FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::FULL YEARLY RESULTS

Issuer & Securities

Issuer/ Manager

CITY DEVELOPMENTS LIMITED

Securities

CITY DEVELOPMENTS LIMITED - SG1R89002252 - C09

Stapled Security

No

Announcement Details

Announcement Title

Financial Statements and Related Announcement

Date &Time of Broadcast

23-Feb-2023 07:03:18

Status

New

Announcement Sub Title

Full Yearly Results

Announcement Reference

SG230223OTHRYHRK

Submitted By (Co./ Ind. Name)

Enid Ling Peek Fong

Designation

Company Secretary

Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)

Please refer to the attached documents:
1. Condensed Interim Financial Statements for the six months and full year ended 31 December 2022;
2. News Release titled "CDL posts record profit of S$1.3 billion for FY 2022 - highest since inception"; and
3. FY 2022 Results Presentation.

Additional Details

For Financial Period Ended

31/12/2022

Attachments

FY_2022_Interim_FS_Final.pdf

CDL_News_Release_FY 2022_Financial_Results.pdf

CDL_FY_2022_Results_Presentation.pdf

Total size =5452K MB

City Developments Limited and its subsidiaries
Registration Number: 196300316Z

Condensed Interim Financial Statements
For the six months and full year ended
31 December 2022

Condensed Interim Consolidated Statement of Profit or Loss
Six months and full year ended 31 December 2022

		Group			
	Note	**6 months ended 31 December 2022**	**6 months ended 31 December 2021 Restated***	**12 months ended 31 December 2022**	**12 months ended 31 December 2021 Restated***
		$'000	**$'000**	**$'000**	**$'000**
Revenue	5	1,820,860	1,433,664	3,293,413	2,625,853
Cost of sales		(1,157,371)	(872,739)	(2,046,466)	(1,648,140)
Gross profit		663,489	560,925	1,246,947	977,713
Other income		360,510	31,566	1,783,032	87,979
Administrative expenses		(309,394)	(259,655)	(593,680)	(508,922)
Other operating expenses		(278,267)	(98,368)	(475,882)	(241,738)
Impairment loss on other receivables and debt investment		(80,688)	(1,889)	(80,688)	(6,104)
Profit from operating activities		355,650	232,579	1,879,729	308,928
Finance income		44,599	22,839	91,554	36,206
Finance costs		(198,959)	(106,147)	(284,680)	(237,823)
Net finance costs	6	(154,360)	(83,308)	(193,126)	(201,617)
Share of after-tax profit of associates		34,817	252	86,832	30,713
Share of after-tax profit of joint ventures		42,658	55,533	83,332	76,779
Profit before tax	7	278,765	205,056	1,856,767	214,803
Tax expense	8	(109,823)	(59,452)	(542,568)	(87,908)
Profit for the period/year		168,942	145,604	1,314,199	126,895
Attributable to:					
Owners of the Company		165,848	116,799	1,285,322	84,713
Non-controlling interests		3,094	28,805	28,877	42,182
Profit for the period/year		168,942	145,604	1,314,199	126,895
Earnings per share					
- Basic	9	17.6 cents	12.2 cents	140.3 cents	7.9 cents
- Diluted	9	17.4 cents	12.2 cents	135.0 cents	7.9 cents

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities. Restated PBT and PATMI are lower by $12.9MM for FY 2021 vis-à-vis previously reported (refer to note 32).

Condensed Interim Consolidated Statement of Comprehensive Income
Six months and full year ended 31 December 2022

	Note	Group 6 months ended 31 December 2022 $'000	6 months ended 31 December 2021 Restated* $'000	12 months ended 31 December 2022 $'000	12 months ended 31 December 2021 Restated* $'000
Profit for the period/year		168,942	145,604	1,314,199	126,895
Other comprehensive income					
Items that will not be reclassified to profit or loss:					
Defined benefit plan remeasurements		14,742	4,582	14,742	4,582
Net change in fair value of equity investments at FVOCI		75,954	2,650	76,462	3,418
		90,696	7,232	91,204	8,000
Items that are or may be reclassified subsequently to profit or loss:					
Effective portion of changes in fair value of cash flow hedges		17,656	108	18,272	473
Exchange differences on hedges of net investment in foreign operations		(202)	(7,943)	(10,694)	(4,939)
Exchange differences on monetary items forming part of net investments in foreign operations		(49,847)	(24,828)	(101,310)	(20,494)
Exchange differences reclassified to profit or loss on disposal of subsidiaries	26	–	–	85,302	–
Share of translation differences of equity-accounted investees		(40,482)	9,751	(55,147)	25,570
Share of other comprehensive income of equity-accounted investee		615	2,238	615	4,637
Translation differences arising on consolidation of foreign operations		(83,830)	(295)	(145,483)	(18,511)
		(156,090)	(20,969)	(208,445)	(13,264)
Total other comprehensive income for the period/year, net of tax		(65,394)	(13,737)	(117,241)	(5,264)
Total comprehensive income for the period/year		103,548	131,867	1,196,958	121,631
Total comprehensive income attributable to:					
Owners of the Company		117,075	63,489	1,200,991	37,253
Non-controlling interests		(13,527)	68,378	(4,033)	84,378
Total comprehensive income for the period/year		103,548	131,867	1,196,958	121,631

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities (refer to note 32).

Condensed Interim Statements of Financial Position
As at 31 December 2022

	Note	Group 31 December 2022 $'000	Group 31 December 2021 Restated* $'000	Company 31 December 2022 $'000	Company 31 December 2021 $'000
Non-current assets					
Property, plant and equipment	11	4,060,810	5,361,835	45,525	32,543
Investment properties	12	4,967,014	4,982,846	406,491	413,152
Investments in:					
- subsidiaries		–	–	1,949,089	1,996,087
- associates	13	1,263,713	816,979	–	–
- joint ventures	14	1,083,024	1,037,046	37,360	37,360
Financial assets		637,430	740,686	431,599	351,438
Other non-current assets, including derivatives	15	389,373	182,557	6,469,181	6,205,239
		12,401,364	13,121,949	9,339,245	9,035,819
Current assets					
Development properties	16	5,957,597	5,839,471	166,106	175,792
Contract costs		66,877	74,996	–	–
Contract assets		465,018	402,330	–	–
Consumable stocks		8,131	10,771	36	37
Financial assets		7,104	26,848	135	–
Trade and other receivables, including derivatives	17	1,697,338	1,914,478	6,549,415	6,247,402
Cash and cash equivalents		2,363,197	2,100,700	614,499	686,322
		10,565,262	10,369,594	7,330,191	7,109,553
Assets held for sale	18	14,417	388,726	–	–
		10,579,679	10,758,320	7,330,191	7,109,553
Total assets		22,981,043	23,880,269	16,669,436	16,145,372

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities (refer to note 32).

Condensed Interim Statements of Financial Position (cont'd)
As at 31 December 2022

	Note	Group		Company	
		31 December 2022	31 December 2021 Restated*	31 December 2022	31 December 2021
		$'000	$'000	$'000	$'000
Equity attributable to owners of the Company					
Share capital	19	1,991,397	1,991,397	1,991,397	1,991,397
Reserves		7,224,938	6,409,406	4,152,180	4,341,009
		9,216,335	8,400,803	6,143,577	6,332,406
Non-controlling interests		348,487	918,469	–	–
Total equity		9,564,822	9,319,272	6,143,577	6,332,406
Non-current liabilities					
Interest-bearing borrowings	20	7,315,400	5,952,032	6,091,010	3,937,631
Employee benefits		7,304	24,637	–	–
Lease liabilities	24	672,633	246,003	26,642	9,600
Other liabilities, including derivatives	21	136,788	221,866	760,353	8,387
Provisions		16,147	22,129	–	–
Deferred tax liabilities		350,253	196,068	19,384	18,565
		8,498,525	6,662,735	6,897,389	3,974,183
Current liabilities					
Trade and other payables, including derivatives	22	1,466,489	1,469,513	2,243,349	2,621,707
Contract liabilities		613,598	724,077	8,190	–
Interest-bearing borrowings	20	2,354,022	5,187,961	1,361,234	3,200,708
Lease liabilities	24	24,806	19,324	5,880	6,322
Employee benefits		28,563	33,576	1,960	2,960
Provision for taxation		339,768	368,682	7,857	7,086
Provisions	23	90,450	93,928	–	–
		4,917,696	7,897,061	3,628,470	5,838,783
Liabilities directly associated with the assets held for sale	18	–	1,201	–	–
		4,917,696	7,898,262	3,628,470	5,838,783
Total liabilities		13,416,221	14,560,997	10,525,859	9,812,966
Total equity and liabilities		22,981,043	23,880,269	16,669,436	16,145,372

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities (refer to note 32).

Condensed Interim Statement of Changes in Equity
Full year ended 31 December 2022

Group	Note	Share capital $'000	Capital reserve $'000	Fair value reserve $'000	Hedging reserve $'000	Other reserves $'000	Share option reserve $'000	Foreign currency translation reserve $'000	Accumulated profits $'000	Total attributable to owners of the Company $'000	Non-controlling interests $'000	Total equity $'000
At 1 January 2022, restated*		1,991,397	290,920	997	(1,532)	23,952	15,423	(140,224)	6,219,870	8,400,803	918,469	9,319,272
Profit for the year		–	–	–	–	–	–	–	1,285,322	1,285,322	28,877	1,314,199
Other comprehensive income for the year, net of tax		–	–	72,459	18,887	–	–	(194,140)	18,463	(84,331)	(32,910)	(117,241)
Total comprehensive income for the year		–	–	72,459	18,887	–	–	(194,140)	1,303,785	1,200,991	(4,033)	1,196,958
Transactions with owners, recorded directly in equity												
Distribution to owners												
Capital distribution to non-controlling interests		–	–	–	–	–	–	–	–	–	(8,232)	(8,232)
Dividends paid to owners of the Company		–	–	–	–	–	–	–	(203,353)	(203,353)	–	(203,353)
Distribution *in specie*	26	–	–	–	–	–	–	–	(183,124)	(183,124)	–	(183,124)
Dividends paid to non-controlling interests		–	–	–	–	–	–	–	–	–	(20,262)	(20,262)
Share-based payment transactions		–	–	–	–	–	59	–	–	59	–	59
Total distributions to and contributions by owners		–	–	–	–	–	59	–	(386,477)	(386,418)	(28,494)	(414,912)
Change in ownership interests in subsidiaries												
Disposal of subsidiaries	26	–	(59,198)	–	–	–	–	–	59,198	–	(536,496)	(536,496)
Change of interests in subsidiaries without loss of control		–	959	–	–	–	–	–	–	959	(959)	–
Total change in ownership interests in subsidiaries		–	(58,239)	–	–	–	–	–	59,198	959	(537,455)	(536,496)
Total transactions with owners		–	(58,239)	–	–	–	59	–	(327,279)	(385,459)	(565,949)	(951,408)
Transfer to statutory reserve		–	–	–	–	699	–	–	(699)	–	–	–
At 31 December 2022		1,991,397	232,681	73,456	17,355	24,651	15,482	(334,364)	7,195,677	9,216,335	348,487	9,564,822

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities (refer to note 32).

Condensed Interim Statement of Changes in Equity (cont'd)
Full year ended 31 December 2022

	Note	Share capital	Capital reserve	Fair value reserve	Hedging reserve	Other reserves	Share option reserve	Foreign currency translation reserve	Accumulated profits	Total attributable to owners of the Company	Non-controlling interests	Total equity Restated
		$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group												
At 1 January 2021		1,991,397	284,030	(2,421)	(6,642)	23,927	15,318	(79,696)	6,276,295	8,502,208	740,249	9,242,457
Profit for the year		–	–	–	–	–	–	–	84,713	84,713	42,182	126,895
Other comprehensive income for the year, net of tax		–	–	3,418	5,110	–	–	(60,528)	4,540	(47,460)	42,196	(5,264)
Total comprehensive income for the year		–	–	3,418	5,110	–	–	(60,528)	89,253	37,253	84,378	121,631
Transactions with owners, recorded directly in equity												
Distribution to owners												
Capital distribution to non-controlling interests		–	–	–	–	–	–	–	–	–	(11,087)	(11,087)
Liquidation of a subsidiary		–	(3,286)	–	–	–	–	–	3,286	–	–	–
Dividends paid to owners of the Company		–	–	–	–	–	–	–	(148,939)	(148,939)	–	(148,939)
Dividends paid to non-controlling interests		–	–	–	–	–	–	–	–	–	(26,291)	(26,291)
Share based payment transactions		–	–	–	–	–	105	–	–	105	–	105
Total distributions to owners		–	(3,286)	–	–	–	105	–	(145,653)	(148,834)	(37,378)	(186,212)
Change in ownership interests in subsidiaries												
Acquisition of interest with non-controlling interests	27	–	–	–	–	–	–	–	–	–	173,951	173,951
Change of interests in subsidiaries without loss of control		–	10,176	–	–	–	–	–	–	10,176	(42,731)	(32,555)
Total change in ownership interests in subsidiaries		–	10,176	–	–	–	–	–	–	10,176	131,220	141,396
Total transactions with owners		–	6,890	–	–	–	105	–	(145,653)	(138,658)	93,842	(44,816)
Transfer to statutory reserve		–	–	–	–	25	–	–	(25)	–	–	–
At 31 December 2021, restated*		1,991,397	290,920	997	(1,532)	23,952	15,423	(140,224)	6,219,870	8,400,803	918,469	9,319,272

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities (refer to note 32).

Condensed Interim Statement of Changes in Equity (cont'd)
Full year ended 31 December 2022

	Share capital	Capital reserve	Fair value reserve	Hedging reserve	Accumulated profits	Total equity
	$'000	$'000	$'000	$'000	$'000	$'000
Company						
At 1 January 2022	1,991,397	63,743	(30,358)	–	4,307,624	6,332,406
Profit for the year	–	–	–	–	99,052	99,052
Other comprehensive income for the year, net of tax	–	–	80,324	18,272	–	98,596
Total comprehensive income for the year	–	–	80,324	18,272	99,052	197,648
Transactions with owners, recorded directly in equity						
Distribution to owners						
Dividends	–	–	–	–	(203,353)	(203,353)
Distribution *in specie*	–	–	–	–	(183,124)	(183,124)
Total distributions to owners	–	–	–	–	(386,477)	(386,477)
Total transactions with owners	–	–	–	–	(386,477)	(386,477)
At 31 December 2022	1,991,397	63,743	49,966	18,272	4,020,199	6,143,577
At 1 January 2021	1,991,397	63,743	(33,150)	(448)	4,427,888	6,449,430
Profit for the year	–	–	–	–	28,675	28,675
Other comprehensive income for the year, net of tax	–	–	2,792	448	–	3,240
Total comprehensive income for the year	–	–	2,792	448	28,675	31,915
Transactions with owners, recorded directly in equity						
Distribution to owners						
Dividends	–	–	–	–	(148,939)	(148,939)
Total distributions to owners	–	–	–	–	(148,939)	(148,939)
Total transactions with owners	–	–	–	–	(148,939)	(148,939)
At 31 December 2021	1,991,397	63,743	(30,358)	–	4,307,624	6,332,406

Condensed Interim Consolidated Statement of Cash Flows
Full year ended 31 December 2022

	Group	
	12 months ended 31 December 2022	**12 months ended 31 December 2021 Restated***
	$'000	**$'000**
Cash flows from operating activities		
Profit for the year	1,314,199	126,895
Adjustments for:		
Depreciation and amortisation	276,426	285,009
Dividend income	(5,304)	(5,175)
Finance income	(200,242)	(36,206)
Finance costs	284,680	217,869
(Gain)/Loss on disposal/liquidation of subsidiaries and dilution of interest in an associate (net)	(500,348)	1,088
Impairment loss on other receivables	62,673	6,104
Impairment loss on debt investment	18,015	–
Impairment loss/(Reversal of impairment loss) on property, plant and equipment and investment properties (net)	7,615	(93,311)
Negative goodwill on acquisition of subsidiaries	(48)	(35,553)
Profit on sale of property, plant and equipment and investment properties (net)	(1,257,275)	(35,896)
Property, plant and equipment, investment properties and intangible assets written off	15,987	9,216
Share of after-tax profit of associates	(86,832)	(30,713)
Share of after-tax profit of joint ventures	(83,332)	(76,779)
Tax expense	542,568	87,908
	388,782	420,456
Changes in working capital:		
Development properties	(90,895)	561,336
Contract costs	8,119	(42,350)
Contract assets	(62,688)	102,901
Consumable stocks and trade and other receivables	29,296	(115,971)
Trade and other payables and provisions	(9,312)	29,585
Contract liabilities	(54,290)	279,674
Employee benefits	3,034	(1,407)
Cash generated from operations	212,046	1,234,224
Tax paid	(337,558)	(99,979)
Net cash (used in)/from operating activities	(125,512)	1,134,245

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Condensed Interim Consolidated Statement of Cash Flows (cont'd)
Full year ended 31 December 2022

	Note	Group 12 months ended 31 December 2022 $'000	12 months ended 31 December 2021 Restated* $'000
Cash flows from investing activities			
Acquisition of subsidiaries (net of cash acquired)	27	(330,540)	(341,747)
Dividends received:			
- associates		21,249	12,350
- joint ventures		68,964	3,191
- financial investments		5,304	5,175
Increase in investments in associates		(34,445)	(70,836)
Increase in investments in joint ventures		(67,971)	(1,976)
Return of capital from a joint venture and an associate		9,587	113,126
Increase in amounts owing by equity-accounted investees		(31,345)	(183,363)
Interest received		31,266	21,513
Payments for intangible assets		–	(595)
Payments for capital expenditure on investment properties		(272,805)	(271,009)
Payments for purchase of property, plant and equipment		(115,927)	(143,148)
Payments for purchase of investment properties		(242,248)	–
Proceeds from sale of property, plant and equipment and investment properties		1,568,904	65,252
Proceeds from disposal of subsidiaries, net of cash disposed	26	(16,409)	–
Purchase of financial assets (net)		(21,229)	(21,264)
Proceeds from distributions from and redemptions of investments in financial assets		161,967	10,333
Settlement of financial derivatives		45,649	(60,409)
Net cash from/(used in) investing activities		779,971	(863,407)
Cash flows from financing activities			
Capital distribution to non-controlling interests (net)		(9,432)	(12,374)
Dividends paid		(222,415)	(173,943)
Payment of lease liabilities and finance lease payables		(46,159)	(21,087)
Interest paid (including amounts capitalised in property, plant and equipment and development properties)		(239,803)	(211,206)
Net increase in amounts owing to related parties and non-controlling interests		30,266	36,649
Net repayment of revolving credit facilities		(145,830)	(378,003)
Decrease in restricted cash		115,235	35,444
Payment for corporate guarantee		–	(286,132)
Payment of financing transaction costs		(10,408)	(7,214)
Proceeds from bank borrowings		1,387,441	1,789,896
Repayment of bank borrowings		(1,049,008)	(2,134,997)
Proceeds from issuance of bonds and notes		–	335,000
Repayment of bonds and notes		(100,000)	(249,132)
Net cash used in financing activities		(290,113)	(1,277,099)
Net increase/(decrease) in cash and cash equivalents		364,346	(1,006,261)
Cash and cash equivalents at beginning of the year		1,944,133	2,955,109
Effect of exchange rate changes on balances held in foreign currencies		(60,332)	(4,715)
Cash and cash equivalents at end of the year		2,248,147	1,944,133

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Condensed Interim Consolidated Statement of Cash Flows (cont'd)
Full year ended 31 December 2022

		Group	
	Note	**As at 31 December 2022**	**As at 31 December 2021 Restated***
		$'000	**$'000**
Cash and cash equivalents at the end of the year comprises:			
Cash and cash equivalents in the statement of financial position		2,363,197	2,100,700
Restricted deposits included in other non-current assets	15	6,494	89,630
Cash and cash equivalents included in assets held for sale	18	–	631
Less: Restricted cash		(121,544)	(246,828)
		2,248,147	1,944,133

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities (refer to note 32).

Significant non-cash transactions

There were the following significant non-cash transactions during the year:

- Dividends amounting to $1,200,000 (2021: $1,287,000) were paid by a subsidiary to its non-controlling interests in the form of additional shares in that subsidiary.
- In May 2022, the Company distributed 144,191,823 stapled securities in CDL Hospitality Trusts ("CDLHT" and such stapled securities, the "CDLHT Units") that it held to its ordinary shareholders at 0.159 CDLHT Unit per ordinary share based on $1.27 per CDLHT Unit, amounting to $183,124,000 (note 26).

Notes to the Condensed Interim Financial Statements

1. Corporate Information

City Developments Limited (the Company) is incorporated in the Republic of Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange.

The principal activities of the Company are those of a property developer and owner, and investment holding.

The principal activities of the subsidiaries are those of property developers and owners, hotel owners and operators, a club owner and operator and owner, investment in properties and in shares, property management, project management and provision of consultancy, procurement and laundry services.

The condensed interim consolidated financial statements as at and for the six months and full year ended 31 December 2022 relate to the Company and its subsidiaries (together referred to as the Group and individually as Group entities) and the Group's interests in associates and joint ventures.

2. Basis of Preparation

The condensed interim financial statements for the six months and full year ended 31 December 2022 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore and IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board, and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2021. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2021. All references to SFRS(I)s and IFRSs are subsequently referred to as SFRS(I) in the financial statements.

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

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency. All financial information has been rounded to the nearest thousand, unless otherwise stated.

2.1 New and amended standards adopted by the Group

The Group has applied the SFRS(I)s, amendments to and interpretations of SFRS(I) for the first time for the annual period beginning on 1 January 2022. In addition, the Group has early adopted the Amendments to SFRS(I) 1-1 Non-current Liabilities with Covenants. Under the amendments, only covenants with which an entity must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which the entity must comply after the reporting date (future covenants) do not affect a liability's classification at that date. When non-current liabilities are subject to future covenants, information on the risk that the non-current liabilities could become repayable within 12 months after the reporting date is to be disclosed.

The application of these amendments to standards and interpretations does not have a material effect on the financial statements.

2.2 Use of judgements and estimates

The preparation of the financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The significant judgements made by management in applying the Group's accounting policies and key sources of estimation uncertainty were the same as those described in the Group's combined financial statements as at and for the year ended 31 December 2021.

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a team that regularly reviews significant unobservable inputs and valuation adjustments and reports to the Group Chief Financial Officer who has overall responsibility for all significant fair value measurements. If third party information, such as broker quotes or independent valuers' report, is used to measure fair values, then the team assesses and documents the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of SFRS(I), including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's Audit and Risk Committee and Board of Directors.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

3. Seasonal operations

The Group's business are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment information

Information reported to the Board of Directors for the purposes of resource allocation and assessment of segment performances is specifically focused on the functionality of services provided. The following summary describes the operations in each of the Group's reportable segments:

- Property development – develops and purchases properties for sale
- Hotel operations – owns and manages hotels
- Investment properties – develops and purchases investment properties for lease

Others comprises mainly investment in shares, management and consultancy services, and provision of laundry services.

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

Segment results

	Property development	**Hotel operations**	**Investment properties Restated***	**Total Restated***	**Others**	**Total Restated***
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Six months ended 31 December 2022						
Total revenue (including inter-segment revenue)	773,780	781,919	172,642	1,728,341	110,043	1,838,384
Inter-segment revenue	–	(94)	(5,482)	(5,576)	(11,948)	(17,524)
External revenue	773,780	781,825^	167,160	1,722,765	98,095	1,820,860
Profit/(Loss) from operating activities	35,045	104,055	290,103	429,203	(73,553)	355,650
Share of after-tax profit/(loss) of associates and joint ventures	62,943	(5,920)	2,081	59,104	18,371	77,475
Finance income	27,852	8,998	5,933	42,783	1,816	44,599
Finance costs	(68,701)	(48,973)	(38,686)	(156,360)	(42,599)	(198,959)
Net finance costs	(40,849)	(39,975)	(32,753)	(113,577)	(40,783)	(154,360)
Reportable segment profit/(loss) before tax	57,139	58,160	259,431	374,730	(95,965)	278,765
Six months ended 31 December 2021						
Total revenue (including inter-segment revenue)	625,907	562,470	203,802	1,392,179	96,994	1,489,173
Inter-segment revenue	–	(6,345)	(33,597)	(39,942)	(15,567)	(55,509)
External revenue	625,907	556,125^	170,205	1,352,237	81,427	1,433,664
Profit from operating activities	66,305	109,612	53,723	229,640	2,939	232,579
Share of after-tax profit/(loss) of associates and joint ventures	71,490	(16,166)	(11,595)	43,729	12,056	55,785
Finance income	13,219	1,392	1,294	15,905	6,934	22,839
Finance costs	(25,051)	(22,986)	(41,571)	(89,608)	(16,539)	(106,147)
Net finance costs	(11,832)	(21,594)	(40,277)	(73,703)	(9,605)	(83,308)
Reportable segment profit before tax	125,963	71,852	1,851	199,666	5,390	205,056

^ Revenue from hotel operations includes room revenue of $553.2 million (2H 2021: $381.2 million) for 2H 2022 from hotels that are owned by the Group.

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities (refer to note 32).

