289**	3,311
– associated companies (non-trade)	**–**	1,954	**–**	–
– a joint venture company (non-trade)	**799**	977	**95**	191
– sundry debtors	**27,728**	29,960	**33**	227
Unbilled rental [Note 20(b)]	**–**	3,640	**–**	–
Unbilled revenue for technology operations [Note 4(a)]	**28,778**	18,037	**–**	–
Deferred cost [Note 4(c)]	**2,201**	1,139	**–**	–
	191,941	308,161	**5,768**	4,338
Non-current				
Trade receivables:				
– non-related parties	**3,400**	1,350	**–**	–
Other receivables:				
– a joint venture company (non-trade)	**7,085**	5,732	**–**	–
– sundry debtors	**–**	5,079	**–**	–
Unbilled rental [Note 20(b)]	**15,467**	20,259	**129**	117
Unbilled revenue for technology operations [Note 4(a)]	**24,524**	23,333	**–**	–
Deferred cost [Note 4(c)]	**345**	468	**–**	–
Loans to:				
– subsidiaries (unsecured)	**–**	–	**795,323**	857,212
– associated companies (unsecured)	**31,346**	30,644	**–**	–
– a joint venture company (unsecured)	**78,395**	75,395	**–**	–
Less: Share of loss of a joint venture company taken against loans to the joint venture company	**(1,584)**	(7,565)	**–**	–
	158,978	154,695	**795,452**	857,329
Total trade and other receivables	**350,919**	462,856	**801,220**	861,667

(a) An impairment of receivables of $9,601,000 (2020: $8,134,000) has been included in the income statement.

(b) Included within trade receivables are the balance of sales consideration to be billed for properties held for sale that has obtained temporary occupation permit.

(c) The non-trade amounts due from subsidiaries, associated companies and a joint venture company are unsecured, interest-free and repayable on demand. The non-current loans to subsidiaries, associated companies and a joint venture company are unsecured, have no fixed terms of repayment and are not expected to be repaid within twelve months from the end of the reporting period.

(d) The loans to a joint venture company that are subordinated to the secured bank loans of the joint venture company is as follows:

	The Group	
	2021	2020
	$'000	$'000
Loans subordinated to secured bank loans:		
– Loans to a joint venture company	**78,395**	75,395

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

12. TRADE AND OTHER RECEIVABLES (continued)

(e) The fair values of non-current trade and other receivables are computed based on cash flows discounted using market borrowing rates. The fair values are within Level 2 of the fair values hierarchy. The fair values and market borrowing rates used are as follows:

	The Group		The Company	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Fair value				
Loans to subsidiaries:				
– Interest-free	**–**	–	**785,418**	846,650
Loans to associated companies:				
– Interest-free	**18,971**	18,591	**–**	–
Loans to a joint venture company:				
– Floating rate	**76,811**	67,830	**–**	–
	95,782	86,421	**785,418**	846,650

	The Group and The Company	
	2021	2020
	%	%
Market borrowing rate		
Loans to subsidiaries:		
– Interest-free	**1.3**	1.2
Loans to associated companies:		
– Interest-free	**1.6**	1.3
Loans to a joint venture company:		
– Floating rate	**1.8**	1.7

13. DEVELOPMENT PROPERTIES

	The Group	
	2021	2020
	$'000	$'000
Completed properties	**696,602**	473,414
Allowance for foreseeable losses	**(6,415)**	(6,029)
Development properties in progress	**1,911,305**	2,663,257
Unbilled revenue for development properties [Note 4(a)]	**571,392**	26,888
	3,172,884	3,157,530

(a) Borrowing costs of $1,655,000 (2020: $4,480,000) (Note 7) arising on financing specifically entered into for the development of properties for which revenue is recognised at a point in time were capitalised during the financial year.

(b) Bank borrowings and other banking facilities are secured on certain development properties of the Group amounting to $2,482,697,000 (2020: $2,287,030,000) [Note 26(c)].

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

13. DEVELOPMENT PROPERTIES (continued)

(c) Details of the Group's development properties in progress as at 31 December 2021 are as follows:

Property	Tenure of land	Stage of completion	Expected completion date	Site area/ gross floor area (sq m)	Effective interest in property
The Tre Ver A residential development comprising 729 units of condominium apartments	99-year leasehold	72.3%	2nd Half 2022	18,711/52,391	75.1%
Avenue South Residence A residential development comprising 1,074 units of condominium apartments	99-year leasehold	74.8%	1st Half 2023	22,852/92,876	65.1%
Clavon A residential development comprising 640 units of condominium apartments	99-year leasehold	11.8%	1st Half 2024	16,543/57,900	90.1%
The Watergardens at Canberra A residential development comprising 448 units of condominium apartments	99-year leasehold	8.0%	2nd Half 2024	27,566/41,489	65.1%
Site at Ang Mo Kio Avenue 1 A residential development comprising 372 units of condominium apartments	99-year leasehold	–	2nd Half 2025	12,679/31,669	70.1%

(d) Details of the Group's completed properties as at 31 December 2021 are as follows:

Property	Tenure of land	Net saleable area (sq m)	Effective interest in property
The Esplanade (Hai He Hua Ding) 25 unsold office units within a mixed development in Tianjin, The People's Republic of China	40-year leasehold	8,807	100%
Mon Jervois 7 unsold units in a 109-unit condominium development at Jervois Road	99-year leasehold	1,547	50.4%
V on Shenton 24 unsold units in a 510-unit condominium development at Shenton Way, part of a mixed residential and commercial development at Shenton Way	99-year leasehold	4,733	50.4%
Park Eleven 34 sold units awaiting handover and 12 unsold units in a mixed-use development comprising 398 residential apartments, with a retail component in Shanghai, The People's Republic of China	70-year leasehold	18,035	55.1%
Amber45 1 unsold unit in a 139-unit condominium development at Amber Road	Freehold	148	100%
The Sky Residences, London 13 sold units awaiting handover and 116 unsold units in a mixed-use development comprising 160 units of apartments in London, The United Kingdom	Freehold	10,996	100%

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

14. INVENTORIES

	The Group	
	2021 **$'000**	2020 $'000
Food and beverages	**1,013**	661
Other supplies	**1,475**	581
	2,488	1,242

The cost of inventories recognised as expense and included in 'cost of sales' amounted to $229,687,000 (2020: $203,959,000).

15. FINANCIAL ASSETS, AT FVOCI

	The Group		The Company	
	2021 **$'000**	2020 $'000	**2021** **$'000**	2020 $'000
At the beginning of the financial year	**1,013,621**	1,189,755	**752,117**	884,562
Fair value gains/(losses) recognised in other comprehensive income [Note 32(b)]	**201,535**	(176,134)	**133,247**	(132,445)
Additions	**1,228**	–	**–**	–
Disposals [Note (a) below]	**(38,794)**	–	**–**	–
At the end of the financial year	**1,177,590**	1,013,621	**885,364**	752,117
Represented by:				
Non-current assets				
Listed equity securities:				
– United Overseas Bank Limited	**1,071,623**	899,925	**805,504**	676,443
– Haw Par Corporation Limited	**33,607**	31,682	**29,808**	28,101
– Others	**608**	–	**–**	–
	1,105,838	931,607	**835,312**	704,544
Unlisted equity securities:				
– OUB Centre Pte Ltd	**50,052**	47,573	**50,052**	47,573
– Others	**21,700**	34,441	**–**	–
	71,752	82,014	**50,052**	47,573
	1,177,590	1,013,621	**885,364**	752,117

In 2021, the Group disposed certain unlisted equity securities as the underlying investments were no longer aligned with the Group's long-term investment strategy. These investments had a fair value of $38,793,000 (2020: $Nil) at the date of disposal, and the cumulative gain on disposal amounted to $19,657,000 (2020: $Nil), net of tax. The cumulative gain on disposal was reclassified from fair value reserve to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

16. OTHER ASSETS

	The Group		The Company	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Current				
Deposits [Note (a) below]	**81,480**	13,318	**39**	39
Prepayments	**22,779**	22,696	**561**	779
Capitalised costs to obtain contracts [Note 4(b)]	**34,177**	26,254	**–**	–
	138,436	62,268	**600**	818
Non-current				
Deposits	**3,671**	120	**–**	–
Prepayments [Note (b) below]	**82,349**	61,192	**–**	–
Capitalised costs to obtain contracts [Note 4(b)]	**22,375**	7,931	**–**	–
	108,395	69,243	**–**	–
Total other assets	**246,831**	131,511	**600**	818

(a) Included in current deposits was an amount of $77,097,000 (2020: $Nil) being tender deposit and stamp duties for the en-bloc purchase of the freehold property known as Watten Estate Condominium.

(b) Included in non-current prepayments are (i) $41,871,000 (2020: $30,092,000) relating to payments for the 180 serviced suites to be operated as PARKROYAL Serviced Suites Jakarta; and (ii) $39,746,000 (2020: $28,236,000) relating to payments for the 158 hotel rooms to be operated as Pan Pacific Jakarta. These properties are currently under development and are located at Thamrin Nine Tower 2, Jakarta, Indonesia.

17. INVESTMENTS IN ASSOCIATED COMPANIES

(a) The associated companies are:

Name of companies	Principal activities	Country of business/ incorporation	Equity holding 2021 %	Equity holding 2020 %
Marina Bay Hotel Private Limited	Hotelier	Singapore	**50 by MCH**	50 by MCH
Avenue Park Development Pte. Ltd.	Property development	Singapore	**48 by SLD**	48 by SLD
Tianjin Yanyuan International Hotel [Note (d) below]	Hotel investment	The People's Republic of China	**–**	20 by ABCC 16 by NW
City Square Hotel Co. Ltd.**	Hotelier	Myanmar	**40 by PPHH**	40 by PPHH
Pilkon Development Company Limited*	Investment holding	The British Virgin Islands	**39.35 by PPHG**	39.35 by PPHG
PPHR (Thailand) Company Limited**	Marketing agent	Thailand	**48.97 by PPH**	48.97 by PPH
Marina Promenade Limited	Place management	Singapore	**25 by MCH**	25 by MCH

PricewaterhouseCoopers LLP Singapore is the auditor of all associated companies of the Group unless otherwise indicated.

* Not required to be audited under the laws of the country of incorporation.

** Audited by other auditors. The associated companies not audited by PricewaterhouseCoopers LLP Singapore or PricewaterhouseCoopers firms outside Singapore are not significant associated companies as defined under Rule 718 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

The Group and the Company have complied with Rule 712 and Rule 715 of the Listing Manual of the Singapore Exchange Securities Trading Limited in relation to the appointment of auditing firms for the financial year ended 31 December 2021.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

17. INVESTMENTS IN ASSOCIATED COMPANIES (continued)

(b) The associated companies are not material to the Group as at 31 December 2021 and 2020.

(c) There is no share of an associated company's contingent liabilities incurred jointly with other investors. Contingent liabilities relating to borrowings of an associated company in which the Group is severally liable (Note 34) amounted to $Nil (2020: $575,000).

(d) Tianjin Yanyuan International Hotel was disposed in 2021 [Note 8(a)].

18. INVESTMENT IN A JOINT VENTURE COMPANY

(a) The joint venture company is:

Name of company	Principal activities	Country of business/ incorporation	Equity holding 2021 %	2020 %
Secure Venture Development (No. 1) Pte. Ltd.	Property development	Singapore	**50 by UVI**	50 by UVI

PricewaterhouseCoopers LLP Singapore is the auditor of the joint venture company.

(a) The joint venture company is not material to the Group as at 31 December 2021 and 2020. There is no share of joint venture company's contingent liabilities incurred jointly with other investors.

19. INVESTMENTS IN SUBSIDIARIES

	The Company 2021 $'000	2020 $'000
Listed investments at cost	**52,940**	52,940
Unlisted investments at cost	**1,922,907**	1,942,907
	1,975,847	1,995,847
Less accumulated impairment charge:		
At the beginning of the financial year	**(54,337)**	(3,513)
Write-back/(impairment charge) for the financial year	**1,744**	(50,824)
At the end of the financial year	**(52,593)**	(54,337)
	1,923,254	1,941,510

(a) Impairment charge

Impairment charges were made to adjust the carrying values of certain of the Company's unlisted investments in subsidiaries to their recoverable amounts, taking into account the general economic and operating environments in which the relevant subsidiaries operate in.

The recoverable amount for the relevant subsidiaries was mainly estimated based on the fair value less cost to sell of the net assets as at the end of the reporting period. The carrying amounts of the net assets of the relevant subsidiaries approximate their fair values.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

19. INVESTMENTS IN SUBSIDIARIES (continued)

(b) The subsidiaries are:

Name of companies	Principal activities	Country of business/ incorporation	Cost of investment 2021 $'000	Cost of investment 2020 $'000	Proportion of ordinary shares held by the Group 2021 %	Proportion of ordinary shares held by the Group 2020 %	Proportion of ordinary shares held by non-controlling interests 2021 %	Proportion of ordinary shares held by non-controlling interests 2020 %
Held by the Company								
Pan Pacific Hotels Group Limited ("PPHG")	Hotelier, property owner, rental of serviced suites and investment holding	Singapore	**690,038**	690,038	**100**	100	**–**	–
Singapore Land Group Limited ("SingLand") (formerly known as United Industrial Corporation Limited)	Property investment, development and management and information technology related products and services	Singapore	**52,940**	52,940	**2.35 by UOL and 48.02 by UEI**	2.35 by UOL and 48.02 by UEI	**49.63**	49.63
Marina Centre Holdings Pte Ltd	Hotelier and property investment	Singapore	**111,484**	111,484	**22.67 by UOL 18.67 by SLR 10.00 by PSPL 5.33 by SLP and 43.34 by SLD**	22.67 by UOL 18.67 by SLR 10.00 by PSPL 5.33 by SLP and 43.34 by SLD	**38.44**	38.44
UOL Claymore Investment Pte. Ltd.	Hotelier	Singapore	**50,000**	50,000	**100**	100	**–**	–
UOL Somerset Investments Pte. Ltd.	Rental of serviced suites	Singapore	**75,000**	75,000	**100**	100	**–**	–
UOL Property Investments Pte Ltd	Property investment	Singapore	**76,006**	76,006	**100**	100	**–**	–
Novena Square Investments Ltd	Property investment	Singapore	**162,000**	162,000	**60 by UOL 20 by SLP**	60 by UOL 20 by SLP	**29.94**	29.94
Novena Square Development Ltd	Property investment	Singapore	**42,000**	42,000	**60 by UOL 20 by SLP**	60 by UOL 20 by SLP	**29.94**	29.94
UOL Development Pte Ltd	Liquidated	Singapore	**–**	20,000	**–**	100	**–**	–
UOL Development (Dakota) Pte. Ltd.	Property development	Singapore	**41,436**	41,436	**100**	100	**–**	–
UOL Residential Development Pte. Ltd.	Property development	Singapore	**1,000**	1,000	**100**	100	**–**	–
UOL Development (St Patrick) Pte. Ltd.	Property development	Singapore	**1,000**	1,000	**100**	100	**–**	–
UOL Development (Sengkang) Pte. Ltd.	Property development	Singapore	**1,000**	1,000	**100**	100	**–**	–

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

19. INVESTMENTS IN SUBSIDIARIES (continued)

(b) The subsidiaries are: (continued)

Name of companies	Principal activities	Country of business/ incorporation	Cost of investment 2021 $'000	Cost of investment 2020 $'000	Proportion of ordinary shares held by the Group 2021 %	Proportion of ordinary shares held by the Group 2020 %	Proportion of ordinary shares held by non-controlling interests 2021 %	Proportion of ordinary shares held by non-controlling interests 2020 %
Held by the Company (continued)								
UOL Development (Bartley) Pte. Ltd.	Property development	Singapore	**30,500**	30,500	**100**	100	**–**	–
UOL Management Services Pte Ltd	Property management services and property investment	Singapore	**2,041**	2,041	**100**	100	**–**	–
UOL Project Management Services Pte. Ltd.	Project management services	Singapore	**115**	115	**100**	100	**–**	–
UOL Treasury Services Pte. Ltd.	Treasury services	Singapore	**10,000**	10,000	**100**	100	**–**	–
UOL Equity Investments Pte Ltd ("UEI")	Investment holding	Singapore	**480,000**	480,000	**100**	100	**–**	–
UOL Overseas Development Pte. Ltd. ("UOD")	Investment holding	Singapore	**50,000**	50,000	**100**	100	**–**	–
UOL Capital Investments Pte. Ltd. ("UCI")	Investment holding	Singapore	**52,000**	52,000	**100**	100	**–**	–
UOL Venture Investments Pte. Ltd. ("UVI")	Investment holding	Singapore	**2,651**	2,651	**100**	100	**–**	–
Secure Venture Investments Limited ("SVIL")**	Investment holding	Hong Kong	**28,208**	28,208	**100**	100	**–**	–
UOL Development (Amber) Pte. Ltd.	Property development	Singapore	**2,000**	2,000	**100**	100	**–**	–
UOL Ventures Holdings Pte. Ltd.	Investment holding	Singapore	**~**	~	**100**	100	**–**	–
UOL Retail Management Pte. Ltd.	Retail management consultancy services	Singapore	**~**	~	**100**	100	**–**	–
UOL Investments (Australia) Pte. Ltd. ("UIA")	Investment holding	Singapore	**14,428**	14,428	**100**	100	**–**	–
			1,975,847	1,995,847				

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

19. INVESTMENTS IN SUBSIDIARIES (continued)

(b) The subsidiaries are: (continued)

Name of companies	Principal activities	Country of business/ incorporation	Proportion of ordinary shares held by the Group 2021 %	Proportion of ordinary shares held by the Group 2020 %	Proportion of ordinary shares held by non-controlling interests 2021 %	Proportion of ordinary shares held by non-controlling interests 2020 %
Held by the subsidiaries						
UIC Development (Private) Limited ("UICD")	Investment holding	Singapore	**100 by SingLand**	100 by SingLand	**49.63**	49.63
UIC Enterprise Pte Ltd ("UICE")	Investment holding	Singapore	**100 by SingLand**	100 by SingLand	**49.63**	49.63
UIC Investment Pte Ltd ("UICI")	Property development	Singapore	**100 by SingLand**	100 by SingLand	**49.63**	49.63
UIC Investments (Properties) Pte Ltd	Property investment	Singapore	**100 by SingLand**	100 by SingLand	**49.63**	49.63
Singland Management Services Pte. Ltd. (formerly known as UIC Management Services Pte. Ltd.)	Property management agents	Singapore	**100 by SingLand**	100 by SingLand	**49.63**	49.63
Active Building & Civil Construction (1985) Pte. Ltd. ("ABCC")	Investment holding	Singapore	**100 by SingLand**	100 by SingLand	**49.63**	49.63
Networld Pte Ltd ("NW")	Investment holding	Singapore	**100 by SingLand**	100 by SingLand	**49.63**	49.63
UIC China Realty Pte. Ltd. ("UICCR")	Investment holding	Singapore	**100 by SingLand**	100 by SingLand	**49.63**	49.63
UIC Overseas Investments Pte. Ltd. ("UICOI")	Investment holding	Singapore	**100 by SingLand**	100 by SingLand	**49.63**	49.63
Singland Residential Development Pte. Ltd. ("SRD") (formerly known as UIC Homes Pte. Ltd.)	Investment holding	Singapore	**100 by SingLand**	100 by SingLand	**49.63**	49.63
UIC Commodities Pte Ltd@	Dormant	Singapore	**100 by SingLand**	100 by SingLand	**49.63**	49.63
UIC Printedcircuits Pte Ltd@	Dormant	Singapore	**100 by SingLand**	100 by Singland	**49.63**	49.63
Singland Commercial Properties Pte. Ltd. ("SCP") (formerly known as UIC Commercial Properties Pte. Ltd.@	Dormant	Singapore	**100 by SingLand**	100 by Singland	**49.63**	49.63
UIC Land Pte Ltd	Property investment	Singapore	**100 by UICD**	100 by UICD	**49.63**	49.63
Singland Properties Limited ("SPL") (formerly known as Singapore Land Limited)	Investment holding	Singapore	**78.88 by UICE 20.76 by UICD 0.037 by UICI**	78.88 by UICE 20.76 by UICD 0.037 by UICI	**49.70**	49.70
Gateway Land Limited	Property investment	Singapore	**100 by SPL**	100 by SPL	**49.70**	49.70

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

19. INVESTMENTS IN SUBSIDIARIES (continued)

(b) The subsidiaries are: (continued)

Name of companies	Principal activities	Country of business/ incorporation	Proportion of ordinary shares held by the Group 2021 %	2020 %	Proportion of ordinary shares held by non-controlling interests 2021 %	2020 %
Held by the subsidiaries (continued)						
Realty Management Services (Pte) Ltd.	Property management agents	Singapore	**100 by SPL**	100 by SPL	**49.70**	49.70
RMA-Land Development Private Ltd	Investment holding	Singapore	**100 by SPL**	100 by SPL	**49.70**	49.70
S.L. Realty Pte. Ltd. ("SLR") (formerly known as Shing Kwan Realty (Pte.) Limited)	Property investment and investment holding	Singapore	**100 by SPL**	100 by SPL	**49.70**	49.70
S.L. Home Loans Pte. Ltd.	Investment holding	Singapore	**100 by SPL**	100 by SPL	**49.70**	49.70
S.L. Development Pte. Limited ("SLD")	Property investment and investment holding	Singapore	**100 by SPL**	100 by SPL	**49.70**	49.70
Singland China Holdings Pte. Ltd. ("SCH")	Investment holding	Singapore	**100 by SPL**	100 by SPL	**49.70**	49.70
Singland Homes Pte. Ltd. ("SLH")	Investment holding	Singapore	**100 by SPL**	100 by SPL	**49.70**	49.70
S.L. Properties Limited ("SLP")	Property investment and investment holding	Singapore	**100 by SPL**	100 by SPL	**49.70**	49.70
Interpex Services Private Limited[@]	Dormant	Singapore	**100 by SLR**	100 by SLR	**49.70**	49.70
Alprop Pte Ltd	Property investment	Singapore	**50 by SLD 50 by UICD**	50 by SLD 50 by UICD	**49.70**	49.70
Ideal Homes Pte. Limited	Property development	Singapore	**100 by SLD**	100 by SLD	**49.70**	49.70
Singland Development (Farrer Drive) Pte. Ltd.	Property development	Singapore	**100 by SLD**	100 by SLD	**49.70**	49.70
Singland Development (Jervois) Pte. Ltd.	Property development	Singapore	**100 by SLD**	100 by SLD	**49.70**	49.70
Singland (Chengdu) Development Co., Ltd.*	Property development	The People's Republic of China	**100 by SCH**	100 by SCH	**49.70**	49.70
Singland Homes (Alexandra) Pte. Ltd.	Property development	Singapore	**100 by SLH**	100 by SLH	**49.70**	49.70
Singland Homes (London 90) Pte. Ltd.[@]	Dormant	Singapore	**100 by SLH**	100 by SLH	**49.70**	49.70
Pothonier Singapore Pte Ltd ("PSPL")	Investment holding	Singapore	**100 by SLP**	100 by SLP	**49.70**	49.70
Shenton Holdings Private Limited ("SH")	Investment holding	Singapore	**100 by SLP**	100 by SLP	**49.70**	49.70
S L Prime Properties Pte Ltd	Property investment	Singapore	**100 by SH**	100 by SH	**49.70**	49.70
S L Prime Realty Pte Ltd	Property investment	Singapore	**100 by SH**	100 by SH	**49.70**	49.70