	Property development $'000	Hotel operations $'000	Investment properties Restated* $'000	Total Restated* $'000	Others $'000	Total Restated* $'000
Full year ended 31 December 2022						
Total revenue (including inter-segment revenue)	1,382,322	1,394,936	375,991	3,153,249	221,788	3,375,037
Inter-segment revenue	–	(14,272)	(34,828)	(49,100)	(32,524)	(81,624)
External revenue	1,382,322	1,380,664^	341,163	3,104,149	189,264	3,293,413
Profit/(Loss) from operating activities	119,685	1,406,099	430,354	1,956,138	(76,409)	1,879,729
Share of after-tax profit/(loss) of associates and joint ventures	121,132	(1,340)	20,235	140,027	30,137	170,164
Finance income	19,636	61,434	2,869	83,939	7,615	91,554
Finance costs	(99,154)	(82,972)	(69,908)	(252,034)	(32,646)	(284,680)
Net finance costs	(79,518)	(21,538)	(67,039)	(168,095)	(25,031)	(193,126)
Reportable segment profit/(loss) before tax	161,299	1,383,221	383,550	1,928,070	(71,303)	1,856,767
Full year ended 31 December 2021						
Total revenue (including inter-segment revenue)	1,254,470	883,784	407,155	2,545,409	193,959	2,739,368
Inter-segment revenue	–	(10,666)	(66,037)	(76,703)	(36,812)	(113,515)
External revenue	1,254,470	873,118^	341,118	2,468,706	157,147	2,625,853
Profit from operating activities	203,917	16,299	76,607	296,823	12,105	308,928
Share of after-tax profit/(loss) of associates and joint ventures	114,606	(36,578)	(5,297)	72,731	34,761	107,492
Finance income	22,443	3,153	4,342	29,938	6,268	36,206
Finance costs	(96,201)	(53,922)	(64,285)	(214,408)	(23,415)	(237,823)
Net finance costs	(73,758)	(50,769)	(59,943)	(184,470)	(17,147)	(201,617)
Reportable segment profit/(loss) before tax	244,765	(71,048)	11,367	185,084	29,719	214,803

^ Revenue from hotel operations includes room revenue of $960.9 million (FY 2021: $577.0 million) for FY 2022 from hotels that are owned by the Group.

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities (refer to note 32).

Segment Assets and Liabilities

	Property development $'000	Hotel operations $'000	Investment properties Restated* $'000	Total Restated* $'000	Others $'000	Total Restated* $'000
31 December 2022						
Reportable segment assets	9,699,899	5,630,995	6,302,799	21,633,693	1,295,834	22,929,527
Deferred tax assets						47,468
Tax recoverable						4,048
Total assets						22,981,043
Reportable segment liabilities	5,844,929	3,412,622	3,125,032	12,382,583	343,617	12,726,200
Deferred tax liabilities						350,253
Provision for taxation						339,768
Total liabilities						13,416,221
31 December 2021						
Reportable segment assets	9,802,318	6,071,857	6,608,068	22,482,243	1,324,167	23,806,410
Deferred tax assets						69,302
Tax recoverable						4,557
Total assets						23,880,269
Reportable segment liabilities	6,361,148	3,471,262	3,886,978	13,719,388	276,859	13,996,247
Deferred tax liabilities						196,068
Provision for taxation						368,682
Total liabilities						14,560,997

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities (refer to note 32).

5. Revenue

Revenue of the Group includes property development income, income from owning and operating hotels, rental income, dividend income and others but excludes intra-group transactions. Property development income consists mainly of sale proceeds of commercial and residential properties. Others include mainly management and consultancy fees, and income from the provision of laundry services.

	Group			
	6 months ended 31 December 2022 $'000	**6 months ended 31 December 2021 $'000**	**12 months ended 31 December 2022 $'000**	**12 months ended 31 December 2021 $'000**
Dividends from investments:				
- fellow subsidiaries				
- quoted equity investments – at FVOCI	409	408	1,306	1,387
- unquoted equity investments – at FVOCI	2,295	1,654	2,295	1,890
- others				
- quoted equity investments – at FVOCI	–	–	334	334
- quoted equity investments – mandatorily at FVTPL	275	374	464	684
- unquoted equity investments – at FVOCI	905	880	905	880
Hotel operations	781,825	556,125	1,380,664	873,118
Development properties for which revenue is:				
- recognised at a point in time	139,151	246,614	309,454	417,452
- recognised over time	634,629	379,293	1,072,868	837,018
Rental income from investment properties	167,160	170,205	341,163	341,118
Others	94,211	78,111	183,960	151,972
	1,820,860	1,433,664	3,293,413	2,625,853

Disaggregation of revenue

In the following table, revenue is disaggregated by geographical markets and timing of revenue recognition. The total disaggregated revenue of the Group excludes rental income from investment properties and dividend income from investments. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments.

	Reportable segments							
	Property development		Hotel operations		Others		Total	
	6 months ended 31 December 2022 $'000	6 months ended 31 December 2021 $'000	6 months ended 31 December 2022 $'000	6 months ended 31 December 2021 $'000	6 months ended 31 December 2022 $'000	6 months ended 31 December 2021 $'000	6 months ended 31 December 2022 $'000	6 months ended 31 December 2021 $'000
Geographical market								
Singapore	663,641	388,792	149,966	79,565	94,181	78,049	907,788	546,406
China	44,552	180,487	8,675	13,624	–	–	53,227	194,111
United States	–	–	260,869	175,391	–	–	260,869	175,391
United Kingdom	48,132	16,538	196,002	151,052	–	22	244,134	167,612
Australasia	17,455	40,090	32,164	47,076	30	40	49,649	87,206
Rest of Asia (excluding Singapore and China)	–	–	115,754	83,573	–	–	115,754	83,573
Other countries	–	–	18,395	5,844	–	–	18,395	5,844
	773,780	625,907	781,825	556,125	94,211	78,111	1,649,816	1,260,143
Timing of revenue recognition								
Products and services transferred at a point in time	139,151	246,614	781,825	556,125	2,671	1,611	923,647	804,350
Products and services transferred over time	634,629	379,293	–	–	91,540	76,500	726,169	455,793
	773,780	625,907	781,825	556,125	94,211	78,111	1,649,816	1,260,143

	Reportable segments: Property development		Reportable segments: Hotel operations		Others		Total	
	12 months ended 31 December 2022 $'000	**12 months ended 31 December 2021 $'000**	**12 months ended 31 December 2022 $'000**	**12 months ended 31 December 2021 $'000**	**12 months ended 31 December 2022 $'000**	**12 months ended 31 December 2021 $'000**	**12 months ended 31 December 2022 $'000**	**12 months ended 31 December 2021 $'000**
Geographical market								
Singapore	1,111,261	853,818	251,973	143,878	183,800	151,910	1,547,034	1,149,606
China	139,742	274,829	15,205	25,662	–	–	154,947	300,491
United States	–	–	448,448	254,997	–	–	448,448	254,997
United Kingdom	62,443	21,305	354,683	193,204	62	22	417,188	214,531
Australasia	68,876	104,518	74,975	95,661	98	40	143,949	200,219
Rest of Asia (excluding Singapore and China)	–	–	205,313	152,997	–	–	205,313	152,997
Other countries	–	–	30,067	6,719	–	–	30,067	6,719
	1,382,322	1,254,470	1,380,664	873,118	183,960	151,972	2,946,946	2,279,560
Timing of revenue recognition								
Products and services transferred at a point in time	309,454	417,452	1,380,664	873,118	2,850	3,994	1,692,968	1,294,564
Products and services transferred over time	1,072,868	837,018	–	–	181,110	147,978	1,253,978	984,996
	1,382,322	1,254,470	1,380,664	873,118	183,960	151,972	2,946,946	2,279,560

6. Net finance costs

	Group			
	6 months ended 31 December 2022 $'000	**6 months ended 31 December 2021 $'000**	**12 months ended 31 December 2022 $'000**	**12 months ended 31 December 2021 $'000**
Finance income				
Interest income	39,956	22,193	52,781	36,240
Fair value gain on financial derivatives	4,752	–	30,047	–
Fair value gain on financial assets measured at fair value through profit or loss (net)	–	666	–	–
Net exchange gain	–	–	8,863	–
	44,708	22,859	91,691	36,240
Interest capitalised	(109)	(20)	(137)	(34)
Total finance income	44,599	22,839	91,554	36,206
Finance costs				
Amortisation of transaction costs capitalised	(2,415)	(4,163)	(6,428)	(8,051)
Interest expenses	(172,483)	(115,053)	(291,429)	(231,972)
Fair value loss on financial assets measured at fair value through profit or loss (net)	(37,065)	–	(38,323)	(2,852)
Fair value loss on financial derivatives	–	(11,791)	–	(27,069)
Unwinding of discount on non-current liabilities	(155)	(122)	(251)	(276)
Net exchange loss	(13,762)	(8,715)	–	(18,943)
	(225,880)	(139,844)	(336,431)	(289,163)
Finance costs capitalised	26,921	33,697	51,751	51,340
Total finance costs	(198,959)	(106,147)	(284,680)	(237,823)
Net finance costs	(154,360)	(83,308)	(193,126)	(201,617)

7. Profit before tax

Profit before tax included the following:

		Group				
	Note	**6 months ended 31 December 2022 $'000**	**6 months ended 31 December 2021 $'000**	**12 months ended 31 December 2022 $'000**		**12 months ended 31 December 2021 $'000**
Other income						
Gain on liquidation of subsidiaries		–	881	–		914
Gain on disposal of subsidiaries	26	–	–	501,726		–
Negative goodwill on acquisition of subsidiaries	27	–	–	48		35,553
Profit on sale of property, plant and equipment and investment properties (net)		345,784	21,340	1,257,275	^	35,896
Others		14,726	9,345	23,983		15,616
		360,510	31,566	1,783,032		87,979

^ Mainly relates to the disposal of the Millennium Hilton Seoul and the collective sale of Tanglin Shopping Centre and Golden Mile Complex.

	Group			
	6 months ended 31 December 2022	**6 months ended 31 December 2021 Restated***	**12 months ended 31 December 2022**	**12 months ended 31 December 2021 Restated***
	$'000	**$'000**	**$'000**	**$'000**
Other expenses				
Allowance made for foreseeable loss on development properties (net)	(61,766)	(5,641)	(61,766)	(5,641)
Depreciation and amortisation	(138,461)	(140,941)	(276,426)	(285,009)
(Impairment loss)/Reversal of impairment loss on trade receivables and bad debts written off	(18,930)	1,279	(22,824)	1,168
Reversal of impairment loss on property, plant and equipment (net)	28,113	96,197	28,113	95,375
Impairment loss on investment properties (net)	(35,728)	(2,064)	(35,728)	(2,064)
Loss on dilution of an associate	(528)	(2,002)	(1,378)	(2,002)
Property, plant and equipment, investment properties and intangible assets written off	(13,095)	(9,148)	(15,987)	(9,216)

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities (refer to note 32).

8. Tax expense

Tax expense for the period was derived at by applying the varying statutory tax rates on the taxable profit and taxable/deductible temporary differences of the different countries in which the Group operates.

	Group			
	6 months ended 31 December 2022 $'000	**6 months ended 31 December 2021 $'000**	**12 months ended 31 December 2022 $'000**	**12 months ended 31 December 2021 $'000**
Current tax expense				
Current year	42,630	65,376	374,638	116,545
Over provision in respect of prior years	(57,568)	(365)	(56,315)	(8,462)
	(14,938)	65,011	318,323	108,083
Deferred tax credit				
Movements in temporary differences	90,861	(27,127)	173,758	(41,128)
Effects of changes in tax rates and legislation	(505)	(6,531)	1,425	(6,442)
Under provision in respect of prior years	22,987	5,631	25,348	2,084
	113,343	(28,027)	200,531	(45,486)
Land appreciation tax	10,371	20,122	22,037	22,482
Withholding tax	1,047	2,346	1,677	2,829
Total tax expense	109,823	59,452	542,568	87,908

The increase in tax expense during the period/year is largely due to the disposal of Millennium Hilton Seoul.

9. Earnings per share

Basic earnings per share is calculated based on:

	Group			
	6 months ended 31 December 2022	**6 months ended 31 December 2021 Restated***	**12 months ended 31 December 2022**	**12 months ended 31 December 2021 Restated***
	$'000	**$'000**	**$'000**	**$'000**
Profit attributable to owners of the Company	165,848	116,799	1,285,322	84,713
Less:				
Dividends on non-redeemable convertible non-cumulative preference shares	(6,505)	(6,505)	(12,904)	(12,904)
Profit attributable to ordinary shareholders after adjustment for non-redeemable convertible non-cumulative preference dividends	159,343	110,294	1,272,418	71,809
Weighted average number of ordinary shares				
Weighted average number of ordinary shares during the year	906,901,330	906,901,330	906,901,330	906,901,330
Basic earnings per share	17.6 cents	12.2 cents	140.3 cents	7.9 cents
Diluted earnings per share	17.4 cents	12.2 cents	135.0 cents	7.9 cents

Diluted earnings per share is based on:

	Group			
	6 months ended 31 December 2022	**6 months ended 31 December 2021 Restated***	**12 months ended 31 December 2022**	**12 months ended 31 December 2021 Restated***
	$'000	**$'000**	**$'000**	**$'000**
Profit attributable to ordinary shareholders after adjustment for non-redeemable convertible non-cumulative preference dividends	159,343	110,294	1,272,418	71,809
Add:				
Dividends on non-redeemable convertible non-cumulative preference shares	6,505	–	12,904	–
Net profit used for computing diluted earnings per share	165,848	110,294	1,285,322	71,809
Weighted average number of ordinary shares used in the calculation of basic earnings per share	906,901,330	906,901,330	906,901,330	906,901,330
Potential ordinary shares issuable under non-redeemable convertible non-cumulative preference shares	44,998,898	–	44,998,898	–
Weighted average number of ordinary shares and potential shares assuming full conversion of preference shares	951,900,228	906,901,330	951,900,228	906,901,330

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities (refer to note 32).

For the six months and full year ended 31 December 2021, the diluted earnings per share was the same as basic earnings per share as the conversion of the non-redeemable convertible non-cumulative preference shares was considered anti-dilutive.

10. Net asset value

	Group		Company	
	31 December 2022	31 December 2021 Restated*	31 December 2022	31 December 2021
	$	$	$	$
Net asset value per ordinary share	10.16	9.26	6.77	6.98

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities (refer to note 32).

11. Property, plant and equipment

During the year ended 31 December 2022, the Group disposed of assets with a carrying amount of $1,378 million arising from the distribution *in specie* (refer to note 26). Following the deconsolidation of CDLHT, the Group recognised ROU assets amounting to $551 million in relation to the lease of hotels from CDLHT by the Group which are no longer considered intra-group transactions and are not eliminated.

The Group also reclassified a hotel under development from property, plant and equipment to development properties, as the hotel was developed with the intention for sale to CDLHT.

<u>Valuation of property, plant and equipment</u>

The Group's property, plant and equipment (PPE) relates largely to the hotel portfolio and is carried at cost less accumulated depreciation and impairment losses.

The Group undertakes an annual review of the carrying amounts of hotels and property assets for indicators of impairment. Where indicators of impairment were identified, the recoverable amounts were estimated based on internal or external valuations undertaken by the Group. The cash generating units (CGU) are individual hotels.

The recoverable amounts of the individual hotels, being the higher of the fair value less costs to sell and the value-in-use, were predominantly determined using the fair value less costs to sell approach and were estimated using the discounted cash flow method (31 December 2021: discounted cash flow method and income capitalisation method), where appropriate. Under these methodologies, the fair value measurement reflects current market expectations about an efficient third party operator's future cash flows. The discounted cash flows method involves estimating each hotel's future cash flows and discounting the cash flows with an internal rate of return to arrive at the market value, taking into consideration the assumptions in respect of revenue growth (principally factoring in room rate and occupancy growth) and major expense items for each hotel. The future cash flows are based on assumptions about competitive growth rates for hotels in that area, as well as the internal business plan for the hotel in the relevant market. These plans and forecasts include management's most recent view of trading prospects for the hotel in the relevant market. The income capitalisation method capitalises an income stream into a present value using revenue multipliers or single-year capitalisation rates.

Where appropriate, the Group relied on valuations by independent external valuers, who have appropriate professional qualifications and recent experience in the location and category of the properties being valued. In relying on the valuation reports, the Group has exercised its judgement and is satisfied that the valuation method and estimates are reflective of current market conditions. Certain valuation reports obtained from the external valuers have highlighted that a combination of global inflationary pressures, the recent geopolitical events, and remaining effects of Covid-19 pandemic in some markets, has heightened the potential of greater volatility in property markets over the short to medium term.

Based on the above impairment assessment, the Group has reversed a net impairment loss of $28.1 million for FY 2022 (FY 2021: $95.4 million).

12. Investment properties

	Note	Group $'000	Company $'000
Cost			
At 1 January 2021		5,760,958	603,648
Acquisition of subsidiaries	27	341,753	–
Additions		279,723	3,099
Disposal/Written off		(59,630)	(797)
Transfers to property, plant and equipment		(60,402)	–
Transfer to assets held for sale		(55,839)	–
Translation differences on consolidation		8,470	–
At 31 December 2021 and 1 January 2022, restated*		6,215,033	605,950
Acquisition of subsidiaries, including acquisition costs	27	385,450	–
Additions		535,012	4,973
Transfer to development properties		(90,685)	–
Transfer from development properties		8,179	–
Transfer from property, plant and equipment		5,884	2,570
Disposal/Written off		(111,747)	–
Disposal of subsidiaries	26	(496,882)	–
Translation differences on consolidation		(312,865)	–
At 31 December 2022		6,137,379	613,493
Accumulated depreciation and impairment losses			
At 1 January 2021		1,192,261	178,693
Charge for the year		107,457	14,886
Transfer to property, plant and equipment		(12,755)	–
Transfer to assets held for sale		(2,001)	–
Disposal/Written off		(51,403)	(781)
Impairment loss (net)		2,064	–
Translation differences on consolidation		(3,436)	–
At 31 December 2021 and 1 January 2022, restated*		1,232,187	192,798
Charge for the year		115,954	14,204
Transfer to development properties		(38,758)	–
Disposal/Written off		(91,924)	–
Disposal of subsidiaries	26	(63,561)	–
Impairment loss		35,728	–
Translation differences on consolidation		(19,261)	–
At 31 December 2022		1,170,365	207,002
Carrying amounts			
At 1 January 2021		4,568,697	424,955
At 31 December 2021, restated*		4,982,846	413,152
At 31 December 2022		4,967,014	406,491
Fair value			
At 1 January 2021		8,901,489	1,114,435
At 31 December 2021, restated*		10,966,900	1,662,892
At 31 December 2022		10,899,043	1,820,028

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities (refer to note 32).

During the year ended 31 December 2022, the Group transferred part of the net carrying value of an investment property to development properties for redevelopment, as well as transferred the reversionary interest of three hotels leased to CDLHT from property, plant and equipment to investment properties located in Singapore, following the deconsolidation of CDLHT (refer to note 26).

Valuation of investment properties

The Group's investment properties portfolio include its commercial portfolio held for rental income (comprising office, retail, industrial and residential for lease), as well as hotels that are under the master lease structure, which earn rental income.

The Group adopts the accounting policy to account for its investment properties at cost less accumulated depreciation and impairment losses.

For a majority of the Group's investment properties, the fair values are determined by independent external valuers. The fair values of certain investment properties located in Singapore are based on in-house valuations conducted by a licensed valuer who is also an officer of the Company. The valuers have appropriate recognised professional qualifications and have experience in the location and category of the investment properties being valued.

The valuations were predominantly based on the direct comparison, income capitalisation, standardised land value adjustment, discounted cash flow and residual methods. The direct comparison method involves an analysis of comparable sales of similar properties and adjusting the transacted prices to those reflective of the investment properties of the Group. The income capitalisation method capitalises an income stream into a present value using revenue multipliers or single-year capitalisation rates. The standardised land value adjustment method considers the price of standard land in the current situation of development and utilisation, under normal market conditions within legal maximum use term as at a special date, that is assessed and approved by the local government. The discounted cash flow method involves the estimation and projection of an income stream over a period and discounting the income stream with an internal rate of return to arrive at the market value. The residual method involves deducting the estimated cost to complete as of valuation date and other relevant costs from gross development value of the proposed development assuming satisfactory completion and accounting for developer's profit.

In relying on the valuation reports, the Group has exercised its judgement and is satisfied that the valuation methods and estimates are reflective of current market conditions.

Based on the above impairment assessment, the Group recognised an impairment loss of $35.7 million in FY 2022 (restated FY 2021: $2.1 million) on its investment properties.

13. Investments in associates

	Group	
	31 December 2022 $'000	**31 December 2021 $'000**
Investments in associates		
Investments in associates	1,276,368	832,378
Impairment loss	(12,655)	(15,399)
	1,263,713	816,979

The increase in investment in associates during the year is mainly due to the deconsolidation of CDLHT following the distribution *in specie* (refer to note 26), which resulted in CDLHT becoming an associate. The Group's retained interest in CDLHT has been remeasured to fair value. The Group has performed a purchase price allocation exercise on its retained interest in CDLHT and has equity accounted for CDLHT based on the fair value of its identifiable net assets, giving rise to negative goodwill of $18.0 million. The negative goodwill is included in the Group's "share of after-tax profit of associates" in the consolidated statement of profit or loss.

CDLHT's assets relate mainly to property, plant and equipment and investment properties. The fair values of these assets were determined based on valuations undertaken by a licensed valuer who is also an officer of the Company.

The valuation of property, plant and equipment and investment properties involves significant judgement in determining both the valuation methods to be used and the key assumptions to be applied. The valuations are sensitive to the key assumptions applied and a change in assumptions may have a significant impact on the valuations.

Measurement of fair values

The valuation techniques used for measuring the fair value of material assets and liabilities of CDLHT were as follows:

Assets acquired/Liabilities assumed	**Valuation technique**
Property, plant and equipment and investment properties	*Income capitalisation, discounted cashflow and residual methods:* The income capitalisation method capitalises an income stream into a present value using revenue multipliers or single-year capitalisation rates. The discounted cashflow method involves the estimation and projection of an income stream over a period and discounting the income stream with an internal rate of return to arrive at the market value. The residual method involves deducting estimated costs to complete as of valuation date and other relevant costs from gross development value of the proposed development assuming satisfactory completion and accounting for developer profit.
Interest-bearing borrowings	The fair value of borrowings is estimated as the present value of future principal and interest cash flows, discounted at market rate of interest at the date of distribution *in specie*.

14. Investments in joint ventures

	Group		**Company**	
	31 December 2022 $'000	**31 December 2021 $'000**	**31 December 2022 $'000**	**31 December 2021 $'000**
Investments in joint ventures	1,083,024	1,037,046	37,360	37,360

As at 31 December 2022 and 31 December 2021, the Group has no material joint venture.

15. Other non-current assets

	Group		Company	
	31 December 2022 $'000	**31 December 2021 $'000**	**31 December 2022 $'000**	**31 December 2021 $'000**
Amounts owing by subsidiaries	–	–	6,428,732	6,205,239
Amounts owing by joint ventures	274,332	–	–	–
Deposits	11,946	3,395	–	–
Other receivables	6,682	13,307	–	–
Derivative financial assets	40,449	4,762	40,449	–
Restricted bank deposits	6,494	89,630	–	–
	339,903	111,094	6,469,181	6,205,239
Prepayments	288	282	–	–
Intangible assets	1,714	1,879	–	–
Deferred tax assets	47,468	69,302	–	–
	389,373	182,557	6,469,181	6,205,239

16. Development properties

The Group accounts for its development properties at the lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses.

Allowance for foreseeable losses is determined by the management after taking into account estimated selling prices and estimated total construction costs and selling expenses. The estimated selling prices are based on recent selling prices for the development project or comparable projects and prevailing property market conditions. The estimated total construction costs are based on contracted amounts and, in respect of amounts not contracted for, management's estimates of the amounts to be incurred taking into consideration historical trends of the amounts incurred.

Based on its assessment, the Group recognised an allowance for foreseeable loss of $61,766,000 (FY 2021: $5,641,000) during the year ended 31 December 2022.

17. Trade and other receivables

		Group		Company	
		31 December 2022	**31 December 2021 Restated***	**31 December 2022**	**31 December 2021**
		$'000	**$'000**	**$'000**	**$'000**
Trade receivables		242,698	212,784	8,905	1,310
Impairment losses		(15,723)	(17,025)	(82)	(135)
		226,975	195,759	8,823	1,175
Other receivables	(a)	489,499	544,875	2,053	3,726
Impairment losses		(389,091)	(336,476)	(1,048)	(1,116)
		100,408	208,399	1,005	2,610
Accrued rent receivables		49,671	48,532	2,778	2,389
Impairment losses		(19,914)	–	–	–
		29,757	48,532	2,778	2,389
Deposits		5,911	11,901	288	288
Reimbursement asset	(b)	59,505	70,773	–	–
Amounts owing by:					
- subsidiaries		–	–	6,228,009	5,985,134
- associates		10,916	1,142	1,540	3
- joint ventures		1,086,805	1,288,755	232,414	231,599
- fellow subsidiaries		250	194	–	–
		1,520,527	1,825,455	6,474,857	6,223,198
Prepayments		100,483	61,616	2,758	2,161
Grant receivables		480	1,339	–	532
Tax recoverable		4,048	4,557	–	–
Derivative financial assets		71,800	21,511	71,800	21,511
		1,697,338	1,914,478	6,549,415	6,247,402

(a) Included in other receivables of the Group as at 31 December 2022 is a receivable of $382.7 million (2021: $395.1 million) with related impairment loss of $382.7 million (2021: $331.2 million) from HCP Chongqing Property Development Co., Ltd and its subsidiaries (Sincere Property Group).

(b) The reimbursement asset relates to reimbursements from the buyer of Millennium Hilton Seoul for costs that the Group would incur under certain contracts in respect of the hotel arising from the sale of the hotel.

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities (refer to note 32).

18. Assets held for sale

At 31 December 2022, assets held for sale and liabilities directly associated with the assets held for sale relate to the proposed disposal by an indirect subsidiary of the Group, Millennium & Copthorne Hotels Limited (M&C), of Millennium Harvest House Boulder (which is in the hotel operations segment), to a third party for sale consideration of $96.7 million. The sale is expected to be completed within the next one year.

At 31 December 2021, assets held for sale and liabilities directly associated with the assets held for sale are in relation to the following proposed divestments:

(a) The abovementioned proposed divestment of Millennium Harvest House Boulder by M&C.

(b) M&C entered into sale and purchase agreement to sell a hotel, Copthorne Orchid Penang (which was in the hotel operations segment), to a third party for a sale consideration of $24.3 million. The agreement was terminated in December 2021 and the property was reclassified to property, plant and equipment as at 31 December 2022 as the Group ceased to explore further sale opportunities.

(c) A wholly-owned subsidiary of the Group, Singapura Developments (Private) Limited, entered into a share sale agreement to sell its interest in an industrial warehouse in Singapore (which was in investment properties segment) for a sale consideration of $82 million. The sale was completed on 7 March 2022 and the Group recognised a gain of $27.3 million on the sale.

(d) M&C entered into a sale and purchase agreement to sell a hotel, Millennium Hilton Seoul (which was in the hotel operations segment), for a sale consideration of KRW1.1 trillion (S$1.25 billion). The sale was completed on 24 February 2022 and a total gain on disposal of $519.2 million of which $489.2 million recognised during the year ended 31 December 2022, net of taxes and related transaction costs was recognised by the Group.

	Group	
	31 December 2022	**31 December 2021 Restated***
	$'000	**$'000**
Assets held for sale		
Property, plant and equipment	14,417	334,190
Investment properties	–	53,837
Trade and other receivables	–	68
Cash and cash equivalents	–	631
	14,417	388,726
Liabilities directly associated with the assets held for sale		
Trade and other payables	–	412
Other liabilities	–	425
Provision for taxation	–	257
Deferred tax liabilities	–	107
	–	1,201

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I)5, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities (refer to note 32).

19. Share capital

	Company			
	31 December 2022		**31 December 2021**	
	Number of shares	**$'000**	**Number of shares**	**$'000**
Issued and fully paid ordinary share capital with no par value	906,901,330	1,661,179	906,901,330	1,661,179
Issued and fully paid non-redeemable convertible non-cumulative preference share capital with no par value	330,874,257	330,218	330,874,257	330,218
		1,991,397		1,991,397

As at 31 December 2022, the maximum number of ordinary shares that may be issued upon full conversion of all of the non-redeemable convertible non-cumulative preference shares of the Company ("Preference Shares") at the sole option of the Company is 44,998,898 ordinary shares (31 December 2021: 44,998,898 ordinary shares).

As at 31 December 2022, the Company held 2,400,000 treasury shares (31 December 2021: 2,400,000) which represented 0.26% of the total number of issued shares (excluding treasury shares).

There was no change in the Company's issued share capital and preference share capital during the six months ended 31 December 2022 and 31 December 2021.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the six months ended 31 December 2022 and 31 December 2021.

20. Interest-bearing borrowings

	Group		Company	
	31 December 2022 $'000	**31 December 2021 $'000**	**31 December 2022 $'000**	**31 December 2021 $'000**
Term loans	5,909,397	7,337,272	4,606,286	4,491,409
Bonds and notes	2,651,786	2,811,162	1,971,771	2,070,486
Bank loans	1,108,239	991,559	874,187	576,444
	9,669,422	11,139,993	7,452,244	7,138,339
Non-current	7,315,400	5,952,032	6,091,010	3,937,631
Current	2,354,022	5,187,961	1,361,234	3,200,708
	9,669,422	11,139,993	7,452,244	7,138,339

	Group	
	31 December 2022 $'000	**31 December 2021 $'000**
Unsecured		
- repayable within one year	2,021,796	4,358,373
- repayable after one year	7,044,667	5,200,742
	9,066,463	9,559,115
Secured		
- repayable within one year	357,819	851,761
- repayable after one year	957,519	1,011,559
	1,315,338	1,863,320

The Group's net borrowings, which refer to aggregate borrowings from banks, financial institutions and lease liabilities, after deducting cash and cash equivalents, are as follows. Unamortised balance of transaction costs have not been deducted from the gross borrowings.

		Group	
	Note	**31 December 2022 $'000**	**31 December 2021 Restated* $'000**
Gross borrowings		10,381,801	11,422,435
Less: cash and cash equivalents as shown in the statement of financial position		(2,363,197)	(2,100,700)
Less: restricted deposits included in other non-current assets		(6,494)	(89,630)
Less: cash and cash equivalents classified under assets held for sale	18	–	(631)
Net borrowings		8,012,110	9,231,474

Where secured, borrowings are collateralised by:

- mortgages on the borrowing companies' hotels, investment and development properties;
- assignment of all rights and benefits to sale, lease and insurance proceeds in respect of hotels, investment and development properties;
- pledge of cash deposits; and
- a statutory lien on certain assets of foreign subsidiaries.

As of 31 December 2022, the Group and the Company have complied with their debt covenants.

21. Other liabilities

	Group		Company	
	31 December 2022	31 December 2021 Restated*	31 December 2022	31 December 2021
	$'000	$'000	$'000	$'000
Deferred income	47,874	122,124	–	–
Rental deposits	52,928	53,609	9,564	8,041
Non-current retention sums payable	15,560	26,625	–	–
Derivative financial liabilities	645	1,295	645	346
Amounts owing to a subsidiary	–	–	750,144	–
Miscellaneous (principally deposits received and payables)	19,781	18,213	–	–
	136,788	221,866	760,353	8,387

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities (refer to note 32).

22. Trade and other payables

	Group		Company	
	31 December 2022	31 December 2021 Restated*	31 December 2022	31 December 2021
	$'000	$'000	$'000	$'000
Trade payables	249,348	253,595	1,858	2,032
Accruals	502,098	464,141	88,564	74,507
Deferred income	60,884	53,719	–	–
Other payables	60,547	106,295	1,096	988
Rental and other deposits	56,700	75,979	8,424	8,813
Retention sums payable	17,518	11,261	–	–
Amounts owing to:				
- subsidiaries	–	–	2,119,114	2,498,058
- associates	7,395	2	6	–
- joint ventures	91,133	97,902	22,727	22,727
- fellow subsidiaries	294,040	248,648	–	–
- non-controlling interests	125,266	143,389	–	–
Derivative financial liabilities	1,560	14,582	1,560	14,582
	1,466,489	1,469,513	2,243,349	2,621,707

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities (refer to note 32).

23. Provisions

Included under current provisions of $59,505,000 (31 December 2021: $70,773,000) which relates to the Group's obligations under certain contracts in respect of Millennium Hilton Seoul and represents the estimated costs to be incurred arising from the sale of Millennium Hilton Seoul. The Group will be fully reimbursed by the buyer of Millennium Hilton Seoul for the amounts incurred in respect of its obligations under the relevant contracts.

24. Lease liabilities

The increase in lease liabilities during the year is mainly due to deconsolidation of CDLHT following the Group's distribution *in specie* on 26 May 2022 (refer to note 26). Following the deconsolidation, lease liabilities arising from the leasing of hotels from CDLHT by the Group are no longer considered intra-group transactions and are not eliminated.

25. Financial assets and financial liabilities

The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. Trade and other receivables and trade and other payables classified as held for sale are not included in the table below. Further, the fair value disclosure of lease liabilities is also not required.

	Mandatorily at FVTPL $'000	FVOCI – equity investments $'000	Fair value – hedging instruments $'000	Amortised cost $'000	Total carrying amount $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total fair value $'000
Group									
31 December 2022									
Financial assets measured at fair value									
Unquoted debt investments – mandatorily at FVTPL	20,011	–	–	–	20,011	–	–	20,011	20,011
Unquoted equity investments – at FVOCI	–	432,164	–	–	432,164	–	–	432,164	432,164
Unquoted equity investments – mandatorily at FVTPL	136,713	–	–	–	136,713	–	–	136,713	136,713
Quoted equity investments– at FVOCI	–	26,006	–	–	26,006	26,006	–	–	26,006
Quoted equity investments – mandatorily at FVTPL	29,640	–	–	–	29,640	29,640	–	–	29,640
Derivative financial assets	–	–	112,249	–	112,249	–	112,249	–	112,249
	186,364	458,170	112,249	–	756,783				
Financial assets not measured at fair value									
Other non-current assets^	–	–	–	299,454	299,454				
Trade and other receivables#	–	–	–	1,520,527	1,520,527				
Cash and cash equivalents	–	–	–	2,363,197	2,363,197				
	–	–	–	4,183,178	4,183,178				

	Fair value – hedging instruments $'000	Other financial liabilities $'000	Total carrying amount $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total fair value $'000
Group							
31 December 2022							
Financial liabilities measured at fair value							
Derivative financial liabilities	2,205	–	2,205	–	2,205	–	2,205
Financial liabilities not measured at fair value							
Interest-bearing borrowings	–	9,669,422	9,669,422	–	9,545,514	–	9,545,514
Other liabilities@	–	88,269	88,269				
Trade and other payables@	–	1,404,045	1,404,045				
	–	11,161,736	11,161,736				

^ *Excluding derivative financial assets, prepayments, intangible assets and deferred tax assets*
# *Excluding prepayments, tax recoverable, grant receivables and derivative financial assets*
@ *Excluding deferred income and derivative financial liabilities*

	Mandatorily at FVTPL $'000	FVOCI – equity investments $'000	Fair value – hedging instruments $'000	Amortised cost Restated* $'000	Total carrying amount Restated* $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total fair value $'000
Group									
31 December 2021									
Financial assets measured at fair value									
Unquoted debt investments – mandatorily at FVTPL	175,409	–	–	–	175,409	–	142,486	32,923	175,409
Unquoted equity investments – at FVOCI	–	357,870	–	–	357,870	–	–	357,870	357,870
Unquoted equity investments – mandatorily at FVTPL	130,465	–	–	–	130,465	–	–	130,465	130,465
Quoted equity investments– at FVOCI	–	37,180	–	–	37,180	37,180	–	–	37,180
Quoted equity investments – mandatorily at FVTPL	48,867	–	–	–	48,867	48,867	–	–	48,867
Derivative financial assets	–	–	26,273	–	26,273	–	26,273	–	26,273
	354,741	395,050	26,273	–	776,064				
Financial assets not measured at fair value									
Unquoted debt investments – amortised cost	–	–	–	17,743	17,743				
Other non-current assets^	–	–	–	106,332	106,332				
Trade and other receivables#	–	–	–	1,825,455	1,825,455				
Cash and cash equivalents	–	–	–	2,100,700	2,100,700				
	–	–	–	4,050,230	4,050,230				

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities (refer to note 32).

	Fair value – hedging instruments	Other financial liabilities Restated*	Total carrying amount Restated*	Level 1	Level 2	Level 3	Total fair value
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group							
31 December 2021							
Financial liabilities measured at fair value							
Derivative financial liabilities	15,877	–	15,877	–	15,877	–	15,877
Financial liabilities not measured at fair value							
Interest-bearing borrowings	–	11,139,993	11,139,993	–	11,186,537	–	11,186,537
Other liabilities*	–	98,447	98,447				
Trade and other payables@	–	1,401,212	1,401,212				
	–	12,639,652	12,639,652				

^ *Excluding derivative financial assets, prepayments, intangible assets and deferred tax assets*
\# *Excluding prepayments, grant receivables and derivative financial assets*
@ *Excluding deferred income and derivative financial liabilities*

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities (refer to note 32).

	Mandatorily at FVTPL $'000	Fair value – hedging instruments $'000	Amortised cost $'000	FVOCI – equity investments $'000	Other financial liabilities $'000	Total carrying amount $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total fair value $'000
Company										
31 December 2022										
Financial assets measured at fair value										
Unquoted equity investments – at FVOCI	–	–	–	407,903	–	407,903	–	–	407,903	407,903
Quoted equity investments – at FVOCI	–	–	–	21,868	–	21,868	21,868	–	–	21,868
Quoted equity investments – mandatorily at FVTPL	1,963	–	–	–	–	1,963	1,963	–	–	1,963
Derivative financial assets	–	112,249	–	–	–	112,249	–	112,249	–	112,249
	1,963	112,249	–	429,771	–	543,983				
Financial assets not measured at fair value										
Other non-current assets^	–	–	6,428,732	–	–	6,428,732				
Trade and other receivables#	–	–	6,474,857	–	–	6,474,857				
Cash and cash equivalents	–	–	614,499	–	–	614,499				
	–	–	13,518,088	–	–	13,518,088				
Financial liabilities measured at fair value										
Derivative financial liabilities	–	2,205	–	–	–	2,205	–	2,205	–	2,205
Financial liabilities not measured at fair value										
Interest-bearing borrowings	–	–	–	–	7,452,244	7,452,244	–	7,347,810	–	7,347,810
Other liabilities@	–	–	–	–	759,708	759,708				
Trade and other payables@	–	–	–	–	2,241,789	2,241,789				
	–	–	–	–	10,453,741	10,453,741				

^ *Excluding derivative financial assets*
# *Excluding prepayments, grant receivables and derivative financial assets*
@ *Excluding derivative financial liabilities*

	Mandatorily at FVTPL $'000	Fair value – hedging instruments $'000	Amortised cost $'000	FVOCI – equity investments $'000	Other financial liabilities $'000	Total carrying amount $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total fair value $'000
Company										
31 December 2021										
Financial assets measured at fair value										
Unquoted equity investments – at FVOCI	–	–	–	327,577	–	327,577	–	–	327,577	327,577
Quoted equity investments – at FVOCI	–	–	–	21,868	–	21,868	21,868	–	–	21,868
Quoted equity investments – mandatorily at FVTPL	1,993	–	–	–	–	1,993	1,993	–	–	1,993
Derivative financial assets	–	21,511	–	–	–	21,511	–	21,511	–	21,511
	1,993	21,511	–	349,445	–	372,949				
Financial assets not measured at fair value										
Other non-current assets^	–	–	6,205,239	–	–	6,205,239				
Trade and other receivables#	–	–	6,223,198	–	–	6,223,198				
Cash and cash equivalents	–	–	686,322	–	–	686,322				
	–	–	13,114,759	–	–	13,114,759				
Financial liabilities measured at fair value										
Derivative financial liabilities	–	14,928	–	–	–	14,928	–	14,928	–	14,928
Financial liabilities not measured at fair value										
Interest-bearing borrowings	–	–	–	–	7,138,339	7,138,339	–	7,162,323	–	7,162,323
Other liabilities@	–	–	–	–	8,041	8,041				
Trade and other payables@	–	–	–	–	2,607,125	2,607,125				
	–	–	–	–	9,753,505	9,753,505				

^ *Excluding derivative financial assets*
# *Excluding prepayments, grant receivables and derivative financial assets*
@ *Excluding deferred income and derivative financial liabilities*

Measurement of fair values

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at Level 3 fair value

Type	Valuation techniques	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Unquoted debt investments – mandatorily at FVTPL	Discounted cash flows: The valuation model considers the present value of the expected future payments, discounted using a risk-adjusted discount rate.	Discount rate: 31 December 2022: 0% to 12% 31 December 2021: 0% to 11%	The estimated fair value would increase/(decrease) if the discount rate were lower/(higher).
Unquoted equity investments – at FVOCI Unquoted equity investments – mandatorily at FVTPL	The fair value is calculated using the net asset value (NAV) of the investee adjusted for the fair value of the underlying properties, where applicable. A discount is applied to take into consideration the non-marketable nature of the investment, where applicable.	NAV Discount rate: 31 December 2022: 0% to 20% 31 December 2021: 0% to 30%	The estimated fair value would increase/(decrease) if the NAV were higher/(lower). The estimated fair value would increase/(decrease) if the discount rate were lower/(higher).
Unquoted equity investments – mandatorily at FVTPL	The fair value is calculated using the NAV of the investee entity adjusted for the fair value of the underlying properties, where applicable.	NAV	The estimated fair value would increase/(decrease) if the NAV was higher/(lower).
	The fair value is calculated using the market approach of weighted price-to-sales multiples of comparable companies. A discount is applied to take into consideration the non-marketable nature of the investment, where applicable.	Price-to-sales multiples: 31 December 2022: 8.0 times 31 December 2021: 26.5 times	The estimated fair value would increase/(decrease) if the price-to-sales multiple were higher/(lower).
		Discount rate: 31 December 2022: 20% 31 December 2021: 30%	The estimated fair value would increase/(decrease) if the discount rate were lower/(higher).

<u>Financial instruments measured at Level 2 fair value</u>

Unquoted debt investments – mandatorily at FVTPL

The fair values of unquoted debt investments are calculated based on the present value of the expected future payments, discounted using a risk-adjusted discount rate.

Financial derivatives

The fair values of forward exchange contracts, cross-currency swaps and interest rate swaps are based on banks' quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments.

<u>Financial instruments not measured at fair value</u>

Unquoted debt investment at amortised cost

The fair value of unquoted debt investment at amortised cost determined for disclosure purposes are calculated based on the present value of future principal and interest cash flows, discounted at market rate of interest at the reporting date.

Interest-bearing borrowings

The fair value of borrowings which reprice after six months determined for disclosure purposes are calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases, the market rate of interest is determined by reference to similar agreements.

Transfers between levels in the fair value hierarchy

The Group and Company have not reclassified any investments between various levels in the fair value hierarchy during the period.

Level 3 fair values

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

	Group			Company
	Unquoted debt investments mandatorily at FVTPL $'000	**Unquoted equity investments at FVOCI $'000**	**Unquoted equity investments mandatorily at FVTPL $'000**	**Unquoted equity investments at FVOCI $'000**
At 1 January 2022	32,923	357,870	130,465	327,577
Additions	–	–	30,867	–
Distribution of income	–	–	(16,005)	–
Return of capital	–	–	(5,955)	–
Total loss recognised in profit or loss				
- finance expense	(11,119)	–	(1,769)	–
Total gain for the period included in other comprehensive income				
- net change in fair value of equity investments at FVOCI	–	74,294	–	80,326
Translation differences on consolidation	(1,793)	–	(890)	–
At 31 December 2022	20,011	432,164	136,713	407,903
At 1 January 2021	45,115	356,729	90,073	324,877
Additions	–	–	31,652	–
Distribution of income	–	–	(7,393)	–
Return of capital	(419)	–	(2,521)	–
Reclass to investment in an associate	–	–	(436)	–
Redemption on maturity	(10,395)	–	–	–
Reclassification from interest receivable	(1,311)	–	–	–
Total gain recognised in profit or loss				
- finance income	720	–	17,313	–
Total loss for the period included in other comprehensive income				
- net change in fair value of equity investments at FVOCI	–	1,141	–	2,700
Translation differences on consolidation	(787)	–	1,777	–
At 31 December 2021	32,923	357,870	130,465	327,577

26. Disposal of subsidiaries

For the year ended 31 December 2022

There were the following disposals during the year:

(a) On 26 May 2022, following the distribution *in specie* which reduced the Group's effective interest in CDLHT from 38.89% to 27.21%, the Group lost its control over CDLHT. CDLHT became an associate of the Group on the same day as the Group continues to have significant influence over CDLHT.

(b) On 7 March 2022, the Group, through its wholly-owned subsidiary, Singapura Developments (Private) Limited, sold its 100% equity interest in Bloomsville Investments Pte. Ltd. (Bloomsville) for a sale consideration (net of transaction costs) of $80.8 million.

Effects of disposals

The cash flows and net assets of subsidiaries disposed of are provided below:

	Note	CDLHT $'000	Bloomsville $'000	Total $'000
Property, plant and equipment		1,378,264	–	1,378,264
Investment properties	12	433,321	–	433,321
Other non-current assets		8,915	–	8,915
Derivative financial assets		20,122	–	20,122
Deferred tax asset		3,727	–	3,727
Consumable stock		2,417	–	2,417
Cash and cash equivalents		96,408	–	96,408
Assets held for sale		–	55,072	55,072
Trade and other receivables		22,125	–	22,125
Trade and other payables		(43,237)	–	(43,237)
Interest-bearing borrowings		(1,107,754)	–	(1,107,754)
Lease liabilities		(128,276)	–	(128,276)
Employee benefits		(310)	–	(310)
Other non-current liabilities		(72,973)	–	(72,973)
Provision for taxation		(6,343)	–	(6,343)
Deferred tax liabilities		(10,519)	–	(10,519)
Provisions		(9,242)	–	(9,242)
Liabilities directly associated with the assets held for sale		–	(1,583)	(1,583)
Carrying amount of net assets disposed		586,645	53,489	640,134
Distribution *in specie*		183,124	–	183,124
Sale consideration, net of disposed costs		–	80,836	80,836
Non-controlling interest, based on their proportionate interest in the net assets distributed		536,496	–	536,496
Fair value of retained equity interest		426,706	–	426,706
		1,146,326	80,836	1,227,162
Carrying amount of net assets disposed		(586,645)	(53,489)	(640,134)
Realisation of foreign currency translation reserve		(85,302)	–	(85,302)
Gain on disposal of subsidiaries	7	474,379	27,347	501,726
Sale consideration, net of disposal costs		–	80,836	80,836
Less: Cash and cash equivalents of subsidiaries disposed		(96,408)	(837)	(97,245)
Net cash (outflow)/inflow on disposal of subsidiaries		(96,408)	79,999	(16,409)

Included in the gain on disposal of CDLHT is a gain on remeasurement of the Group's retained interest in CDLHT of $331.9 million. In addition, the capital reserve relating to CDLHT of $59.2 million has been reclassified to accumulated profits on its disposal.

27. Acquisition of subsidiaries

For the year ended 31 December 2022

There were the following acquisitions during the year:

(a) On 28 January 2022, the Group through its indirect wholly-owned subsidiary, City Connected Communities Pte. Ltd., acquired the remaining 70% of the equity interest in Distrii Technology Singapore Pte. Ltd. (subsequently renamed as City Nexus Pte. Ltd. ("City Nexus")), for a consideration of $1, from an associate. Following the acquisition, City Nexus became a wholly-owned subsidiary of the Group. City Nexus was previously accounted for by the Group as an investment in associate.

The acquisition was accounted for as a business combination.

(b) On 22 February 2022, the Group through its indirect non wholly-owned subsidiary, CDLHT, entered into a share purchase agreement to acquire 100% of the share and voting interest in Roundapple Hotel Partners III Limited (renamed to CDL HREIT Investments (II) Property Limited) which owns Hotel Brooklyn in Manchester, United Kingdom, for a total consideration $41.0 million (£22.4 million).

The acquisition was accounted for as an acquisition of assets.

(c) On 14 December 2022, the Group through its indirect wholly-owned subsidiary, Atlasgate UK Holdings Limited (Atlasgate), entered into sale and purchase agreements to (i) acquire 100% of the shares and voting interests in New Bath Court Limited, HSU JV Holdco Limited, HSRE Crosslane (Coventry) Limited and HSRE Crosslane (Leeds) Limited, which via its direct/indirect wholly-owned subsidiaries hold 4 student accommodation properties in Birmingham, Canterbury, Coventry and Leeds; and (ii) settle existing indebtedness amounts, for a total consideration of $294.8 million (£181.2 million).

The acquisition was accounted for as an acquisition of assets.

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the acquisition date.

	Recognised amounts		
	Business combination $'000	**Acquisition of assets $'000**	**Total $'000**
Investment properties	–	379,407	379,407
Trade and other receivables	17	698	715
Cash and cash equivalents	75	7,960	8,035
Trade and other payables	(20)	(14,906)	(14,926)
Lease liabilities	–	(37,005)	(37,005)
Provision for taxation	–	(384)	(384)
Net identifiable assets acquired	72	335,770	335,842
Cash flows relating to the acquisition			
Consideration for equity interest	–^	335,770	335,770
Add: Acquisition-related costs	–	8,384	8,384
Less: Acquisition-related costs not yet paid	–	(5,579)	(5,579)
Less: Cash and cash equivalents acquired	(75)	(7,960)	(8,035)
Total net cash outflow	(75)	330,615	330,540

^ Less than $1,000

Negative goodwill

Negative goodwill arising from the acquisition of City Nexus had been recognised as follows:

	$'000
Consideration transferred	–^
Fair value of the Group's existing 30% interest in the associate	24
Fair value of identifiable net assets	(72)
Negative goodwill	(48)

^ Less than $1,000

The negative goodwill arising from the acquisition of City Nexus has been recognised in "other income" in the Group's consolidated profit or loss. The negative goodwill was attributed to the competitive pricing negotiated with the seller.

<u>For the year ended 31 December 2021</u>

In February 2021, the Group through its indirect wholly-owned subsidiary, Chenghao (Shanghai) Investment Co., Ltd., acquired 84.6% of the shares and voting interest in Shenzhen Tusincere Technology Park Development Co. Ltd. (Shenzhen Tusincere), which holds a 65% equity interest in Shenzhen Longgang District Qidixiexin Science and Technology Development Park Co., Ltd. (Shenzhen Longgang), from Sincere Property Group, a then joint venture of the Group, and two third parties, for a consideration of approximately $174.3 million (RMB853.4 million), together with the assumption of proportionate existing shareholder loans of approximately $173.0 million (RMB847 million). The acquisition provided the Group an opportunity to enhance its property portfolio in China.

The acquisition was accounted for as a business combination.

From the date of acquisition to 31 December 2021, Shenzhen Tusincere contributed revenue of $222.8 million and profit before tax of $44.0 million to the Group's results. If the acquisition had occurred on 1 January 2021, management estimated the Group's revenue for the period would have been $2,654.4 million, with no significant change to the Group's profit before tax.

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the acquisition date.