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

19. INVESTMENTS IN SUBSIDIARIES (continued)

(b) The subsidiaries are: (continued)

Name of companies	Principal activities	Country of business/ incorporation	Proportion of ordinary shares held by the Group 2021 %	2020 %	Proportion of ordinary shares held by non-controlling interests 2021 %	2020 %
Held by the subsidiaries (continued)						
UIC Technologies Pte Ltd ("UICT")	Investment holding	Singapore	**60 by SingLand**	60 by SingLand	**69.78**	69.78
UIC Asian Computer Services Pte Ltd	Retailing of computer hardware and software	Singapore	**100 by UICT**	100 by UICT	**69.78**	69.78
UIC Investments (Equities) Pte Ltd@	Dormant	Singapore	**100 by UICT**	100 by UICT	**69.78**	69.78
Marina Management Services Pte Ltd	Property management agents	Singapore	**100 by MCH**	100 by MCH	**38.44**	38.44
Hotel Marina City Private Limited	Hotelier	Singapore	**100 by MCH**	100 by MCH	**38.44**	38.44
UIC JinTravel (Tianjin) Co., Ltd* [Note (f) below]	Property investment, trading and hotelier	The People's Republic of China	**100 by UICCR**	51 by UICCR	**49.63**	74.31
Aquamarina Hotel Private Limited ("AHPL")	Hotelier	Singapore	**25 by UEI 75 by MCH**	25 by UEI 75 by MCH	**28.83**	28.83
Shanghai Jin Peng Realty Co. Ltd ("SJP")*	Property development	The People's Republic of China	**40 by UCI 30 by SCH**	40 by UCI 30 by SCH	**44.91**	44.91
United Venture Development (Bedok) Pte. Ltd.	Property development	Singapore	**50 by UVI 50 by SLD**	50 by UVI 50 by SLD	**24.85**	24.85
United Venture Development (Thomson) Pte. Ltd.	Property development	Singapore	**50 by UVI 50 by SLH**	50 by UVI 50 by SLH	**24.85**	24.85
United Venture Development (Clementi) Pte. Ltd.	Property development	Singapore	**50 by UVI 50 by SLH**	50 by UVI 50 by SLH	**24.85**	24.85
United Venture Development (Clementi 1) Pte. Ltd.	Property development	Singapore	**80 by UVI 20 by SRD**	80 by UVI 20 by SRD	**9.93**	9.93
UVD (Projects) Pte. Ltd.	Property development	Singapore	**50 by UVI 50 by SLH**	50 by UVI 50 by SLH	**24.85**	24.85
United Venture Development (Silat) Pte. Ltd.	Property development	Singapore	**50 by UVI 30 by SRD**	50 by UVI 30 by SRD	**34.89**	34.89
United Venture Development (2020) Pte. Ltd.	Property development	Singapore	**50 by UVI 30 by SRD**	50 by UVI 30 by SRD	**34.89**	34.89
United Venture Development (2021) Pte. Ltd.^	Property development	Singapore	**50 by UVI 30 by SRD**	–	**29.93**	–
United Venture Development (No. 1) Pte. Ltd.	Dormant	Singapore	**42.5 by UVI 42.5 by SLH**	42.5 by UVI 42.5 by SLH	**36.12**	36.12
United Venture Investments (No. 2) Pte. Ltd.	Dormant	Singapore	**60 by UVI 20 by SCP 20 by KLC**	70 by UVI 30 by SCP	**29.93**	14.89
United Venture Development (No. 3) Pte. Ltd.	Dormant	Singapore	**60 by UVI 20 by SRD 20 by KLC**	80 by UVI 20 by SRD	**29.93**	9.93

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For the Financial Year Ended 31 December 2021

19. INVESTMENTS IN SUBSIDIARIES (continued)

(b) The subsidiaries are: (continued)

Name of companies	Principal activities	Country of business/ incorporation	Proportion of ordinary shares held by the Group 2021 %	2020 %	Proportion of ordinary shares held by non-controlling interests 2021 %	2020 %
Held by the subsidiaries (continued)						
United Venture Investments (No.1) Pte. Ltd.	Dormant	Singapore	**60 by UVI 20 by SCP 20 by KLC**	50 by UVI 50 by SCP	**29.93**	24.82
United Venture Investments (HI) Pte. Ltd. ("UVIHI")	Property investment	United Kingdom/ Singapore	**50 by UVI 50 by UICOI**	50 by UVI 50 by UICOI	**24.82**	24.82
United Venture Development (Watten) Pte. Ltd. (formerly known as United Venture Investment (Thomson) Pte. Ltd.)	Property development	Singapore	**80 by UVI 20 by SRD**	60 by UVI 40 by SLD	**9.93**	19.88
Secure Venture Development (Alexandra) Pte. Ltd.	Property development	Singapore	**70 by UVI**	70 by UVI	**30**	30
Promatik Emas Sdn. Bhd.*	Property development	Malaysia	**55 by UOD**	55 by UOD	**45**	45
UOL Serviced Residences Sdn. Bhd.*	Rental of serviced suites	Malaysia	**100 by UOD**	100 by UOD	**–**	–
Tianjin UOL Xiwang Real Estate Development Co., Ltd.*	Property development, hotelier and property investment	The People's Republic of China	**100 by UCI**	100 by UCI	**–**	–
Hua Ye Xiamen Hotel Limited*	Hotelier	The People's Republic of China	**100 by SVIL**	100 by SVIL	**–**	–
Success Venture Investments (Jersey) Limited ("SVIJ")#	Investment holding	Jersey	**100 by UOD**	100 by UOD	**–**	–
One Bishopsgate Plaza Limited#	Management of real estate	United Kingdom	**100 by SVIJ**	100 by SVIJ	**–**	–
Success Venture Development (Jersey) Limited ("SVDJ")	Liquidated	Jersey	**–**	100 by UOD	**–**	–
Success Venture Nominees (No. 1) Limited #	Dormant	United Kingdom	**100 by SVIJ**	100 by SVIJ	**–**	–
Pan Pacific London Hotel Limited#	Dormant	United Kingdom	**100 by ULH**	100 by ULH	**–**	–
UOL Development (UK) Limited*	Property development	United Kingdom	**100 by UVI**	100 by UVI	**–**	–
Success Venture Property Investments Limited*	Property investment	United Kingdom/ Hong Kong	**100 by UOD**	100 by UOD	**–**	–
Peak Venture Pte. Ltd.**	Dormant	Singapore	**40 by UCI 30 by SCH**	40 by UCI 30 by SCH	**44.91**	44.91
Success Venture (CS) Pty Ltd*	Property investment	Australia	**100 by UIA**	100 by UIA	**–**	–
Parkroyal Kitchener Hotel Pte. Ltd.	Hotelier	Singapore	**100 by PPHG**	100 by PPHG	**–**	–

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

19. INVESTMENTS IN SUBSIDIARIES (continued)

(b) The subsidiaries are: (continued)

Name of companies	Principal activities	Country of business/ incorporation	Proportion of ordinary shares held by the Group 2021 %	2020 %	Proportion of ordinary shares held by non-controlling interests 2021 %	2020 %
Held by the subsidiaries (continued)						
Parkroyal Pickering Hotel Pte. Ltd.	Hotelier and property investment	Singapore	**100 by PPHG**	100 by PPHG	**–**	–
Parkroyal Serviced Residences Pte. Ltd.	Management of serviced suites	Singapore	**100 by PPHG**	100 by PPHG	**–**	–
United Lifestyle Holdings Pte Ltd ("ULH")	Investment holding	Singapore	**100 by PPHG**	100 by PPHG	**–**	–
St Gregory Spa Pte Ltd	Management and operator of health and beauty retreats and facilities	Singapore	**100 by PPHG**	100 by PPHG	**–**	–
Dou Hua Restaurants Pte Ltd	Operator of restaurants	Singapore	**100 by PPHG**	100 by PPHG	**–**	–
Pan Pacific Shared Services Centre Pte. Ltd.	Provision of accounting services to hotels and serviced suites within the Group	Singapore	**100 by PPHG**	100 by PPHG	**–**	–
Parkroyal International Pte. Ltd.	Managing and licensing of trademark	Singapore	**100 by PPHG**	100 by PPHG	**–**	–
Pan Pacific International Pte. Ltd.	Managing and licensing of trademark	Singapore	**100 by PPHG**	100 by PPHG	**–**	–
PPHG Ventures Pte. Ltd.	Dormant	Singapore	**100 by PPHG**	100 by PPHG	**–**	–
Garden Plaza Company Limited*	Hotelier	Vietnam	**100 by PPHG**	100 by PPHG	**–**	–
Success City Pty Limited*	Hotelier	Australia	**100 by PPHG**	100 by PPHG	**–**	–
Success Venture Investments (Australia) Ltd ("SVIA")	Investment holding	The British Virgin Islands	**100 by PPHG**	100 by PPHG	**–**	–
Success Venture Pty Limited*	Trustee company	Australia	**100 by SVIA**	100 by SVIA	**–**	–
Success Venture Investments (WA) Limited ("SVIWA")	Investment holding	The British Virgin Islands	**100 by PPHG**	100 by PPHG	**–**	–
HPL Properties (Malaysia) Sdn. Bhd. ("HPM")*	Investment holding	Malaysia	**100 by PPHG**	100 by PPHG	**–**	–
President Hotel Sdn Berhad ("PHSB")*	Hotelier	Malaysia	**66.67 by HPM and 33.33 by PPHG**	66.67 by HPM and 33.33 by PPHG	**–**	–
Success Shared Services Sdn. Bhd.^	Provision of accounting services to hotels and serviced suites within the Group	Malaysia	**100 by PHSB**	–	**–**	–

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For the Financial Year Ended 31 December 2021

19. INVESTMENTS IN SUBSIDIARIES (continued)

(b) The subsidiaries are: (continued)

Name of companies	Principal activities	Country of business/ incorporation	Proportion of ordinary shares held by the Group 2021 %	Proportion of ordinary shares held by the Group 2020 %	Proportion of ordinary shares held by non-controlling interests 2021 %	Proportion of ordinary shares held by non-controlling interests 2020 %
Held by the subsidiaries (continued)						
Success Administrative Services Sdn. Bhd.^	Provision of administrative services to hotels and serviced suites within the Group	Malaysia	**100 by PHSB**	–	**–**	–
Grand Elite Sdn. Bhd.*	Dormant	Malaysia	**100 by PHSB**	100 by PHSB	**–**	–
Grand Elite (Penang) Sdn. Bhd.*	Dormant	Malaysia	**100 by PHSB**	100 by PHSB	**–**	–
Hotel Investments (Suzhou) Pte. Ltd. ("HIS")	Liquidated	Singapore	**-**	100 by PPHG	**–**	–
Hotel Investments (Hanoi) Pte. Ltd. ("HIH")	Investment holding	Singapore	**100 by PPHG**	100 by PPHG	**–**	–
Westlake International Company*	Hotelier	Vietnam	**75 by HIH**	75 by HIH	**25**	25
YIPL Investment Pte. Ltd. ("YIPL")	Investment holding	Singapore	**100 by PPHG**	100 by PPHG	**–**	–
Yangon Hotel Limited**	Hotelier	Myanmar	**100 by YIPL**	100 by YIPL	**–**	–
Pan Pacific Hospitality Holdings Pte. Ltd. ("PPHH")	Investment holding	Singapore	**100 by PPHG**	100 by PPHG	**–**	–
Pan Pacific Hospitality Pte. Ltd. ("PPH")	Manage and operate serviced suites and investment holding	Singapore	**100 by PPHH**	100 by PPHH	**–**	–
Pan Pacific Technical Services Pte. Ltd.	Provision of technical services to hotels and serviced suites	Singapore	**100 by PPHH**	100 by PPHH	**–**	–
Pan Pacific Marketing Services Pte. Ltd.	Provision of marketing and related services to hotels and serviced suites	Singapore	**100 by PPHH**	100 by PPHH	**–**	–
Pan Pacific Hotels and Resorts Pte. Ltd. ("PPHR")	Hotel manager and operator	Singapore	**100 by PPHH**	100 by PPHH	**–**	–
Pan Pacific Hotels and Resorts Japan Co., Ltd#	Hotel manager and operator	Japan	**100 by PPHR**	100 by PPHR	**–**	–
Pan Pacific (Shanghai) Hotels Management Co., Ltd.**	Hotel manager and operator	The People's Republic of China	**100 by PPHR**	100 by PPHR	**–**	–
Pan Pacific Hotels and Resorts America, Inc. ("PPHRA")#	Hotel manager and operator	United States of America	**100 by PPHR**	100 by PPHR	**–**	–
Pan Pacific Hotels and Resorts Australia Pty Ltd*	Hotel manager and operator	Australia	**100 by PPHR**	100 by PPHR	**–**	–
Pan Pacific Hotels and Resorts Seattle Limited Liability Co	Liquidated	United States of America	**-**	100 by PPHRA	**–**	–

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

19. INVESTMENTS IN SUBSIDIARIES (continued)

(b) The subsidiaries are: (continued)

Name of companies	Principal activities	Country of business/ incorporation	Proportion of ordinary shares held by the Group 2021 %	2020 %	Proportion of ordinary shares held by non-controlling interests 2021 %	2020 %
Held by the subsidiaries (continued)						
PT. Pan Pacific Hotels & Resorts Indonesia**	Hotel manager and operator	Indonesia	**99 by PPHR and 1 by PPHRA**	99 by PPHR and 1 by PPHRA	**–**	–
PT Success Venture Serviced Suites Investments*	Business development	Indonesia	**99 by PPHH and 1 by PPHR**	99 by PPHH and 1 by PPHR	**–**	–
Success Venture Investments (Jakarta) Pte. Ltd. ("SVI(Jkt)")	Investment holding	Singapore	**100 by PPHG**	100 by PPHG	**–**	–
PT Success Venture Hotel Investments*	Hotelier/Investment holding	Indonesia	**99 by SVI(Jkt) and 1 by PPHR**	99 by SVI(Jkt) and 1 by PPHR	**–**	–

(c) The following unit trusts are held by:

Name of unit trusts	Principal activities	Country of business/ constitution	Proportion of units held by the Group 2021 %	2020 %	Proportion of units held by non-controlling interests 2021 %	2020 %
Success Venture (Darling Harbour) Unit Trust*	Hotelier	Australia	**100 by SVIA**	100 by SVIA	**–**	–
Success Venture (Parramatta) Unit Trust*	Hotelier	Australia	**100 by SVIA**	100 by SVIA	**–**	–
Success Venture (WA) Unit Trust*	Hotelier	Australia	**100 by SVIWA**	100 by SVIWA	**–**	–
Success Venture (Melbourne) Unit Trust*	Hotelier	Australia	**100 by SVIWA**	100 by SVIWA	**–**	–

PricewaterhouseCoopers LLP Singapore is the auditor of all subsidiaries of the Group unless otherwise indicated.

~ Less than $1,000.

* Audited by PricewaterhouseCoopers firms outside Singapore.

** Audited by other auditors. The subsidiaries not audited by PricewaterhouseCoopers LLP Singapore or PricewaterhouseCoopers firms outside Singapore are not significant subsidiaries as defined under Rule 718 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

Not required to be audited under the laws of the country of incorporation.

^ Newly incorporated during the financial year.

@ Not required to be audited as these companies are considered dormant and exempted from audit under the Companies' Act.

The Group and the Company have complied with Rule 712 and Rule 715 of the Listing Manual of the Singapore Exchange Securities Trading Limited in relation to the appointment of auditing firms for the financial year ended 31 December 2021.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

19. INVESTMENTS IN SUBSIDIARIES (continued)

(d) Carrying value of non-controlling interests

The non-controlling interests for subsidiaries are, in the opinion of the directors, not material to the Group except for SingLand and its subsidiary companies.

	2021 $'000	2020 $'000
SingLand and its subsidiary companies ("SingLand Group")	**3,722,198**	3,646,561
Other subsidiaries with immaterial non-controlling interests	**725,554**	666,446

(e) Summarised aggregate financial information of subsidiaries with material non-controlling interests, presented before inter-company eliminations:

	SingLand Group	
	2021 $'000	2020 $'000
Current		
Assets	**356,477**	385,686
Liabilities	**(380,413)**	(580,834)
Total current net liabilities	**(23,936)**	(195,148)
Non-current		
Assets	**8,817,691**	8,561,057
Liabilities	**(554,212)**	(368,410)
Total non-current net assets	**8,263,479**	8,192,647
Net assets	**8,239,543**	7,997,499
Revenue	**607,141**	671,125
Profit before income tax	**367,556**	107,729
Income tax expense	**(37,702)**	(28,411)
Profit after tax	**329,854**	79,318
Total comprehensive income	**370,120**	86,249
Total comprehensive income allocated to non-controlling interests	**185,590**	72,655
Dividends paid to non-controlling interests	**24,888**	28,444
Net cash generated from operating activities	**167,461**	193,570
Net cash used in investing activities	**(55,160)**	(68,909)
Net cash used in financing activities	**(108,023)**	(124,714)

(f) Acquisition of additional interest in subsidiaries

On 11 October 2021, SingLand acquired the remaining 49% interest of the equity share capital of UIC JinTravel (Tianjin) Development Co., Ltd ("UIC JinTravel") and now holds 100% of the equity share capital of UIC JinTravel. The acquisition resulted in the Group's interest in UIC JinTravel increasing from 25.69% to 50.37%.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

19. INVESTMENTS IN SUBSIDIARIES (continued)

(f) Acquisition of additional interest in subsidiaries (continued)

The effect of changes in the ownership interest of UIC JinTravel on the equity attributable to owners of the Company during the year is summarised as follows:

	2021 **$'000**
Carrying amount of non-controlling interests acquired	45,644
Consideration, including acquisition-related costs, paid to non-controlling interests	(75,754)
Excess of carrying amount over consideration paid recognised in parent's equity	**(30,110)**

In 2020, the Group acquired the following additional interests in subsidiaries:

	Number of shares acquired in subsidiary	**Purchase consideration $'000**	**Effective equity interest of the Group after acquisition %**
2020			
SingLand (acquired by UOL)	3,352,373	6,591	50.37

The carrying amount of the non-controlling interests in SingLand prior to the acquisition was $3,984,727,000. The Group derecognised non-controlling interests of $17,576,000 and recorded an increase in equity attributable to owners of the parent of $10,985,000 in 2020.

The effect of changes in the ownership interest of SingLand on the equity attributable to owners of the Company in 2020 is summarised as follows:

	2020 **$'000**
Carrying amount of non-controlling interests acquired	17,576
Consideration, including acquisition-related costs, paid to non-controlling interests	(6,591)
Excess of carrying amount over consideration paid recognised in parent's equity	10,985

20. INVESTMENT PROPERTIES

	The Group		**The Company**	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000
At the beginning of the financial year	**11,343,168**	11,593,671	**562,113**	567,146
Currency translation differences	**6,174**	31,617	**–**	–
Additions	**49,118**	11,175	**9,215**	–
Net fair value gains/(losses) recognised in income statement	**114,205**	(293,295)	**5,773**	(5,033)
At the end of the financial year	**11,512,665**	11,343,168	**577,101**	562,113

(a) Bank facilities are secured on certain investment properties of the Group amounting to $1,406,759,000 (2020: $1,391,387,000) [Note 26(c)].

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

20. INVESTMENT PROPERTIES (continued)

(b) The following amounts are recognised in the income statements:

	The Group		The Company	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000
Rental income (Note 4)	**502,187**	503,334	**18,214**	17,533
Direct operating expenses arising from investment properties that generated rental income	**79,259**	77,181	**3,151**	2,664

The Group and the Company do not have any investment properties that do not generate rental income.