	Note	Recognised amounts $'000
Property, plant and equipment		21,304
Investment properties	12	341,753
Development properties		948,309
Trade and other receivables		17,356
Contract costs		1,003
Cash at bank		5,564
Trade and other payables		(145,525)
Shareholder loans		(297,972)
Contract liabilities		(166,443)
Employee benefits		(813)
Lease liabilities		(2,876)
Provision for tax		(59,567)
Provisions		(4,108)
Interest-bearing borrowings		(194,016)
Deferred tax liabilities		(80,081)
Net identifiable assets acquired		383,888

	Recognised amounts $'000
Cash flows relating to the acquisition	
Consideration for equity interest	174,384
Shareholder loans assumed	172,969
Total consideration	347,353
Less: Cash acquired	(5,564)
Less: Consideration not yet paid	(42)
Total net cash outflow	341,747

Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired and liabilities assumed as part of business combinations were as follows:

Assets acquired	Valuation technique
Property, plant and equipment and investment properties	*Direct comparison, income capitalisation, standardised land value adjustment and residual methods:* The direct comparison method involved the analysis of comparable sales of similar assets and adjusting the sale prices to that reflective of the properties. The income capitalisation method capitalises an income stream into a present value using revenue multipliers or single-year capitalisation rates. The standardised land value adjustment method considers the price of standard land in the current situation of development and utilisation, under normal market conditions within legal maximum use term as at a special date, that is assessed and approved by the local government. The residual method involves deducting estimated cost to complete as of valuation date and other relevant costs from gross development value of the proposed development assuming satisfactory completion and accounting for developer profit.
Development properties	*Direct comparison, standardised land value adjustment and residual methods:* The direct comparison method involves the analysis of comparable sales of similar assets and adjusting the sale prices to that reflective of the properties. The standardised land value adjustment method considers the price of standard land in the current situation of development and utilisation, under normal market conditions within legal maximum use term as at a special date, that is assessed and approved by the local government. The residual method involves deducting the estimated cost to complete as of valuation date and other relevant costs from gross development value of the proposed development assuming satisfactory completion and accounting for developer profit.
Interest-bearing borrowings	*Discounted cash flow method:* The fair value of borrowings is estimated as the present value of future principal and interest cash flows, discounted at the market rates of interest at the acquisition date.

Negative goodwill

Negative goodwill arising from the acquisition of Shenzhen Tusincere had been recognised as follows:

	$'000
Consideration transferred	174,384
Non-controlling interests, based on their proportionate interest in the recognised amounts of the assets and liabilities of the acquiree	173,951
Fair value of identifiable net assets	(383,888)
Negative goodwill	(35,553)

The negative goodwill arising from the acquisition of Shenzhen Tusincere was recognised in "other income" in the Group's consolidated profit or loss. The negative goodwill was attributed to the competitive pricing negotiated with the joint venture party which was trying to improve its overall liquidity, and two other third parties.

28. Material related party transactions

Other than as disclosed elsewhere in the condensed interim financial statements, the material transactions with related parties based on terms agreed between the parties are as follows:

	Group			
	6 months ended 31 December 2022 $'000	**6 months ended 31 December 2021 $'000**	**12 months ended 31 December 2022 $'000**	**12 months ended 31 December 2021 $'000**
Insurance premium paid and payable to an associate of the ultimate holding company	(2)	(60)	(2)	(100)
Management services fees received and receivable from:				
- fellow subsidiaries	761	1,228	1,120	2,529
- associates	186	3	369	186
- joint ventures	6,042	3,987	14,518	6,624
	6,989	5,218	16,007	9,339
Maintenance services fees received and receivable from:				
- fellow subsidiaries	176	186	347	355
- associates	61	107	150	214
- joint ventures	1,000	403	1,629	893
	1,237	696	2,126	1,462
Rental and rental-related income received and receivable from:				
- a fellow subsidiary	172	172	346	342
- associates	3,407	2,758	7,493	2,758
- joint ventures	65	950	160	5,943
	3,644	3,880	7,999	9,043
Management services fee paid and payable to:				
- a fellow subsidiary	(102)	(873)	(132)	(1,022)
- joint ventures	–	–	(16)	–
	(102)	(873)	(148)	(1,022)
Rental and rental-related expenses paid and payable to:				
- a joint venture	(741)	(871)	(1,640)	(1,739)
- associates	(38,322)	–	(44,003)	–
	(39,063)	(871)	(45,643)	(1,739)
Purchase consideration for investment acquired paid and payable to a joint venture	–	–	–	(54,571)
Purchase of property, plant and equipment from an associate	–	(80)	–	(88)

29. Commitments

The Group and the Company have the following commitments as at the reporting date:

	Group		Company	
	31 December 2022 $'000	31 December 2021 $'000	31 December 2022 $'000	31 December 2021 $'000
Development expenditure contracted but not provided for in the financial statements	578,002	1,221,021	–	–
Capital expenditure contracted but not provided for in the financial statements	59,860	192,097	–	–
Commitments in respect of purchase of properties for which deposits have been paid	3,401	286,475	–	–
Commitments in respect of investments in joint ventures and associates	114,881	70,956	–	–
Commitments in respect of capital contribution to investments in financial assets in:				
- related parties	88,799	36,118	–	–
- third parties	19,969	14,362	–	–

30. Contingent liabilities

A subsidiary of the Group in China, whose principal activities are the trading of development properties and leasing activities, would in the ordinary course of business act as guarantors for the bank loans taken by the buyers to finance the purchase of properties developed by this subsidiary, covering the period from loan contract date to the property delivery date. As at 31 December 2022, the outstanding notional amount of the guarantees amounted to $8.5 million (2021: $21.3 million).

The Group has claims arising in the ordinary course of business which are being contested, the outcome of which are not presently determinable. At the reporting date, the Group has considered the probability of outflows of economic benefits pertaining to these claims pertaining to be remote. The Group continues to monitor the status of the claims.

31. Subsequent events

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

32. Comparative information

In June 2021, the Group applied for an initial public offering (IPO) of a real estate investment trust (REIT) that would own commercial assets located in the United Kingdom (UK) and planned to dispose the subsidiaries which hold two commercial properties in the UK, namely Aldgate House and 125 Old Broad Street (which are in the investment properties segment), to the proposed REIT. Accordingly, the assets and liabilities of the subsidiaries were reclassified to assets held for sale and liabilities directly associated with the assets held for sale, in 2021.

During 2022, the unprecedent interest rates hike has severely impacted the IPO of REITs in Singapore with several planned IPO and secondary fund-raising exercises of REITs being withdrawn. Amidst this challenging market, the Group decided not to proceed with the planned REIT IPO. Accordingly, the assets and liabilities of the relevant subsidiaries ceased to be classified as held for sale, and the Group reclassified the assets held for sale and liabilities directly associated with the assets to the Group's respective assets and liabilities.

In accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*, the comparative figures for 2H 2021 and FY 2021 were restated to account for the retrospective effect arising from the reclassification of two commercial properties located in United Kingdom, previously included under assets held for sale in 2021 due to a planned initial public offering of a real estate investment trust, back to investment properties following the Group's decision not to proceed with the plan in 2H 2022. The assets held for sale and liabilities directly associated with these 2 properties were reclassified to the Group's respective assets and liabilities and related depreciation and impairment losses were accounted for retrospectively.

The following table summarise the material impacts on the Group's consolidated statement of financial position, consolidated statement of profit or loss and consolidated statement of comprehensive income.

	Group		
	As previously reported $'000	**Adjustments $'000**	**As restated $'000**
Statement of financial position 31 December 2021			
Investment properties	3,997,169	985,677	4,982,846
Other non-current assets	182,557	–	182,557
Trade and other receivables	1,873,414	41,064	1,914,478
Cash and cash equivalents	2,083,165	17,535	2,100,700
Assets held for sale	1,445,759	(1,057,033)	388,726
Others	14,310,962	–	14,310,962
Total assets	23,893,026	(12,757)	23,880,269
Other liabilities	217,910	3,956	221,866
Trade and other payables	1,453,043	16,470	1,469,513
Provision for taxation	362,960	5,722	368,682
Liabilities directly associated with the assets held for sale	27,349	(26,148)	1,201
Others	12,499,735	–	12,499,735
Total liabilities	14,560,997	–	14,560,997
Reserves	6,422,163	(12,757)	6,409,406
Others	2,909,866	–	2,909,866
Total equity	9,332,029	(12,757)	9,319,272
Consolidated statement of profit or loss Year ended 31 December 2021			
Administrative expenses	(501,458)	(7,464)	(508,922)
Other operating expenses	(236,258)	(5,480)	(241,738)
Others	877,555	–	877,555
Profit for the year	139,839	(12,944)	126,895
Profit attributable to:			
- Owners of the Company	97,657	(12,944)	84,713
- Non-controlling interests	42,182	–	42,182
Profit for the year	139,839	(12,944)	126,895
<u>Earnings per share</u>			
- Basic	9.3 cents	(1.4 cents)	7.9 cents
- Diluted	9.3 cents	(1.4 cents)	7.9 cents

	As previously reported $'000	Adjustments $'000	As restated $'000
Consolidated statement of comprehensive income			
Year ended 31 December 2021			
Profit for the year	139,839	(12,944)	126,895
Other comprehensive income			
Items that will not be reclassified to profit or loss	8,000	–	8,000
Items that are or may be reclassified subsequently to profit or loss:			
- Translation differences arising on consolidation of foreign operations	(18,698)	187	(18,511)
- Others	5,247	–	5,247
	(13,451)	187	(13,264)
Total other comprehensive income for the year, net of tax	(5,451)	187	(5,264)
Total comprehensive income for the year	134,388	(12,757)	121,631
Consolidated statement of cash flows			
Year ended 31 December 2021			
Profit for the year	139,839	(12,944)	126,895
Depreciation and amortisation	277,545	7,464	285,009
Reversal of impairment loss on property, plant and equipment and investment properties (net)	(98,791)	5,480	(93,311)

There is no impact on the Company's statement of financial position as at 31 December 2021. There is also no impact to the financial position of the Group and the Company as at 1 January 2021.

Other Information Required by Listing Rule Appendix 7.2

1. **Review**

The condensed consolidated financial position of the Group as at 31 December 2022 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period and year then ended and certain explanatory notes have not been audited nor reviewed by the auditors.

2. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:**

   (a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
   (b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

Group Performance

The Group is pleased to report its highest net profit after tax and non-controlling interest (PATMI) of $1.3 billion for the full year ended 31 December 2022 (FY 2022) since its inception in 1963 (restated FY 2021: $84.7 million[1]). The PATMI for the second half year 2022 (2H 2022) stands at $165.8 million (restated 2H 2021: $116.8 million).

The stellar FY 2022 performance was boosted by a bountiful year of divestment gains, including the record sale of Millennium Hilton Seoul and the gain on deconsolidation of CDLHT from the Group following the distribution *in specie* of CDLHT Units in 1H 2022, as well as the completion of the collective sales of Tanglin Shopping Centre and Golden Mile Complex in 2H 2022. This is a testament to the Group's ability to extract value at the most opportune time, which in turn enables strong capital recycling.

Revenue

Revenue increased 25.4% to $3.3 billion for FY 2022 (FY 2021: $2.6 billion), propelled by a 58.1% increase in revenue from the hotel operations segment. Similarly, 2H 2022 revenue increased by 27.0% to $1.8 billion (2H 2021: $1.4 billion).

The significant increase in revenue from the hotel operations segment reflects the continued recovery and restored confidence in global travel following the relaxation of travel restrictions and borders reopening. The Group's hotel revenue per available room (RevPAR) grew 91.0% and 73.6% for FY 2022 and 2H 2022 respectively. The RevPAR growth for FY 2022 is attributable to a 48.9% increase in average room rates and a 14.2 percentage points improvement in occupancies across all geographies. Notably, hotels in London, Singapore and New York outperformed in 2022.

The property development segment continued to be the biggest contributor accounting for 42% of FY 2022 revenue, led by three strong-performing Singapore projects – Amber Park, Haus on Handy and Irwell Hill Residences. This does not include revenue from the substantially sold joint venture (JV) projects such as Boulevard 88 and CanningHill Piers, which are equity accounted for.

Profit Before Tax

The Group recorded a pre-tax profit of $1.9 billion for FY 2022 (restated FY 2021: $214.8 million[1]) and $278.8 million for 2H 2022 (restated 2H 2021: $205.1 million).

The extraordinary profits were driven by the distribution *in specie* of 144,191,823 stapled securities in CDLHT, resulting in the accounting deconsolidation of CDLHT from a subsidiary to an associate in May 2022 and the recognition of a total gain (inclusive of negative goodwill) of $492.4 million, as well as pre-tax divestment gains on the sale of properties amounting to $1.26 billion mainly from:

i) The completion of the sale of Millennium Hilton Seoul and its adjoining land site for KRW1.1 trillion (approximately $1.25 billion) in February 2022. The Group recognised a pre-tax gain of $925.5 million in FY 2022;

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[1] As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities. Restated PBT and PATMI are lower by $12.9 million for FY 2021 vis-à-vis previously reported.

ii) The completion of the collective sale of Tanglin Shopping Centre at the top bid of $868 million in November 2022, of which the Group owns about 34.6% of Share Value and 60.2% of Strata Area in the freehold strata-titled development. The Group recognised a pre-tax gain of $256.3 million;

iii) The completion of the collective sale of Golden Mile Complex at $700 million in November 2022, of which the Group holds 6.3% of Share Value and 34.8% of Strata Area. The Group recognised a pre-tax gain of $75.6 million.

The hotel operations segment reported an outstanding performance, registering a positive EBITDA for all regions for FY 2022 and a substantial improvement in its Gross Operating Profit (GOP) margins to 35.9% for 2H 2022 and 30.8% for FY 2022. The stronger GOP margins for 2H 2022 reflect a higher flow through to the bottom line due to higher room rates and productivity gains achieved during the pandemic alongside the Group's cost containment measures.

Based on external valuations, the Group made allowances for foreseeable losses for development projects of $61.8 million in 2H 2022, mainly for its projects in the UK. This resulted in the pre-tax profit of the property development segment decreasing to $161.3 million for FY 2022 (FY 2021: $244.8 million).

On the ground of prudence, the Group fully impaired its remaining exposure to Sincere Property Group of $80.7 million, and there are no further downside risks associated with Sincere Property Group, which is undergoing bankruptcy reorganisation. Any distribution following the bankruptcy reorganisation will be accounted for accordingly.

Capital Position

As of 31 December 2022, the Group maintained its sizeable war chest with cash reserves of $2.4 billion, and cash and available undrawn committed bank facilities totalling $4.1 billion.

After factoring in fair value on investment properties, the Group's net gearing ratio stands at 51% (FY 2021: 61%). Average borrowing costs stand at 2.4% for FY 2022, *vis-a-vis* 1.7% for FY 2021, reflecting the interest rate hikes in the key markets where the Group operates.

Net Asset Value (NAV) per share increased 9.7% to $10.16 as at 31 December 2022, bolstered by its record profits in FY 2022. The Group adopts the policy of stating its investment and hotel properties at cost less accumulated depreciation and impairment losses. Had the Group factored in fair value gains on its investment and hotel properties, its NAV would be as tabled below.

	31 December 2022 $/share	**31 December 2021 $/share Restated**
NAV	10.16	9.26
Revalued NAV (RNAV)(1)	16.98	15.73
Revalued NAV (RNAV)(2)	19.14	18.63

(1) RNAV factors in the fair value gains on its investment properties.
(2) RNAV factors in the fair value gains on its investment properties and the revaluation surpluses on its hotel properties which are accounted for as property, plant and equipment.

In the above RNAV computations, the Group had obtained external valuations for 91% of its investment properties portfolio and 42% of its hotel properties portfolio.

Dividend

The Board wishes to express its appreciation for shareholders' confidence and continued support.

The distribution *in specie* of stapled securities in CDLHT was completed in May 2022. Based on the share price of $1.27 per CDLHT Unit as at 25 May 2022, the distribution *in specie* was 20.2 cents per share.

A special interim ordinary dividend of 12.0 cents per share was also paid out in September 2022.

For FY 2022, the Board recommends a final ordinary dividend of 8.0 cents per share and a special final ordinary dividend of 8.0 cents per share. Together with the special interim ordinary dividend, the total cash dividend for FY 2022 amounts to 28.0 cents per share (FY 2021: cash dividend of 12.0 cents and 20.2 cents from the distribution *in specie* of CDLHT Units, totalling 32.2 cents).

Operational Highlights

Property Development

Singapore

The property market remained resilient, with private home prices increasing by 8.6% in 2022 compared to the 10.6% increase in 2021. For 2022, developers sold 7,099 units excluding Executive Condominiums (ECs), reflecting a 46% dip in transaction volume due to fewer new launches, low inventory and buyers' concerns over rising interest rates.

For FY 2022, the Group and its joint venture (JV) associates sold 1,487 units including ECs, with a total sales value of $2.9 billion (FY 2021: 2,185 units with a total sales value of $4.3 billion). The sales were largely attributed to the successful launch of two projects during the year.

In May, the Group launched the 407-unit Piccadilly Grand, a JV integrated project on Northumberland Road, linked to Farrer Park MRT station. To date, 348 units (86%) have been sold.

In October, the Group launched Copen Grand EC at Tengah New Town. The 639-unit JV project sold 73% of its units on launch day and was fully sold out one month after its launch.

Sales of the Group's earlier launched projects have progressed well and are substantially sold:

Project	Location	Launched	Total Units	Units Sold#
Irwell Hill Residences	Irwell Bank Road	April 2021	540	510 (94%)
CanningHill Piers*	Clarke Quay	November 2021	696	676 (97%)
Boulevard 88*	Orchard Boulevard	March 2019	154	135 (88%)
Amber Park*	Amber Road	May 2019	592	584 (99%)
Nouvel 18+	Anderson Road	July 2019	156	153 (98%)
Haus on Handy	Handy Road	July 2019	188	173 (92%)

**JV project*
#As at 19 February 2023
+Divested project under PPS 3, marketed by CDL

With strong sales achieved and low inventory, the Group acquired four sites in 2022 as part of its landbank replenishment strategy.

Besides the three parcels acquired in 1H 2022, namely the Government Land Sales (GLS) site at Jalan Tembusu, Central Square at Havelock Road and 798 and 800 Upper Bukit Timah Road, the Group also successfully acquired a GLS EC site at Bukit Batok West Avenue 5 in September 2022. It won the 178,936 sq ft site at $336.1 million or $626 psf ppr, beating the next highest bidder by a mere 0.2% or $1 psf ppr. The site is located at the junction of Bukit Batok West Avenue 5 and Bukit Batok Road, opposite the upcoming Tengah New Town and with three MRT stations in the vicinity. A 510-unit EC project is being planned and will incorporate Super Low Energy (SLE) features. The recent announcement on the relocation of the popular Anglo-Chinese School (Primary) to Tengah New Town in 2030 will likely boost the appeal for residential homes in this upcoming precinct.

The Group obtained Temporary Occupation Permit (TOP) for its fully sold 718-unit Whistler Grand (including 2 retail units) in April 2022. All units have been handed over to purchasers.

Given the fast-rising interest rates, the Government introduced another round of cooling measures in September 2022 to ensure prudent borrowing. The base interest rate for the computation of loans was adjusted from 3.5% to 4.0%. Other measures were more targeted at the HDB market – Loan-to-Value (LTV) was reduced to 80% from 85%, and a 15-month wait for private property owners wishing to purchase a HDB resale flat was implemented. The market is taking these new measures in its stride. With a limited supply of new residential units onstream and a recovering economy, the market is expected to remain stable with sustained interest from local and foreign buyers.

Overseas Markets

Australia

In Melbourne, the Group's 60-unit Fitzroy Fitzroy is 38% presold, and The Marker, where 79% of its 198 units have been sold to date, achieved practical completion in September 2022.

In Brisbane, the 215-unit Brickworks Park has sold 45% of the total units to date and has commenced early construction. The 97-unit Treetops at Kenmore JV project has sold 45% of the total units to date and the construction of Stage 1 started in Q4 2022.

UK

The Group's prime developments in Belgravia, Chelsea and Teddington continue to receive enquiries from both local and international buyers.

The former Stag Brewery site in Mortlake and three other development projects in London by the Group continue to be in various stages of planning.

China

In FY 2022, the Group's wholly-owned subsidiary, CDL China Limited, and its JV associates sold 88 residential, office and retail units, with a total sales value of RMB 349 million ($67.4 million).

In Suzhou, Hong Leong City Center (HLCC), a mixed-use development in Suzhou Industrial Park, has sold 1,670 (92%) of its 1,813 residential and retail units to date.

In Shanghai, Hongqiao Royal Lake, a luxury development in the prime residential enclave of Qingpu District, has sold 74 (87%) out of the 85 villas to date.

In Shenzhen, Hong Leong Technology Park Shenzhen (previously named Shenzhen Longgang Tusincere Tech Park) has sold 386 units comprising apartments, office and retail units with a sales value of RMB 1.04 billion ($200.8 million) ever since the Group acquired this project in March 2021.

Investment Properties

Singapore

As at 31 December 2022, the Group's office portfolio[2] reported a committed occupancy of 95.2%, above the island-wide occupancy of 88.7%[3]. Republic Plaza, the Group's flagship Grade A office building, is 97.6% occupied with a full-year positive rental reversion of 8.4%. King's Centre, where Asset Enhancement Initiative (AEI) works were completed in 1H 2022, has achieved 98.4% occupancy, with a full-year rental reversion of 8.9%.

The Group's retail portfolio[2] also remained healthy, with a committed occupancy of 96.1%, higher than the island-wide occupancy of 92.9%[3]. The strong performance was driven by City Square Mall, which is 93.5% occupied, and Palais Renaissance, which completed an AEI in 1H 2022, achieving 98.2% occupancy. The gain in traction from the removal of COVID-19 restrictions, coupled with the reopening of global economies in 2022, led to the recovery of the retail sector, injecting much vibrancy into the market once again.

The Group's retail portfolio's average monthly footfall in 2022 rose 21.7% year-on-year (y-o-y) and has recovered to over 73% of pre-COVID levels. In tandem with this, the average monthly tenants' sales increased by 20.1% y-o-y, exceeding pre-COVID levels. While the retail market is bustling again with increased shopper traffic, retailers remain cautious with looming economic uncertainties and rising operating costs.

Overseas Markets

China

Hong Leong Plaza Hongqiao, a five-tower office development in Shanghai, is 76% leased. Suzhou HLCC's Grade A office tower is now 94% occupied while HLCC mall is 82% occupied. The 295-room five-star M Social Suzhou is scheduled to open in Q2 2023.

Following the easing of China's prolonged zero-COVID policy, infection rates have increased significantly. It is anticipated that Q1 2023 will remain challenging for businesses before consumer confidence rebounds.

UK

Demand for best-in-class buildings remains healthy, which bodes well for the Group's Grade A buildings in Central London. 125 Old Broad Street and Aldgate House have achieved committed occupancy of 93.9% and 98.1% respectively.

[2] Includes South Beach Tower (in accordance with CDL's proportionate ownership). Excludes Central Mall Office Tower, Central Mall Conservation Unit and 11 Tampines Concourse.
[3] Based on Urban Redevelopment Authority's real estate statistics for Q4 2022.

Redevelopment and Asset Enhancement Initiatives (AEIs)

The redevelopment of Central Mall and Central Square is in an active planning stage and they will be redeveloped under the URA Strategic Development Incentive (SDI) Scheme. Outline Advice has been obtained for a mixed-use development comprising commercial, hospitality and residential components yielding a GFA uplift of 67% to approximately 735,500 sq ft from the current GFA of 441,650 sq ft. Subject to authorities' approval, the Group plans to develop a Grade A office building, a residential project with over 300 apartments, commercial units at the first storey, and a hospitality-related component on the site. The redevelopment will rejuvenate and shape the precinct's transformation into a vibrant lifestyle hub.

In Thailand, the Phase 1 revamp of Jungceylon Shopping Center in Patong, Phuket, was unveiled on 16 December 2022 to welcome the return of both domestic and international tourists with a range of exciting new lifestyle attractions. The remaining phases of the AEI are on track for completion by the end of 2023.

The Living Sector

UK

A. Private Rented Sector (PRS)

The UK PRS has proven to be a counter-cyclical asset class across the pandemic. Despite short-term challenges such as rising construction costs, higher interest rates and an inflationary environment, structural undersupply and mortgage affordability issues are expected to drive rents upwards. Strong rental demand is evident from healthy leasing rates and occupancy across newly-launched schemes. Rising wages, especially among those in the 25 to 34 age group, also support rental growth.

In Q4 2022, the Group's first PRS project in the UK – The Junction, located in Leeds, obtained sectional completion for three of five blocks (307 out of 665 units). Active leasing has commenced and the Group recently welcomed its first batch of residents to the new project. Construction of The Octagon, the Group's 370-unit PRS project in Birmingham, is in progress with estimated completion in 2025. Rents for new PRS projects launched in Leeds and Birmingham performed exceedingly well in 2022 and the Group expects its PRS projects to similarly outperform on launch.

B. Purpose-Built Student Accommodation (PBSA)

Occupancy levels have returned to pre-COVID levels. Strong rental growth is expected to be driven by high demand and post-COVID recovery, which will cushion the impact of increased energy costs and other inflationary pressures.

The Group made its foray into UK's PBSA sector in June 2022 with the acquisition of Infinity, a 505-bed PBSA asset in Coventry. In December 2022, the Group enlarged its portfolio by acquiring five additional PBSA assets for £215 million (approximately $350 million) in **Birmingham, Canterbury, Coventry, Leeds and Southampton**. These six assets, comprising about 2,400 beds, enjoy committed occupancy of about 98%.

The Group will continue expanding its living sector portfolio, particularly in key regional UK cities, to build scale and leverage the rising demand for rental accommodation.

Japan

In 2022, the Group acquired three newly-built PRS assets totalling 271 units in Yokohama and Osaka. It now owns eight PRS assets in Japan, comprising 513 units. The easing of border restrictions and the return of foreign nationals to Japan in 2H 2022 have significantly contributed to the recovery in the residential sector. The Group continues to enjoy stable rental income for its PRS portfolio and strong occupancies of above 95%.

Australia

During the year under review, to leverage the rising demand for rental accommodation in Australia, the Group acquired two PRS development sites in Brisbane's Toowong riverside suburb and Melbourne's Southbank respectively, totalling circa 490 apartments. Construction of both projects is targeted to commence in 2H 2023.

Fund Management

Fund management is an integral part of the Group's transformational strategy. Besides nurturing existing listed platforms like CDLHT and IREIT Global, the Group continues to lay the foundation to drive AUM growth via investment opportunities in both listed and unlisted platforms.