(c) The accrued receivables (Note 12) relating to lease incentives recognised against investment properties were:

	The Group		The Company	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000
At the beginning of the financial year	**23,899**	16,287	**117**	144
Movement recognised against fair value gains/losses on investment properties	**(8,432)**	7,612	**12**	(27)
At the end of the financial year	**15,467**	23,899	**129**	117

(d) The details of the Group's investment properties at 31 December 2021 were:

		Tenure of land
United Square	– a retail-cum-office building comprising a 4-storey retail podium with a basement, a 30-storey office tower and 7 carpark decks at Thomson Road, Singapore	Freehold
Faber House	– retained interests in a 12-storey office building and a 48-lot carpark at Orchard Road, Singapore	Freehold
KINEX	– a 3-storey commercial podium with a basement located within a commercial/residential development at Tanjong Katong Road, Singapore	Freehold
Pan Pacific Serviced Suites Orchard	– a 16-storey tower block comprising 126 units of serviced suites, restaurants and a basement carpark at Somerset Road, Singapore	Freehold
Odeon Towers	– a 23-storey commercial building with 3 basement levels at North Bridge Road, Singapore; and – a proposed new standalone 7-storey building as an extension of the existing Odeon Towers to be redeveloped at North Bridge Road, Singapore	999-year leasehold from 1827
Novena Square	– retained interests in a commercial building comprising two blocks of 18- and 25-storey office towers and a 3-storey retail podium with elevated carparks at Thomson Road, Singapore	99-year lease from 1997
The Plaza	– retained interests in a 32-storey tower block comprising restaurants, a function room, shops, offices and 90 units of serviced suites (PARKROYAL Serviced Suites) at Beach Road, Singapore – a 15-storey building comprising 180 units of serviced suites (Pan Pacific Serviced Suites Beach Road) above the existing carpark block at Beach Road, Singapore	99-year lease from 1968

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

20. INVESTMENT PROPERTIES (continued)

(d) The details of the Group's investment properties at 31 December 2021 were: (continued)

			Tenure of land
One Upper Pickering	–	a 15-storey office building with a roof terrace within a hotel and office development at Upper Pickering Street, Singapore	99-year lease from 2008
Singapore Land Tower	–	a 47-storey complex of banks and offices and three basements of car parking space at Raffles Place, Singapore	999-year lease from 1826
Clifford Centre	–	a 29-storey complex of shops and offices at Raffles Place, Singapore	999-year lease from 1826
Stamford Court	–	a 4-storey commercial building of shops and offices at Stamford Road, Singapore	99-year lease from 1994
West Mall	–	a 5-storey retail and entertainment complex with three basements of car parking space at Bukit Batok Central Link, Singapore	99-year lease from 1995
The Gateway	–	a pair of 37-storey towers with two basements of car parking space at Beach Road, Singapore	99-year lease from 1982
SGX Centre 2	–	a 29-storey office building with two basements of car parking space at Shenton Way, Singapore	99-year lease from 1995
Tampines Plaza 1 and Tampines Plaza 2	–	a pair of 8-storey office buildings with two basements of car parking space at Tampines Central 1, Singapore	99-year lease from 1996
Marina Square Shopping Mall	–	a 5-storey retail mall (including basement) that is part of a mixed development that includes three hotels at Raffles Boulevard, Singapore	99-year lease from 1980
UIC Building	–	part of a mixed development (residential and commercial) at Shenton Way, Singapore, with the residential component, V on Shenton, classified under development properties	99-year lease from 2011
120 Holborn Island	–	comprises 120 Holborn, an office building with retail units, a gym and club/restaurant on part basement, ground floor and mezzanine level with nine upper floors of office, and 100 Hatton Garden, which has retail units and two floors of office at Midtown, London, United Kingdom	Freehold
110 High Holborn	–	a retail-cum-office building comprising basement and 1st storey retail space and a 9 storey office block with basement carpark at Midtown, London, United Kingdom	Part freehold and part 999-leasehold from 1999
72 Christie Street	–	an 8-storey office building with four floors of basement parking at Christie Street, St Leonards, Sydney, New South Wales, Australia	Freehold
PARKROYAL Serviced Suites Kuala Lumpur	–	a 31-storey serviced suite with 287 units and a carpark at Jalan Nagasari, Kuala Lumpur, Malaysia	Freehold
The Esplanade (Hai He Hua Ding)	–	a 3-storey retail mall and an office component with basement carparks located within a commercial/residential development in Hong Qiao District, Tianjin, The People's Republic of China	40-year lease from 2007
Park Eleven Mall	–	a 3-storey retail podium with basement carpark within a commercial/residential development at Danba Road, Putuo District, The People's Republic of China	70-year lease from 2011

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

20. INVESTMENT PROPERTIES (continued)

(e) Fair value hierarchy - Recurring fair value measurements

	The Group Fair value measurements using significant unobservable inputs (Level 3)	
	2021 **$'000**	2020 $'000
Description		
Singapore:		
– Shops	**2,731,650**	2,740,394
– Offices	**7,490,404**	7,304,777
– Serviced Suites	**345,180**	342,632
Malaysia:		
– Serviced Suites	**60,962**	63,223
The People's Republic of China:		
– Shops	**83,200**	84,490
– Carpark	**23,046**	23,366
United Kingdom:		
– Shops	**174,089**	154,523
– Offices	**444,114**	469,642
Australia:		
– Offices	**160,020**	160,121

Valuation processes of the Group

The Group engages external, independent and qualified valuers to determine the fair value of the Group's investment properties semi-annually based on the properties' highest and best use.

Changes in Level 3 fair values as assessed by the external valuers are reviewed by the Group Chief Executive and the Chief Financial Officer and are presented at the relevant Board meetings for approval.

Valuation techniques used to derive Level 3 fair values

Level 3 fair values of the Group's completed investment properties have been generally derived using one or more of the following valuation approach:

(i) the Direct Comparison Method where properties are valued using transacted prices for comparable properties in the vicinity and elsewhere with necessary adjustments made for differences in location, tenure, size, design, layout, age and condition of the buildings, availability of car parking facilities, dates of transactions and the prevailing market conditions. The most significant input to the valuation approach would be the adopted value per square foot.

(ii) the Discounted Cash Flow Method where the future income stream over a period is discounted to arrive at a present value. Significant inputs to the valuation approach would be the growth rate, capitalisation rate and discount rate.

(iii) the Income Method approach where the net rental income after property tax is capitalised at a rate which reflects the present and potential income growth and over the unexpired lease term. The most significant input to the valuation approach would be the capitalisation rate.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

20. INVESTMENT PROPERTIES (continued)

(e) Fair value hierarchy - Recurring fair value measurements (continued)

Valuation techniques and inputs used in Level 3 fair value measurements

Estimates used in the valuations are largely consistent with the budgets and other financial projections developed internally by the Group based on management's experience and knowledge of market conditions.

The following table presents the valuation techniques and key inputs that were used to determine the fair value of investment properties categorised under Level 3 of the fair value hierarchy:

	Fair value as at 31 December					
Description	**2021 $'000**	2020 $'000	**Valuation technique(s)**	**Unobservable inputs@**	**Range of unobservable inputs (probability weighted average**	**Relationship of unobservable inputs to fair value**
Singapore						
Shops	**2,731,650**	2,740,394	Direct Comparison Method	– Adopted value per square foot	**$1,425 to $2,900 ($2,137)** [2020: $1,425 to $2,904 ($2,122)]	The higher the adopted value, the higher the fair value.
			Income Method	– Capitalisation rate	**4% to 5% (5%)** [2020: 4% to 5% (5%)]	The lower the capitalisation rate, the higher the fair value.
Offices	**7,490,404**	7,304,777	Direct Comparison Method	– Adopted value per square foot	**$1,028 to $2,843 ($2,099)** [2020: $1,013 to $3,228 ($2,050)]	The higher the adopted value, the higher the fair value.
			Income Method	– Capitalisation rate	**3% to 4% (3%)** [2020: 3% to 4% (4%)]	The lower the capitalisation rate, the higher the fair value.
Serviced Suites	**345,180**	342,632	Discounted Cash Flow Method	– Growth rate*	**3% to 4% (3%)** [2020: 4% to 5% (4%)]	The higher the growth rate, the higher the fair value.
				– Discount rate	**6% to 7% (6%)** [2020: 6% to 7% (6%)]	The higher the discount rate or capitalisation rate, the lower the fair value.
				– Capitalisation rate	**4% to 5% (4%)** [2020: 4% to 5% (4%)]	
			#Income Method	– Capitalisation rate	**4% (4%)** [2020: 4% (4%)]	The lower the capitalisation rate, the higher the fair value.
Malaysia						
Serviced Suites	**60,962**	63,223	Discounted Cash Flow Method	– Growth rate*	**3% (3%)** [2020: 5% (5%)]	The higher the growth rate, the higher the fair value.
				– Discount rate	**9% (9%)** [2020: 7% (9%)]	The higher the discount rate or capitalisation rate, the lower the fair value.
				– Capitalisation rate	**6% (6%)** [2020: 6% (7%)]	
			Direct Comparison Method	– Adopted value per square foot	– [2020: $322 ($322)]	The higher the adopted value, the higher the fair value.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

20. INVESTMENT PROPERTIES (continued)

(e) Fair value hierarchy - Recurring fair value measurements (continued)

Valuation techniques and inputs used in Level 3 fair value measurements (continued)

Description	Fair value as at 31 December 2021 $'000	2020 $'000	Valuation technique(s)	Unobservable inputs@	Range of unobservable inputs (probability weighted average	Relationship of unobservable inputs to fair value
The People's Republic of China						
Shops	**83,200**	84,490	Direct Comparison Method	– Adopted value per square foot	**$352 to $1,189 ($552)** [2020: $257 to $1,137 ($469)]	The higher the adopted value, the higher the fair value.
			Income Method	– Capitalisation rate	**5% to 6% (5%)** [2020: 5% to 6% (5%)]	The lower the capitalisation rate, the higher the fair value.
Carpark	**23,046**	23,366	Direct Comparison Method	– Adopted value per square foot	**$93 to $130 ($101)** [2020: $91 to $116 ($96)]	The higher the adopted value, the higher the fair value.
			Income Method	– Capitalisation rate	**4%** [2020: 4%]	The lower the capitalisation rate, the higher the fair value.
United Kingdom						
Shops	**174,089**	154,523	Income Method	– Capitalisation rate	**4% to 7% (6%)** [2020: 4% to 7% (6%)]	The lower the capitalisation rate, the higher the fair value.
Offices	**444,114**	469,642	Income Method	– Capitalisation rate	**5% to 7% (5%)** [2020: 5% to 7% (6%)]	The lower the capitalisation rate, the higher the fair value.
Australia						
Offices	**160,020**	160,121	Income Method	– Capitalisation rate	**5%** [2020: 5%]	The lower the capitalisation rate, the higher the fair value.
			Discounted Cash Flow Method	– Growth rate	**4%** [2020: 5%]	The higher the growth rate, the higher the fair value.
				– Discount rate	**6%** [2020: 6%]	The higher the discount rate or capitalisation rate, the lower the fair value.
				– Capitalisation rate	**5%** [2020: 5%]	

Only applicable for PARKROYAL Serviced Suites which is situated inside The Plaza (Block A).

@ There were no significant inter-relationships between unobservable inputs except that under the Discounted Cash Flow Method, the discount rate should conceptually approximate the summation of the capitalisation rate and the growth rate.

* Growth rates are based on average growth rates during stabilised years and exclude growth rates in years where there is accelerated recovery from the impact of the COVID-19 pandemic.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

21. PROPERTY, PLANT AND EQUIPMENT

	Freehold land $'000	Freehold buildings $'000	Leasehold land and buildings $'000	Plant, equipment, furniture and fittings $'000	Motor vehicles $'000	Properties under development $'000	Renovation in progress $'000	Total $'000
The Group								
Cost								
At 1 January 2021	174,753	193,278	2,191,310	752,265	2,013	535,696	23,421	3,872,736
Currency translation differences	(825)	(3,366)	(1,092)	4,822	43	4,261	(168)	3,675
Additions	–	112	8,606	46,049	223	85,669	24,430	165,089
Disposals/write-offs	–	(12)	(2,591)	(8,059)	(141)	–	–	(10,803)
Reclassification	52,798	428,246	157	11,143	–	(480,894)	(11,450)	–
At 31 December 2021	226,726	618,258	2,196,390	806,220	2,138	144,732	36,233	4,030,697
Accumulated depreciation and impairment								
At 1 January 2021	–	86,223	256,458	462,189	1,767	154,429	–	961,066
Currency translation differences	–	(1,360)	1,322	3,729	35	1,654	–	5,380
Charge for the financial year	–	4,340	43,543	61,432	212	–	–	109,527
Disposals/write-offs	–	(8)	(2,529)	(7,348)	(141)	–	–	(10,026)
Write-back of impairment charge (Note 8)	–	–	(2,148)	–	–	–	–	(2,148)
Reclassification	–	156,090	–	(7)	–	(156,083)	–	–
At 31 December 2021	–	245,285	296,646	519,995	1,873	–	–	1,063,799
Net book value at 31 December 2021	**226,726**	**372,973**	**1,899,744**	**286,225**	**265**	**144,732**	**36,233**	**2,966,898**
Cost								
At 1 January 2020	173,173	186,750	2,153,811	725,899	1,961	424,841	4,730	3,671,165
Currency translation differences	1,580	7,020	36,460	13,155	31	8,233	319	66,798
Additions	–	96	1,655	21,240	86	102,622	38,878	164,577
Disposals/write-offs	–	(588)	(1,688)	(27,463)	(65)	–	–	(29,804)
Reclassification	–	–	1,072	19,434	–	–	(20,506)	–
At 31 December 2020	174,753	193,278	2,191,310	752,265	2,013	535,696	23,421	3,872,736
Accumulated depreciation and impairment								
At 1 January 2020	–	79,951	196,178	405,636	1,553	118,076	–	801,394
Currency translation differences	–	2,632	4,270	12,371	27	3,433	–	22,733
Charge for the financial year	–	3,830	47,943	63,987	252	–	–	116,012
Disposals/write-offs	–	(190)	(225)	(19,805)	(65)	–	–	(20,285)
Write-back of impairment charge (Note 8)	–	–	(1,021)	–	–	–	–	(1,021)
Impairment charge (Note 8)	–	–	9,313	–	–	32,920	–	42,233
At 31 December 2020	–	86,223	256,458	462,189	1,767	154,429	–	961,066
Net book value at 31 December 2020	174,753	107,055	1,934,852	290,076	246	381,267	23,421	2,911,670

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

21. PROPERTY, PLANT AND EQUIPMENT (continued)

	Plant, equipment, furniture and fittings $'000	Total $'000
The Company		
Cost		
At 1 January 2021	7,367	7,367
Additions	289	289
Disposals/write-offs	(13)	(13)
At 31 December 2021	7,643	7,643
Accumulated depreciation		
At 1 January 2021	5,087	5,087
Charge for the financial year	719	719
Disposals/write-offs	(13)	(13)
At 31 December 2021	5,793	5,793
Net book value at 31 December 2021	**1,850**	**1,850**
Cost		
At 1 January 2020	7,092	7,092
Additions	859	859
Disposals/write-offs	(584)	(584)
At 31 December 2020	7,367	7,367
Accumulated depreciation		
At 1 January 2020	5,009	5,009
Charge for the financial year	659	659
Disposals/write-offs	(581)	(581)
At 31 December 2020	5,087	5,087
Net book value at 31 December 2020	2,280	2,280

(a) At 31 December 2021, the open market value of the hotel properties of the Group (including plant, equipment, furniture and fittings) was $4,516,948,000 (2020: $4,488,278,000) and the net book value was $2,786,618,000 (2020: $2,737,681,000). The surplus on valuation of these hotel properties amounting to $1,730,330,000 (2020: $1,750,597,000) has not been incorporated in the financial statements.

The fair values derived using the Discounted Cash Flow Method where the future income stream over a period is discounted to arrive at a present value are within Level 3 of the fair values hierarchy. The key assumptions to determine the fair value include capitalisation rate, growth rate and discount rate.

(b) Borrowing costs of $5,124,000 (2020: $9,375,000) (Note 7) arising on financing incurred for the property under development were capitalised during the financial year.

(c) Bank borrowings and other banking facilities are secured on certain hotel properties of the Group [Note 26(c)] amounting to $484,368,000 (2020: $514,345,000).

(d) Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 22(a).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

21. PROPERTY, PLANT AND EQUIPMENT (continued)

(e) The details of the Group's properties in property, plant and equipment at 31 December 2021 were:

			Tenure of land	Remaining lease term
PARKROYAL on Beach Road	–	a 346-room hotel at Beach Road, Singapore	99-year lease from 1968	46 years
PARKROYAL on Kitchener Road	–	a 542-room hotel at Kitchener Road, Singapore	Freehold	–
PARKROYAL COLLECTION Pickering	–	a 367-room hotel at Upper Pickering Street, Singapore	99-year lease from 2008	86 years
Pan Pacific Orchard	–	a new 23-storey hotel with proposed 347 rooms under development at Claymore Road, Singapore	Freehold	–
Eunos Warehouse Complex	–	retained interests in 3 units of a 4-storey flatted warehouse at Kaki Bukit Road, Singapore	60-year lease from 1982	21 years
PARKROYAL Darling Harbour, Sydney	–	a 340-room hotel at Darling Harbour, Sydney, Australia	Freehold	–
PARKROYAL Parramatta	–	a 286-room hotel at Parramatta, Phillip Street, New South Wales, Australia	Freehold	–
Pan Pacific Perth	–	a 486-room hotel at Adelaide Terrace, Perth, Australia	Freehold	–
PARKROYAL COLLECTION Kuala Lumpur and	–	a proposed 535-rooms hotel under re-development at Jalan Sultan Ismail, Kuala Lumpur, Malaysia to be operated as PARKROYAL COLLECTION Kuala Lumpur	Freehold	–
Pan Pacific Serviced Suites Kuala Lumpur	–	a 24-storey building under development at Jalan Sultan Ismail, Kuala Lumpur, Malaysia with proposed 210 serviced suites to be operated as Pan Pacific Serviced Suites Kuala Lumpur	Leasehold expiring in 2080	59 years
PARKROYAL Penang Resort	–	a 310-room resort hotel at Batu Ferringhi Beach, Penang, Malaysia	Freehold	–
PARKROYAL Saigon	–	a 186-room hotel and a 6-storey annex office building at Nguyen Van Troi Street, Tan Binh District, Ho Chi Minh City, Vietnam	49-year lease from 1994	22 years
Pan Pacific Hanoi	–	a 270-room hotel and 54 serviced suites at Thanh Nien Road, Hanoi, Vietnam	48-year lease from 1993	20 years
Pan Pacific Xiamen	–	a 329-room hotel and 25 serviced apartments at Hubin Bei Road, Xiamen, The People's Republic of China	70-year lease from 1991	40 years
Pan Pacific Tianjin	–	a 289-room hotel and 30 serviced apartments in Hong Qiao District, Tianjin, The People's Republic of China	40-year lease from 2007	26 years

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

21. PROPERTY, PLANT AND EQUIPMENT (continued)

(e) The details of the Group's properties in property, plant and equipment at 31 December 2021 were: (continued)

		Tenure of land	Remaining lease term
PARKROYAL Yangon	– a 319-room hotel and 23 serviced suites at Alan Pya Phaya Road, Dagon Township, Yangon, Myanmar	50-year lease from 1998 with an option to extend for 2 consecutive terms of 10 years each with the approval of Myanmar Investment Commission	27+10+10 years
PARKROYAL Melbourne Airport	– a 276-room hotel opposite Melbourne Airport, Victoria, Australia	50-year lease from 1997 with an option to extend for a further 49 years subject to renewal of head lease	26+49 years
Pan Pacific Melbourne	– a 396-room hotel at South Wharf, Victoria, Australia	99-year lease from 2009	87 years
Pan Pacific London and Devonshire Row	– a 237-room hotel with a commercial component at Bishopsgate, London, United Kingdom	Freehold	–
Pan Pacific Singapore	– a 790-room hotel at Raffles Boulevard, Singapore	99-year lease from 1980	58 years
PARKROYAL COLLECTION Marina Bay	– a 583-room hotel at Raffles Boulevard, Singapore	99-year lease from 1980	58 years
The Westin Tianjin	– a 275-room hotel in Heping District, Tianjin, The People's Republic of China	50-year lease from 2005	33 years

(f) The write-back of impairment charge of $2,148,000 (2020: $1,021,000) was in respect of Pan Pacific Tianjin (2020: Pan Pacific Tianjin). The impairment charge for the 2020 was in respect of Pan Pacific London and Devonshire Row for an amount of $32,920,000 and Pan Pacific Melbourne for an amount of $9,313,000. These assets are included within the "Hotel operations" segment (Note 38).

The write-back of impairment charge for Pan Pacific Tianjin and impairment charge for Pan Pacific Melbourne were due to the fair value of the property as appraised by professional valuers being above and below their respective carrying amounts.

The impairment charge for the Pan Pacific London and Devonshire Row in the previous year arose from the difference between the recoverable amount and the estimated total development cost of the hotel. The recoverable amount represents the valuation of the hotel upon completion as appraised by professional valuers on the basis of value-in-use using the discounted cash flow approach. Certain assumptions and judgement were applied to estimate the gross development value of the hotel as if it is completed and operational, and to the cost to complete and to be contracted for as at 31 December 2020. In 2020, the terminal capitalisation rate and discount rate used were 5.5% and 7.5% respectively.

Write-back of impairment charge and impairment charges were included within "other gains/(losses)" in the consolidated income statement.

22. LEASES – THE GROUP AND THE COMPANY AS A LESSEE

Nature of the Group and the Company's leasing activities

Property

The Group leases various premises from non-related parties for the purpose of back office operations and sale of goods to customers.

Leasehold land and building

The Group and the Company has made upfront payments to secure the right-of-use of various leasehold land and buildings. The leasehold land and buildings are recognised within property, plant and equipment (Note 21) when they are used in the production or supply of goods or services, such as for the Group's hotel operations. Otherwise, these are classified within investment properties (Note 20) when they are held for long-term rental yields and/or for capital appreciation.

The Group also makes annual lease payments for leasehold land and buildings. The right-of-use of the land and buildings are classified as property, plant and equipment (Note 21).

Bank borrowings and other banking facilities are secured on certain right-of-use assets of the Group amounting to $212,453,000 (2020: $215,737,000).

		The Group	
		2021	2020
		$'000	$'000
(a)	Carrying amounts - ROU assets classified within property, plant and equipment		
	Leasehold land and buildings	**1,318,530**	1,340,321
(b)	Depreciation charge during the year		
	Leasehold land and buildings	**25,555**	25,040
(c)	Interest expense		
	Interest expense on lease liabilities	**1,154**	1,154
(d)	Lease expense not capitalised in lease liabilities		
	Lease expense – short-term leases	**55**	512
	Lease expense – low-value leases	**454**	310
	Total (Note 5)	**509**	822

(e) Total cash outflow for all the leases was $4,237,000 (2020: $4,155,000).

(f) Addition and remeasurement of ROU assets during the year was $1,293,000 (2020: $55,000) and $1,657,000 (2020: $Nil) respectively.

(g) Future cash outflow which are not capitalised in lease liabilities

Extension options

The leases for certain leasehold land and buildings contain extension periods, for which the related lease payments had not been included in lease liabilities as the Group is not reasonably certain to exercise these extension options. The Group negotiates extension options to optimise operational flexibility in terms of managing the assets used in the Group's operations. The majority of the extension options are exercisable by the Group and not by the lessor.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

23. LEASES – THE GROUP AND THE COMPANY AS A LESSOR

Nature of the Group and the Company's leasing activities – Group and Company as a lessor

The Group and the Company lease out retail and office space to non-related parties for monthly lease payments. Where considered necessary to reduce credit risk, the Group and the Company may obtain deposits or banker's guarantees amounting to three to five months of the monthly lease rental. These leases are classified as operating leases because the risk and rewards incidental to ownership of the assets are not substantially transferred.

Rental income from investment properties are disclosed in Note 20(b). Income recognised during the financial year 2021 of $2,559,000 (2020: $1,356,000) for the Group and $8,000 (2020: $32,000) for the Company relates to variable lease payments that do not depend on an index or rate.