While the Group has paused its IPO aspirations for its UK commercial properties, it continues to explore strategic acquisitions that will complement its goal. The proposed acquisition of the St Katharine Docks development in London is one such opportunity. The deal is subject to satisfactory due diligence and negotiation on the terms. More details will be shared should there be any material development.

<u>Hotel Operations</u>

The Group's hotels achieved a strong performance in FY 2022, registering a RevPAR growth of 91% to $137.9 (FY 2021: $72.2). With the easing of travel restrictions and pent-up travel demand in most regions, the total revenue of the Group's hotels in Asia, the UK and the US have mostly surpassed their FY 2019 respective performance from September 2022 onwards, despite the soft market conditions in Taipei, Beijing and New Zealand.

Average GOP margin increased by 11.3 percentage points y-o-y and has surpassed FY 2019 levels, primarily led by the UK, US and Singapore markets.

Key operating statistics for hotels owned by the Group:

	Room Occupancy					Average Room Rate					RevPAR					GOP Margin %				
	FY 2022	FY 2021	FY 2019	Incr / (Decr) V.2021	Incr / (Decr) V.2019	FY 2022	FY 2021 *	FY 2019 *	Incr / (Decr) V.2021	Incr / (Decr) V.2019	FY 2022	FY 2021 *	FY 2019 *	Incr / (Decr) V.2021	Incr / (Decr) V.2019	FY 2022	FY 2021	FY 2019	Incr / (Decr) V.2021	Incr / (Decr) V.2019
	%	%	%	% pts	% pts	$	$	$	%	%	$	$	$	%	%	%	%	%	% pts	% pts
Singapore	79.3	77.4	86.4	1.9	(7.1)	190.4	93.9	176.2	102.8	8.1	151.0	72.7	152.2	107.7	(0.8)	45.9	41.2	40.1	4.7	5.8
Rest of Asia	48.4	40.5	70.5	7.9	(22.1)	135.3	107.3	155.2	26.1	(12.8)	65.6	43.5	109.5	50.8	(40.1)	16.9	10.4	32.4	6.5	(15.5)
Total Asia	**60.5**	**54.8**	**76.3**	**5.7**	**(15.8)**	**163.6**	**100.0**	**163.8**	**63.6**	**(0.1)**	**99.1**	**54.8**	**124.9**	**80.8**	**(20.7)**	**32.1**	**23.0**	**35.7**	**9.1**	**(3.6)**
Australasia	**43.7**	**36.1**	**59.8**	**7.6**	**(16.1)**	**154.0**	**141.0**	**194.7**	**9.2**	**(20.9)**	**67.3**	**50.9**	**116.4**	**32.2**	**(42.2)**	**28.9**	**33.7**	**45.2**	**(4.8)**	**(16.3)**
London	78.2	41.9	79.1	36.3	(0.9)	295.8	199.0	235.6	48.6	25.6	231.2	83.3	186.3	177.6	24.1	46.1	38.1	39.0	8.0	7.1
Rest of Europe	74.5	44.8	69.6	29.7	4.9	158.3	119.0	128.9	33.0	22.8	118.0	53.3	89.7	121.4	31.5	30.2	19.6	14.5	10.6	15.7
Total Europe	**76.5**	**43.3**	**74.2**	**33.2**	**2.3**	**233.7**	**159.4**	**183.6**	**46.6**	**27.3**	**178.7**	**69.0**	**136.2**	**159.0**	**31.2**	**40.6**	**31.1**	**30.0**	**9.5**	**10.6**
New York	82.8	63.7	86.6	19.1	(3.8)	337.2	233.9	337.4	44.2	(0.1)	279.3	149.0	292.2	87.4	(4.4)	19.8	(17.3)	11.4	37.1	8.4
Regional US	54.6	50.1	58.0	4.5	(3.4)	186.9	147.3	182.5	26.9	2.4	102.1	73.8	105.8	38.3	(3.5)	24.8	26.6	19.7	(1.8)	5.1
Total US	**65.5**	**55.0**	**67.5**	**10.5**	**(2.0)**	**260.3**	**183.3**	**255.0**	**42.0**	**2.1**	**170.6**	**100.8**	**172.1**	**69.2**	**(0.9)**	**21.8**	**4.9**	**15.3**	**16.9**	**6.5**
Total Group	**64.4**	**50.2**	**71.3**	**14.2**	**(6.9)**	**214.1**	**143.8**	**199.5**	**48.9**	**7.3**	**137.9**	**72.2**	**142.3**	**91.0**	**(3.1)**	**30.8**	**19.5**	**27.8**	**11.3**	**3.0**

* *For comparison purposes, FY 2021 and FY 2019 Average Room Rate and RevPAR had been translated at constant exchange rates (31 December 2022).*

	Room Occupancy			Average Room Rate			RevPAR			GOP Margin %		
	2H 2022	2H 2021	Incr / (Decr)	2H 2022	2H 2021 *	Incr / (Decr)	2H 2022	2H 2021 *	Incr / (Decr)	2H 2022	2H 2021	Incr / (Decr)
	%	%	% pts	$	$	%	$	$	%	%	%	% pts
Singapore	88.6	80.4	8.2	212.3	99.4	113.6	188.2	79.9	135.5	49.1	42.8	6.3
Rest of Asia	56.4	44.8	11.6	148.6	106.9	39.0	83.9	47.8	75.5	27.2	15.9	11.3
Total Asia	**69.2**	**58.6**	**10.6**	**181.0**	**102.9**	**75.9**	**125.3**	**60.3**	**107.8**	**39.0**	**26.8**	**12.2**
Australasia	**49.0**	**31.3**	**17.7**	**155.2**	**142.8**	**8.7**	**76.0**	**44.7**	**70.0**	**30.8**	**29.5**	**1.3**
London	85.7	63.5	22.2	321.4	214.6	49.8	275.4	136.4	101.9	49.2	43.8	5.4
Rest of Europe	79.7	66.6	13.1	161.1	127.6	26.3	128.4	85.0	51.1	33.1	29.7	3.4
Total Europe	**82.9**	**65.0**	**17.9**	**249.6**	**173.1**	**44.2**	**206.9**	**112.5**	**83.9**	**43.8**	**38.6**	**5.2**
New York	89.4	72.4	17.0	387.9	278.0	39.5	346.9	201.2	72.4	28.1	0.6	27.5
Regional US	56.6	56.9	(0.3)	198.4	164.3	20.8	112.2	93.5	20.0	24.6	29.6	(5.0)
Total US	**69.5**	**62.8**	**6.7**	**294.4**	**214.0**	**37.6**	**204.6**	**134.4**	**52.2**	**26.8**	**14.0**	**12.8**
Total Group	**70.7**	**58.9**	**11.8**	**233.5**	**161.4**	**44.7**	**165.1**	**95.1**	**73.6**	**35.9**	**25.6**	**10.3**

* *For comparison purposes, 2H 2021 Average Room Rate and RevPAR had been translated at constant exchange rates (31 December 2022).*

<u>Asia</u>

In FY 2022, the Group's Singapore hotels recorded a strong 107.7% y-o-y jump in RevPAR due to the strong recovery of the Singapore market, which was boosted by the Formula 1 Singapore Grand Prix in September. Compared to FY 2019, Singapore's RevPAR was marginally behind by 0.8%. For the Rest of Asia, Taipei's performance has improved since October due to the lifting of government travel restrictions, while Beijing was still affected by the strict zero-COVID policy.

Australasia

With the gradual reopening of borders to international travellers since August 2022, the tourism sector in New Zealand has been on a gradual recovery path. The Group's hotels recorded a full-year RevPAR increase of 32.2% to $67.3 (FY 2021: $50.9) but are down 42.2% compared to FY 2019.

Europe

The entire Europe region showed a strong performance, with London hotels achieving a 177.6% y-o-y growth in RevPAR to $231.2 (FY 2021: $83.3) and surpassing FY 2019 by 24.1%. Demand continued to be strong across London and the Rest of Europe.

US

The US market continued its recovery momentum as pandemic restrictions eased and travel confidence returned. Performance for some of the regional US hotels in Q4 was softer due to the winter season, but New York City bounced back strongly in December, showing a y-o-y growth of 87.4% in RevPAR, marginally behind FY 2019 by 4.4%.

Hotel Refurbishments

With a focus on revenue generation and asset yield optimisation, the Group continues to enhance its hospitality offerings and revitalise its assets through AEIs and repositioning.

In Singapore, the Group completed the renovation of all 360 guestrooms at Studio M Hotel in May 2022, amounting to $3.4 million.

In Q4 2022, Grand Copthorne Waterfront Hotel in Singapore commenced its phased refurbishment for its 550 guestrooms and public areas. The AEI will cost around $32 million. In the same quarter, in tandem with the ongoing AEI of the Group's Jungceylon Shopping Center, Millennium Resort Patong Phuket started renovating its 418 guestrooms and common areas at an estimated cost of $37 million. The hotel will be rebranded as M Social Hotel Phuket – the first in Thailand. Completion works for both assets are expected by 2H 2023.

Going forward, the Group has other AEIs in the pipeline for 2H 2023 / 2024:
- Millennium Downtown New York will undergo a major renovation and be rebranded to M Social Hotel Downtown, New York
- Millennium Knightsbridge London has a renovation plan and will be rebranded to M Social Hotel Knightsbridge, London

Hotel Openings and Closures

In 2H 2023, the Group is planning to unveil its newest hotel, the iconic eight-storey 204-room The Singapore EDITION, located on Orchard Boulevard. It is EDITION's first hotel in Southeast Asia, a unique concept in the lifestyle hotel space conceived by Ian Schrager and Marriott International.

In New Zealand, Copthorne Hotel Greymouth was rebranded on 1 March 2022 (previously named Kingsgate Hotel Greymouth).

Millennium Buffalo Hotel in the US ceased operations in October 2022 due to a non-renewal of the lease.

Group Divestments

During the year under review, the Group completed several major property divestments, which enabled it to realise significant capital gains, as the Group had held these assets at book value over a long period of time. They include the sale of the Millennium Hilton Seoul and its adjoining land site in February, as well as the collective sale of Tanglin Shopping Centre and Golden Mile Complex in November, where the Group owns share values and strata areas. Additionally, the Group also recognised substantive gains from the deconsolidation of CDLHT from a subsidiary to an associate, following the distribution *in specie* exercise of stapled securities in CDLHT completed in May 2022.

Statement of profit or loss

	The Group Half year ended 31 December 2022	The Group Half year ended 31 December 2021 Restated*	Incr/ (Decr)	The Group Full year ended 31 December 2022	The Group Full year ended 31 December 2021 Restated*	Incr/ (Decr)
	S$'000	S$'000	%	S$'000	S$'000	%
Revenue	1,820,860	1,433,664	27.0	3,293,413	2,625,853	25.4
Cost of sales	(1,157,371)	(872,739)	32.6	(2,046,466)	(1,648,140)	24.2
Gross profit	663,489	560,925	18.3	1,246,947	977,713	27.5
Other income	360,510	31,566	NM	1,783,032	87,979	NM
Administrative expenses	(309,394)	(259,655)	19.2	(593,680)	(508,922)	16.7
Other operating expenses	(278,267)	(98,368)	NM	(475,882)	(241,738)	96.9
Impairment loss on other receivables and debt investment	(80,688)	(1,889)	NM	(80,688)	(6,104)	NM
Profit from operating activities	355,650	232,579	52.9	1,879,729	308,928	NM
Finance income	44,599	22,839	95.3	91,554	36,206	NM
Finance costs	(198,959)	(106,147)	87.4	(284,680)	(237,823)	19.7
Net finance costs	(154,360)	(83,308)	85.3	(193,126)	(201,617)	(4.2)
Share of after-tax profit of associates	34,817	252	NM	86,832	30,713	NM
Share of after-tax profit of joint ventures	42,658	55,533	(23.2)	83,332	76,779	8.5
Profit before tax	278,765	205,056	35.9	1,856,767	214,803	NM
Tax expense	(109,823)	(59,452)	84.7	(542,568)	(87,908)	NM
Profit for the period/year	168,942	145,604	16.0	1,314,199	126,895	NM
Attributable to:						
Owners of the Company	**165,848**	**116,799**	42.0	**1,285,322**	**84,713**	NM
Non-controlling interests	3,094	28,805	(89.3)	28,877	42,182	(31.5)
Profit for the period/year	168,942	145,604	16.0	1,314,199	126,895	NM

NM: Not meaningful

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities. Restated PBT and PATMI are lower by $12.9MM for FY 2021 vis-à-vis previously reported (refer to note 32).

Revenue

The increase in revenue is primarily due to the hotel operations segment, which contributed 43% (2H 2021: 39%) for 2H 2022 and 42% (FY 2021: 33%) for FY 2022 of total revenue. RevPAR increased 73.6% for 2H 2022 and 91.0% for FY 2022 with both improved room occupancies and average room rate, following the easing of border restrictions and a gradual recovery from the COVID-19 pandemic.

Gross profit

Gross profit margin decreased to 36% for 2H 2022 (2H 2021: 39%) but remained relatively constant at 38% for FY 2022 (FY 2021: 37%). The lower gross profit margin for 2H 2022 is mainly due to allowance for foreseeable losses of $61.8 million made on four development properties in United Kingdom (UK) and one development property in China.

Other income

In 2H 2022, the Group completed the collective sale of Tanglin Shopping Centre which received the top bid of $868 million (or $2,769 psf ppr) in February 2022. Through King's Tanglin Shopping Pte Ltd, a wholly-owned subsidiary of M&C, the Group owns about 34.6% of Share Value and 60.2% of Strata Area in the freehold strata-titled development.

The collective sale of Golden Mile Complex at $700 million to a consortium was also completed in 2H 2022. The Group holds 6.3% of Share Value and 34.8% of Strata Area, mainly attributed to the property's large carpark.

The Group recognised a pre-tax gain of $256.3 million and $75.6 million for the collective sale of Tanglin Shopping Centre and Golden Mile Complex respectively.

Other income for FY 2022 also includes divestment gains from disposal of Millennium Hilton Seoul of $925.5 million and disposal of Tagore 23 warehouse of $27.3 million, coupled with the gain of $474.4 million recognised from the deconsolidation of CDLHT.

Other income for 2H 2021 comprised mainly divestment gains from disposal of Copthorne Hotel Birmingham and Mille Malle of $15.6 million and $5.7 million respectively. Other income for FY 2021 also included divestment gain from the disposal of the land held on the property of Copthorne Hotel Christchurch of $14.9 million, and negative goodwill of $35.6 million recognised on the acquisition of a 84.6% interest in Shenzhen Tusincere in February 2021.

Administrative expenses

Administrative expenses comprised mainly depreciation, hotel administrative expenses and salaries and related expenses. The increase in administrative expenses in 2H 2022 and FY 2022 was largely due to higher hotel administrative expenses and salaries expenses. Hotel administrative expenses and salaries increased as hotels across all regions saw significant improvements in turnover.

Other operating expenses

Other operating expenses include reversal of impairment loss on property, plant and equipment, impairment loss on investment properties, impairment loss on trade and other receivables, property taxes, insurance and other operating expenses on hotels.

In 2H 2022, the Group provided $62.7 million impairment loss on the loans granted to Sincere Property Group, and $18.0 million impairment loss on the US$230 million USD bonds issued by Sincere Property Group which the Group had subscribed to, totalling $80.7 million. Following this impairment, the net carrying amount on these loan receivables and debt instruments have been reduced to nil. The Group also made an allowance for doubtful receivables of $22.0 million, mainly on rent receivables (including accrued receivables) from certain tenants on long leases in the Group's investment properties in China.

In FY 2022, the Group recognised impairment loss of $35.7 million on two investment properties in UK and an investment property in China. The Group also reversed $28.1 million net impairment loss on 4 hotels in United States, 3 hotels in Europe and a hotel in New Zealand. In contrast, the Group reversed impairment loss of $95.4 million on property, plant and equipment and recognised $2.1 million (restated) impairment loss on investment properties in FY 2021. More details on the Group's assessment are detailed in note 11 and 12 to the condensed interim financial statements.

The Group also incurred higher hotel operating expenses in line with the improvements in hotel turnover across all regions, coupled with higher professional fees during the year as compared to FY 2021.

Net finance costs

Net finance costs increased by $71.1 million for 2H 2022 but decreased by $8.5 million for FY 2022 mainly due to the following:

(i) Fair value gain on financial derivatives of $4.8 million for 2H 2022 and $30.0 million for FY 2022 vis-à-vis fair value loss on financial derivatives of $11.8 million for 2H 2021 and $27.1 million for FY 2021.

Fair value gain on financial derivatives for FY 2022 was mainly attributable to fair value gain on foreign exchange forward contracts and Euro/United States dollar (USD) cross-currency interest swap contract.

Fair value loss on financial derivatives for FY 2021 was mainly due to $49.6 million loss recognised on Renminbi/SGD foreign currency exchange swap entered by the Group. The fair value loss for FY 2021 was partially offset by fair value gain on foreign exchange forward contracts and Euro/USD cross-currency interest swap contract.

(ii) Fair value loss on financial assets measured at fair value through profit or loss (FVTPL) increased by $35.4 million for FY 2022 to $38.3 million (FY 2021: $2.9 million), mainly due to the remeasurement of unquoted debt instruments and equity investments measured at FVTPL.

(iii) Net exchange loss of $13.8 million and net exchange gain of $8.9 million recognised in 2H 2022 and FY 2022 vis-à-vis net exchange loss of $8.7 million and $18.9 million recognised in 2H 2021 and FY 2021.

Net exchange loss of $13.8 million for 2H 2022 was mainly attributable to the translation loss recognised by a USD subsidiary on SGD denominated intercompany payables arising from the appreciation of SGD against USD. The loss was also contributed by the translation loss recognised by the Company on GBP denominated intercompany receivables due to the weakening of GBP.

Net exchange gain of $8.9 million for FY 2022, mainly attributable to the exchange gain recognised by a Korean subsidiary on an SGD denominated intercompany loan receivable as a result of the appreciation of the appreciation of SGD against KRW. The gain was partially offset by the abovementioned forex loss on intercompany loans.

Net exchange loss for FY 2021 was mainly due to the appreciation of GBP and USD denominated borrowings against SGD, as well as depreciation from EUR denominated receivables against SGD incurred by CDLHT Group.

Share of after-tax profit of associates and joint ventures

The increase in share of after-tax profit of associates for 2H 2022 and FY 2022 were mainly attributable to the contribution from CDLHT as an associate post deconsolidation, along with higher contribution from IREIT Global and First Sponsor Group. Included in share of after-tax profit of associates for FY 2022 was a negative goodwill of $18.0 million recognised from remeasurement of the Group's retained interest in CDLHT following the deconsolidation on 26 May 2022.

Included in 2H 2021 and FY 2021 were impairment loss recognised of $12.1 million on investment in two associates.

Share of after-tax profit of joint ventures for 2H 2022 and FY 2022 were mainly attributable to contribution from residential projects such as Boulevard 88, Sengkang Grand Residences, Penrose, South Beach Residences and The Jovell. The decrease for 2H 2022 was due to declined contribution from The Jovell and South Beach Residences as they were substantially sold by 2021. The increase for FY 2022 was largely due to higher contribution from Boulevard 88, Penrose and Sengkang Grand Residences, partially offset by lower contribution from The Jovell and South Beach Residences.

Statement of financial position

Property, plant and equipment for the Group decreased by $1.3 billion to $4,060.8 million (As at 31 December 2021: $5,361.8 million) mainly due the disposal of CDLHT arising from the distribution *in specie* (refer to note 26). Following the deconsolidation of CDLHT, the Group recognised ROU assets of $551 million in relation to the leasing of hotels from CDLHT by the Group which are no longer considered intra-group transactions and are not eliminated.

Investments in associates at the Group increased by $446.7 million, mainly attributable to the recognition of CDLHT as an associate at fair value following the distribution *in specie,* reducing the Group's interest in CDLHT to 27%.

Long-term financial assets at the Group decreased by $103.3 million, mainly attributable to the full redemption of $140 million note issued by Summervale Properties Pte. Ltd. that the Group previously subscribed.

Other non-current assets at the Group increased by $206.8 million mainly due to reclassification of loan to joint ventures from current to non-current assets as the Group does not envisage and does not intend to request for repayment of the loan within the next one year. The increase was partially offset by the decrease in restricted cash deposits which was reclassified from non-current assets to current assets as the banking facilities are maturing in 2023.

Short-term financial assets at the Group decreased by $19.7 million, mainly due to impairment of $18.0 million made on the US denominated bond issued by Sincere Property Group which the Group had subscribed to. Following this impairment, the net carrying amount on this debt instrument is reduced to nil.

Assets held for sale and the liabilities directly associated with the assets held for sale as at 31 December 2022 was in relation to the proposed divestments of Millennium Harvest House Boulder. Refer to note 18 of the condensed interim financial statements for details.

Non-current lease liabilities at the Group increased by $426.6 million mainly due to the deconsolidation of CDLHT. Resultantly, lease liabilities arising from the leasing of hotels from CDLHT by the Group are no longer considered intra-group transactions and no longer eliminated.

Other liabilities (non-current) at the Group decreased by $85.1 million, largely attributable to the partial recognition of the deferred gain of $105 million which arose previously from the sale of Novotel Singapore Clarke Quay by CDLHT to a joint venture. Following the deconsolidation of CDLHT, the deferred gain attributable to the non-controlling interest of CDLHT was derecognised. Deferred gain stands at $38 million as at 31 December 2022.

Overall net borrowings of the Group (interest-bearing borrowings net of cash and cash equivalents) decreased by $1,219.4 million due to the deconsolidation of CDLHT on 26 May 2022. The decrease was partially offset by additional borrowings arising from acquisition of new land sites at 798 and 800 Upper Bukit Timah and Bukit Batok West Avenue 5, dividend payments and construction costs incurred for the redevelopment of Fuji Xerox Towers.

<u>Statement of cash flows</u>

The operating cash outflows for FY 2022 were mainly due to payments for new land sites at 798 and 800 Upper Bukit Timah, Central Square and Bukit Batok West Avenue 5 EC totalling $850 million. Excluding the payments for the new land sites, there would be a net cash inflow from operating activities of $725 million.

Net cash inflows from investing activities amounted to $779.9 million in FY 2022 (FY 2021: net cash outflows of $863.4 million).

(i) The cash outflows from acquisition of subsidiaries of $330.6 million for FY 2022 was due to acquisition of Hotel Brooklyn by CDLHT in February 2022 and 4 student accommodation properties in UK by the Group in December 2022 (refer to note 27).

    The cash outflow of $341.7 million for FY 2021 was due to payments made by the Group to acquire the 84.6% equity interest in Shenzhen Tusincere in February 2021.

(ii) Net cash outflows from increase in investments in associates of $34.4 million for FY 2022 was mainly due to the additional contribution made by the Group into HThree City Australian Commercial Fund 3 LP, a real estate investment fund which was accounted for as an associate of the Group.

    Net cash outflows from increase in investments in associates of $70.8 million for FY 2021 was mainly due to payments made by the Group to subscribe for additional units in IREIT Global, and additional investments in HThree City Australian Commercial Fund 3 LP.

(iii) The net cash outflows from increase in investments in joint ventures for FY 2022 was mainly due to acquisition of HThree City Jade Pte Ltd, which was accounted for as a joint venture of the Group.

(iv) The net cash inflows from return of capital from a joint venture for FY 2022 and FY 2021 relates to the return of capital from South Beach Consortium.

    The net cash inflows from return of capital from an associate for FY 2022 relates to the return of capital from IREIT Global.

(v) Net cash outflows from increase in non-trade amounts owing by equity-accounted investees of $31.3 million for FY 2022 was mainly due to advances granted to joint ventures to fund the acquisition of a land site at Jalan Tembusu. The advances were partially offset by repayment of loans from other equity-accounted investees.

Net cash outflows from increase in non-trade amounts owing by equity-accounted investees of $183.4 million for FY 2021 was mainly due to advances granted to joint ventures to fund the acquisition of the Tengah Garden Walk EC site and a land site at Northumberland Road and to fund the development of CanningHill Piers and CanningHill Square. The advances were partially offset by repayment of loans from other equity-accounted investees.

(vi) The cash outflows on the payments for purchase of investment properties of $242.2 million for FY 2022 relate to the acquisition of two student accommodations in Coventry and Southampton UK. In addition, the Group acquired three newly-built PRS projects in Japan.

(vii) The proceeds from the sale of property, plant and equipment for FY 2022 of $1.6 billion relate mainly to the proceeds from the sale of Millennium Hilton Seoul in February 2022, as well as the collective sale of Tanglin Shopping Centre and Golden Mile Complex in November 2022.

The proceeds from the sale of property, plant and equipment for FY 2021 of $65.3 million relate mainly to the proceeds from the disposal of land held at the property of Copthorne Hotel Christchurch, Copthorne Hotel Birmingham and Mille Malle.

(viii) Proceeds from the disposal of subsidiaries, net of cash disposed of $16.4 million for FY 2022 relate to the divestment of 100% equity interest in Bloomsville Investments Pte. Ltd., which owns Tagore 23 warehouse in March 2022 and the deconsolidation of CDLHT in May 2022 (refer to note 26).

(ix) Proceeds from distributions from investment in financial assets for FY 2022 relate mainly to the full redemption of the $140 million note issued by Summervale Properties Pte. Ltd. which the Group previously subscribed to.

The Group had net cash outflows from financing activities of $290.1 million for FY 2022 (FY 2021: $1,277.1 million). The net cash outflows for FY 2022 were mainly due to dividends and interest expenses paid during the year, partially offset by net borrowings of $92.6 million. The net cash outflows for FY 2021 were largely due to a net repayment of borrowings of $637.2 million, payments for the corporate guarantee in connection with loans taken up by HCP Group and dividends paid during the year.