Undiscounted lease payments from the operating leases to be received after the reporting date are as follows:

	The Group		The Company	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000
Less than one year	**317,182**	358,352	**15,230**	17,318
One to two years	**218,329**	258,213	**7,432**	13,584
Two to three years	**142,428**	159,322	**3,506**	6,181
Three to four years	**89,447**	95,094	**1,215**	3,298
Four to five years	**40,178**	69,773	**147**	1,055
Later than five years	**88,546**	104,503	**–**	–
Total undiscounted lease payment	**896,110**	1,045,257	**27,530**	41,436

24. INTANGIBLES

	The Group		The Company	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000
Trademarks [Note (a) below]	**4,361**	5,088	**–**	–
Computer software costs [Note (b) below]	**504**	801	**264**	431
Contract acquisition costs [Note (c) below]	**2,796**	3,080	**–**	–
Goodwill arising on consolidation [Note (d) below]	**34,094**	34,766	**–**	–
	41,755	43,735	**264**	431

(a) Trademarks

	The Company	
	2021 $'000	2020 $'000
Cost		
At the beginning and end of the financial year	**14,806**	14,806
Accumulated amortisation		
At the beginning of the financial year	**9,718**	8,991
Amortisation for the financial year	**727**	727
At the end of the financial year	**10,445**	9,718
Net book value	**4,361**	5,088

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

24. INTANGIBLES (continued)

(b) Computer software costs

	The Group		The Company	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Cost				
At the beginning of the financial year	**8,342**	8,324	**2,038**	2,008
Currency translation differences	**82**	63	**–**	–
Additions	**41**	45	**22**	30
Disposals	**(41)**	(90)	**–**	–
At the end of the financial year	**8,424**	8,342	**2,060**	2,038
Accumulated amortisation				
At the beginning of the financial year	**7,541**	7,142	**1,607**	1,424
Currency translation differences	**78**	83	**–**	–
Amortisation for the financial year	**342**	322	**189**	183
Disposals	**(41)**	(6)	**–**	–
At the end of the financial year	**7,920**	7,541	**1,796**	1,607
Net book value	**504**	801	**264**	431

(c) Contract acquisition costs

	The Group	
	2021	2020
	$'000	$'000
Cost		
At the beginning of the financial year	**8,294**	8,276
Currency translation differences	**(7)**	18
Additions	**340**	–
At the end of the financial year	**8,627**	8,294
Accumulated amortisation		
At the beginning of the financial year	**5,214**	4,377
Currency translation differences	**(7)**	18
Amortisation for the financial year	**624**	819
At the end of the financial year	**5,831**	5,214
Net book value	**2,796**	3,080

(d) Goodwill arising on consolidation

	The Group	
	2021	2020
	$'000	$'000
At the beginning of the financial year	**34,766**	33,073
Currency translation differences	**(672)**	1,693
At the end of the financial year	**34,094**	34,766

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

24. INTANGIBLES (continued)

(d) Goodwill arising on consolidation (continued)

Impairment tests for goodwill

Goodwill is allocated to the Group's cash generating units ("CGUs") identified according to countries of operation and business segment. A segment-level summary of the goodwill allocation is analysed as follows:

	Hotel operations	
	2021	2020
	$'000	$'000
Singapore	**10,371**	10,371
Malaysia	**831**	831
Australia	**22,892**	23,564
	34,094	34,766

The recoverable amount of the above CGUs were determined based on fair value less cost to sell calculations. The fair value less cost to sell reflects the best estimate of the amount obtainable from the sale of a CGU in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. The fair values were determined by independent professional valuetrs using the cash flows projections of 5 to 10 years (2020: 5 to 10 years) which were prepared based on the expected future market trend, and are within Level 3 of the fair values hierarchy. The key assumptions include the revenue growth rate for the next 5 to 10 years and the discount rate.

Key assumptions used for fair value less cost to sell calculations:

	Australia	**Malaysia**	**Singapore**
	%	%	%
31 December 2021			
Growth rate*	**3.3**	**3.2**	**3.8**
Discount rate	**6.3**	**9.0**	**6.8**
31 December 2020			
Growth rate*	3.9	2.7	4.2
Discount rate	6.8	8.5	6.8

* Growth rates are based on average growth rates during stabilised years and exclude growth rates in years where there is accelerated recovery from the impact of the COVID-19 pandemic.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

25. TRADE AND OTHER PAYABLES

	The Group		The Company	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000
Current				
Trade payables:				
– non-related parties	**135,985**	156,092	**1,014**	1,239
Other payables:				
– rental and other deposits	**65,178**	61,003	**1,164**	1,350
– accrued interest payable	**8,919**	6,835	**163**	27
– retention monies	**13,004**	22,928	**106**	152
– accrued development expenditure	**21,444**	25,978	**–**	–
– accruals for completed projects	**31,946**	25,628	**–**	–
– accrued operating expenses	**192,399**	137,235	**6,916**	6,720
– sundry creditors	**9,884**	15,916	**3,687**	3,579
– deferred revenue	**4,979**	4,892	**–**	–
– deferred revenue for technology operations [Note 4(a)]	**2,808**	1,836	**–**	–
– contract liabilities for development properties [Note 4(a)]	**339,181**	31,144	**–**	–
– contract liabilities for technology operations [Note 4(a)]	**4,157**	5,655	**–**	–
– subsidiaries (non-trade)	**–**	–	**487**	519
– associated company (non-trade)	**2,165**	2	**67**	12
	696,064	339,052	**12,590**	12,359
Loans from subsidiaries	**–**	–	**248,895**	383,282
	832,049	495,144	**262,499**	396,880
Non-current				
Contract liabilities for development properties [Note 4(a)]	**6,758**	2,836	**–**	–
Deferred revenue for technology operations [Note 4(a)]	**2,418**	1,833	**–**	–
Deferred revenue	**85,024**	89,150	**–**	–
Rental deposits	**72,116**	86,278	**3,515**	3,972
Retention monies	**26,769**	23,876	**–**	–
Accrued interest payable to non-controlling shareholder	**10,182**	7,596	**–**	–
Due to an associated company	**–**	1,624	**–**	–
	203,267	213,193	**3,515**	3,972
Total trade and other payables	**1,035,316**	708,337	**266,014**	400,852

(a) The loans from subsidiaries and non-trade amounts due to subsidiaries and an associated company are unsecured, interest-free and repayable on demand.

(b) The carrying amounts of rental and other deposits, retention monies and amount due to an associated company approximate their fair values.

(c) Deferred revenue includes advance rental in respect of operating leases where amounts are recognised in the income statement on a straight-line basis over the lease term and deferred revenue from technology operations as disclosed in Note 4(a).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

26. BORROWINGS

	The Group		The Company	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000
Current				
Bank loans (secured)	**381,424**	206,787	**–**	–
Bank loans (unsecured)	**1,154,117**	1,445,689	**65,818**	–
Trade financing	**23,036**	15,564	**–**	–
Lease liabilities	**1,372**	2,500	**–**	–
	1,559,949	1,670,540	**65,818**	–
Non-current				
Bank loans (secured)	**837,227**	1,268,972	**–**	–
Bank loans (unsecured)	**2,077,679**	1,820,237	**199,875**	267,430
3.00% unsecured fixed rate notes due 2024 [Note (a)(ii) below]	**199,533**	199,333	**–**	–
2.33% unsecured fixed rate notes due 2028 [Note (a)(ii) below]	**398,288**	–	**–**	–
Trade financing [Note (b) below]	**21,905**	21,930	**–**	–
Lease liabilities	**15,677**	14,082	**–**	–
	3,550,309	3,324,554	**199,875**	267,430
Total borrowings	**5,110,258**	4,995,094	**265,693**	267,430

(a) Medium term notes

(i) On 1 July 2010, the Company established a S$1 billion Multicurrency Medium Term Note Programme (the "2010 Programme"). Under the 2010 Programme, the Company may issue Notes (the "Notes") denominated in Singapore Dollars and/or any other currencies agreed with the dealers. The Notes may be issued on a syndicated or non-syndicated basis and will rank pari passu with all other unsecured obligations. Each series of Notes may be issued in one or more tranches, on the same or different terms such as issue dates, interest rates, maturities, etc. as agreed between the Company and the relevant dealers.

(ii) On 3 November 2014, a wholly-owned subsidiary of the Group established a S$1 billion Multicurrency Medium Term Note Programme (the "2014 Programme") with similar terms as the 2010 Programme. The 2014 Programme was updated on 22 November 2018 and increased to a S$2 billion Multicurrency Medium Term Note Programme (the "2018 Programme") with similar terms as the earlier 2014 Programme. The 2018 Programme is unconditionally and irrevocably guaranteed by the Company.

(b) Trade financing

Trade financing relates to financing arrangements with financial institutions for the purchase of computer hardware or equipment. The interest rate is determined at the inception of the financing contract. The amounts are repayable over two or three years.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

26. BORROWINGS (continued)

(c) Securities granted

The bank loans and other banking facilities are secured by mortgages on certain subsidiaries' bank deposits, hotel properties, investment properties and development properties; and/or assignment of all rights and benefits with respect to the properties. The carrying amounts of bank deposits, hotel properties, investment properties and development properties which have been pledged as securities are as follows:

	The Group	
	2021 $'000	2020 $'000
Bank deposits	**2,500**	2,500
Hotel properties	**484,368**	514,345
Investment properties	**1,406,759**	1,391,387
Development properties	**2,482,697**	2,287,030
	4,376,324	4,195,262

(d) Included within unsecured bank loans are (i) bank loans backed by guarantees; and (ii) revolving credit loans drawn under various committed floating rate revolving credit facilities. The amounts advanced under the revolving credit facilities were included as non-current liabilities as the Group has the discretion to rollover the facilities for at least 12 months after the statement of financial position date. For the purposes of liquidity risk disclosure [Note 36(c)], the revolving credit facilities had been classified as current as the disclosures was based on actual contractual drawdowns to be repaid within a year.

(e) Effective interest rates

The weighted average effective interest rates of floating rate borrowings at the end of the reporting period were as follows:

The Group

	SGD %	RMB %	GBP %	EUR %	AUD %	MYR %
31 December 2021						
Bank loans (secured)	**1.2**	**5.3**	**–**	**–**	**1.4**	**–**
Bank loans (unsecured)	**1.1**	**–**	**1.1**	**–**	**1.1**	**2.4**
31 December 2020						
Bank loans (secured)	1.3	5.3	–	–	1.3	–
Bank loans (unsecured)	1.2	–	0.9	1.0	1.0	2.4

The Company

	SGD %	AUD %
31 December 2021		
Bank loans (unsecured)	**1.0**	**1.0**
31 December 2020		
Bank loans (unsecured)	0.8	1.0

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

26. BORROWINGS (continued)

(f) The fair values of secured and unsecured bank loans approximate their carrying values except for the unsecured fixed rate notes. The fair values of the unsecured fixed rate notes are computed based on cash flows discounted using market borrowing rates at the end of the reporting period. The fair values are within Level 2 of the fair values hierarchy. The fair values and market borrowing rates used are as follows:

	The Group			
	Fair value		Market borrowing rate	
	2021 $'000	2020 $'000	**2021 %**	2020 %
3.00% unsecured fixed rate notes due 2024	**205,097**	205,796	**1.9**	2.1
2.33% unsecured fixed rate notes due 2028	**394,367**	–	**2.6**	–
	599,464	205,796		

27. DERIVATIVE FINANCIAL INSTRUMENTS

	The Group			The Company	
	Contract notional amount $'000	Fair value Asset $'000	Fair value Liability $'000	Contract notional amount $'000	Fair value Liability $'000
31 December 2021					
Cash flow hedges – interest rate risk					
– Interest rate swaps [Note (b) below]	1,133,194	4,664	(1,021)	65,834	(239)
Fair value hedges - Currency risk					
– Currency forwards	4,942	–	(60)	–	–
	1,138,136	4,664	(1,081)	65,834	(239)
Less: Current portion	(378,835)	(8)	852	(65,834)	239
Non-current portion	**759,301**	**4,656**	**(229)**	**–**	**–**
31 December 2020					
Cash flow hedges – interest rate risk					
– Interest rate swaps	978,256	–	(10,187)	67,767	(1,319)
Fair value hedges - Currency risk					
– Currency forwards	10,147	–	(295)	–	–
Derivatives not held for hedging					
– Currency forwards	1,523	–	(26)	–	–
	989,926	–	(10,508)	67,767	(1,319)
Less: Current portion	(711,224)	–	6,179	–	–
Non-current portion	278,702	–	(4,329)	67,767	(1,319)

(a) The interest rate swaps of the Group and the Company mature on varying dates within 60 months (2020: 16 months) and 3 months (2020: 15 months) from the end of the financial year respectively and have weighted average effective interest rates of 1.98% (2020: 2.07%) for the Group and 2.12% (2020: 2.59%) for the Company as at the end of the reporting period. Fair value gains and losses on the interest rate swaps recognised in the hedging reserve are transferred to the income statement as part of interest expense over the period of the borrowings.

(b) As at 31 December 2021, the Group and the Company do not have derivatives held for hedging that are directly impacted by the IBOR reform.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

28. LOANS FROM NON-CONTROLLING SHAREHOLDERS OF SUBSIDIARIES (UNSECURED)

The loans from non-controlling shareholders of subsidiaries of $168,421,000 (2020: $131,225,000) bears interest at 1.5% (2020: 1.5%) per annum over the bank quoted three-month swap rate on the first business day of each quarter of the calendar year or over the daily compounded SORA and the effective interest rate as at the end of the reporting period was 1.81% (2020: 1.69%) per annum. The loans, including accrued interest payable, have no fixed terms of repayment and are not expected to be repaid within the next twelve months from the end of the reporting period as they are subordinated to the bank loan of the subsidiaries. The fair values of the loans from non-controlling shareholder approximate their carrying values.

29. PROVISION FOR RETIREMENT BENEFITS

	The Group	
	2021 **$'000**	2020 $'000
Non-current	**3,772**	3,712

(a) A subsidiary in Malaysia operates an unfunded defined benefit scheme under the Collective Union Agreement for unionised employees and certain management staff. Benefits payable on retirement are calculated by reference to length of service and earnings over the employees' year of employment. Provision for post-employment benefit obligations is made in the financial statements so as to provide for the accrued liability at the end of the reporting period. An actuarial valuation, based on the projected credit unit method, of the fund is conducted by a qualified independent actuary once in every three years as the yearly movements in provision are not likely to be significant. The most recent valuation was in December 2019.

(b) The movements during the financial year recognised in the statement of financial position were as follows:

	The Group	
	2021 **$'000**	2020 $'000
At the beginning of the financial year	**3,712**	6,375
Benefits paid	**(196)**	(89)
Current service cost	**166**	232
Interest on obligation	**139**	180
Write-back	**–**	(2,990)
Currency translation differences	**(49)**	4
At the end of the financial year	**3,772**	3,712

(c) The principal actuarial assumptions used in respect of the Group's defined benefit plan were as follows:

	The Group	
	2021 **%**	2020 %
Discount rate	**4.4**	4.4
Future salary increase	**4.0 – 7.0**	4.0 – 7.0
Inflation rate	**2.5**	2.5
Normal retirement age (years)		
– Male	**60**	60
– Female	**60**	60

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

30. DEFERRED INCOME TAXES

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The amounts, determined after appropriate offsetting, are shown on the statements of financial position as follows:

	The Group		The Company	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000
Deferred income tax assets	**(58,061)**	(59,535)	**–**	–
Deferred income tax liabilities	**253,554**	258,563	**425**	188
Net deferred tax liabilities	**195,493**	199,028	**425**	188

The movements in the deferred income tax account are as follows:

	The Group		The Company	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000
At the beginning of the financial year	**199,028**	298,333	**188**	3,746
Currency translation differences	**(1,532)**	847	**–**	–
Tax (credit)/charge to:				
– income statement [Note 9(a)]	**(8,699)**	(83,367)	**80**	181
– other comprehensive income (Note 32)	**1,300**	402	**183**	(54)
Income tax refunded	**40**	44	**–**	–
Group tax relief	**2,188**	7,239	**–**	–
Under/(over) provision in prior financial year [Note 9(a)]	**3,168**	(24,470)	**(26)**	(3,685)
At the end of the financial year	**195,493**	199,028	**425**	188

Deferred income tax charged/(credited) against other comprehensive income (Note 32) during the financial year are as follows:

	The Group		The Company	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000
Hedging reserve [Note 32(e)]	**1,300**	402	**183**	(54)

Deferred income tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable.

The Group has unrecognised tax losses of $38,446,000 (2020: $47,008,000) at the end of the reporting period which can be carried forward for a period of up to five years subsequent to the year of the loss, and can be used to offset against future taxable income subject to those subsidiary companies meeting certain statutory requirements in their respective countries of incorporation.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

30. DEFERRED INCOME TAXES (continued)

The movements in the deferred income tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) during the financial year are as follows:

The Group

Deferred income tax liabilities

	Fair value gains on derivative financial instruments $'000	Accelerated tax depreciation $'000	Fair value gains on hotel properties^ and investment properties $'000	Unremitted foreign income, interest and dividends $'000	Development profit $'000	Other temporary differences $'000	Total $'000
2021							
At the beginning of the financial year	–	79,354	173,274	1,545	(661)	1,327	254,839
Currency translation differences	–	(948)	132	–	–	–	(816)
Tax (credit)/charge to income statement	–	(1,370)	(4,503)	21	13,652	287	8,087
Tax charge to other comprehensive income	452	–	–	–	–	–	452
Group tax relief	–	1,064	–	–	–	–	1,064
At the end of the financial year	**452**	**78,100**	**168,903**	**1,566**	**12,991**	**1,614**	**263,626**
2020							
At the beginning of the financial year	13	109,756	189,252	1,429	27,890	1,474	329,814
Currency translation differences	–	2,411	270	–	–	–	2,681
Tax (credit)/charge to income statement	–	(32,813)	(16,248)	116	(35,576)	(147)	(84,668)
Tax credit to other comprehensive income	(13)	–	–	–	–	–	(13)
Group tax relief	–	–	–	–	7,025	–	7,025
At the end of the financial year	–	79,354	173,274	1,545	(661)	1,327	254,839

^ Fair value gains on hotel properties arose from the acquisition of additional shares in SingLand Group in 2017.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

30. DEFERRED INCOME TAXES (continued)

The Group (continued)

Deferred income tax assets

	Fair value losses on derivative financial instruments $'000	Excess of depreciation over capital allowances $'000	Tax losses $'000	Provisions and other temporary differences* $'000	Total $'000
2021					
At the beginning of the financial year	(904)	(11,135)	(21,624)	(22,148)	(55,811)
Currency translation differences	2	(129)	406	(995)	(716)
Tax credit to income statement	–	(214)	(7,109)	(6,295)	(13,618)
Tax charge to other comprehensive income	848	–	–	–	848
Income tax refunded			(17)	57	40
Group tax relief	–	–	1,124	–	1,124
At the end of the financial year	**(54)**	**(11,478)**	**(27,220)**	**(29,381)**	**(68,133)**
2020					
At the beginning of the financial year	(1,314)	–	(14,663)	(15,504)	(31,481)
Currency translation differences	(5)	(203)	(854)	(772)	(1,834)
Tax credit to income statement	–	(10,932)	(6,321)	(5,916)	(23,169)
Tax charge to other comprehensive income	415	–	–	–	415
Income tax refunded	–	–	–	44	44
Group tax relief	–	–	214	–	214
At the end of the financial year	(904)	(11,135)	(21,624)	(22,148)	(55,811)

* Includes deferred income tax asset of $13,196,000 (2020: $12,623,000) relating to land value appreciation tax of the Group's development property in The People's Republic of China.

The Company

Deferred income tax liabilities

	Accelerated tax depreciation $'000	Total $'000
2021		
At the beginning of the financial year	412	412
Tax charge to income statement	54	54
At the end of the financial year	**466**	**466**
2020		
At the beginning of the financial year	3,916	3,916
Tax credit to income statement	(3,504)	(3,504)
At the end of the financial year	412	412

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

30. DEFERRED INCOME TAXES (continued)

The Company (continued)

Deferred income tax assets

	Fair value loss on derivative financial instruments $'000	Total $'000
2021		
At the beginning of the financial year	(224)	(224)
Tax charge to other comprehensive income	183	183
At the end of the financial year	**(41)**	**(41)**
2020		
At the beginning of the financial year	(170)	(170)
Tax credit to other comprehensive income	(54)	(54)
At the end of the financial year	(224)	(224)

31. SHARE CAPITAL OF UOL GROUP LIMITED

	Number of shares $'000	Amount $'000
2021		
At the beginning of the financial year	843,893	1,563,860
Proceeds from shares issued:		
– to holders of share options	450	2,942
At the end of the financial year	**844,343**	**1,566,802**
2020		
At the beginning of the financial year	843,418	1,560,918
Proceeds from shares issued:		
– to holders of share options	475	2,942
At the end of the financial year	843,893	1,563,860

(a) All issued ordinary shares have no par value and are fully paid.

(b) During the financial year, the Company issued 450,000 (2020: 475,000) ordinary shares pursuant to the options under the UOL 2000 and 2012 Share Option Scheme. The newly issued shares rank pari passu in all respects with the previously issued shares.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

31. SHARE CAPITAL OF UOL GROUP LIMITED (continued)

UOL Group Executives' Share Option Scheme

The UOL Group Executives' Share Option Scheme ("the 2000 Scheme") was approved by the shareholders of the Company at an Extraordinary General Meeting held on 23 May 2000. The 2000 Scheme was replaced by a new scheme ("the 2012 Scheme") which was approved by the shareholders of the Company at the Annual General Meeting held on 19 April 2012. The termination of the 2000 Scheme and the adoption of the 2012 Scheme will not affect the rights of the holders of the options granted under the 2000 Scheme.

Under the terms of the 2012 Scheme, the total number of shares granted shall not exceed 10% of the issued share capital of the Company (excluding treasury shares, if any) and the executives may exercise the options by giving notice in writing to the Company in the prescribed form during the option period, accompanied by remittance of the amount of the Exercise Price.

The Exercise Price is equal to the average of the last dealt prices per share as determined by reference to the daily official list published by the Singapore Exchange Securities Trading Limited for a period of 5 consecutive trading days immediately prior to the relevant Date of Grant.

On 8 March 2021, options were granted pursuant to the 2012 Scheme to the executives of the Company and its subsidiaries to subscribe for 1,783,000 ordinary shares in the Company (known as "the 2021 Options") at the exercise price of $7.42 per ordinary share. 1,716,000 options granted were accepted.

Statutory information regarding the 2021 Options is as follows:

(i) The option period begins on 8 March 2022 and expires on 7 March 2031 or on the date of termination of employment or in the case of the executive director, on the date he ceases to be the executive director of the Company, whichever is earlier, subject to the provisions of Rule 11 of the Rules of the 2012 Scheme.

(ii) The options may be exercised in full or in part in respect of 1,000 shares or a multiple thereof, on the payment of the exercise price.

(iii) Except as set out in Rule 12.2 and subject to Rule 10 of the Rules of the 2012 Scheme, an option does not confer on a participant any right to participate in any new shares of the Company.

Movements in the number of ordinary shares outstanding under options at the end of the financial year and their exercise prices were as follows:

The Group and the Company	At the beginning of the financial year	Options granted during the financial year	Options exercised during the financial year	Options forfeited during the financial year	At the end of the financial year	Exercise/ Subscription price/$	Option period
Executives' Share Options							
2021							
2012 Options	18,000	–	18,000	–	–	5.40	23.08.2013 to 22.08.2022
2013 Options	274,000	–	28,000	–	246,000	6.55	08.03.2014 to 07.03.2023
2014 Options	239,000	–	53,000	–	186,000	6.10	12.03.2015 to 11.03.2024
2015 Options	469,000	–	–	18,000	451,000	7.67	11.03.2016 to 10.03.2025
2016 Options	243,000	–	61,000	–	182,000	5.87	11.03.2017 to 10.03.2026
2017 Options	595,000	–	40,000	35,000	520,000	6.61	10.03.2018 to 09.03.2027
2018 Options	1,015,000	–	–	170,000	845,000	8.49	09.03.2019 to 08.03.2028
2019 Options	1,124,000	–	157,000	57,000	910,000	6.59	08.03.2020 to 07.03.2029
2020 Options	1,552,000	–	93,000	144,000	1,315,000	7.32	09.03.2021 to 08.03.2030
2021 Options	–	1,716,000	–	122,000	1,594,000	7.42	08.03.2022 to 07.03.2031
	5,529,000	**1,716,000**	**450,000**	**546,000**	**6,249,000**		

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

31. SHARE CAPITAL OF UOL GROUP LIMITED (continued)

UOL Group Executives' Share Option Scheme (continued)

Movements in the number of ordinary shares outstanding under options at the end of the financial year and their exercise prices were as follows:

The Group and the Company	At the beginning of the financial year	Options granted during the financial year	Options exercised during the financial year	Options forfeited during the financial year	At the end of the financial year	Exercise/ Subscription price/$	Option period
Executives' Share Options							
2020							
2011 Options	58,000	–	58,000	–	–	4.62	04.03.2012 to 03.03.2021
2012 Options	88,000	–	57,000	13,000	18,000	5.40	23.08.2013 to 22.08.2022
2013 Options	306,000	–	32,000	–	274,000	6.55	08.03.2014 to 07.03.2023
2014 Options	269,000	–	30,000	–	239,000	6.10	12.03.2015 to 11.03.2024
2015 Options	476,000	–	7,000	–	469,000	7.67	11.03.2016 to 10.03.2025
2016 Options	243,000	–	–	–	243,000	5.87	11.03.2017 to 10.03.2026
2017 Options	741,000	–	146,000	–	595,000	6.61	10.03.2018 to 09.03.2027
2018 Options	1,117,000	–	–	102,000	1,015,000	8.49	09.03.2019 to 08.03.2028
2019 Options	1,334,000	–	145,000	65,000	1,124,000	6.59	08.03.2020 to 07.03.2029
2020 Options	–	1,655,000	–	103,000	1,552,000	7.32	09.03.2021 to 08.03.2030
	4,632,000	1,655,000	475,000	283,000	5,529,000		

Out of the outstanding options for 6,249,000 (2020: 5,529,000) shares, options for 4,655,000 (2020: 3,977,000) shares are exercisable at the end of the reporting period. The weighted average share price at the time of exercise was $7.60 (2020: $7.45) per share.

The fair value of options granted on 8 March 2021 (2020: 9 March 2020), determined using the Trinomial Tree Model was $1,819,000 (2020: $1,158,500). The significant inputs into the model were share price of $7.39 (2020: $6.69) at the grant date, exercise price of $7.42 (2020: $7.32), standard deviation of expected share price returns of 19.49% (2020: 20.27%), option life from 8 March 2022 to 7 March 2031 (2020: 9 March 2021 to 8 March 2030), annual risk-free interest rate of 1.07% (2020: 0.78%) and dividend yield of 2.22% (2020: 2.95%). The volatility measured at the standard deviation of expected share price returns is based on statistical analysis of daily share prices over the last three years.

32. RESERVES

	The Group		The Company	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000
Composition:				
Share option reserve [Note (a) below]	**22,894**	21,137	**22,495**	20,868
Fair value reserve [Note (b) below]	**855,198**	685,968	**688,349**	555,102
Capital reserves [Note (c) below]	**70,203**	70,203	**–**	–
Currency translation reserve [Note (d) below]	**8,716**	(15,707)	**–**	–
Hedging reserve [Note (e) below]	**2,739**	(8,765)	**(196)**	(1,093)
Employee benefits reserve	**309**	309	**–**	–
Others	**–**	–	**598**	598
	960,059	753,145	**711,246**	575,475

Capital reserves are non-distributable.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

32. RESERVES (continued)

(a) Share option reserve

	The Group		The Company	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000
At the beginning of the financial year	**21,137**	20,041	**20,868**	19,777
Employee share option scheme of the Company:				
– Value of employee services	**1,886**	1,101	**1,627**	1,091
Less: Amount attributable to non-controlling interests	**(129)**	(5)	**–**	–
	1,757	1,096	**1,627**	1,091
At the end of the financial year	**22,894**	21,137	**22,495**	20,868

(b) Fair value reserve

	The Group		The Company	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000
At the beginning of the financial year	**685,968**	859,568	**555,102**	687,547
Fair value gains/(losses) on financial assets, at FVOCI (Note 15)	**201,535**	(176,134)	**133,247**	(132,445)
Less: Amount attributable to non-controlling interests	**(12,648)**	2,534	**–**	–
	188,887	(173,600)	**133,247**	(132,445)
Transfer to retained earnings upon disposal of investments	**(19,657)**	–	**–**	–
At the end of the financial year	**855,198**	685,968	**688,349**	555,102

(c) Capital reserves

Composition of capital reserves is as follows:

	The Group	
	2021 $'000	2020 $'000
Transfer from asset revaluation reserve for bonus issue of shares by a subsidiary	**55,846**	55,846
Share premium in a subsidiary attributable to the Group	**13,360**	13,360
Goodwill on consolidation	**997**	997
	70,203	70,203

(d) Currency translation reserve

	The Group	
	2021 $'000	2020 $'000
At the beginning of the financial year	**(15,707)**	(49,666)
Net currency translation differences of financial statements of foreign subsidiaries and associated companies	**40,587**	54,384
Less: Amount attributable to non-controlling interests	**(16,164)**	(20,425)
	24,423	33,959
At the end of the financial year	**8,716**	(15,707)

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32. RESERVES (continued)

(e) Hedging reserve

	The Group		The Company	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000
Interest rate risk				
At the beginning of the financial year	**(8,765)**	(6,593)	**(1,093)**	(834)
Fair value gains/(losses)	**5,201**	(14,414)	**6**	(1,106)
Currency translation differences	**(247)**	167	**–**	–
Deferred tax on fair value (Note 30)	**(1,300)**	(402)	**(183)**	54
	3,654	(14,649)	**(177)**	(1,052)
Transfer to income statement				
– Finance expense (Note 7)	**8,891**	12,135	**1,074**	793
Less: Amount attributable to non-controlling interests	**(1,041)**	342	**–**	–
	11,504	(2,172)	**897**	(259)
At the end of the financial year	**2,739**	(8,765)	**(196)**	(1,093)

The hedging reserve comprised the effective portion of the accumulated net change in the fair value of interest rate swaps for hedged transactions that had not occurred.

33. DIVIDENDS

	The Group and the Company	
	2021 $'000	2020 $'000
Final one-tier dividend paid in respect of the previous financial year of $0.15 (2020: $0.175) per share	**126,632**	147,626

At the forthcoming Annual General Meeting on 27 April 2022, a final one-tier dividend of $0.15 per share amounting to a total of $126,651,000 will be recommended. These financial statements do not reflect this dividend, which will be accounted for in the shareholders' equity as an appropriation of retained profits in the financial year ending 31 December 2022.

34. CONTINGENT LIABILITIES

The Company has guaranteed the borrowings of subsidiaries in the following currencies:

	2021 $'000	2020 $'000
Singapore Dollar	**1,790,000**	1,434,200
Pound Sterling	**1,133,906**	1,129,271
Australian Dollar	**233,859**	249,828
Euro	**–**	7,275
	3,157,765	2,820,574

The Company had also given undertakings to provide financial support to certain subsidiaries. At the end of the reporting period, the Group has given a guarantee of $Nil (2020: $575,000) in respect of banking facilities granted to an associated company. No material losses is expected to arise from these contingent liabilities.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

35. COMMITMENTS

Capital and other commitments

Expenditure contracted for at the end of the reporting period but not recognised in the financial statements are as follows:

	The Group	
	2021	2020
	$'000	$'000
Expenditure contracted for:		
– property, plant and equipment	**145,516**	201,665
– development properties	**564,320**	648,477
– investment properties	**140,240**	11,191
	850,076	861,333

36. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Board of Directors provides guidance for overall risk management. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group's activities expose it to market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance. When necessary, the Group uses financial instruments such as interest rate swaps and foreign currency borrowings to hedge certain financial risk exposures.

(a) Market risk

(i) Currency risk

The Group operates in the Asia Pacific region and in the United Kingdom ("UK"). The Group is exposed to foreign exchange risk arising from various currency exposures primarily with respect to Australian Dollar ("AUD"), Malaysian Ringgit ("MYR"), Chinese Renminbi ("RMB"), United States Dollar ("USD") and Pound Sterling ("GBP").

The Group has a number of investments in foreign subsidiaries and associated companies whose net assets are exposed to currency translation risk. Currency exposures to the net assets of the Group's subsidiaries and associated companies in Australia, Malaysia, Myanmar, The People's Republic of China ("PRC"), Vietnam and UK are managed through borrowings, as far as is reasonably practical, in foreign currencies which broadly match those in which the net assets are denominated or in currencies that are freely convertible.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

36. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

The Group's currency exposure based on the information provided to key management is as follows:

	SGD $'000	USD $'000	AUD $'000	MYR $'000	RMB $'000	GBP $'000	Others $'000	Total $'000
The Group								
31 December 2021								
Financial assets								
Cash and bank balances	649,564	23,458	14,098	7,958	764,712	8,311	21,582	1,489,683
Trade and other receivables	207,709	4,029	4,004	4,451	7,972	64,310	5,142	297,617
Receivables from subsidiaries	671,556	14,838	53,748	–	–	60,666	–	800,808
Derivative financial instruments	3,320	–	–	–	–	1,345	–	4,665
Other assets – deposits	78,715	–	5,456	212	16	2,540	50	86,989
	1,610,864	42,325	77,306	12,621	772,700	137,172	26,774	2,679,762
Financial liabilities								
Borrowings	(3,496,764)	(9,562)	(339,105)	(64,700)	(14,867)	(1,185,260)	–	(5,110,258)
Trade and other payables	(135,354)	(2,564)	(19,888)	(11,899)	(103,927)	(313,052)	(3,307)	(589,991)
Payables to subsidiaries	(671,556)	(14,838)	(53,748)	–	–	(60,666)	–	(800,808)
Derivative financial instrument	(610)	–	(285)	–	–	(186)	–	(1,081)
Loans from non-controlling shareholders of subsidiaries	(168,421)	–	–	–	–	–	–	(168,421)
	(4,472,705)	(26,964)	(413,026)	(76,599)	(118,794)	(1,559,164)	(3,307)	(6,670,559)
Net financial (liabilities)/assets	(2,861,841)	15,361	(335,720)	(63,978)	653,906	(1,421,992)	23,467	(3,990,797)
Less: Net financial assets/(liabilities) denominated in the respective entities' functional currencies	2,861,907	26,084	335,904	63,969	(653,923)	1,421,992	(23,686)	4,032,247
Add: Firm commitments and highly probable forecast transactions in foreign currencies	(617,616)	(4,896)	(2,652)	(25,041)	–	(4,876)	(68,037)	(723,118)
Less: Firm commitments and highly probable forecast transactions denominated in the respective entities' functional currencies	617,616	–	2,652	25,041	–	4,876	68,037	718,222
Add: Currency forwards	–	4,896	–	–	–	–	–	4,896
Currency exposure	**66**	**41,445**	**184**	**(9)**	**(17)**	**–**	**(219)**	**41,450**

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

36. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

(i) *Currency risk* (continued)

	SGD $'000	USD $'000	AUD $'000	MYR $'000	RMB $'000	GBP $'000	Others $'000	Total $'000
The Group								
31 December 2020								
Financial assets								
Cash and bank balances	457,763	13,574	6,238	6,474	466,273	9,498	17,122	976,942
Trade and other receivables	297,482	39,190	9,245	194	4,970	66,483	3,922	421,486
Receivables from subsidiaries	703,530	14,486	55,326	–	–	87,467	–	860,809
Other assets - deposits	1,390	–	9,057	318	27	2,596	50	13,438
	1,460,165	67,250	79,866	6,986	471,270	166,044	21,094	2,272,675
Financial liabilities								
Borrowings	(3,354,548)	(9,451)	(400,765)	(24,585)	(13,935)	(1,184,535)	(7,275)	(4,995,094)
Trade and other payables	(441,971)	(2,177)	(22,987)	(9,054)	(73,776)	(17,058)	(3,968)	(570,991)
Payables to subsidiaries	(703,530)	(14,486)	(55,326)	–	–	(87,467)	–	(860,809)
Derivative financial instrument	(10,508)	–	–	–	–	–	–	(10,508)
Loans from non-controlling shareholders of subsidiaries	(131,225)	–	–	–	–	–	–	(131,225)
	(4,641,782)	(26,114)	(479,078)	(33,639)	(87,711)	(1,289,060)	(11,243)	(6,568,627)
Net financial (liabilities)/assets	(3,181,617)	41,136	(399,212)	(26,653)	383,559	(1,123,016)	9,851	(4,295,952)
Less: Net financial assets/(liabilities) denominated in the respective entities' functional currencies	3,181,657	(12,485)	399,582	26,608	(383,598)	1,123,016	(17,167)	4,317,613
Add: Firm commitments and highly probable forecast transactions in foreign currencies	(763,471)	(6,424)	(1,355)	(57,148)	901	(36,039)	(408)	(863,944)
Less: Firm commitments and highly probable forecast transactions denominated in the respective entities' functional currencies	763,471	–	1,355	57,148	(901)	36,039	408	857,520
Add: Currency forwards	–	11,625	–	–	–	–	–	11,625
Currency exposure	40	33,852	370	(45)	(39)	–	(7,316)	26,862

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

36. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

The Group does not have significant exposure to currency risk other than USD. Assuming that the USD changes against SGD by 5% (2020: 5%), with all other variables including tax rate being held constant, the effects on the profit after tax will be as follows:

	The Group Increase/(Decrease)	
	2021	2020
	$'000	$'000
USD against SGD		
– strengthens	**1,720**	1,405
– weakens	**(1,720)**	(1,405)

The Company's revenue, purchases, receivables and borrowings were contracted or denominated in Singapore Dollar which is the functional and presentation currency of the Company, except for the following:

	USD $'000	**GBP $'000**	**AUD $'000**
The Company			
31 December 2021			
Financial assets			
Loans to subsidiaries	14,838	60,666	53,748
Financial liabilities			
Bank borrowings	–	–	(65,834)
Currency exposure	**14,838**	**60,666**	**(12,086)**
31 December 2020			
Financial assets			
Loans to subsidiaries	14,486	87,467	55,326
Financial liabilities			
Bank borrowings	–	–	(67,767)
Currency exposure	14,486	87,467	(12,441)

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

36. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

(i) *Currency risk* (continued)

Assuming that the USD, GBP and AUD changes against SGD by 5% (2020: 5%), with all other variables including tax rate being held constant, the effects on the profit after tax of the Company will be as follows:

	The Company Increase/(Decrease)	
	2021	2020
	$'000	$'000
USD against SGD		
– strengthens	**616**	601
– weakens	**(616)**	(601)
GBP against SGD		
– strengthens	**2,518**	3,630
– weakens	**(2,518)**	(3,630)
AUD against SGD		
– strengthens	**(502)**	(516)
– weakens	**502**	516

(ii) *Price risk*

The Group and the Company are exposed to equity securities price risk due to their investments in quoted securities listed in Singapore, which have been classified in the consolidated statement of financial position as financial assets, at FVOCI.

Based on the portfolio of quoted equity securities held by the Group and the Company as at 31 December 2021, if prices for equity securities listed in Singapore change by 10% (2020: 10%) with all other variables being held constant, the fair value reserve will be higher/lower by $110,584,000 (2020: $93,161,000) and $83,531,000 (2020: $70,454,000) for the Group and the Company respectively.

(iii) *Cash flow and fair value interest rate risks*

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

The Group's and the Company's exposure to cash flow interest rate risks arises mainly from variable-rate borrowings. The Group and the Company monitor closely the changes in interest rates on borrowings and when appropriate, manage their exposure to changes in interest rates by entering into borrowings on a fixed rate basis over a longer term.

The Group enters into interest rate swaps with the same critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. The Group does not hedge 100% of its loans, therefore the hedged item is identified as a proportion of the outstanding amount of the borrowings. As critical terms matched during the year, the economic relationship was deemed to be effective.

The Group is mainly exposed to the SOR and GBP LIBOR. The Group completed the GBP LIBOR transition during the year and is managing the SOR transition plan. The key changes will be amendments to the contractual terms of the SOR-referenced floating-rate borrowings, associated swaps and the corresponding update of hedge designations. These changes are not expected to have a material impact on the Group's income statement.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

36. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

(iii) Cash flow and fair value interest rate risks (continued)

Hedging relationships for which 'Phase 1' amendments apply

The 'Phase 1' amendments provided temporary relief from applying specific hedge accounting requirements to hedging relationships directly impacted by IBOR reform. The temporary reliefs would end when the uncertainty arising from IBOR reform is no longer present.

The Group has judged that IBOR uncertainty is still present with respect to its cash flow hedge of SOR-linked borrowings, because the hedging instruments and the hedged items have not yet been amended to transit to SORA.

The following Phase 1 reliefs are applied to cash flow hedges linked to SOR:

- When considering the 'highly probable' requirement, the Group has assumed that the SOR interest rate on which the Group's hedged borrowings are based does not change as a result of IBOR reform;

- In assessing whether the hedge is expected to be highly effective on a forward-looking basis the Group has assumed that the SOR interest rate on which the cash flows of the hedged borrowings and the interest rate swaps that hedges it are based is not altered by the IBOR reform; and

- The Group has not recycled the cash flow hedge reserve relating to the period after the reforms are expected to take effect.

Hedging relationships for which 'Phase 2' amendments apply

The Group has judged that IBOR uncertainty is no longer present with respect to its cash flow hedge of GBP LIBOR-linked borrowings, once both hedging instruments and hedged items have been amended to the alternative benchmark rate with fixed adjustment spreads.

In the current year, the Group has applied the following hedge accounting reliefs provided by the Phase 2 amendments for its hedging relationships that have already transited from GBP LIBOR to SONIA:

- **Hedge designation**: When the Phase 1 amendments ceased to apply, the Group amended its hedge designation to reflect the following changes which are required by IBOR reform:
  - o designated SONIA as a hedged risk;
  - o the contractual benchmark rate of the hedged GBP borrowings has been amended from GBP LIBOR to SONIA plus an adjustment spread; and/or
  - o the variable rate of the hedging interest rate swaps has been amended from GBP LIBOR to SONIA, with an adjustment spread added to the fixed rate.

  These amendments to the hedge documentation do not require the Group to discontinue its hedge relationships.

- **Amounts accumulated in the cash flow hedge reserve**: When the Group amended the hedge designation for changes to its GBP LIBOR borrowings that are required by IBOR reform, the accumulated amount outstanding in the cash flow hedge reserve was deemed to be based on SONIA. The amount is reclassified to profit or loss in the same periods during which the hedged SONIA cash flows affect profit or loss.

Hedge effectiveness

Hedge effectiveness is determined at the inception of the hedging relationship, and through periodic prospective effective assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

36. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

(iii) Cash flow and fair value interest rate risks (continued)

Hedge effectiveness (continued)

The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness.

Hedge ineffectiveness for interest rate swaps may occur due to the transition of hedged items and hedging instruments to alternative benchmark rates at different times, which may result in temporary mismatch in benchmark interest rates or permanent difference in adjustment spreads. No ineffectiveness has been recognised for 2021 in relation to interest rate swaps, as the transition of interest rate swaps and the hedged borrowings from GBP LIBOR to SONIA occurred at the same time. There was no ineffectiveness in 2020 in relation to the cash flow hedge and fair value hedge.

The Group's and the Company's variable-rate financial assets and liabilities for which effective hedges have not been entered into, are denominated mainly in SGD, USD, GBP, AUD, MYR, RMB and EUR. If the respective interest rates increase/decrease by 1% (2020: 1%) with all other variables including tax rate being held constant, the profit after tax of the Group and the Company will be lower/higher by $27,632,000 (2020: $21,724,000) and $2,053,000 (2020: $2,154,000) respectively as a result of higher/lower interest expense on these borrowings.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group's and the Company's major classes of financial assets subject to credit risks are loans and receivables which include cash and bank balances. For trade and other receivables, the Group adopts the policy of dealing only with customers and counterparties of appropriate credit history, and obtaining sufficient security such as deposits and bankers' guarantees where appropriate to mitigate credit risk. Bank deposits were mainly placed with financial institutions which have high credit ratings.

Credit exposure to individual customers or counterparties for the revenue streams mentioned above are also generally restricted by credit limits that are approved by the respective management at the entity level based on ongoing credit evaluation. The counterparty's payment profile and credit exposure are continuously monitored at the entity level by the respective management and by Group management. There is no significant concentrations of credit risk, with exposure spread over a large number of counterparties and customers.

For trade receivables and unbilled revenue from sale of development properties, the Group has policies in place to ensure that sales are made to purchasers with appropriate financial strength and after obtaining sufficient security such as deposits. If a purchaser defaults on payments, the Group may enforce payments via legal proceedings or if the purchaser is assessed to be insolvent, the Group may resume possession of the units, retain a portion of the purchaser's deposits from payments made to date, and resell the property. Unless the selling price falls by more than the portion of purchaser's deposits retained, which is remote, the Group would not be in a loss position in selling those properties.

For trade receivables from property investments, the Group typically collects deposits or banker's guarantees amounting to three to five months of the monthly lease rental. All late payments are monitored closely and followed up with active chasing or legal action if necessary. The Group also regularly reviews the recoverable amount of each individual trade receivable to ensure that adequate credit losses are made for irrecoverable amounts.

The Group's revenue from hotel ownership and operations do not give rise to significant trade receivables as the value of transactions are low and transactions are mainly settled through cash or credit card which have a short collection period. For all other trade receivables from hotel ownership and operations, management makes periodic collective assessments as well as individual assessment on the recoverability of trade receivables based on historical settlement records and past experience.

36. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk (continued)

For trade receivables from management services and technology operations and unbilled revenue from technology operations, the Group has monitoring procedures in place to ensure that follow-up action is taken to recover overdue debts. In addition, the Group regularly reviews the recoverable amount of each individual trade receivable to ensure that adequate impairment losses are made for irrecoverable amounts.

As the Group and the Company do not hold collateral, the maximum exposure to credit risk to each class of financial instruments is the carrying amount of that class of financial instruments presented on the balance sheet, except for corporate guarantees provided by the Company to banks on subsidiaries' loans as disclosed in Note 34.