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

<u>Property development</u>

Revenue increased by $147.9 million to $773.8 million (2H 2021: $625.9 million) for 2H 2022 and $127.8 million to $1,382.3 million (FY 2021: $1,254.5 million) for FY 2022.

Pre-tax profit decreased by $68.9 million to $57.1 million (2H 2021: $126.0 million) for 2H 2022 and $83.5 million to $161.3 million (FY 2021: $244.8 million) for FY 2022.

Projects that contributed to both revenue and profit in FY 2022 include Amber Park, Irwell Hill Residences, Haus on Handy, Hong Leong Tech Park Shenzhen, Hongqiao Royal Lake, Shanghai, Sydney Street in UK and Teddington Studio in UK as well as New Zealand land sales. In accordance with the Group's policy of equity accounting for the results of its joint ventures, whilst revenue from joint venture developments such as Boulevard 88, The Jovell and Sengkang Grand Residences had not been consolidated into the Group's total revenue, the Group's share of profit arising from these joint venture developments had been included in pre-tax profit.

The increase in revenue for 2H 2022 and FY 2022 was attributable to revenue contribution from higher progressive contribution from Amber Park, Irwell Hill Residences and Haus on Handy, due to higher percentage of completion achieved and units sold.

Pre-tax profit decreased for 2H 2022 and FY 2022 due to allowance for foreseeable losses made on four development properties in UK and one development property in China. Included in the pre-tax profit for this segment for FY 2021 was the negative goodwill recognised by the Group for the acquisition of Hong Leong Tech Park Shenzhen. Excluding the allowance for foreseeable losses and the aforesaid negative goodwill, pre-tax profits for this segment would have remained relatively constant at $223.1 million (FY 2021: $219.0 million) for FY 2022.

<u>Hotel Operations</u>

Revenue for this segment increased $225.7 million to $781.8 million (2H 2021: $556.1 million) for 2H 2022 and $507.6 million to $1,380.7 million (FY 2021: $873.1 million) for FY 2022.

This segment reported a pre-tax gain of $58.2 million (2H 2021: $71.9 million) for 2H 2022 and $1,383.2 million (FY 2021: pre-tax loss of $71.0 million) for FY 2022.

The increase in revenue is attributable to the recovery of the hospitality sector, backed by improved occupancy and room rates achieved by the Group's hotel portfolio. The Group's hotel RevPAR grew 91.0% and 73.6% for FY 2022 and 2H 2022 respectively.

The substantial pre-tax profits recognised for FY 2022 was mainly due to the divestment gains recognised from the disposal of Millennium Hilton Seoul and the deconsolidation of CDLHT in FY 2022. This was partially offset by lower reversal of impairment losses made by the Group of $31.8 million (FY 2021: $96.4 million) on its hotel properties during the year.

Investment Properties

Revenue for this segment remained relatively constant at $167.2 million (2H 2021: $170.2 million) for 2H 2022 and at $341.2 million (FY 2021: $341.1 million) for FY 2022.

This segment reported a pre-tax gain of $259.4 million (restated 2H 2021: $1.9 million) for 2H 2022 and a pre-tax gain of $383.6 million (restated FY 2021: $11.4 million) for FY 2022.

The substantial pre-tax profit recognised for 2H 2022 and FY 2022 was due to profit from the collective sale of Tanglin Shopping Centre and Golden Mile Complex in 2H 2022, partially offset by higher impairment losses made on investment properties of $35.7 million (restated FY 2021: $2.1 million).

Others

Revenue, comprising mainly income from building maintenance contracts, project management, club operations, laundry services and dividend income, increased by $16.7 million to $98.1 million (2H 2021: $81.4 million) for 2H 2022 and $32.2 million to $189.3 million (FY 2021: $157.1 million) for FY 2022. The increases for 2H 2022 and FY 2022 were due to higher project management fees earned.

This segment reported a pre-tax loss of $96.0 million (2H 2021: pre-tax gain of $5.4 million) for 2H 2022 and a pre-tax loss of $71.3 million (FY 2021: pre-tax gain of $29.7 million) for FY 2022.

Despite the increase in revenue, the Group recognised pre-tax loss for 2H 2022 and FY 2022, mainly due to the impairment loss made on the loans granted to Sincere Property Group of $62.7 million and US denominated bonds issued by Sincere Property Group which the Group had subscribed to of $18.0 million, totalling $80.7 million.

Pre-tax loss for 2H 2022 also include higher fair value loss recognised on the remeasurement of certain quoted securities held by the Group.

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

The Group's performance for the period under review was in line with its expectations as disclosed in the announcement of results for the six months ended 30 June 2022.

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

Property Development

With a limited supply of new project launches, residential property prices are expected to remain resilient in 2023. Although buying interest among Singaporeans and foreigners is still healthy, it is tempered by concerns about higher interest rates, which have shown recent signs of moderation.

During the recent Singapore Budget 2023 statement, the Government announced marginal Buyers' Stamp Duty (BSD) hikes for higher-value residential properties, as part of fiscal fortification and adjustments to the tax system. Residential properties valued above $1.5 million will be taxed 5% (up from 4%), while properties valued above $3 million will be taxed 6% (up from 4%). Overall, the Group is of the view that the higher BSD is unlikely to significantly affect the mass market residential segment. For luxury projects, the Group believes that discerning buyers, investors and high net-worth individuals will continue to be attracted to the strong potential of property investment in Singapore, given the city's status as a safe haven and hub for business growth and new opportunities. The Group expects transaction volume to remain relatively stable.

For 1H 2023, the Group plans to launch two new projects in Singapore.

The first is Tembusu Grand, a 638-unit development nestled in the charming enclave of Tanjong Katong in prime District 15. Located along Tanjong Katong Road and Jalan Tembusu, it is less than 10 minutes' walk to the upcoming Tanjong Katong MRT station and near East Coast Park. It is situated in an area with rich heritage and modern malls like i12 Katong and Parkway Parade, offering many dining, shopping and entertainment options.

The second project is Newport Residences, designed by renowned Japanese architecture firm Nikken Sekkei. The 45-storey development comprises 246 rare freehold residences, including a super penthouse. All the apartments are elevated from level 23 to 45, offering spectacular views of the city and the sea. Newport Residences is part of Newport Plaza (formerly Fuji Xerox Towers), an integrated development comprising apartments, serviced residences, Grade A offices and a retail component. The project was awarded BCA Green Mark Platinum SLE certification. Three MRT stations are within walking distance – Tanjong Pagar MRT, the upcoming Prince Edward Road MRT and Cantonment MRT. With the future Greater Southern Waterfront just across, this offers higher investment potential for buyers.

In 2H 2023, the Group plans to launch The Myst at 798 and 800 Upper Bukit Timah Road. The development comprises two 24-storey blocks with 408 residential apartments. It is a mere 5-minute walk to Cashew MRT station and within a 10-minute walk to Bukit Panjang Integrated Transport Hub comprising Hillion Mall, Bukit Panjang Bus Interchange and Bukit Panjang MRT station.

Investment Properties

Global economic headwinds and recent large tech layoffs are expected to weigh on market sentiment. Tech firms and start-ups will be giving up or subletting their space as the cost of borrowing increases, and more shadow space is expected to emerge in the next few months. The Group also expects more rightsizing with the tech sector fallout, crypto collapse and continuous trend of hybrid working. Premium Grade A office demand is projected to stay healthy, while older Grade A offerings may face some challenges. Nonetheless, limited new supply in the next three years will support modest rental growth in 2023.

While operational challenges and rising costs remain key concerns for retailers, the reopening of China's borders and continued recovery of tourist arrivals should provide some relief via stronger retail sales growth.

Hotel Operations

Whilst January is traditionally a slow month, especially with the Chinese New Year holidays falling on the third week of January 2023, the Group's hotels are trading close to January 2019 levels. The Group saw positive recovery from China's lifting of travel restrictions and relaxation of its zero-COVID policy in early January 2023. It expects this new development to bolster global tourism with pent-up demand. Barring unforeseen circumstances, the Group anticipates Q1 2023 to outperform 2019 levels.

Outlook

The Group's record profit in 2022 demonstrated its execution ability to deliver on its Growth, Enhancement and Transformation (GET) strategy.

In Singapore, the Group continued to be a market leader for private home sales with a strong development pipeline. Its asset rejuvenation and portfolio enhancement initiatives achieved improved occupancies and positive rental reversions. Fund management aspirations and capital recycling initiatives remain integral to the Group's transformation strategy. In addition to growing its AUM, the Group continued to streamline its portfolio through several opportunistic asset divestments to unlock latent value while also building scale in new growth areas, like its living sector portfolio.

The Group's hotel operations have recovered in most markets to pre-pandemic levels. With a more stabilised position, the Group can now accelerate its plans for asset optimisation, alignment to the Group's sustainability goals and driving growth. The Group expects its hotel operations to strengthen further, riding on the reopening of China, post-pandemic 'revenge travel' and the return of corporate travel.

While Singapore will always be its home ground and core market where it maintains a sizeable presence, the Group will continue to pursue its diversification strategy to build its overseas portfolio in its key overseas markets of China, UK, Japan and Australia. The Group will selectively and prudently examine opportunities to strategically expand its footprint as well as build scale in the living sector. This will enable the Group to diversify its geographical and asset class risks while tapping on various sustainable income streams to weather cyclical headwinds.

The outlook for 2023 remains uncertain, given near-term economic headwinds and ongoing challenges, including geopolitical tensions, inflation and interest rate hikes. While market uncertainties persist, the Group will remain steadfast in the execution of its GET strategy.

2023 also marks the Group's Diamond Jubilee. Over the past 60 years, the Group has weathered many economic storms and uncertainties. With discipline, agility, resilience and innovation, the Group is confident that it will continue to deliver sustainable growth and maximise long-term shareholder value.

6. Dividend Information

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes.

The Company had paid the following tax-exempt (one-tier) special interim ordinary dividend to ordinary shareholders and non-cumulative preference dividends to holders of City Developments Limited Non-redeemable Convertible Non-cumulative Preference Shares ("Preference Shares").

Name of Dividend	Tax exempt (One-tier) Special Interim Ordinary Dividend	Tax-exempt (One-tier) Preference Dividend	
Date of Payment	9 September 2022	30 June 2022	3 January 2023
Dividend Type	Cash	Cash	Cash
Dividend Amount	$0.12 per Ordinary Share	$0.019339726 per Preference Share^	$0.019660273 per Preference Share^
Dividend rate (in %)	N.A	3.9% per annum on the issue price of each Preference Share	3.9% per annum on the issue price of each Preference Share
Dividend Period	N.A	From 31 December 2021 to 29 June 2022 (both dates inclusive)	From 30 June 2022 to 30 December 2022 (both dates inclusive)
Issue Price	N.A	$1.00 per Preference Share	$1.00 per Preference Share

^ *Preference dividend for each Preference Share is calculated at the dividend rate of 3.9% per annum of the issue price of $1.00 for each Preference Share on the basis of the actual number of days comprised in the dividend period divided by 365 days.*

Subject to ordinary shareholders' approval at the Annual General Meeting to be held on 26 April 2023, the following dividends have been proposed:

Name of Dividend	Proposed Tax-exempt (One-tier) Final Ordinary Dividend	Proposed Tax-exempt (One-tier) Special Final Ordinary Dividend
Dividend Type	Cash	Cash
Dividend Amount	$0.08 per Ordinary Share	$0.08 per Ordinary Share

(b) *Corresponding Period of the Immediately Preceding Financial Year*

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

Yes.

Name of Dividend	Tax exempt (One-tier) Special Interim Ordinary Dividend	Tax-exempt (One-tier) Preference Dividend	
Date of Payment	14 September 2021	30 June 2021	31 December 2021
Dividend Type	Cash	Cash	Cash
Dividend Amount	$0.03 per Ordinary Share	$0.0193 per Preference Share^^	$0.019660273 per Preference Share^^
Dividend rate (in %)	N.A	3.9% per annum on the issue price of each Preference Share	3.9% per annum on the issue price of each Preference Share
Dividend Period	N.A	From 31 December 2020 to 29 June 2021 (both dates inclusive)	From 30 June 2021 to 30 December 2021 (both dates inclusive)
Issue Price	N.A	$1.00 per Preference Share	$1.00 per Preference Share

^^*Preference dividend for each Preference Share is calculated at the dividend rate of 3.9% per annum of the issue price of $1.00 for each Preference Share on the basis of the actual number of days comprised in the dividend period divided by 365 days.*

Name of Dividend	Tax-exempt (One-tier) Final Ordinary Dividend	Tax-exempt (One-tier) Special Final Ordinary Dividend
Date of Payment	26 May 2022	26 May 2022
Dividend Type	Cash	Cash
Dividend Amount	$0.08 per Ordinary Share	$0.01 per Ordinary Shares

On 26 May 2022, the Company distributed 144,191,823 stapled securities of CDLHT Units to ordinary shareholders who were entitled to the distribution. Pursuant to the distribution *in specie*, each entitled shareholder received 0.159 CDLHT Units for each ordinary share in the Company. Based on the closing market price of $1.27 per CDLHT Unit on 25 May 2022, the cash equivalent rate of the distribution per Ordinary Share is $0.2019.

(c) *Date payable*

Subject to ordinary shareholders' approval at the Annual General Meeting to be held on 26 April 2023, the proposed final and special final Ordinary dividends for financial year ended 31 December 2022 will be payable on 23 May 2023.

(d) *Record Date*

5.00 pm on 4 May 2023.

7. Interested Person Transactions

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions conducted in FY 2022 under the IPT Mandate pursuant to Rule 920 (excluding transactions less than S$100,000)	S$'000
Subsidiaries of Hong Leong Investment Holdings Pte. Ltd.	Hong Leong Investment Holdings Pte. Ltd. is a controlling shareholder of the Company. Its subsidiaries are interested persons being associates of a controlling shareholder.	<u>Property-Related Transactions</u>	
		Provision of housekeeping services and lease of premises to Interested Persons	887
		<u>Management and Support Services</u>	
		Provision of management and consultancy services by Interested Persons	269
		Total:	1,156
Directors and their immediate family members			Nil

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

Total Annual Net Dividend

	Full Year 2022 S$'000	Full Year 2021 S$'000
Ordinary	72,552	72,552
Special	181,380	219,400 ^
Preference	12,904	12,904
Total	**266,836**	**304,856**

The final tax-exempt (one-tier) ordinary dividend and special final tax-exempt (one-tier) ordinary dividend for the year ended 31 December 2022 of 8.0 cents and 8.0 cents respectively per ordinary share are subject to the approval of ordinary shareholders at the forthcoming Annual General Meeting and the dividend amounts are based on the number of issued ordinary shares as at 31 December 2022.

^ It comprises a special interim and special final ordinary dividend which were paid in September 2021 and May 2022 respectively and the cash equivalents of the distribution *in specie* of stapled securities of CDLHT Units in May 2022 which was computed based on the closing market price of $1.27 per CDLHT Unit on 25 May 2022, multiplied against the distribution ratio of 0.159 CDLHT Units per ordinary share.

9. A breakdown of sales and operating profit after tax for first half year and second half year.

	2022 S$'000	2021 Restated* S$'000	Incr/(Decr) %
a) **Revenue**			
- First half	1,472,553	1,192,189	23.5
- Second half	1,820,860	1,433,664	27.0
	3,293,413	2,625,853	25.4
b) **Operating profit/(loss) after tax before deducting non-controlling interests**			
- First half, restated*	1,145,257	(18,709)	NM
- Second half	168,942	145,604	16.0
	1,314,199	126,895	NM

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities (refer to note 32).

10. Confirmation pursuant to Rule 720(1) of the Listing Manual

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 in accordance with Rule 720(1) of the Listing Manual.

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

City Developments Limited ("CDL") and the following principal subsidiaries:

- Millennium & Copthorne Hotels Limited ("M&C")
- M&C REIT Management Limited ("M&CREIT"), manager of CDL Hospitality Real Estate Investment Trust ("H- REIT")
- M&C Business Trust Management Limited ("M&CBTM"), trustee-manager of CDL Hospitality Business Trust ("HBT")
- CDL China Limited ("CDL China")

Name	Age	Family relationship with any director, chief executive officer and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Mr Kwek Leng Beng	82	Father of Mr Sherman Kwek Eik Tse, Executive Director and Group Chief Executive Officer of CDL.	CDL Executive Chairman of CDL since 1 January 1995, having overall executive responsibility to provide leadership and vision in the Board of Directors' review and development of the business direction and strategies for the sustainable growth of the CDL group of companies. M&C Appointed Executive Chairman of M&C on 18 November 2019 with executive responsibility to lead and drive M&C's performance, with the assistance of the management team of M&C.	No Change
Mr Sherman Kwek Eik Tse	46	Son of Mr Kwek Leng Beng, Executive Chairman of CDL.	CDL Appointed Group Chief Executive Officer of the Group in 2018 and Executive Director of CDL on 15 May 2019. As Executive Director and Group Chief Executive Officer, Mr Sherman Kwek is responsible for setting and implementing the business directions and strategies for the Group as endorsed by the Board, providing leadership to drive the pursuit of the Group's strategic objectives, and having overall management oversight of the Group's performance. CDL China Appointed Executive Chairman of CDL China in 2016, with overall executive responsibility for CDL China's investments and operations.	No Change

Name	Age	Family relationship with any director, chief executive officer and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Mr Kwek Eik Sheng	42	Nephew of Mr Kwek Leng Beng, Executive Chairman of CDL. Cousin of Mr Sherman Kwek Eik Tse, Executive Director and Group Chief Executive Officer of CDL.	CDL Appointed Group Chief Operating Officer ("**Group COO**") on 1 January 2022. As the Group COO, Mr Kwek is responsible for providing leadership to the Group that aligns with its business plan and strategic vision as endorsed by the Board, working closely with Group Chief Executive Officer and other members of the Management Team to drive operational and financial results. M&C Appointed Executive Director of M&C on 18 November 2019, with executive responsibilities including oversight on: (i) investment management, including reviewing opportunities for mergers & acquisitions and asset disposals; (ii) capital planning, including capital expenditure planning, treasury matters and corporate finance and financial planning; and (iii) development projects for the M&C group and strategic corporate planning, including the spearheading the integration between M&C and CDL.	No Change
Mr Vincent Yeo Wee Eng	54	Nephew of Mr Kwek Leng Beng, Executive Chairman of CDL. Cousin of Mr Sherman Kwek Eik Tse, Executive Director and Group Chief Executive Officer of CDL.	M&CREIT/M&CBTM Director and Chief Executive Officer of M&CREIT (as manager of H-REIT) and M&CBTM (as trustee-manager of HBT) with effect from 17 May 2006 and 19 July 2006 respectively. Responsible for working within the M&CREIT and M&CBTM Boards and as CEO of M&CREIT and M&CBTM to develop and implement the overall business, investment and operational strategies for H-REIT and HBT.	No Change

BY ORDER OF THE BOARD

Yeo Swee Gim, Joanne
Enid Ling Peek Fong
Company Secretaries
23 February 2023

News Release

23 February 2023

CDL POSTS RECORD PROFIT OF S$1.3 BILLION FOR FY 2022 – HIGHEST SINCE INCEPTION

- **Several major property divestments enabled the Group to realise significant capital gains**
- **Sold 1,487 units in Singapore with a total sales value of S$2.9 billion**
- **Strong recovery by hotel operations segment; 58% increase in revenue and 91% growth in RevPAR**
- **Maintained sizeable war chest with cash reserves of S$2.4 billion**
- **Total cash dividend of 28.0 cents per share for 2022**

City Developments Limited (CDL) achieved record earnings with net profit after tax and non-controlling interest (PATMI) of S$1.3 billion for the full year ended 31 December 2022 (FY 2022), the highest ever since the Group's inception in 1963.

The stellar performance was boosted by a bountiful year of divestment gains, including the record sale of Millennium Hilton Seoul and the gain on the deconsolidation of CDL Hospitality Trusts (CDLHT) from the Group following the distribution *in specie* of CDLHT Units in 1H 2022, as well as the completion of the collective sales of Tanglin Shopping Centre and Golden Mile Complex in 2H 2022 where the Group owns share values and strata areas. The assets were held at book value over a long period of time, resulting in significant capital gains. This is a testament to the Group's ability to extract value at the most opportune time, enabling strong capital recycling.

The Group's revenue increased 25.4% to S$3.3 billion for FY 2022. Property development remained the biggest contributor, accounting for 42% of FY 2022 revenue, led by three strong-performing Singapore projects – Amber Park, Haus on Handy and Irwell Hill Residences. Spurred by the continued recovery and restored confidence in global travel, the Group's hotel operations segment reported an outstanding performance with a 58.1% increase in revenue and a 91% growth in revenue per available room (RevPAR).

As at 31 December 2022, the Group has a sizeable war chest with cash reserves of S$2.4 billion, and cash and available undrawn committed bank facilities totalling S$4.1 billion.

For FY 2022, the Board is recommending a final ordinary dividend of 8.0 cents per share and a special final ordinary dividend of 8.0 cents per share. Together with the special interim ordinary dividend of 12.0 cents per share paid in September 2022, the total cash dividend for FY 2022 amounts to 28.0 cents per share (FY 2021: cash dividend of 12.0 cents and 20.2 cents from the distribution *in specie* of CDLHT Units, totalling 32.2 cents).

Financial Highlights

(S$ million)	FY 2022	FY 2021 (Restated)[1]	% Change	2H 2022	2H 2021 (Restated)[1]	% Change
Revenue	**3,293.4**	2,625.9	25.4	**1,820.9**	1,433.7	27.0
Profit before tax	**1,856.8**	214.8	NM	**278.8**	205.1	35.9
PATMI	**1,285.3**	84.7	NM	**165.8**	116.8	42.0

NM = Not meaningful

[1] As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities. Restated PBT and PATMI are lower by S$12.9 million for FY 2021 vis-à-vis previously reported.

<u>Notes on Pre-Tax Profit and Capital Position</u>

- Pre-tax profit of S$1.9 billion for FY 2022 was driven by the gain on deconsolidation of CDLHT from the Group resulting from the distribution *in specie* of CDLHT Units in May 2022 and the recognition of a total gain (inclusive of negative goodwill) of S$492.4 million, as well as pre-tax divestment gains on the sale of properties amounting to S$1.26 billion.

- After factoring in fair value on investment properties, the Group's net gearing ratio stands at 51% (FY 2021: 61%).

- Net Asset Value (NAV) per share increased 9.7% to S$10.16 as at 31 December 2022, bolstered by its record profits in FY 2022 (restated 31 December 2021: S$9.26). The Group adopts the policy of stating its investment and hotel properties at cost less accumulated depreciation and impairment losses. Had the Group factored in fair value gains on its investment properties, the Revalued NAV (RNAV) per share would be S$16.98 (restated 31 December 2021: S$15.73). Had the revaluation surpluses of its hotels been included, the Group's RNAV per share would be S$19.14 (restated 31 December 2021: S$18.63).

<u>Operations Review and Prospects</u>

Healthy Residential Sales in Singapore and Overseas Markets

- In **Singapore**, the Group and its joint venture (JV) associates sold 1,487 units including ECs, with a total sales value of S$2.9 billion (FY 2021: 2,185 units with a total sales value of S$4.3 billion). The sales were largely attributed to the successful launch of two JV projects during the year – Piccadilly Grand, which has sold 86% of its 407 units to date, and the 639-unit Copen Grand EC, which was fully sold out one month after its launch.

- In **Australia**, the Group's 60-unit Fitzroy Fitzroy in Melbourne is 38% presold, and The Marker, where 79% of its 198 units have been sold to date, achieved practical completion in September 2022. In Brisbane, the 215-unit Brickworks Park has sold 45% of the total units to date and has commenced early construction. The 97-unit Treetops at Kenmore JV project has sold 45% of the total units to date and the construction of Stage 1 started in Q4 2022.

- In **China**, the Group's wholly-owned subsidiary, CDL China Limited and its JV associates sold 88 residential, office and retail units, with a total sales value of RMB 349 million (S$67.4 million). Hong Leong City Center (HLCC) in Suzhou Industrial Park has sold 92% of its 1,813 residential and retail units to date. In Shanghai, Hongqiao Royal Lake has sold 87% of its 85 villas to date. In Shenzhen, Hong Leong Technology Park Shenzhen (previously named Shenzhen Longgang Tusincere Tech Park) has sold 386 units comprising apartments, office and retail units with a sales value of RMB 1.04 billion (S$200.8 million) ever since the Group acquired this project in March 2021.

Upcoming Launches in Singapore

- The Group is preparing to launch three projects in 2023:

  <u>1H 2023</u>
  - **Tembusu Grand**, a 638-unit development located along Tanjong Katong Road and Jalan Tembusu in prime District 15.
  - **Newport Residences**, a 45-storey development comprising 246 rare freehold residences, including a super penthouse, at the site of the former Fuji Xerox Towers on Anson Road.

  <u>2H 2023</u>
  - **The Myst**, a 408-unit development located along Upper Bukit Timah Road, which is a mere 5-minute walk to Cashew MRT station and within a 10-minute walk to Bukit Panjang Bus Interchange and Bukit Panjang MRT station.

Strong Rebound in Hotel Operations

- The Group's hotel RevPAR grew 91% to S$137.9 for FY 2022 (FY 2021: S$72.2). The RevPAR growth was attributable to a 48.9% increase in average room rates and a 14.2 percentage points improvement in occupancies across all geographies. Notably, hotels in London, Singapore and New York outperformed in 2022.

- Average GOP margin increased by 11.3 percentage points and has surpassed FY 2019 levels, primarily led by the UK, US and Singapore markets.

Enhancing Recurring Income

Building Scale in the Living Sector

Private Rented Sector (PRS)

- In Q4 2022, the Group's first PRS project in the **UK** – The Junction, located in Leeds, obtained sectional completion for three of five blocks (307 out of 665 units). Active leasing has commenced and the Group recently welcomed its first batch of residents to the new project. Construction of The Octagon, the Group's 370-unit PRS project in Birmingham, is in progress with estimated completion in 2025.

- In 2022, three newly-built PRS assets in **Japan** were acquired, totalling 271 units in Yokohama and Osaka. The Group now owns eight PRS assets in Japan, comprising 513 units, providing stable rental income and strong occupancies of above 95%.

- In **Australia**, the Group acquired two PRS development sites in Brisbane's Toowong riverside suburb and Melbourne's Southbank respectively, totalling around 490 apartments. The construction of both projects is targeted to commence in 2H 2023.

Purpose-Built Student Accommodation (PBSA)

- In June 2022, the Group entered the **UK** PBSA sector with the acquisition of Infinity, a 505-bed PBSA asset in Coventry. In December 2022, the Group enlarged its portfolio by acquiring five additional PBSA assets for £215 million (approximately S$350 million) in Birmingham, Canterbury, Coventry, Leeds and Southampton. These six assets, comprising about 2,400 beds, enjoy committed occupancy of about 98%.

Resilient Office and Retail Portfolio

- As at 31 December 2022, the Group's **Singapore** office portfolio[2] had committed occupancy of 95.2%, above the island-wide occupancy of 88.7%[3]. Republic Plaza is 97.6% occupied with a full-year positive rental reversion of 8.4%. King's Centre completed its Asset Enhancement Initiative (AEI) in 1H 2022 and has also achieved a strong occupancy rate of 98.4% with a full-year rental reversion of 8.9%.

- The Group's **Singapore** retail portfolio[2] also remained healthy, with a committed occupancy of 96.1%, higher than the island-wide occupancy of 92.9%[3]. The strong performance was driven by City Square Mall, which is 93.5% occupied, and Palais Renaissance, which completed an AEI in 1H 2022, achieving 98.2% occupancy.

Mr Kwek Leng Beng, Executive Chairman of CDL, said, "The Group is pleased to deliver a sterling set of results for FY 2022, driven by prudent divestments and strong operational performance from our core business segments. Notably, our hotel operations made an outstanding rebound, having recovered in most markets to pre-pandemic levels. Riding on the return of corporate travel and unabated pent-up demand for leisure travel, our hospitality segment will continue to strengthen and is poised to be a star performer for the year ahead. A key focus for our hospitality portfolio will be to accelerate plans for asset optimisation, alignment to the Group's sustainability goals and driving growth.

This year marks CDL's Diamond Jubilee. Over the past 60 years, the Group has weathered many economic storms, property cycles and unprecedented disruptions, but we have always tackled the odds head-on and successfully emerged stronger. We will continue to apply this same discipline and tenacity to bring CDL to greater heights."

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[2] Includes South Beach Tower (in accordance with CDL's proportionate ownership). Excludes Central Mall Office Tower, Central Mall Conservation Unit and 11 Tampines Concourse.
[3] Based on Urban Redevelopment Authority's real estate statistics for Q4 2022.

Mr Sherman Kwek, Group Chief Executive Officer of CDL, said, "Amidst all the challenges and disruptions we have faced over the past three years, we have continued to steadfastly execute on our Growth, Enhancement and Transformation (GET) strategy that we unveiled in 2018, growing our traditional development and investment portfolio, both locally and overseas, as well as expanding strongly into the living sector to bolster our recurring income and create potential fund management opportunities. We have embraced capital recycling and unlocked latent value via well-timed divestments and various asset enhancement initiatives. All the while, we have been managing our capital prudently, reducing our gearing and strengthening our cash. While market uncertainties persist, CDL will continue to display discipline, agility, resilience and innovation so as to deliver sustainable growth and maximise long-term shareholder value."

Please visit www.cdl.com.sg for CDL's FY 2022 financial statement.

Issued by City Developments Limited (Co. Regn. No. 196300316Z)
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CITY DEVELOPMENTS LIMITED

60 YEARS OF GLOBAL TRUST

FY 2022

Results Presentation

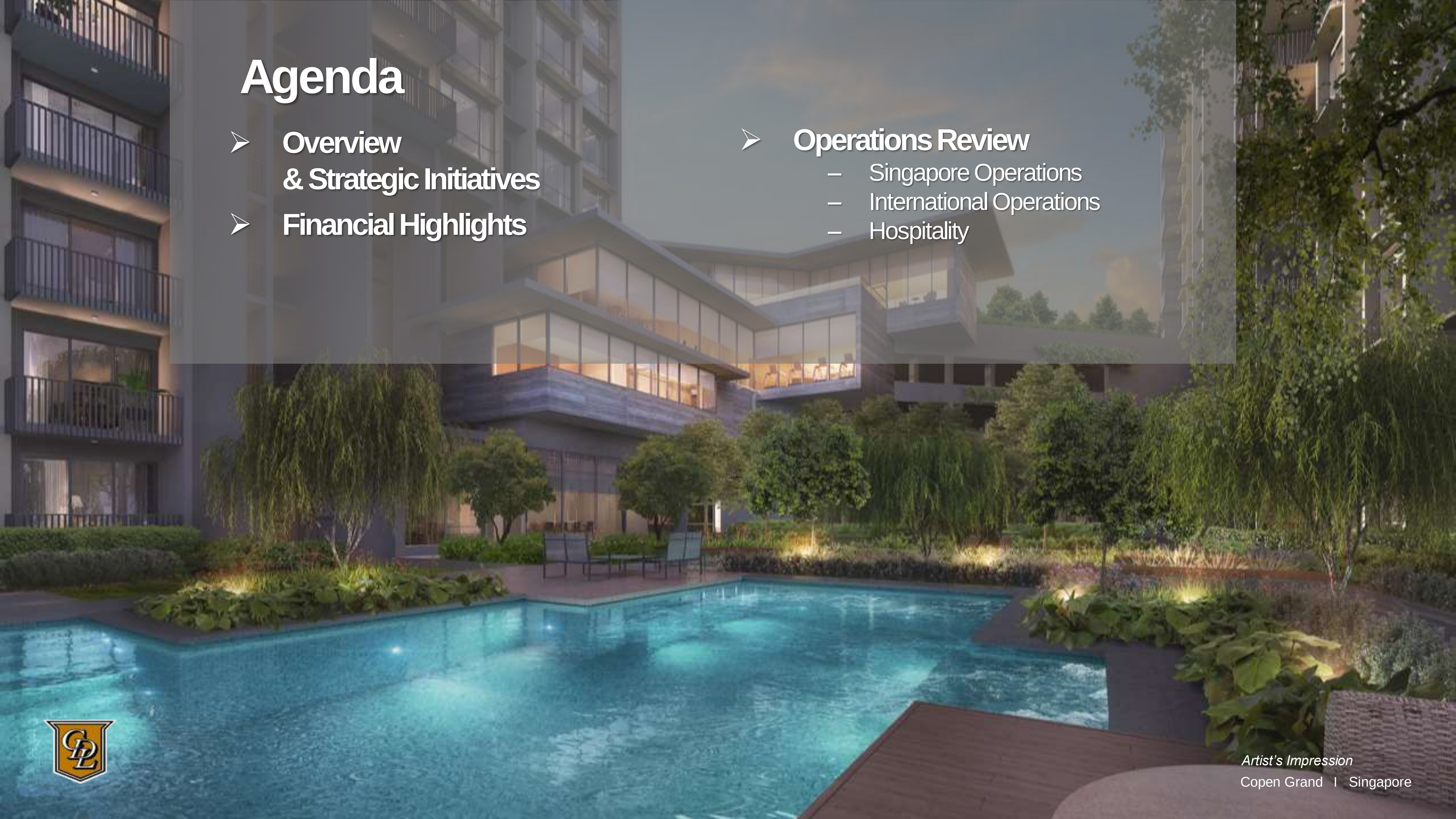
23 February 2023

Artist's Impression

Copen Grand I Singapore

Agenda

- **Overview & Strategic Initiatives**
- **Financial Highlights**
- **Operations Review**
  - Singapore Operations
  - International Operations
  - Hospitality



Artist's Impression
Copen Grand I Singapore

Overview >>>

Key Financial Highlights

FY 2022	Revenue	EBITDA	PBT	PATMI
	$3.3B	$2.3B	$1.9B	$1.3B
FY 2021 (Restated)[1]	$2.6B	$701.4MM	$214.8MM	$84.7MM

[1] As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities. Restated PBT and PATMI are lower by $12.9MM for FY 2021 vis-à-vis previously reported.

Increase in revenue mainly due to hotel operations segment which reflects the continued recovery and restored confidence in global travel, following the relaxation of travel restrictions and borders reopening. Property development and investment properties segments continue to be resilient.

The record PATMI of $1.3B was boosted by a bountiful year of divestments gains, including the record sale of Millennium Hilton Seoul and the gain on deconsolidation of CDLHT from the Group resulting from the distribution *in specie* of the CDLHT Units in 1H 2022, followed by the completion of the collective sales of Tanglin Shopping Centre and Golden Mile Complex in 2H 2022.

This is a testament to the Group's ability to extract value at the most opportune time, which in turn enables strong capital recycling.

No fair values adopted on investment properties.
Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses.

Key Financial Highlights

FY 2022

NAV per share

$10.16

▲ 9.7% YoY

FY 2021 (Restated)

$9.26

RNAV per share

$16.98

▲ 7.9% YoY

If FV gains on investment properties had been factored in and the Group's hotels continue to be stated at cost

$19.14

If revaluation surpluses of the hotel portfolio had been included (based on 2021/2022 internal & external valuations)

FY 2021 (Restated)

$15.73

FY 2022

Proposed Dividends

28.0

cents per share

Comprises:

- ➢ **Dividends**
- • **Special Interim Dividend:** – 12.0 cents (paid in Sep 22)
- • **Special Final Dividend:** – 8.0 cents
- • **Final Dividend:** – 8.0 cents

FY 2021

12.0 cents

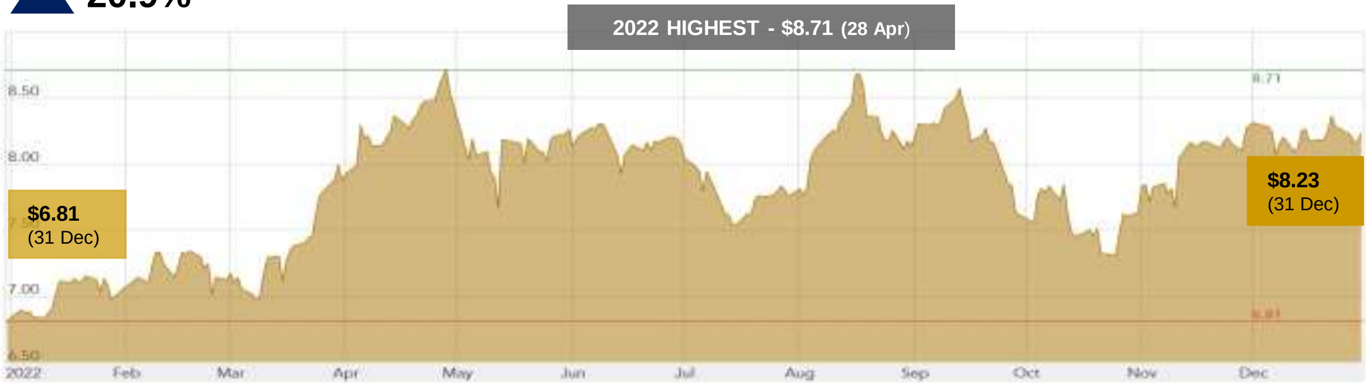
32.2 cents[1]
(including the distribution *in specie* of CDLHT Units)

- ➢ **Distribution *in specie* CDLHT Units on 25 May 22:** – 20.2 cents[1]

Share Price Performance

$8.23[2]

▲ 20.9%



[1] Based on CDLHT unit price of $1.27 on 25 May 2022. [2] As of 31 Dec 2022

No fair values (FV) adopted on investment properties.
Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses.

Key Operational Highlights – FY 2022

Property Development	▪ **SINGAPORE:** Sold 1,487 units with total sales value of \$2.9B[1] driven by 2 successful launches: – Piccadilly Grand (May): 86% of 407 units sold[2] – Copen Grand EC (October): 100% of 639 units sold – Replenished Singapore residential land bank with 4 site acquisitions; Group's pipeline now comprises >2,100 units ▪ **CHINA:** Existing residential inventory substantially sold ▪ **AUSTRALIA:** Acquired 2 Private Rented Sector (PRS) JV sites – Toowong, Brisbane and Southbank, Melbourne
Asset Management	▪ **SINGAPORE:** Resilient committed occupancy for portfolio[3]: – **Office**: 95.2% (NLA: 1.54MM sq ft) – **Retail**: 96.1% (NLA: 748,000 sq ft) ▪ **OVERSEAS:** Stable occupancy for office assets in London ▪ Strategic investments and divestments – Living sector expansion: Acquisition of 6 Purpose-Built Student Accommodation (PBSA) assets in the UK and 3 PRS assets in Japan – Completed divestments of interest in Tanglin Shopping Centre and Golden Mile Complex
Hotel Operations	▪ Strong recovery performance: – **Global ARR:** \$214.1 (▲ 48.9% YoY) – **Global occupancy:** 64.4% (▲ 14.2% pts YoY) – **Global RevPAR:** \$137.9 (▲ 91.0% YoY) ▪ Completed divestment of Millennium Hilton Seoul for KRW 1.1T (approx. \$1.25B) with pre-tax gains of \$925.5MM booked
Fund Management	▪ A pause on the Group's IPO plans for its UK commercial properties, with a focus on strategic acquisitions, e.g. proposed acquisition of the St Katharine Docks development in London ▪ Continue to grow AUM through existing listed platforms (CDLHT and IREIT) and partnerships, e.g. co-investment in the acquisition of 330 Collins Street in Melbourne's CBD with HThree City Australia for A\$236MM (\$226.7MM) in June

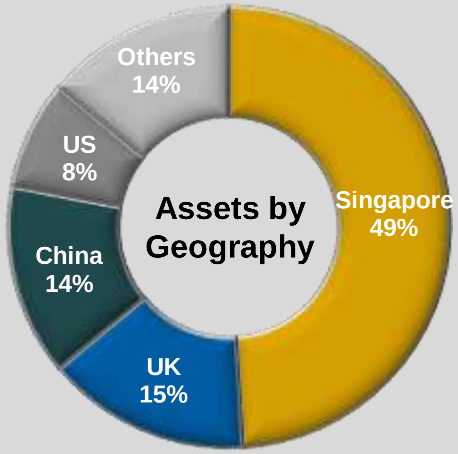
[1] Includes Executive Condominiums (ECs) and share of JV partners, excludes Nouvel 18. [2] As at 19 Feb 2023
[3] Includes South Beach Tower (in accordance with CDL's proportionate ownership). Excludes Central Mall Office Tower, Central Mall Conservation Unit and 11 Tampines Concourse.

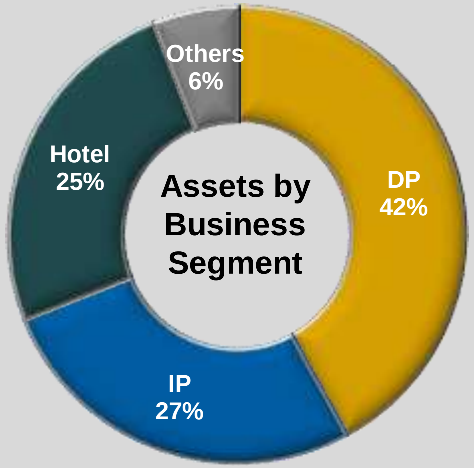
Global Portfolio Overview

The Group's diversified portfolio enables it to weather cyclical typhoons from time to time

Total Assets:

$23.0B

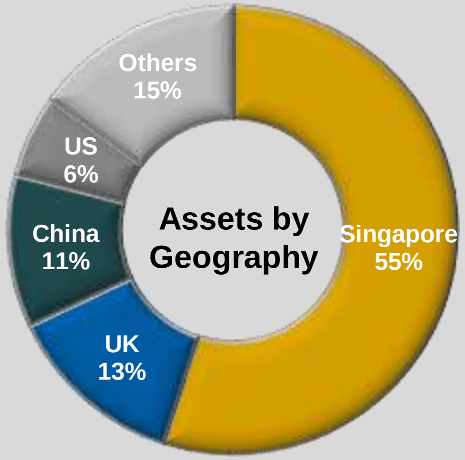


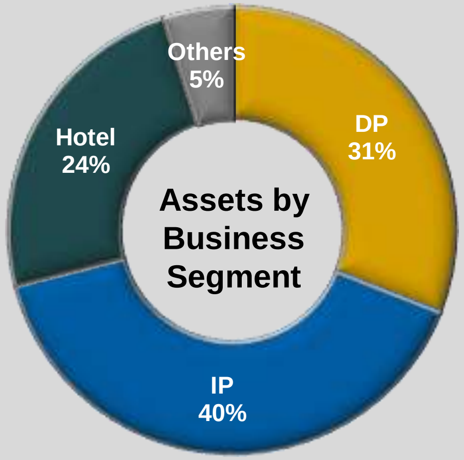


Total Assets:

$31.1B

(Fair value of IP + Hotels)





Strategic Initiatives >>>

GET Strategy

Growth
Enhancement
Transformation

Growth

- **Build development pipeline** & **recurring income streams**

Enhancement

- Enhance **asset portfolio**
- Drive **operational efficiency**

Transformation

- **Transform business via new platforms:** Strategic Investments, Fund Management, Innovation & Venture Capital

GET Strategy Execution – FY 2022 Highlights

Growth

- Launched **Piccadilly Grand and Copen Grand EC** in Singapore
- **Active land replenishment: Jalan Tembusu GLS, Upper Bukit Timah Road, Central Square and Bukit Batok West Ave 5 (EC)** in Singapore
- **Build recurring income streams**: Acquired **6 Purpose-Built Student Accommodation (PBSA) assets** in UK; Acquired **2 Private Rented Sector (PRS) sites** in Australia; Acquired **another 3 PRS projects** in Japan

Enhancement

- Redevelopment of the former **Fuji Xerox Towers** (CBD Incentive Scheme) and **Central Mall** and **Central Square** (Strategic Development Incentive Scheme)
- Completed Asset Enhancement Initiatives (AEIs) for managed assets: **Palais Renaissance, King's Centre, Tower Club Ba Xian Restaurant and Jungceylon Phase 1**
- Repositioning of hotel assets globally: **M Social Brand Conversions**

Transformation

- **Fund Management**
- **Strategic review of M&C portfolio**
- **Innovation & Venture Capital**

Growth

- Build development pipeline & recurring income streams

Completed Strategic Acquisitions & Investments – FY 2022

GROWTH

United Kingdom

Infinity, Coventry
(505 beds)

Altura, Birmingham
(435 beds)

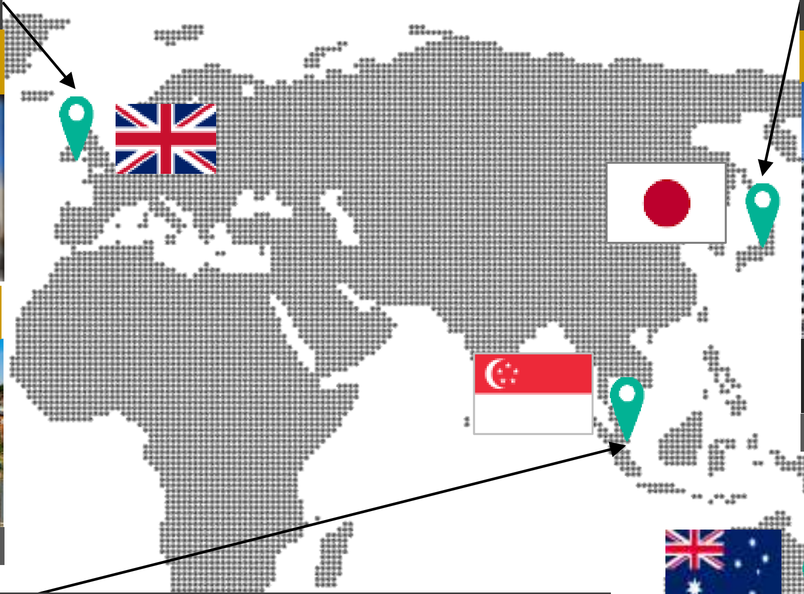
Cumberland Place, Southampton (206 beds)

Riverside, Canterbury
(491 beds)

Trinity View, Coventry
(614 beds)

Sycamore House, Leeds
(117 beds)

£274.1MM ($445.8MM)



Japan

Two Yokohama PRS projects

City Lux Tobe
(118 units)

LOC's Yokohama Bayside
(89 units)

Osaka PRS project

Gioia Namba
(64 units)

¥6.61B ($66.9MM)

Singapore

798 & 800 Upp Bukit Timah Rd (Est. 408 units)	**Jalan Tembusu[1]** (638 units)	**Central Square** (Est. >300 units)	**Bukit Batok West Avenue 5[2]** (Est. 510 units)
			
$126.3MM	**$768.0MM**	**$315.0MM**	Land cost: **$336.1MM ($626 psf ppr)**

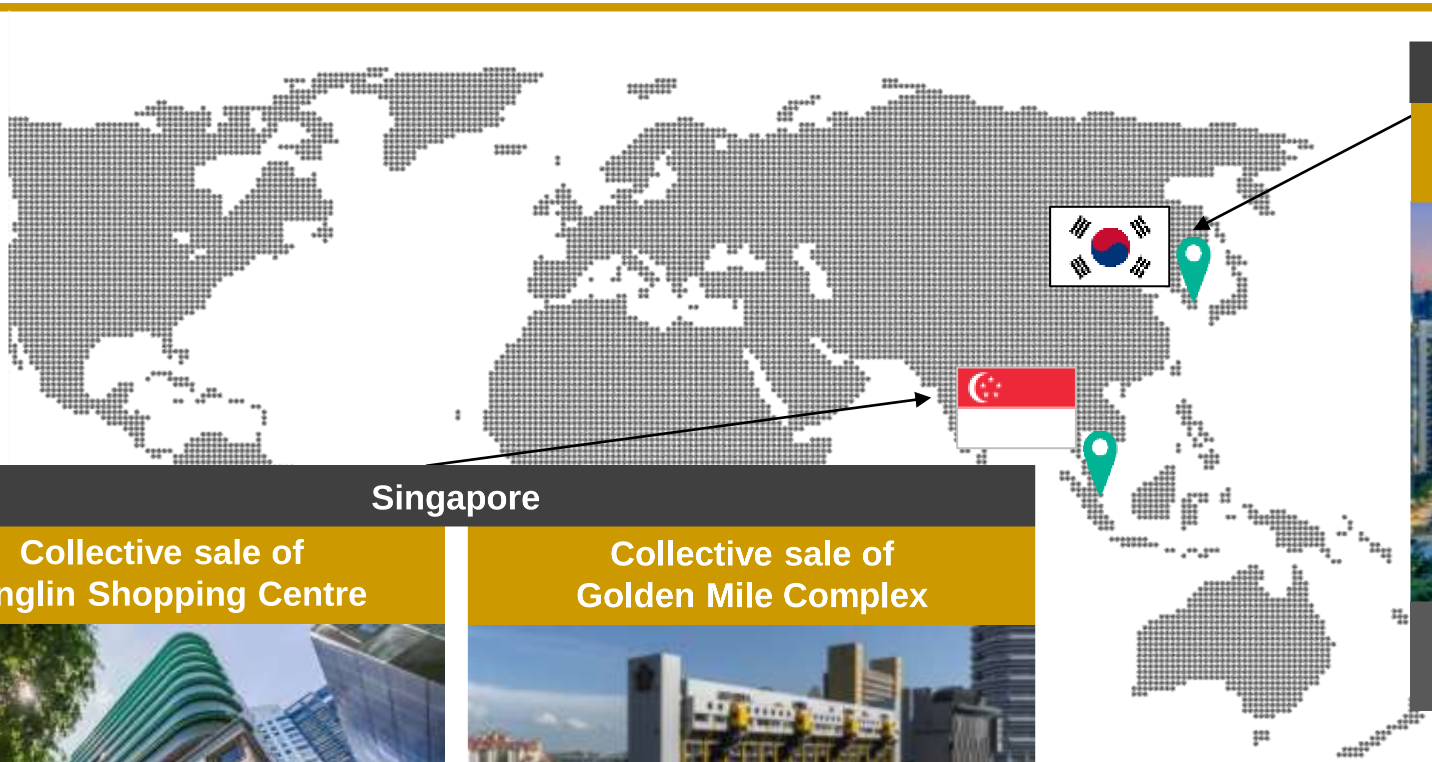
Australia

Toowong[1], Brisbane (250 units)	**330 Collins St[1], Melbourne**	**Southbank[1], Melbourne** (240 units)
		
A$12MM ($10.9MM)	**A$236MM ($214.7MM)**	**A$11.1MM ($10.1MM)**

[1] JV project.
[2] Subject to Authorities' approval.

GROWTH

Completed Key Divestments – FY 2022



Singapore

Collective sale of Tanglin Shopping Centre

Sale price: $868MM[1]
Sale completion: November 2022
Pre-tax gain: $256.3MM

Collective sale of Golden Mile Complex

Sale price: $700MM[2]
Sale completion: November 2022
Pre-tax gain: $75.6MM

South Korea

Sale of Millennium Hilton Seoul and adjoining land site

Sale price: KRW 1.1T (approx. $1.25B)
Sale completion: February 2022
Pre-tax gain: $925.5MM

[1] The Group owns about 34.6% of share value and 60.2% of strata area in the freehold strata-titled development.
[2] The Group holds 6.3% of share value and 34.8% of strata area.