The movements in credit loss allowance are as follows:

	Trade receivables and unbilled revenue[(a)]	
	2021	2020
	$'000	$'000
The Group		
Balance at 1 January	**8,728**	1,000
Currency translation difference	**(23)**	108
Loss allowance recognised in profit or loss during the year on:		
- Reversal of unutilised amounts	**(3,733)**	(392)
- Assets acquired/originated	**13,334**	8,526
	9,601	8,134
Receivables written off as uncollectible	**(7,025)**	(514)
Balance at 31 December	**11,281**	8,728

(a) Loss allowance measured at lifetime ECL

The Group's cash and cash equivalents are subject to immaterial credit loss.

(i) Trade receivables and unbilled revenue

In measuring the expected credit losses, the trade receivables and unbilled revenue are grouped based on shared credit risk characteristics and days past due. The unbilled revenue relates to unbilled work in progress, which has substantially the same risk characteristics as the trade receivables for the same type of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the unbilled revenue.

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers, including property development, property investment, hotel ownership and operations, technology operations and management services, and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables, and accordingly adjusts the historical loss rates based on expected changes in these factors. Management has considered, among other factors (including forward-looking information), the Group's and Company's historical loss pattern over the last three financial years, its ability to resume possession of units for the property development business, the existence of deposits and banker's guarantees for the property investment business, as well as the relatively low value of transactions and manner in which these are settled i.e. by cash and credit card for the Group's hotel ownership and operation business.

As disclosed in Note 3(g), management has identified higher credit risks for a group of tenants as at 31 December 2021 and 31 December 2020 due to the COVID-19 pandemic.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

36. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk (continued)

(i) Trade receivables and unbilled revenue (continued)

The movements in credit loss allowance for the Group's property investments segment are as follows:

	2021 $'000	2020 $'000
The Group		
Balance at 1 January	**7,805**	640
Currency translation difference	**(29)**	95
Loss allowance recognised in profit or loss during the year	**9,424**	7,525
Receivables written off as uncollectible	**(6,724)**	(455)
Balance at 31 December	**10,476**	7,805

Apart from the above and a small credit loss for the hospitality operations segment, management concluded that the expected credit loss rate for trade receivables and unbilled revenue as at 31 December 2021 and 31 December 2020 was not material.

Trade receivables and unbilled revenue are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where receivables are written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

(ii) Other trade and other receivables and loans to subsidiaries, associated companies and joint venture companies

For other trade and other receivables and loans to subsidiaries, associated companies and a joint venture company, management has considered, among other factors (including forward-looking information), the Group's and Company's historical loss pattern over the last three financial years to assess the expected credit loss.

The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical payment experience and the corresponding historical credit loss rates, and adjusted for forward-looking macroeconomic factors.

These financial assets are assessed as 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 events, including but not limited to significant financial difficulty of the borrower or a breach of contract, such as a default or past due event.

(iii) Financial guarantee contracts

The Company has issued financial guarantees to banks for borrowings of its subsidiaries. These guarantees are subject to the impairment requirements of SFRS(I) 9. The Company has assessed that its subsidiaries have strong 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.

(c) Liquidity risk

The Group and the Company manage the liquidity risk by maintaining sufficient cash and marketable securities to enable them to meet their normal operating commitments, having an adequate amount of committed credit facilities and the ability to close market positions at a short notice.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

36. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk (continued)

The table below analyses the maturity profile of the Group's and the Company's financial liabilities based on contractual undiscounted cash flows:

	Less than 1 year $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000
The Group				
31 December 2021				
Trade and other payables	480,924	39,277	69,088	702
Derivative financial instruments	1,801	1,103	3,308	–
Borrowings (excluding lease liabilities)	1,650,959	1,227,889	2,083,738	415,550
Lease liabilities	1,372	1,037	2,087	12,553
Loans from non-controlling shareholders of subsidiaries	–	113,909	26,011	34,717
	2,135,056	**1,383,215**	**2,184,232**	**463,522**
31 December 2020				
Trade and other payables	451,617	37,459	77,946	3,969
Derivative financial instruments	7,797	760	–	–
Borrowings (excluding lease liabilities)	1,649,696	1,748,163	1,691,923	–
Lease liabilities	2,500	505	906	12,671
Loans from non-controlling shareholders of subsidiaries	–	–	110,631	24,913
Financial guarantees for borrowings of associated companies	575	–	–	–
	2,112,185	1,786,887	1,881,406	41,553

	Less than 1 year $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000
The Company			
31 December 2021			
Trade and other payables	262,499	1,962	1,553
Derivative financial instrument	234	–	–
Borrowings	68,157	200,456	–
Financial guarantees for borrowings of subsidiaries and associated companies	1,397,535	723,286	636,944
	1,728,425	**925,704**	**638,497**
31 December 2020			
Trade and other payables	396,880	1,122	2,850
Derivative financial instrument	1,081	250	–
Borrowings	3,351	69,767	200,378
Financial guarantees for borrowings of subsidiaries and associated companies	1,172,644	836,098	811,832
	1,573,956	907,237	1,015,060

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

36. FINANCIAL RISK MANAGEMENT (continued)

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and aim to maintain an optimal capital structure so as to maximise shareholders' value. In order to maintain or achieve an optimal capital structure, the Group may, subject to the necessary approvals from the shareholders, the lending bank, other creditors and/or the regulatory authorities, adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on a gearing ratio. The Group and the Company are also required under their note issuance programmes to maintain a gearing ratio of not exceeding 200% (2020: 200%). The Group's and the Company's strategies, which were unchanged from 2020, are to maintain a gearing ratio below 150%.

The gearing ratio is calculated as net debt divided by total equity. Net debt is calculated as borrowings (including loans from non-controlling shareholders of subsidiaries) less cash and bank balances.

	The Group		The Company	
	2021	2020	**2021**	2020
Net debt ($'000)	**3,788,996**	4,149,377	256,111	261,448
Total equity ($'000)	**14,616,075**	14,101,148	3,659,524	3,449,463
Gearing ratio	**26%**	29%	7%	8%

The Group and the Company are in compliance with all externally imposed capital requirements for the financial years ended 31 December 2021 and 2020.

(e) Fair value measurements

The following table presents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
(b) 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) (Level 2); and
(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

See Note 20 for disclosure of the investment properties that are measured at fair value.

	Level 1 $'000	**Level 2 $'000**	**Level 3 $'000**	**Total $'000**
The Group				
31 December 2021				
Assets				
Financial assets, at FVOCI	**1,105,838**	**–**	**71,752**	**1,177,590**
Derivative financial instruments	**–**	**4,664**	**–**	**4,664**
Liabilities				
Derivative financial instruments	**–**	**(1,081)**	**–**	**(1,081)**
31 December 2020				
Assets				
Financial assets, at FVOCI	931,607	–	82,014	1,013,621
Liabilities				
Derivative financial instruments	–	(10,508)	–	(10,508)

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

36. FINANCIAL RISK MANAGEMENT (continued)

(e) Fair value measurements (continued)

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
The Company				
31 December 2021				
Assets				
Financial assets, at FVOCI	**835,312**	**–**	**50,052**	**885,364**
Liabilities				
Derivative financial instruments	**–**	**(239)**	**–**	**(239)**
31 December 2020				
Assets				
Financial assets, at FVOCI	704,544	–	47,573	752,117
Liabilities				
Derivative financial instruments	–	(1,319)	–	(1,319)

The fair value of financial instruments traded in active markets (such as financial assets, at FVOCI) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group and the Company is the current bid price. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group and the Company use a variety of methods and make assumptions that are based on market conditions existing at the end of each reporting period. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves. These investments are classified as Level 2. The fair value of forward foreign exchange contracts is determined using quoted forward currency rates at the balance sheet date. These investments are classified as Level 2.

Other financial assets, at FVOCI of the Group and the Company where the fair value is calculated using a significant unobservable input is classified as Level 3. In the valuation model, the net asset value of the financial assets, at FVOCI is multiplied by a discount factor for lack of liquidity and marketability, where applicable. The discount factor applied for 2021 was 30% to 40% (2020: 30% to 40%). If the discount factor increases/decreases by 5% (2020: 5%), the fair value of the Level 3 unquoted financial assets, at FVOCI will decrease/increase by $4,403,000 (31 December 2020: $2,997,000).

The following table presents the changes in Level 3 instruments:

	The Group		The Company	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000
At the beginning of the financial year	**82,014**	101,892	**47,573**	61,743
Fair value gains/(losses) recognised in other comprehensive income	**27,925**	(19,878)	**2,479**	(14,170)
Addition	**483**	–	**–**	–
Disposals	**(38,670)**	–	**–**	–
At the end of the financial year	**71,752**	82,014	**50,052**	47,573

The carrying value less impairment provision of trade and other receivables and payables are assumed to approximate their fair values. The fair value of borrowings approximates their carrying amount except for unsecured fixed rate notes as disclosed in Note 26(f).

There is no transfer between Level 1, Level 2, and Level 3 of the fair value hierarchy for the financial years ended 31 December 2021 and 2020.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

36. FINANCIAL RISK MANAGEMENT (continued)

(f) Financial instruments by category

The carrying amount of the different categories of financial instruments is as disclosed on the face of the statement of financial position and in Note 15 and Note 27 to the financial statements, except for the following:

	The Group	The Company
	$'000	$'000
31 December 2021		
Financial assets, at amortised cost	**1,874,235**	**810,841**
Financial liabilities, at amortised cost	**5,868,670**	**531,707**
31 December 2020		
Financial assets, at amortised cost	1,411,746	867,688
Financial liabilities, at amortised cost	5,697,310	668,282

37. RELATED PARTY TRANSACTIONS

(a) In addition to the related party information disclosed elsewhere in the financial statements, there were the following significant transactions between the Group and related parties during the financial year on terms agreed between the parties concerned:

	The Group	
	2021	2020
	$'000	$'000
Transactions with directors and their associates		
Proceeds from sale of development properties	**92**	342
Rental received	**271**	311
Interest paid/payable on shareholder's loan	**2,586**	2,527
Commission paid for sale of development properties	**1,192**	528
Purchase of gift vouchers	**–**	7
Transactions with associated companies and a joint venture company		
Fees received for management of development properties	**87**	192
Commissions received for sale of development properties	**560**	166
Interest receivable on loans to a joint venture company	**1,352**	1,552
Fees received/receivable for management of a hotel property	**304**	244

(b) Key management personnel compensation is analysed as follows:

	The Group	
	2021	2020
	$'000	$'000
Salaries and other short-term employee benefits	**4,969**	4,425
Directors' fees	**827**	863
Post-employment benefits – contribution to CPF	**84**	58
Share options granted	**394**	203
	6,274	5,549

Total compensation to directors of the Company included in above amounted to $3,033,000 (2020: $2,947,000).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

38. GROUP SEGMENTAL INFORMATION

Management has determined the operating segments based on the reports reviewed by the Executive Committee ("Exco") that are used to make strategic decisions. The Exco comprises the Chairman, the Group Chief Executive and three other Board members of the Company.

For management purposes, the Group is organised into business segments based on their products and services as follows:

- Property development – development of properties for sale.
- Property investments – leasing of commercial properties and serviced suites.
- Hotel operations – operation of owned hotels.
- Investments – investment in quoted and unquoted financial assets, at FVOCI.
- Technology operations – the distribution of computers and related products including the provision of systems integration and networking infrastructure services.
- Management services – provision of hotel management services under the "Pan Pacific", "PARKROYAL" and "PARKROYAL COLLECTION" brands, project management and related services.

The property development activities of the Group are concentrated in Singapore, The People's Republic of China ("PRC") and the United Kingdom ("UK") while the property investment activities are concentrated in Singapore.

The hotel operations of the Group are located in Singapore, Australia, UK, Vietnam, Malaysia, PRC and Myanmar and key asset and profit contributions are from the hotels in Singapore and Australia. The Group also has a hotel property under development in Indonesia.

The Group's quoted and unquoted financial assets, at FVOCI relates mainly to investment in equity shares of Singapore companies.

The Group's technology operations are based in Singapore.

The management services segment is not significant to the Group and have been included in the "others" segment column.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

38. GROUP SEGMENTAL INFORMATION (continued)

The segment information provided to the Exco for the reportable segments for the year ended 31 December 2021 is as follows:

	Property development				Property investments*
	Singapore $'000	Malaysia $'000	PRC $'000	UK $'000	$'000
2021					
Revenue					
Total segment sales					
– recognised at a point in time	48,972	–	203,547	105,880	–
– recognised over time	1,213,130	–	–	–	–
– others	–	–	–	–	506,798
Inter-segment sales	–	–	–	–	(4,611)
Sales to external parties	1,262,102	–	203,547	105,880	502,187
Adjusted EBITDA	156,083	–	53,489	16,385	346,464
Depreciation and amortisation	(10)	–	(263)	(819)	(4,972)
Gain on disposal of an associated company	–	–	–	–	–
Write-back of impairment charge on property, plant and equipment	–	–	–	–	–
Fair value gains on investment properties	–	–	–	–	114,205
Share of losses of associated companies	–	–	–	–	–
Share of profit of a joint venture company	5,982	–	–	–	–
Segment assets	3,334,771	1,828	938,540	440,282	11,621,629
Unallocated assets					
Total assets					
Total assets include:					
Investment in associated companies	388	–	–	–	–
Additions during the financial year to:					
– property, plant and equipment	–	–	5	–	4,208
– investment properties	–	–	–	–	49,118
– intangibles	–	–	–	–	22
Segment liabilities	1,239,699	25	217,099	316,037	622,323
Unallocated liabilities					
Total liabilities					

* Included within are Malaysia, PRC, UK, Australia and Indonesia operating segments which are not reportable segments individually.

^ Included within are Vietnam, Malaysia, PRC, Myanmar, UK and Indonesia operating segments which are not reportable segments individually.

Hotel operations			Investments	Technology operations	Others	Total
Singapore	Australia	Others^				
$'000	$'000	$'000	$'000	$'000	$'000	$'000
70,580	23,205	14,394	–	189,443	–	656,021
75,329	60,849	37,732	–	7,889	43,482	1,438,411
–	–	–	46,664	–	–	553,462
(124)	–	–	(3,893)	–	(32,430)	(41,058)
145,785	84,054	52,126	42,771	197,332	11,052	2,606,836
7,442	18,770	(17,941)	42,674	10,354	3,295	637,015
(55,155)	(17,440)	(29,864)	(203)	(684)	(1,810)	(111,220)
–	–	24,592	–	–	–	24,592
–	–	2,148	–	–	–	2,148
–	–	–	–	–	–	114,205
(4,058)	–	(5,514)	–	–	(4)	(9,576)
–	–	–	–	–	–	5,982
2,223,659	451,858	805,502	1,188,412	112,645	56,288	21,175,414
						99,557
						21,274,971
237,365	–	8,689	–	–	2,968	249,410
55,427	3,072	98,342	127	1,810	2,098	165,089
–	–	–	–	–	–	49,118
15	–	4	–	–	–	41
268,365	207,015	536,110	20,915	74,702	3,760	3,506,050
						3,152,846
						6,658,896

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

38. GROUP SEGMENTAL INFORMATION (continued)

The segment information provided to the Exco for the reportable segments for the year ended 31 December 2020 is as follows:

	Property development				Property investments*
	Singapore $'000	Malaysia $'000	PRC $'000	UK $'000	$'000
2020					
Revenue					
Total segment sales					
– recognised at a point in time	136,664	–	343,890	–	–
– recognised over time	462,547	–	–	–	–
– others	–	–	–	–	507,768
Inter-segment sales	–	–	–	–	(4,434)
Sales to external parties	599,211	–	343,890	–	503,334
Adjusted EBITDA	87,471	(16)	117,169	558	360,738
Depreciation and amortisation	(16)	–	(255)	(568)	(4,382)
Impairment charge on property, plant and equipment	–	–	–	–	–
Write-back of impairment charge on property, plant and equipment	–	–	–	–	–
Fair value losses on investment properties	–	–	–	–	(293,295)
Share of losses of associated companies	–	–	–	–	–
Share of loss of a joint venture company	(1,929)	–	–	–	–
Segment assets	3,021,695	1,837	759,251	422,929	11,498,481
Unallocated assets					
Total assets					
Total assets include:					
Investment in associated companies	388	–	–	–	–
Additions during the financial year to:					
property, plant and equipment	–	–	–	–	4,621
– investment properties	–	–	–	–	11,175
– intangibles	–	–	–	–	30
Segment liabilities	1,580,238	–	80,071	180,802	503,981
Unallocated liabilities					
Total liabilities					

* Included within are Malaysia, PRC, UK, Australia and Indonesia operating segments which are not reportable segments individually.

^ Included within are Vietnam, Malaysia, PRC, Myanmar, UK and Indonesia operating segments which are not reportable segments individually.

Hotel operations			Investments	Technology operations	Others	Total
Singapore	Australia	Others^				
$'000	$'000	$'000	$'000	$'000	$'000	$'000
45,753	20,953	22,170	–	216,516	–	785,946
77,650	49,658	30,398	–	9,230	35,593	665,076
–	–	–	93,717	–	–	601,485
(83)	–	–	(44,681)	–	(26,161)	(75,359)
123,320	70,611	52,568	49,036	225,746	9,432	1,977,148
17,691	11,382	(2,015)	48,964	11,586	(1,996)	651,532
(64,405)	(17,621)	(27,528)	(89)	(698)	(2,318)	(117,880)
–	(9,313)	(32,920)	–	–	–	(42,233)
–	–	1,021	–	–	–	1,021
–	–	–	–	–	–	(293,295)
(1,736)	–	(5,929)	–	–	(6)	(7,671)
–	–	–	–	–	–	(1,929)
2,321,482	471,980	635,004	996,844	111,043	52,726	20,293,272
						80,222
						20,373,494
241,422	–	26,643	–	–	2,977	271,430
54,603	2,593	101,963	229	198	370	164,577
–	–	–	–	–	–	11,175
–	–	15	–	–	–	45
326,264	216,790	329,314	5,316	79,705	1,332	3,303,813
						2,968,533
						6,272,346

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

38. GROUP SEGMENTAL INFORMATION (continued)

Sales between segments are carried out at arm's length. The revenue from external parties reported to the Exco is measured in a manner consistent with that in the income statements.

The Exco assesses the performance of the operating segments based on a measure of Earnings before interest, tax, depreciation and amortisation excluding the effects of fair value and other gains and losses which are not operational in nature ("adjusted EBITDA"). Finance income and finance expenses are not allocated to segments, as these types of activities are driven by the Group's treasury function, which manages the cash position of the Group.

A reconciliation of adjusted EBITDA to profit before income tax is provided as follows:

	2021 $'000	2020 $'000
Adjusted EBITDA for reportable segments	**637,015**	651,532
Depreciation and amortisation	**(111,220)**	(117,880)
Other gains/(losses)	**26,740**	(41,212)
Fair value gains/(losses) on investment properties	**114,205**	(293,295)
Unallocated costs	**(22,654)**	(19,615)
Finance income	**15,295**	12,546
Finance expense	**(67,552)**	(83,360)
Profit before income tax	**591,829**	108,716

Reportable segments' assets are reconciled to total assets as follows:

The amounts provided to the Exco with respect to total assets are measured in a manner consistent with that of these financial statements. For the purposes of monitoring segment performance and allocating resources between segments, the Exco monitors the development properties, property, plant and equipment, intangible assets, inventories, receivables, operating cash and investment properties attributable to each segment. All assets are allocated to reportable segments other than tangible and intangible assets at corporate level and current and deferred income tax assets.

	2021 $'000	2020 $'000
Segment assets for reportable segments	**21,175,414**	20,293,272
Unallocated:		
Cash and bank balances	**30,828**	13,609
Derivative financial instruments	**4,665**	–
Receivables and other assets	**3,261**	4,422
Current income tax assets	**1,123**	254
Property, plant and equipment	**1,355**	1,971
Intangibles	**264**	431
Deferred income tax assets	**58,061**	59,535
	21,274,971	20,373,494

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

38. GROUP SEGMENTAL INFORMATION (continued)

Reportable segments' liabilities are reconciled to total liabilities as follows:

The amounts provided to the Exco with respect to total liabilities are measured in a manner consistent with that of these financial statements. These liabilities are allocated based on the operations of the segment. All liabilities are allocated to the reportable segments other than accruals for expenses and borrowings at corporate level, current and deferred income tax liabilities and derivative financial instruments.

	2021 $'000	2020 $'000
Segment liabilities for reportable segments	**3,506,050**	3,303,813
Unallocated:		
Other payables	**33,737**	13,099
Current income tax liabilities	**86,494**	164,907
Borrowings	**2,777,980**	2,521,456
Derivative financial instruments	**1,081**	10,508
Deferred income tax liabilities	**253,554**	258,563
	6,658,896	6,272,346

Revenue from major products and services

Revenue from external customers are derived mainly from the Group's property development, property investments, hotel operations, investment holdings, technology operations and management services. A breakdown of the revenues from external customers for each of these categories is shown in Note 4.

Geographical information

The Group's six business segments operate in seven main geographical areas. In Singapore, where the Company is located, the areas of operation of the Group are principally hotel operations, property development, property investments, investment holdings and technology operations. The Group also engages in the provision of management services in Singapore and in various overseas locations.

The main activities in Australia, Vietnam, Malaysia, PRC, Myanmar and UK consist of hotel operations, operation of serviced suites and investment holdings. The Group also engages in property development in PRC and UK.

Revenue and non-current assets (excluding financial instruments and deferred income tax assets) are shown by the geographical areas where the assets are located.

	Revenue	
	2021 $'000	2020 $'000
Singapore	**2,103,220**	1,452,583
PRC	**240,964**	380,847
UK	**147,518**	33,212
Australia	**93,246**	79,050
Vietnam	**10,023**	12,717
Malaysia	**7,420**	12,603
Myanmar	**3,568**	5,140
Others	**877**	996
	2,606,836	1,977,148

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

38. GROUP SEGMENTAL INFORMATION (continued)

	Non-current assets	
	2021	2020
	$'000	$'000
Singapore	**12,662,225**	12,471,618
UK	**953,039**	903,130
Australia	**598,356**	620,125
PRC	**331,769**	356,655
Malaysia	**199,033**	169,617
Vietnam	**32,205**	33,133
Myanmar	**21,492**	27,253
Others	**81,004**	57,715
	14,879,123	14,639,246

There is no single external customer who contributes 10 per cent or more of the Group's revenue during the financial years ended 31 December 2021 and 2020.

39. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 January 2022 and which the Group has not early adopted.

(a) Amendments to SFRS(I) 1-1 Presentation of *Financial Statements*: Classification of Liabilities as Current or Non-current (effective for annual periods beginning on or after 1 January 2023)

The narrow-scope amendments to SFRS(I) 1-1 Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). The amendments also clarify what SFRS(I) 1-1 means when it refers to the 'settlement' of a liability.

The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity.

The Group does not expect any significant impact arising from applying these amendments.

(b) Amendments to SFRS(I) 1-16 *Property, Plant and Equipment*: Proceeds before Intended Use (effective for annual periods beginning on or after 1 January 2022)

The amendment to SFRS(I) 1-16 Property, Plant and Equipment (PP&E) prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment.

Entities must disclose separately the amounts of proceeds and costs relating to items produced that are not an output of the entity's ordinary activities.

The Group does not expect any significant impact arising from applying these amendments.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

39. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS (continued)

(c) Amendments to SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*: Onerous Contracts – Cost of Fulfilling a Contract (effective for annual periods beginning on or after 1 January 2022)

An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the costs of fulfilling it and any compensation or penalties arising from failure to fulfil it. The amendment to SFRS(I) 1-37 clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts.

The Group does not expect any significant impact arising from applying these amendments.

40. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of UOL Group Limited on 28 February 2022.

INTERESTED PERSON TRANSACTIONS

For the Financial Year Ended 31 December 2021

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual) $'000
Directors and their associates		
1 Singapore Chartered Tax Professionals Limited. Unit #28-02 at United Square – receipt of rental and service income	Associate of a director	301
Kheng Leong Co (Pte) Ltd and/or its subsidaries ("KLC")		
2 Secure Venture Development (Alexandra) Pte. Ltd. ("SVDA")[1], a joint venture with an associate of certain directors for the development of Principal Garden – charging of project management fee and accounting fee income	Associate of certain directors	173
3 Secure Venture Development (No. 1) Pte. Ltd. ("SVD1")[1], a joint venture with an associate of certain directors for the development of MEYER HOUSE – charging of project management fee and marketing fee income – provision of shareholders' loans and charging of interest income on shareholders' loans	Associate of certain directors	5,045
4 United Venture Development (Silat) Pte. Ltd. ("UVDS")[1], a joint venture with an associate of certain directors for the development of Avenue South Residence – charging of project management fee, marketing fee and accounting fee income – provision of shareholders' loans and charging of interest income on shareholders' loans	Associate of certain directors	14,842
5 United Venture Development (2020) Pte. Ltd. ("UVD2020")[1], a joint venture with an associate of certain directors for the development of The Watergardens at Canberra – charging of project management fee, marketing fee and accounting fee income – provision of shareholders' loans and charging of interest income on shareholders' loans	Associate of certain directors	8,410
6 United Venture Development (2021) Pte. Ltd. ("UVD2021")[1], a joint venture with an associate of certain directors for the development at Ang Mo Kio Avenue 1 – charging of accounting fee income – provision of shareholders' loans and charging of interest income on shareholders' loans	Associate of certain directors	100,559

INTERESTED PERSON TRANSACTIONS

For the Financial Year Ended 31 December 2021

Name of interested person		Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual) $'000
7	Jin Qing (Shanghai) Investment Consultancy Co., Ltd[1] – payment of shared payroll costs of project management team by Shanghai JinPeng Realty Co., Ltd ("SJRCL"), a joint venture with an associate of certain directors for the development of Park Eleven[2]	Associate of certain directors	376

Footnotes

(1) The amounts disclosed do not include amounts paid to KLC by Singapore Land Group Limited ("SingLand"), a subsidiary of the Company listed on the SGX-ST, and the relevant joint venture entity (i.e. SVDA, SVD1, UVDS, UVD2020, UVD2021 and SJRCL) for services provided by KLC to SVDA, SVD1, UVDS, UVD2020, UVD2021 and SJRCL.

(2) Based on the average rate of RMB1: SGD0.20841 for 2021. The amount disclosed is the amount at risk for the Group based on the proportion of the Group's investment in SJRCL, namely its 40% stake in SJRCL's equity held through the Group's wholly-owned subsidiary UOL Capital Investments Pte. Ltd.

MATERIAL CONTRACTS

Except as disclosed under the section on Interested Person Transactions above and in Note 37 (Related Party Transactions) of the Notes to the Financial Statements, there were no other material contracts of the Company or its subsidiaries involving the interests of the Group Chief Executive (as defined in the SGX-ST Listing Manual), each director or controlling shareholder, either still subsisting at the end of the financial year or if not then subsisting entered into since the end of the previous financial year.

SHAREHOLDING STATISTICS

As at 8 March 2022

Class of shares	:	Ordinary shares
Voting rights	:	One vote per share
No. of Treasury Shares	:	Nil
No. of Subsidiary Holdings#	:	Nil

SIZE OF SHAREHOLDERS

RANGE	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	5,645	22.06	156,844	0.02
100 – 1,000	9,012	35.22	3,935,538	0.47
1,001 – 10,000	8,859	34.62	31,361,965	3.71
10,001 – 1,000,000	2,043	7.99	88,526,655	10.48
1,000,001 AND ABOVE	28	0.11	720,377,230	85.32
TOTAL	**25,587**	**100.00**	**844,358,232**	**100.00**

LOCATION OF SHAREHOLDERS

COUNTRY	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
SINGAPORE	22,361	87.34	835,947,215	99.00
MALAYSIA	2,775	10.84	7,192,833	0.85
OTHERS	465	1.82	1,218,184	0.15
TOTAL	**25,601**	**100.00**	**844,358,232**	**100.00**

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1.	WEE INVESTMENTS (PTE) LIMITED*	129,845,636	15.38
2.	C. Y. WEE & COMPANY PRIVATE LIMITED	115,162,017	13.64
3.	CITIBANK NOMINEES SINGAPORE PTE LTD	97,240,232	11.52
4.	HSBC (SINGAPORE) NOMINEES PTE LTD	91,423,520	10.83
5.	TYE HUA NOMINEES (PTE) LTD	59,258,209	7.02
6.	DBSN SERVICES PTE. LTD.	57,186,666	6.77
7.	RAFFLES NOMINEES (PTE) LIMITED	45,230,122	5.36
8.	HAW PAR CAPITAL PTE LTD	38,649,505	4.58
9.	HAW PAR INVESTMENT HOLDINGS PRIVATE LIMITED	28,705,436	3.40
10.	DBS NOMINEES (PRIVATE) LIMITED	18,152,799	2.15
11.	BPSS NOMINEES SINGAPORE (PTE.) LTD.	6,539,550	0.77
12.	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	3,799,104	0.45
13.	WEE CHO YAW	3,661,566	0.43
14.	KAH MOTOR CO SDN BHD	3,477,010	0.41
15.	HO HAN LEONG CALVIN	2,765,000	0.33
16.	NGEE ANN DEVELOPMENT PTE LTD	2,154,334	0.26
17.	PHILLIP SECURITIES PTE LTD	1,988,069	0.24
18.	PICKWICK SECURITIES PRIVATE LIMITED	1,888,037	0.22
19.	UOB KAY HIAN PRIVATE LIMITED	1,809,488	0.21
20.	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	1,647,646	0.20
	TOTAL	**710,583,946**	**84.17**

Based on information available to the Company as at 8 March 2022, approximately 48.47% of the issued ordinary shares of the Company is held by the public and therefore, Rule 723 of the SGX-ST Listing Manual is complied with.

"Subsidiary Holdings" is defined in the SGX-ST Listing Manual to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act 1967.

* The information does not take into account the 1,863,000 shares purchased by Wee Investments (Pte) Limited between 7 March 2022 and 8 March 2022.

SHAREHOLDING STATISTICS

As at 8 March 2022

SUBSTANTIAL SHAREHOLDERS OF UOL GROUP LIMITED

as shown in the Register of Substantial Shareholders

		NO. OF SHARES FULLY PAID			
NO.	NAME	DIRECT INTEREST	DEEMED INTEREST	TOTAL	%[1]
1.	Wee Cho Yaw	3,661,566	318,933,739 [2]	322,595,305	38.21
2.	Wee Ee Cheong	318,417	246,968,947 [3]	247,287,364	29.29
3.	Wee Ee-chao	31,735	132,001,057 [4]	132,032,792	15.64
4.	Wee Ee Lim	260,975	131,726,954 [5]	131,987,929	15.63
5.	Wee Investments (Pte) Limited	131,708,836	–	131,708,836	15.60
6.	C. Y. Wee & Company Private Limited	115,162,017	–	115,162,017	13.64
7.	Haw Par Corporation Limited	–	72,044,768 [6]	72,044,768	8.53
8.	United Overseas Bank Limited (“UOB”)	–	59,489,198 [7]	59,489,198	7.05
9.	Silchester International Investors LLP	–	49,616,566 [8]	49,616,566	5.88

Notes:

1. As a percentage of the issued share capital of the Company, comprising 844,358,232 shares.

2. Dr Wee Cho Yaw’s deemed interest in the shares arises as follows:
   (a) 131,708,836 shares held by Wee Investments (Pte) Limited
   (b) 115,162,017 shares held by C. Y. Wee & Company Private Limited
   (c) 72,044,768 shares which Haw Par Corporation Limited is deemed to be interested in
   (d) 18,118 shares held by Kheng Leong Company (Private) Limited

3. Mr Wee Ee Cheong’s deemed interest in the shares arises as follows:
   (a) 131,708,836 shares held by Wee Investments (Pte) Limited
   (b) 115,162,017 shares held by C. Y. Wee & Company Private Limited
   (c) 79,976 shares held by E. C. Wee Pte Ltd
   (d) 18,118 shares held by Kheng Leong Company (Private) Limited

4. Mr Wee Ee-chao’s deemed interest in the shares arises as follows:
   (a) 131,708,836 shares held by Wee Investments (Pte) Limited
   (b) 274,103 shares held by Protheus Investment Holdings Pte Ltd
   (c) 18,118 shares held by Kheng Leong Company (Private) Limited

5. Mr Wee Ee Lim’s deemed interest in the shares arises as follows:
   (a) 131,708,836 shares held by Wee Investments (Pte) Limited
   (b) 18,118 shares held by Kheng Leong Company (Private) Limited

6. Haw Par Corporation Limited’s deemed interest in the shares arises as follows:
   (a) 38,649,505 shares held by Haw Par Capital Pte Ltd
   (b) 28,705,436 shares held by Haw Par Investment Holdings Private Limited
   (c) 1,888,037 shares held by Pickwick Securities Private Limited
   (d) 1,539,974 shares held by Straits Maritime Leasing Private Limited
   (e) 695,598 shares held by Haw Par Equities Pte Ltd
   (f) 324,209 shares held by Haw Par Trading Pte Ltd
   (g) 242,009 shares held by M & G Maritime Services Pte. Ltd.

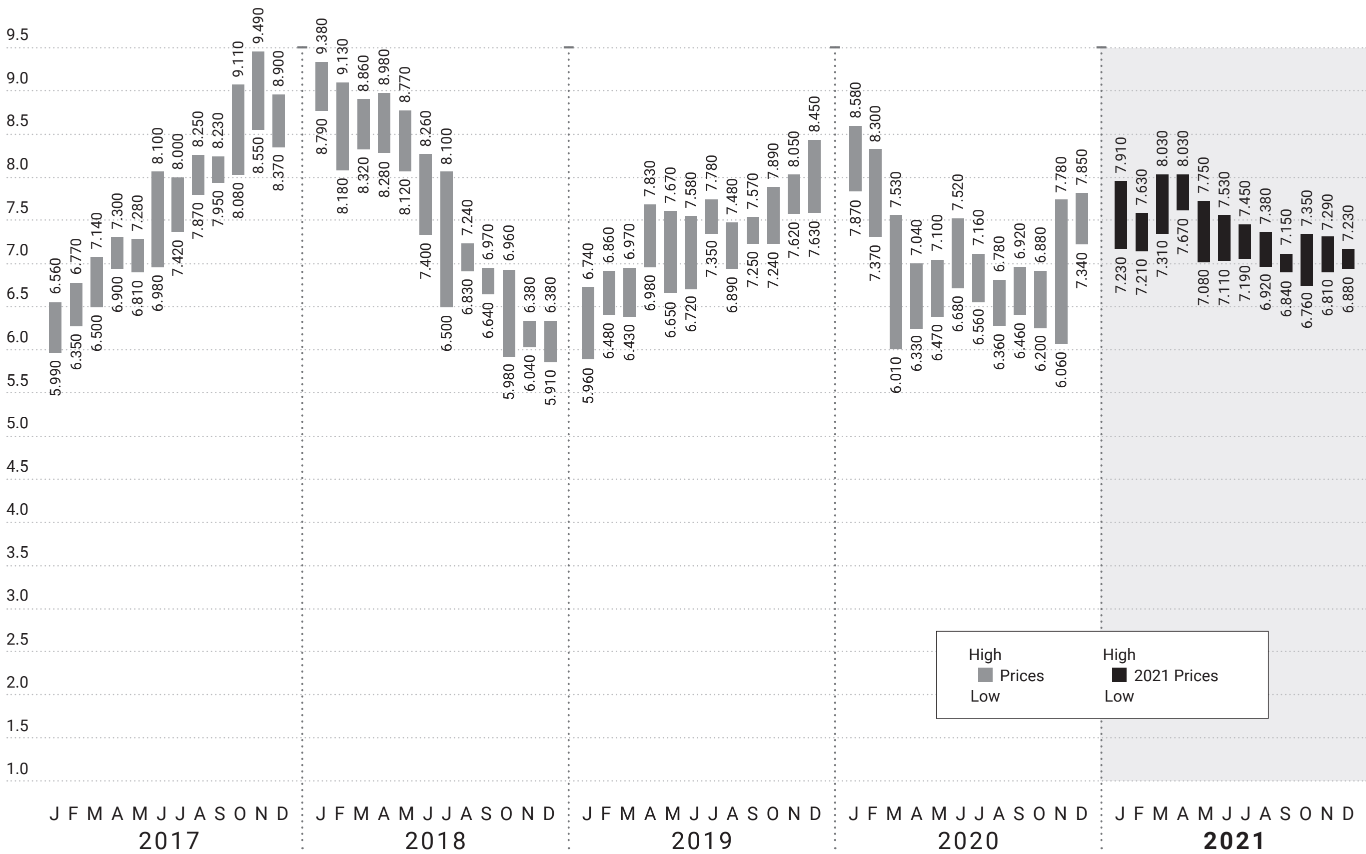
7. UOB’s deemed interest in the shares arises as follows:
   (a) 59,245,898 shares held in the name of Tye Hua Nominees (Private) Limited for the benefit of UOB
   (b) 243,300 shares held by UOB Asset Management Ltd (“UOBAM”) as client portfolios managed by UOBAM (Discretionary)

8. Silchester International Investors LLP’s deemed interest in the shares arises as it acts as investment manager in respect of 49,616,566 shares held under a number of commingled funds.

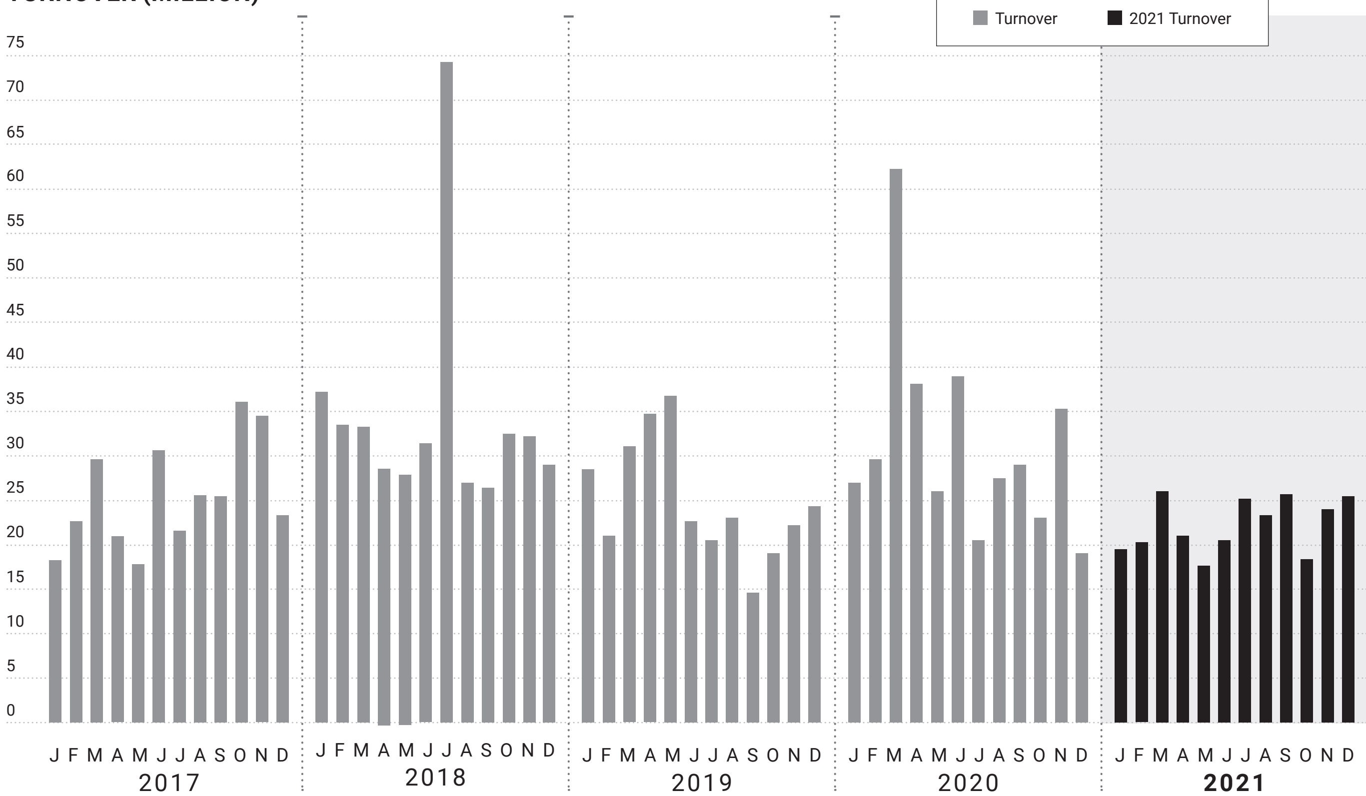
SHARE PRICE AND TURNOVER

For the period from 1 January 2017 to 31 December 2021

SHARE PRICE ($)



TURNOVER (MILLION)



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 59th Annual General Meeting of UOL Group Limited (the "Company") will be convened and held by way of electronic means on Wednesday, 27 April 2022 at 3.30 p.m. (Singapore time) to transact the following business:

AS ORDINARY BUSINESS

Resolution 1 To receive and adopt the Directors' Statement and the Audited Financial Statements for the year ended 31 December 2021 together with the Auditor's Report.

Resolution 2 To declare a first and final tax exempt (one-tier) dividend of 15.0 cents per ordinary share for the year ended 31 December 2021.

Resolution 3 To approve Directors' fees of $827,000 for 2021 (2020: $818,750).

Resolution 4 To re-elect Mr Wee Ee Lim, who retires by rotation pursuant to Article 94 of the Company's Constitution, as Director of the Company.

Resolution 5 To re-elect Mr Liam Wee Sin, who retires by rotation pursuant to Article 94 of the Company's Constitution, as Director of the Company.

Resolution 6 To re-elect Mr Lee Chin Yong Francis, who retires by rotation pursuant to Article 94 of the Company's Constitution, as Director of the Company.

Resolution 7 To re-appoint PricewaterhouseCoopers LLP as Auditor of the Company and authorise the Directors to fix its remuneration.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without amendments, the following resolutions as Ordinary Resolutions:

Resolution 8 "That authority be and is hereby given to the Directors of the Company to:

(a) (i) issue shares of the Company ("shares") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions, and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

(1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with paragraph (2) below), of which the aggregate number of shares to be issued other than on a *pro rata* basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 20% of the total number of issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with paragraph (2) below);

NOTICE OF ANNUAL GENERAL MEETING

(2) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited ("SGX-ST")) for the purpose of determining the aggregate number of shares that may be issued under paragraph (1) above, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:

(i) any new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and are outstanding or subsisting at the time this Resolution is passed; and

(ii) any subsequent bonus issue, consolidation or subdivision of shares,

and, in paragraph (1) above and this paragraph (2), "subsidiary holdings" has the meaning given to it in the Listing Manual of the SGX-ST;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and

(4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier."

Resolution 9 "That:

(a) for the purposes of Sections 76C and 76E of the Companies Act 1967 (the "Companies Act"), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares of the Company ("Shares") not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:

(i) on-market purchase(s) (each a "Market Purchase") on the Singapore Exchange Securities Trading Limited ("SGX-ST"); and/or

(ii) off-market purchase(s) (each an "Off-Market Purchase") effected otherwise than on the SGX-ST in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws, regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "Share Buyback Mandate");

(b) the authority conferred on the Directors of the Company pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:

(i) the date on which the next Annual General Meeting of the Company is held or required by law to be held;

(ii) the date on which the authority conferred by the Share Buyback Mandate is revoked or varied by shareholders of the Company in a general meeting; and

(iii) the date on which purchases or acquisitions of Shares pursuant to the Share Buyback Mandate are carried out to the full extent mandated;

NOTICE OF ANNUAL GENERAL MEETING

(c) in this Resolution:

"Maximum Limit" means that number of issued Shares representing 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings (as defined in the Listing Manual of the SGX-ST)) as at the date of the passing of this Resolution;

"Maximum Price", in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) which shall not exceed:

(i) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and

(ii) in the case of an Off-Market Purchase, 120% of the Average Closing Price of the Shares,

where:

"Average Closing Price" means the average of the closing market prices of the Shares over the last 5 market days, on which transactions in the Shares were recorded, before the date on which the Market Purchase is made or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant 5 market days and the date on which the Market Purchase is made or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase;

"date of the making of the offer" means the date on which the Company makes an offer for the purchase or acquisition of Shares from shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme(s) for effecting the Off-Market Purchase; and

"market day" means a day on which the SGX-ST is open for securities trading; and

(d) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution."

Resolution 10 "That:

(a) a new share option scheme to be known as the "UOL 2022 Share Option Scheme" (the "UOL 2022 Scheme"), under which options to acquire ordinary shares of the Company ("Shares") will be granted to eligible selected employees (including executive directors) of the Company, its subsidiaries and associated companies, details of which are set out in the Company's Letter to Shareholders dated 5 April 2022, be and is hereby approved;

(b) the Directors of the Company be and are hereby authorised:

(i) to establish and administer the UOL 2022 Scheme;

(ii) to modify and/or alter the UOL 2022 Scheme from time to time and at any time, provided that such modification and/or alteration is effected in accordance with the rules of the UOL 2022 Scheme; and

(iii) to do all such acts and to enter into all such transactions and arrangements as may be necessary or expedient in order to give full effect to the UOL 2022 Scheme; and

NOTICE OF ANNUAL GENERAL MEETING

(c) the Directors of the Company be and are hereby authorised to offer and grant options in accordance with the rules of the UOL 2022 Scheme, and to allot and issue from time to time such number of Shares as may be required to be delivered pursuant to the exercise of options under the UOL 2022 Scheme, provided that the aggregate number of new Shares allotted and issued and/or to be allotted and issued, when aggregated with existing Shares (including treasury shares) delivered and/or to be delivered pursuant to options granted under the UOL 2022 Scheme, and all Shares, options or awards granted under any other share schemes of the Company then in force (for the avoidance of doubt, excluding any share schemes which have expired or been terminated), shall not exceed 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings (as defined in the Listing Manual of the Singapore Exchange Securities Trading Limited)) from time to time."

BY ORDER OF THE BOARD

Yeong Sien Seu
Company Secretary

Singapore, 5 April 2022

NOTICE OF ANNUAL GENERAL MEETING

NOTES:

1. The Annual General Meeting is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. This Notice will be sent to members by electronic means via publication on the Company's website at the URL https://www.uol.com.sg/investors-and-media/announcements/, and will also be made available on the SGX website at the URL https://www.sgx.com/securities/company-announcements/. For convenience, printed copies of this Notice will also be sent by post to members.

2. Alternative arrangements relating to attendance at the Annual General Meeting via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the Meeting in advance of the Annual General Meeting, addressing of substantial and relevant questions prior to, or at, the Annual General Meeting and voting by appointing the Chairman of the Meeting as proxy at the Annual General Meeting, are set out in the accompanying Company's announcement dated 5 April 2022. This announcement may be accessed at the Company's website at the URL https://www.uol.com.sg/investors-and-media/announcements/, and will also be made available on the SGX website at the URL https://www.sgx.com/securities/company-announcements/. For convenience, printed copies of this announcement will also be sent by post to members.

3. **As a precautionary measure due to the current COVID-19 situation in Singapore, a member will not be able to attend the Annual General Meeting in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Annual General Meeting if such member wishes to exercise his/her/its voting rights at the Annual General Meeting.** The accompanying proxy form for the Annual General Meeting may be accessed at the Company's website at the URL https://www.uol.com.sg/investors-and-media/announcements/, and will also be made available on the SGX website at the URL https://www.sgx.com/securities/company-announcements/. For convenience, printed copies of the proxy form will also be sent by post to members.

   Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstention from voting, in respect of a resolution in the proxy form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

   CPF and SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 14 April 2022.

4. The Chairman of the Meeting, as proxy, need not be a member of the Company.

5. The instrument appointing the Chairman of the Meeting as proxy must be submitted to the Company in the following manner:

   (a) if submitted by post, be deposited at the office of Trusted Services Pte. Ltd., 456 Alexandra Road, #14-01, Fragrance Empire Building, Singapore 119962; or

   (b) if submitted electronically:
      (i) be submitted via email to proxyform@trustedservices.com.sg; or
      (ii) be submitted via the pre-registration website at the URL https://online.meetings.vision/uol-agm-registration,

   in either case by 3.30 p.m. on 24 April 2022, being 72 hours before the time appointed for holding the Annual General Meeting.

   A member who wishes to submit an instrument of proxy can either use the printed copy of the proxy form which is sent to him/her/it by post or download a copy of the proxy form from the Company's website or the SGX website, and complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above or via the pre-registration website at the URL provided above.

   Due to the current COVID-19 situation in Singapore, members are strongly encouraged to submit completed proxy forms electronically via email or through the pre-registration website.

NOTICE OF ANNUAL GENERAL MEETING

6. The Company's Annual Report 2021 and the Letter to Shareholders dated 5 April 2022 (in relation to the proposed renewal of the Share Buyback Mandate and the proposed adoption of the UOL 2022 Share Option Scheme) (the "Letter") may be accessed at the Company's website as follows:

   (a) the Company's Annual Report 2021 may be accessed at the URL http://www.uol.com.sg/ by clicking the hyperlink under "Annual Report"; and

   (b) the Letter may be accessed at the URL http://www.uol.com.sg/investors-and-media/overview/ by clicking the hyperlink under "Letters to Shareholders".

   The above documents will also be made available on the SGX website at the URL https://www.sgx.com/securities/company-announcements/. Members may request for printed copies of the Company's Annual Report 2021 and/or the Letter by completing and submitting the Request Form sent by post to members.

PERSONAL DATA PROTECTION:

All personal data collected by the Company (including its agents/service providers) shall be subject to the Company's data protection policy, which is published on its corporate website at the URL http://www.uol.com.sg/. In particular, by submitting any instrument appointing the Chairman of the Meeting as proxy to attend, speak and vote at the Annual General Meeting (including any adjournment thereof), a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (including its agents/service providers) for the purposes of processing, administration and analysis in relation to the appointment of the Chairman of the Meeting as proxy by that member, preparation and compilation of attendance lists, minutes and any other document related to the Annual General Meeting (including any adjournment thereof), general administration and analysis undertaken in connection with the Annual General Meeting, and compliance with any applicable laws, listing rules, take-over rules, regulations and/or guidelines.

EXPLANATORY NOTES TO RESOLUTIONS:

1. In relation to **Resolution 4**, Mr Wee Ee Lim will, upon re-election, continue to serve as the Deputy Chairman of the Board of Directors, the Deputy Chairman of the Executive Committee and a Member of the Nominating Committee and Remuneration Committee. He is considered a non-independent Director. Mr Wee is the son of Dr Wee Cho Yaw, Chairman and substantial shareholder[1] of the Company. Mr Wee is also the brother of Mr Wee Ee-chao, Director and substantial shareholder[1] of the Company and Mr Wee Ee Cheong, substantial shareholder[1] of the Company. Please refer to the "Board of Directors", "Corporate Governance Report" and "Supplemental Information" sections of the Company's Annual Report 2021 for information on Mr Wee.

2. In relation to **Resolution 5**, Mr Liam Wee Sin will, upon re-election, continue to serve as Group Chief Executive of the Company and a Member of the Executive Committee. He is considered an executive and non-independent Director. There are no relationships (including immediate family relationships) between Mr Liam and the other Directors, the Company, its related corporations, its substantial shareholder[1] or its officers. Please refer to the "Board of Directors", "Corporate Governance Report" and "Supplemental Information" sections of the Company's Annual Report 2021 for information on Mr Liam.

3. In relation to **Resolution 6**, Mr Lee Chin Yong Francis will, upon re-election, continue to serve as a Member of the Executive Committee, Audit & Risk Committee and Nominating Committee. He is considered an independent Director. There are no relationships (including immediate family relationships) between Mr Lee and the other Directors, the Company, its related corporations, its substantial shareholders[1] or its officers. Please refer to the "Board of Directors", "Corporate Governance Report" and "Supplemental Information" sections of the Company's Annual Report 2021 for information on Mr Lee.

NOTICE OF ANNUAL GENERAL MEETING

4. **Resolution 8** is to authorise the Directors from the date of the Meeting until the next Annual General Meeting is held or required by law to be held, whichever is the earlier (unless such authority is revoked or varied at a general meeting), to issue, or agree to issue shares and/or grant instruments that might require shares to be issued, up to a number not exceeding 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) (calculated as described) of which the total number of shares to be issued other than on a *pro rata* basis to shareholders of the Company does not exceed 20% of the total number of issued shares (excluding treasury shares and subsidiary holdings) (calculated as described). As at 8 March 2022, the Company did not have treasury shares or subsidiary holdings.

5. **Resolution 9** is to renew the Share Buyback Mandate, which was approved at the 58th Annual General Meeting of the Company on 23 April 2021.

   The Company intends to use its internal resources or external borrowings, or combination of both, to finance its purchase or acquisition of the Shares. The amount of financing required for the Company to purchase or acquire its Shares and the impact on the Company's financial position, cannot be ascertained as at the date of this Notice of Annual General Meeting as these will depend on, *inter alia*, the aggregate number of Shares purchased or acquired and the consideration paid at the relevant time.

   Purely for illustrative purposes only, the financial effects of the purchase or acquisition of such Shares by the Company pursuant to the proposed Share Buyback Mandate on the audited financial statements of the Group and the Company for the financial year ended 31 December 2021, based on certain assumptions, are set out in Appendix A of the Letter to Shareholders dated 5 April 2022 (the "Letter").

   Please refer to the Letter for more details.

6. **Resolution 10** is to approve the adoption of the UOL 2022 Share Option Scheme (the "UOL 2022 Scheme") which is intended as a successor share option scheme to the UOL 2012 Share Option Scheme which will lapse and expire on 18 April 2022, and to empower the Directors of the Company to offer and grant options under the UOL 2022 Scheme, and to allot and issue ordinary shares of the Company pursuant to the exercise of options granted under the UOL 2022 Scheme, provided that the aggregate number of new shares which may be issued, when aggregated with existing shares (including treasury shares) delivered and/or to be delivered pursuant to the UOL 2022 Scheme, and all shares, options or awards granted under any other share schemes of the Company then in force (for the avoidance of doubt, excluding any share schemes which have expired or been terminated), does not exceed 10% of the total number of issued shares of the Company (excluding treasury shares and subsidiary holdings) from time to time. To avoid doubt, shares of the Company which have been issued and new shares which may be issued pursuant to the exercise of options granted under the UOL 2012 Share Option Scheme shall be excluded from the aforesaid limit.

   Please refer to the Letter for more details.

1. A "substantial shareholder" is a shareholder who has an interest or interests in one or more voting shares (excluding treasury shares) in the Company and the total votes attached to that share, or those shares, is not less than 5% of the total votes attached to all voting shares (excluding treasury shares) in the Company.

SUPPLEMENTAL INFORMATION

The following information relating to Mr Wee Ee Lim, Mr Liam Wee Sin and Mr Lee Chin Yong Francis, each of whom is standing for re-election as a Director at the upcoming 59th Annual General Meeting of UOL Group Limited ("**UOL**" or the "**Company**") to be held on 27 April 2022, is provided pursuant to Rule 720(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

Name	**Mr Wee Ee Lim**
Date of appointment	9 May 2006
Date last re-elected (if applicable)	25 April 2019
Age	60
Country of principal residence	Singapore
The Board's comments on the re-election/appointment	The Board had considered the Nominating Committee's recommendation and assessment on Mr Wee's background, experience and commitment in the discharge of his duties as a Director of the Company, and is satisfied that he will continue to contribute to the Board.
Whether appointment is executive and if so, the area of responsibility	Non-Executive
Job title	• Deputy Chairman • Non-Executive and Non-Independent Director • Executive Committee (Deputy Chairman) • Remuneration Committee (Member) • Nominating Committee (Member)
Professional qualifications	Please refer to the "Board of Directors" section of the Annual Report.
Working experience and occupation(s) during the past 10 years	Mr Wee is the President & Chief Executive Officer of Haw Par Corporation Limited ("HPC"), a mainboard-listed company with businesses in the healthcare, leisure, property and investment sectors. Mr Wee joined HPC in 1986. He was appointed to the board of HPC in 1994 and to his current role of President and Chief Executive Officer in 2003. Please refer to the "Board of Directors" section of the Annual Report for Mr Wee's biography.
Shareholding interest in the Company and its subsidiaries	**UOL Group Limited** Direct – 260,975 shares Deemed – 131,728,315 shares

Mr Liam Wee Sin	Mr Lee Chin Yong Francis
25 April 2019	2 January 2020
–	–
63	67
Singapore	Malaysia
The Board had considered the Nominating Committee's recommendation and assessment on Mr Liam's background, experience and commitment in the discharge of his duties as a Director of the Company, and is satisfied that he will continue to contribute to the Board.	The Board had considered the Nominating Committee's recommendation and assessment on Mr Lee's background, experience, independence and commitment in the discharge of his duties as a Director of the Company, and is satisfied that he will continue to contribute to the Board.
Executive. Mr Liam is the Group Chief Executive of the Company. He is responsible for managing the business of UOL and its subsidiaries, and developing and implementing Board approved strategies.	Non-Executive
• Group Chief Executive • Non-Independent and Executive Director • Executive Committee (Member)	• Non-Executive and Independent Director • Executive Committee (Member) • Nominating Committee (Member) • Audit and Risk Committee (Member)
Please refer to the "Board of Directors" section of the Annual Report.	Please refer to the "Board of Directors" section of the Annual Report.
2011 – 2015 President (Property) of UOL **2015 – 2018** Deputy Group Chief Executive Officer of UOL **2019 – present** Group Chief Executive of UOL Please refer to the "Board of Directors" section of the Annual Report for Mr Liam's biography.	**2010 – 2018** Head of Group Retail (Personal Financial Services and Business Banking), United Overseas Bank Limited ("UOB") **2018 – 2019** Adviser to Group Retail, UOB Please refer to the "Board of Directors" section of the Annual Report for Mr Lee's biography.
UOL Group Limited Direct – 288,777 shares Share options*: • 80,000 UOL Share Option 2013 • 60,000 UOL Share Option 2014 • 60,000 UOL Share Option 2015 • 60,000 UOL Share Option 2016 • 60,000 UOL Share Option 2017 • 60,000 UOL Share Option 2018 • 60,000 UOL Share Option 2019 • 100,000 UOL Share Option 2020 • 120,000 UOL Share Option 2021 * The information does not take into account the 120,000 UOL Share Option 2022 accepted by Mr Liam Wee Sin on 10 March 2022.	No

SUPPLEMENTAL INFORMATION

Name	Mr Wee Ee Lim
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the Company and/or substantial shareholder of the Company or of any of its principal subsidiaries	Mr Wee is the son of Dr Wee Cho Yaw, Chairman and substantial shareholder of the Company. Mr Wee is also the brother of Mr Wee Ee-chao, Director and substantial shareholder of the Company and Mr Wee Ee Cheong, substantial shareholder of the Company.
Conflict of interest (including any competing business)	Mr Wee is a substantial shareholder (direct and deemed interest) of approximately 15.63% of the shares of the Company.
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the Company	Yes
Other principal commitments (including directorships) – Present	Please refer to the "Board of Directors" section of the Annual Report.
Other principal commitments (including directorships) – Past, for the last 5 years	Nil
Disclosure on the following matters concerning the Director/proposed Director:	
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No
(c) Whether there is any unsatisfied judgment against him?	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No

Mr Liam Wee Sin	Mr Lee Chin Yong Francis
No	No
Mr Liam has a direct interest of approximately 0.03% of the shares of the Company.	No
Yes	Yes
Please refer to the “Board of Directors” section of the Annual Report.	Please refer to the “Board of Directors” section of the Annual Report.
Nil	Please refer to the “Board of Directors” section of the Annual Report.
No	No
No	No
No	No
No	No

SUPPLEMENTAL INFORMATION

Name		Mr Wee Ee Lim
(e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No
(f)	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No
(g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
(h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No
(i)	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No

Mr Liam Wee Sin	Mr Lee Chin Yong Francis
No	No
No	No
No	No
No	No
No	No

SUPPLEMENTAL INFORMATION

Name	**Mr Wee Ee Lim**
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :—	
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,	No
in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No
Disclosure applicable to the proposed appointment of Director only:	
Any prior experience as a director of an issuer listed on the Exchange?	Not applicable
If yes, please provide details of prior experience.	–
If no, please state if the Director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.	Not applicable
Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	–

Mr Liam Wee Sin	Mr Lee Chin Yong Francis
No	No
No	No
No	No
No	No
No	No
Not applicable	Not applicable
–	–
Not applicable	Not applicable
–	–

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PROXY FORM

Annual General Meeting

UOL GROUP LIMITED

(Incorporated in Singapore)
Company Registration No. 196300438C

IMPORTANT:

1. The Annual General Meeting is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. The Notice of Annual General Meeting will be sent to members by electronic means via publication on the Company's website at the URL https://www.uol.com.sg/investors-and-media/announcements/ and on the SGX website at the URL https://www.sgx.com/securities/company-announcements/. For convenience, printed copies of the Notice of Annual General Meeting will also be sent by post to members.
2. Alternative arrangements relating to attendance at the Annual General Meeting via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the Meeting in advance of the Annual General Meeting, addressing of substantial and relevant questions prior to, or at, the Annual General Meeting and voting by appointing the Chairman of the Meeting as proxy at the Annual General Meeting, are set out in the accompanying Company's announcement dated 5 April 2022. This announcement may be accessed at the Company's website at the URL https://www.uol.com.sg/investors-and-media/announcements/, and will also be made available on the SGX website at the URL https://www.sgx.com/securities/company-announcements/. For convenience, printed copies of this announcement will also be sent by post to members.
3. **As a precautionary measure due to the current COVID-19 situation in Singapore, a member will not be able to attend the Annual General Meeting in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Annual General Meeting if such member wishes to exercise his/her/its voting rights at the Annual General Meeting.**
4. CPF and SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 14 April 2022.
5. **Please read the notes overleaf which contain instructions on, inter alia, the appointment of the Chairman of the Meeting as a member's proxy to attend, speak and vote on his/her/its behalf at the Annual General Meeting.**

PERSONAL DATA PROTECTION:

By submitting an instrument appointing the Chairman of the Meeting as proxy, the member accepts and agrees to the personal data protection terms set out in the Notice of Annual General Meeting dated 5 April 2022.

I/We, ______________________________ (Name) ____________________ (NRIC/Passport/Co. Reg. No.(s))
of ____ (Address)

being a member/members of UOL GROUP LIMITED (the "Company"), hereby appoint the Chairman of the Meeting as my/our proxy to attend, speak and vote for me/us and on my/our behalf at the 59th Annual General Meeting of the Company to be convened and held by way of electronic means on Wednesday, 27 April 2022 at 3.30 p.m. (Singapore time) and at any adjournment thereof as indicated below.

No.	Resolutions	For *	Against *	Abstain *
Ordinary Business				
1	Adoption of Directors' Statement, Audited Financial Statements and Auditor's Report			
2	Declaration of a First and Final Dividend			
3	Approval of Directors' Fees			
4	Re-election of Mr Wee Ee Lim as Director			
5	Re-election of Mr Liam Wee Sin as Director			
6	Re-election of Mr Lee Chin Yong Francis as Director			
7	Re-appointment of PricewaterhouseCoopers LLP as Auditor			
Special Business				
8	Authority for Directors to Issue Shares (General Share Issue Mandate)			
9	Renewal of Share Buyback Mandate			
10	Approval of UOL 2022 Share Option Scheme (the "UOL 2022 Scheme") and authority for Directors to grant options, and to allot and issue shares, pursuant to the UOL 2022 Scheme			

* Voting will be conducted by poll. If you wish the Chairman of the Meeting as your proxy to cast all your votes "For" or "Against" a resolution, please indicate with an "X" in the "For" or "Against" box provided in respect of that resolution. Alternatively, please indicate the number of votes "For" or "Against" in the "For" or "Against" box provided in respect of that resolution. If you wish the Chairman of the Meeting as your proxy to abstain from voting on a resolution, please indicate with an "X" in the "Abstain" box provided in respect of that resolution. Alternatively, please indicate the number of shares that the Chairman of the Meeting as your proxy is directed to abstain from voting in the "Abstain" box provided in respect of that resolution. **In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the Meeting as your proxy for that resolution will be treated as invalid.**

Dated this ____________ day of ____________ 2022

Shares in:	Total No. of Shares Held
(a) Depository Register	
(b) Register of Members	
Total	

____
Signature(s) or Common Seal of Member(s)

IMPORTANT: PLEASE READ NOTES ON THE REVERSE

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of shares. If you have shares registered in your name in the Register of Members (maintained by or on behalf of the Company), you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this instrument of proxy shall be deemed to relate to all the shares held by you.

2. **As a precautionary measure due to the current COVID-19 situation in Singapore, a member will not be able to attend the Annual General Meeting in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Annual General Meeting if such member wishes to exercise his/her/its voting rights at the Annual General Meeting.** This proxy form may be accessed at the Company's website at the URL https://www.uol.com.sg/investors-and-media/announcements/, and will also be made available on the SGX website at the URL https://www.sgx.com/securities/company-announcements/. For convenience, printed copies of this proxy form will also be sent by post to members. Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstention from voting, in respect of a resolution in the proxy form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

   CPF and SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 14 April 2022.

3. The Chairman of the Meeting, as proxy, need not be a member of the Company.

4. The instrument appointing the Chairman of the Meeting as proxy must be submitted to the Company in the following manner:

   (a) if submitted by post, be deposited at the office of Trusted Services Pte. Ltd., 456 Alexandra Road, #14-01, Fragrance Empire Building, Singapore 119962; or
   (b) if submitted electronically:
      (i) be submitted via email to proxyform@trustedservices.com.sg; or
      (ii) be submitted via the pre-registration website at the URL https://online.meetings.vision/uol-agm-registration,

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   in either case by 3.30 p.m. on 24 April 2022, being 72 hours before the time appointed for holding the Annual General Meeting.

   A member who wishes to submit an instrument of proxy can either use the printed copy of the proxy form sent to him/her/it by post or download a copy of the proxy form from the Company's website or the SGX website, and complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above or via the pre-registration website at the URL provided above.

   Due to the current COVID-19 situation in Singapore, members are strongly encouraged to submit completed proxy forms electronically via email or through the pre-registration website at the URL https://online.meetings.vision/uol-agm-registration.

5. The instrument appointing the Chairman of the Meeting as proxy must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing the Chairman of the Meeting as proxy is executed by a corporation, it must be executed either under its seal or under the hand of a director or an officer or attorney duly authorised. Where the instrument appointing the Chairman of the Meeting as proxy is signed on behalf of the appointor by an attorney, the power of attorney or other authority under which it is signed (if applicable) or a duly certified copy thereof must (failing previous registration with the Company), if the instrument appointing the Chairman of the Meeting as proxy is submitted by post, be deposited with the instrument or, if the instrument appointing the Chairman of the Meeting as proxy is submitted electronically via email or via the pre-registration website, be submitted electronically with the instrument, failing which the instrument may be treated as invalid.

6. Any reference to a time of day is made by reference to Singapore time.

7. The Company shall be entitled to reject the instrument appointing the Chairman of the Meeting as proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the Meeting as proxy (including any related attachment). In addition, in the case of a member whose shares are entered in the Depository Register, the Company may reject any instrument appointing the Chairman of the Meeting as proxy if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 3.30 p.m. on 24 April 2022, being 72 hours before the time appointed for holding the Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

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PROXY FORM

Annual General Meeting

Please Affix Postage Stamp

The Company Secretary
UOL GROUP LIMITED
c/o
TRUSTED SERVICES PTE. LTD.
456 Alexandra Road, #14-01
Fragrance Empire Building
Singapore 119962

Fold here and seal. Do not staple.

MIX
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UOL
华业集团

Company Registration No.: 196300438C

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Singapore 307591
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www.uol.com.sg