Singapore Residential Launch Pipeline

GROWTH

Diversified pipeline ranging from Mass Market to High-end projects

Launch Pipeline

> 2,100 units[1]

Upcoming Launches

Tembusu Grand[2]	1H 2023
Newport Residences	1H 2023
The Myst[3]	2H 2023
Bukit Batok West Ave 5 EC[3]	1H 2024
Redevelopment of Central Mall & Central Square[3]	2H 2024

Bukit Batok West Ave 5 EC[3]
(Est. 510 units)

Source: Google

Land cost: **$336.1MM**
($626 psf ppr)

The Myst[3]
(Est. 408 units)

Artist's Impression

Land cost: **$126.3MM**

Newport Residences
(246 units)

Artist's Impression

Redevelopment of Central Mall & Central Square[3]
(Est. >300 units)

Tembusu Grand[2]
(638 units)

Artist's Impression

Land cost: **$768.0MM**
($1,302 psf ppr)

[1] Includes JV partners share
[2] JV project
[3] Subject to authorities' approval

Overview of UK Living Sector Portfolio

Building Scale in Private Rented Sector (PRS) and Purpose-Built Student Accommodation (PBSA) Segments

- Portfolio comprises around 2,400 PBSA beds and a pipeline of over 1,300 PRS units[1]
- 9 projects[1] located in Birmingham, Canterbury, Coventry, Leeds, Manchester and Southampton

Total AUM[2]: £636.8MM ($1.04B)

Site acquired in 2021

The Octagon, Birmingham
370 PRS units

Practical Completion: Est Q3 2025

Site acquired in 2019

The Junction, Leeds
665 PRS units

Practical Completion: Q3 2022 – Q3 2023

The Castings, Manchester
352 PRS units

Acquired in June 2022 – £59.2MM

Infinity, Coventry
505 PBSA beds

UK PBSA Portfolio (6 assets)
Current Occupancy: 98%

Acquired in December 2022 – £215MM

Trinity View, Coventry
614 PBSA beds

Cumberland Place, Southampton
206 PBSA beds

Altura, Birmingham
435 PBSA beds

Riverside, Canterbury
491 PBSA beds

Sycamore House, Leeds
117 PBSA beds

[1] Includes The Castings, a 352-unit PRS project in Manchester under CDLHT.

[2] AUM is based on Current Gross Development Value.

GROWTH

Overview of Japan PRS Portfolio

PRS assets comprising 513 units in Osaka and Yokohama with total AUM of ¥16.24B ($164.4MM)

5 freehold residential properties in Osaka (228 units)

Horie Lux
(29 residential + 5 retail units)

Pregio Joto Chuo
(48 residential units)

Gioia Namba
(63 residential + 1 retail units)

B-Proud Tenmabashi
(26 residential units)

Pregio Miyakojima Hondori
(56 residential units)

The Group's Japan PRS portfolio **continues to perform** and **enjoy stable rent** with strong average portfolio occupancy of **above 95%**

3 freehold residential properties in Yokohama (285 units)

City Lux Tobe
(117 residential + 1 retail units)

LOC's Yokohama Bayside
(89 residential units)

City Lux Yokohama
(78 residential units)

Currency exchange rate: S$1 = ¥98.8
AUM is based on Valuations as at 31 Dec 2022.

GROWTH

Overview of Australia PRS Portfolio

Portfolio comprises approx. 490 units in the pipeline in Melbourne and Brisbane

Southbank, Melbourne
~240 PRS units

The Group's first PRS project in Australia, yielding around 240 units

Expected completion: Q3 2025

Toowong, Brisbane
~250 PRS units

A freehold site in Brisbane CBD, to develop into a 250-unit PRS development

Expected completion: Q1 2026

GROWTH

Living Sector Portfolio

Operational

	City	Total No. of Units	Occupancy As at Jan 2023
	Private Rented Sector		
	United States		
1	Silicon Valley, California	250	93%
	Japan		
2	Osaka	228	95%
3	Yokohama	285	
	Total	**763 units**	
	Purpose-Built Student Accommodation		
	United Kingdom		
4	Coventry	1,119	98%
5	Canterbury	491	
6	Birmingham	435	
7	Southampton	206	
8	Leeds	117	
	Total	**2,368 beds**	

Pipeline

	City	Total No. of Units
	Private Rented Sector	
	United Kingdom	
1	Leeds[1]	665
2	Birmingham	370
	Australia	
3	Melbourne	240[2]
4	Brisbane	250[2]
	Total	**1,525 units**

[1] Obtained sectional completion for 3 out of 5 blocks
[2] Subject to authorities' approval

Overall (Operational & Pipeline)

PRS
2,288 units

PBSA
2,368 beds

Enhancement

- Enhance asset portfolio
- Drive operational efficiency

Enhancing Asset & Operational Efficiency

Improve Asset Positioning and Relevance, Enhance Asset Portfolio and Drive Operational Efficiency and Returns

Asset Rejuvenation and Redevelopment

Reposition assets and **replenish** land bank through schemes such as the CBD Incentive Scheme and Strategic Development Incentive Scheme

Asset Enhancement Initiatives

Rejuvenating existing assets to unlock value and strengthen recurring income stream

Operational Efficiency

Deriving **synergy** through consolidating functions & inculcating the future CDL culture for success through **innovation** & **teamwork, execution & customer focused**

ENHANCEMENT

Ongoing Redevelopment Initiatives

Realise GFA uplift from Incentive Schemes through Redevelopment to Unlock Value

Newport Plaza / Newport Residences

Proposed redevelopment under CBD Incentive Scheme:

Artist's Impression

45-storey freehold mixed-use integrated development comprising office, retail, residential and serviced apartments

Proposed Use

Residential	**35%** (246 units)
Serviced Apartments	**25%** (197 rooms)
Commercial	**40%**

Artist's Impression

- Obtained **Provisional Permission in May 2021** for uplift in GFA by 25% to approximately 655,000 sq ft
- Obtained **Written Permission (amendment) in November 2022**
- Target launch: **1H 2023**

Redevelopment of Central Mall & Central Square

Proposed redevelopment under Strategic Development Incentive Scheme[1]:

Existing Central Mall Conservatio

Existing Central Mall

Mixed-use integrated development comprising a Grade A office building, a residential project with over 300 apartments[2], commercial units and a hospitality-related component

Existing Central Square

- Obtained second **Outline Permission Advice in May 2022** for uplift in GFA by 67% to approximately 735,500 sq ft
- Target launch: **2H 2024**

[1] Subject to authorities' approval | [2] Planned number of units / rooms (subject to authorities' approval)

Jungceylon Revamp

Completion of Phase 1 in Q4 2022

Exciting Reopening Performances & Activities

- Phase 1 reopened on 16 Dec 2022, ahead of Christmas & New Year, to tie in with the year-end tourism peak season in Phuket with a 69% committed occupancy rate.
- The reopening saw the return of key anchor tenants such as Robinson and SF Cinema. Big C supermarket has remained open throughout the pandemic.
- The remaining phases cover mainly the external areas and are targeted to complete by Q4 2023.

Revamped Interiors

ENHANCEMENT

M&C – Ongoing Hotel Asset Development

M Social Sunnyvale, California

M Social Hotel Knightsbridge

MSOCIAL

M Social Brand Conversions

- **SUZHOU** (First M Social in China)
- **PHUKET** (First M Social in Thailand)
- **LONDON** (First M Social in the UK)
- **NEW YORK**
- **SUNNYVALE, CALIFORNIA**

Sunnyvale California

M Social Hotel Downtown, New York

M Social Hotel Knightsbridge, London

M Social Paris

M Social Suzhou

M Social Hotel Phuket

M Social Singapore

M Social Auckland

M Social Hotel Downtown

M Social Suzhou

M Social Hotel Phuket

- Denotes existing M Social hotel presence

ENHANCEMENT

ESG Leadership & Achievements

Maintained High Positions Consistently on Leading Global Sustainability Ratings and Rankings for 2 decades

LATEST ESG MILESTONES

CDP A LIST 2022 — CLIMATE WATER

GLOBAL 100 2023 — THE WORLD'S MOST SUSTAINABLE CORPORATIONS

Bloomberg Gender-Equality Index 2023 Member

SUSTAINALYTICS ESG REGIONAL TOP RATED 2022; SUSTAINALYTICS ESG INDUSTRY TOP RATED 2023

MSCI ESG RATINGS — CCC | B | BB | BBB | A | AA | AAA

FT FINANCIAL TIMES CLIMATE LEADERS 2022 statista

Only Company in Southeast Asia & Hong Kong to Maintain Double 'A's for Climate Change (since 2018) & Water Security (since 2019); Only Singapore Company to Score an A in 2022	Ranked 28th on Global 100 Most Sustainable Corporations in the World; Top real estate management and development company globally	Only Singapore real estate company listed for 6th consecutive year	ESG Global 50 Top Rated, Regional Top Rated and Industry Top Rated in 2023	'AAA' rating since 2010	Only Singapore property company recognised in the inaugural edition of FT-Nikkei Climate Leaders Asia Pacific 2022

Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA

Since 2011

DJSI (World from 2011-2021)
DJSI (Asia Pacific) Index since 2011;
S&P Global Sustainability Yearbook 2022 Member

EURONEXT vigeo eiris INDICES WORLD 120

Since 2018

FTSE4Good

Since 2002

GRESB ★★★★★ 2022

GRESB 5-Star Rating; 2nd in Asia (Diversified – Office/Retail)

Corporate ESG Performance Prime RATED BY ISS ESG

Rated Prime Since 2018

STOXX Member 2020/2021 ESG Leaders Indices

Since 2014

SGX iEdge SG ESG Indices

Since 2016

Ranked #4

Singapore Governance and Transparency Index 2022

ENHANCEMENT

Net Zero Carbon Commitment

Future Value 2030 Alignment With Global And National Ambitions

First real estate conglomerate in Southeast Asia to sign the WorldGBC Net Zero Carbon Buildings Commitment:

- Net zero carbon with whole-life cycle approach in 2 phases
- 2030: New developments and assets under direct management & control in Singapore
- 2050: all buildings to be net zero carbon by 2050

Revised SBTi-validated GHG emission to align with 1.5°C warmer scenario by 2030:

- Reduce **Scope 1 and 2** emissions by **63%**
- Reduce **Scope 3** emissions from purchased goods and services[1] by **41%** per sqm GFA from baseline year 2016
- Reduce absolute **Scope 3** GHG emissions from investments[2] by **58.8%** from baseline year 2016

Taking green building ambitions to the next level:

- BCA Green Mark for 100% of CDL owned and managed buildings
- BCA Super Low Energy Buildings (SLEB) for 80% of CDL owned and managed buildings
- Asset enhancements with smart and low-carbon technologies

[1] Refers to the embodied carbon in the materials we use for our buildings by selecting products with lower carbon footprint like green concrete and steel for example.
[2] Refers to Scope 1 and 2 carbon emissions of CDL subsidiaries such as M&C Hotels, CDLHT, CBM, Le Grove, Tower Club and City Serviced Offices.


Transformation
➢Transform business via new platforms: Strategic Investments, Fund Management, Innovation & Venture Capital

CDLHT Distribution *in Specie* (DIS)

Completed DIS of 144,191,823 CDLHT Units to CDL Shareholders in May 2022

CDL HOSPITALITY TRUSTS

Dividend from the DIS:

20.2 cents[1]

per share

Following the accounting deconsolidation of CDLHT from a subsidiary to an associate, the Group recognised a total pre-tax gain (incl. of negative goodwill) amounting to $492.4MM for FY 2022

BENEFITS TO SHAREHOLDERS

- **Reward shareholders**
- **Strengthen the Group's financials and unlock value**
- **Capitalise on improving hospitality industry outlook**
- **Strategic alignment and continued proactive support for CDLHT**

[1] Based on $1.27 per CDLHT Unit on 25 May 2022.

Transforming Business Through Diversified Platforms

Platform Initiatives

Fund Management

AUM Target: US$5B by 2023

Current AUM: US$3.1B

Commercial Offices
UK

CDL HOSPITALITY TRUSTS

PRS
UK
Japan
Australia

IREIT GLOBAL

PBSA
UK

H.THREE CITY

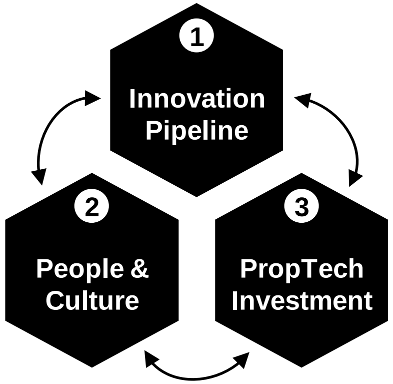
Strategic Portfolio Review

MILLENNIUM HOTELS AND RESORTS

Privatisation to achieve synergies, cost efficiencies and drive profitability

Innovation & Venture Capital

Enterprise Innovation Committee



digiHUB

CityNexus

gush

TARONGA VENTURES

FIFTH WALL

TRANSFORMATION

Investment Strategy

1 Accumulate scale in assets Develop execution capabilities

- Scale in targeted asset classes provides more divestment or monetisation options
- Asset enhancements and new service offerings generate enterprise value, optimising returns and capital appreciation potential

2 Diversify recurring income streams

- Building resilience against secular (e.g. pandemic) and cyclical downturns by increasing exposure in sectors that possess inflation-hedging characteristics i.e. PRS and PBSA strategies
- Acquire operational expertise through new service offerings

3 Grow Fund Management to generate revenue and significant platform value

- Unlock value in CDL assets by developing potential asset pipeline to grow funds under management
- Develop well calibrated divestment plans to support capital recycling plans to generate financial resources to enable further growth

Transforming Business Through Diversified Platforms

Platform Initiatives

Fund Management

AUM Target: US$5B by 2023

Current AUM: US$3.1B

Commercial Offices
UK

CDL HOSPITALITY TRUSTS

PRS
UK
Japan
Australia

IREIT GLOBAL

PBSA
UK

H.THREE CITY

Strategic Portfolio Review

MILLENNIUM HOTELS AND RESORTS

Privatisation to achieve synergies, cost efficiencies and drive profitability

Innovation & Venture Capital

Enterprise Innovation Committee

1 Innovation Pipeline

2 People & Culture

3 PropTech Investment

digiHUB

CityNexus

gush

TARONGA VENTURES

FIFTH WALL

Strategic Review of Hospitality Portfolio

Active Asset Portfolio Rebalancing Initiatives following M&C Privatisation in 2019

Capital Recycling

Streamline portfolio though **opportunistic asset divestments** to unlock value and reallocate capital for growth

Portfolio Restructuring & Asset Repositioning

Enhance portfolio and investment structures to improve asset performance and returns

Drive Operational Efficiency

Reap synergies and economies of scale through reorganisation of structures and processes

Strategic asset divestments post privatisation – Millennium Cincinnati, Copthorne Hotel Birmingham, Millennium Hilton Seoul

MILLENNIUM HOTELS AND RESORTS

CDL HOSPITALITY TRUSTS

Rebalance portfolio to unlock value

Improving productivity by harnessing technology and digital transformation

Transforming Business Through Diversified Platforms

Platform Initiatives

Fund Management

AUM Target: US$5B by 2023

Current AUM: US$3.1B

Commercial Offices
UK

CDL HOSPITALITY TRUSTS

PRS
UK
Japan
Australia

IREIT GLOBAL

PBSA
UK

H.THREE CITY

Strategic Portfolio Review

MILLENNIUM HOTELS AND RESORTS

Privatisation to achieve synergies, cost efficiencies and drive profitability

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digiHUB CBM

CityNexus

gush

TARONGA VENTURES

FIFTH WALL

Financial Highlights >>>

Financial Highlights

Property Development

	FY 2022	FY 2021
Revenue	$1,382MM	$1,255MM
PBT	$161MM	$245MM

- **Revenue contributors**
  - ✓ FY 2022 contributions largely from Amber Park, Irwell Hill Residences, Haus on Handy and overseas projects: Hongqiao Royal Lake Shanghai, Hong Leong Tech Park Shenzhen, Sydney St, Teddington Studio and New Zealand property sales
  - ✓ FY 2021 contributions largely from The Tapestry, Whistler Grand, Amber Park, Irwell Hill Residences, Hongqiao Royal Lake Shanghai, Hong Leong Tech Park Shenzhen and New Zealand property sales
- PBT decline despite an increase in revenue due to higher allowance for foreseeable losses made (FY 2022: $62MM vs FY 2021: $6MM)

Hotel Operations

	FY 2022	FY 2021
Revenue	$1,381MM	$873MM
PBT	$1,383MM	($71MM)

- **Performance in this segment** largely attributed to divestment gains
  - ✓ **Divestment gains for 2022 include**
    - $926MM upon sale of Millennium Hilton Seoul
    - $399MM on deconsolidation of CDLHT
  - ✓ **Divestment gains for 2021 include**
    - $16MM on disposal of Copthorne Birmingham Hotel
    - $15MM on disposal of Christchurch land
- **Global RevPAR increased 91%** driven by 49% increase in average room rate and 14% points increase in occupancy

Partially offset by:

- Lower write-back of impairment losses in FY 2022 (FY 2022: $32MM vs FY 2021: $96MM)

Investment Properties

	FY 2022	FY 2021 (Restated) [1]
Revenue	$341MM	$341MM
PBT (Restated) [1]	$384MM	$11MM

- **PBT boosted by divestment gains**
  - ✓ **Divestment gains** for 2022 include
    - $256MM on sale of Tanglin Shopping Centre
    - $76MM on sale of Golden Mile Complex
    - $94MM on deconsolidation of CDLHT
  - ✓ **Divestment gain** for 2021 include
    - $6MM on sale of Mille Malle
- This segment was also impacted by
  1) Higher net financing costs following the interest rate hikes
  2) Higher impairment losses
  3) Impairment loss for doubtful debt for rental and accrued receivables from China investment property
  4) Write off of recoverables

Others

	FY 2022	FY 2021
Revenue	$189MM	$157MM
PBT	($71MM)	$30MM

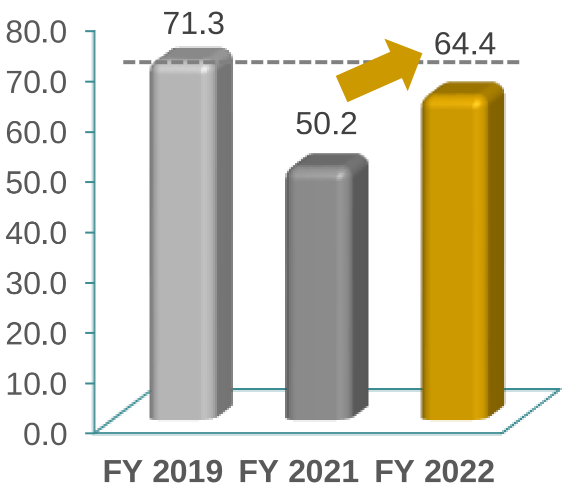
- **Pre-tax loss in FY 2022** mainly due to impairment loss of $81MM made for the Group's remaining exposure to Sincere Property Group

[1] As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities. Restated PBT is lower by $12.9MM for FY 2021 vis-à-vis previously reported.

Strong Rebound in Hotel Operations

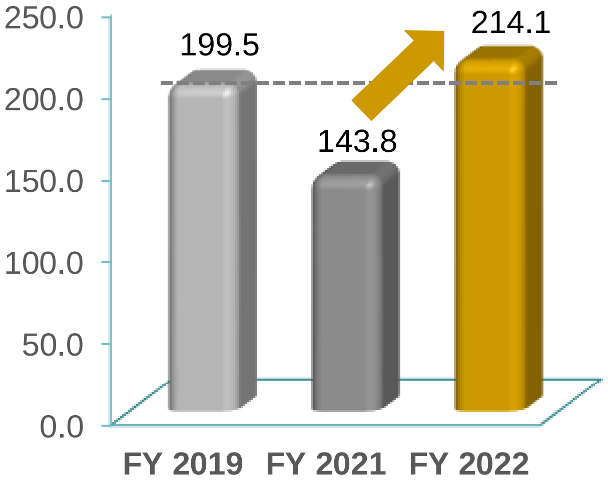
Room Occupancy

% ▲ 14.2% pts



Average Room Rate

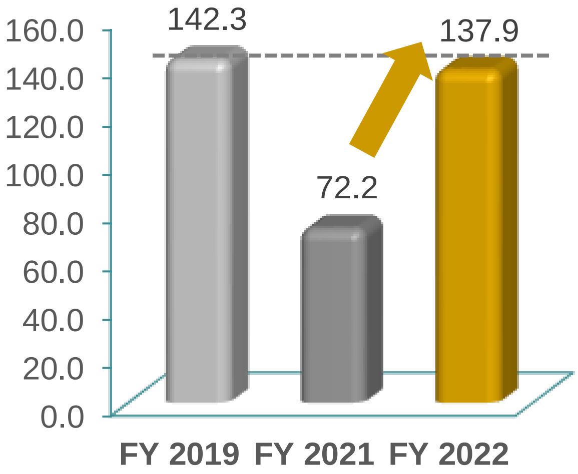
$ ▲ 48.9%



Revenue Per Available Room (RevPAR)

▲ 91%

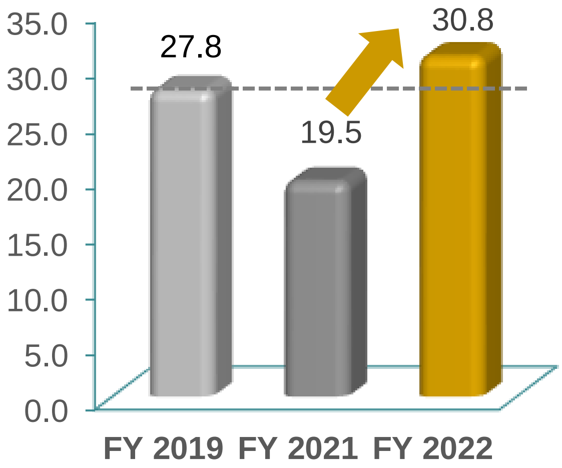
$



GOP Margin

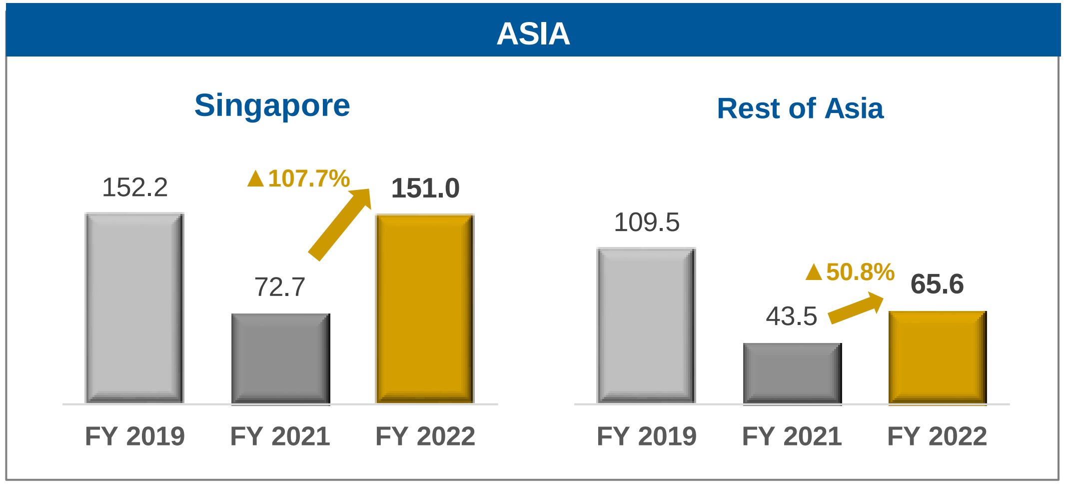
▲ 11.3% pts

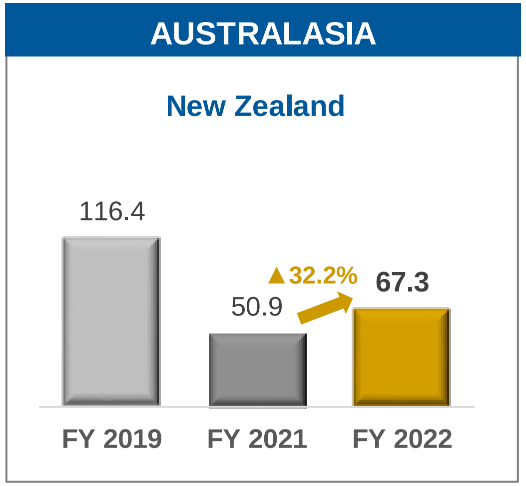
%

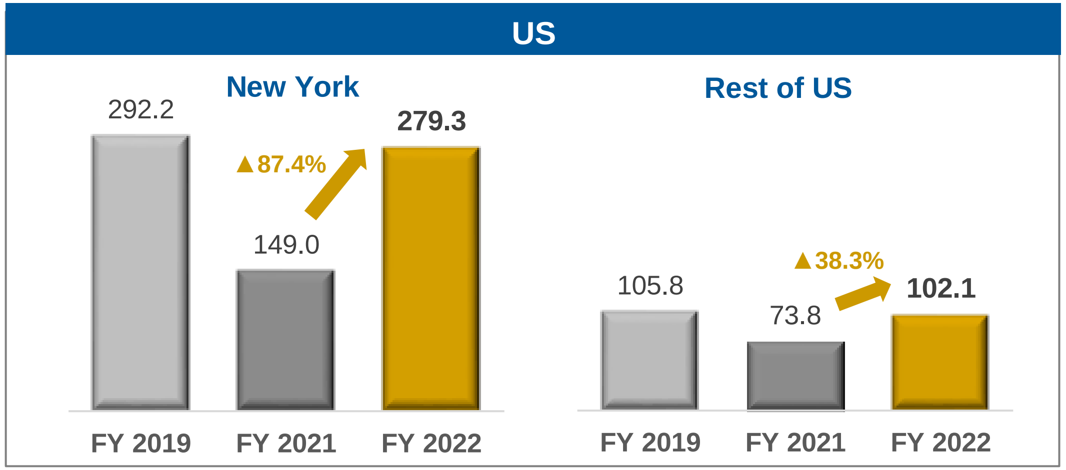


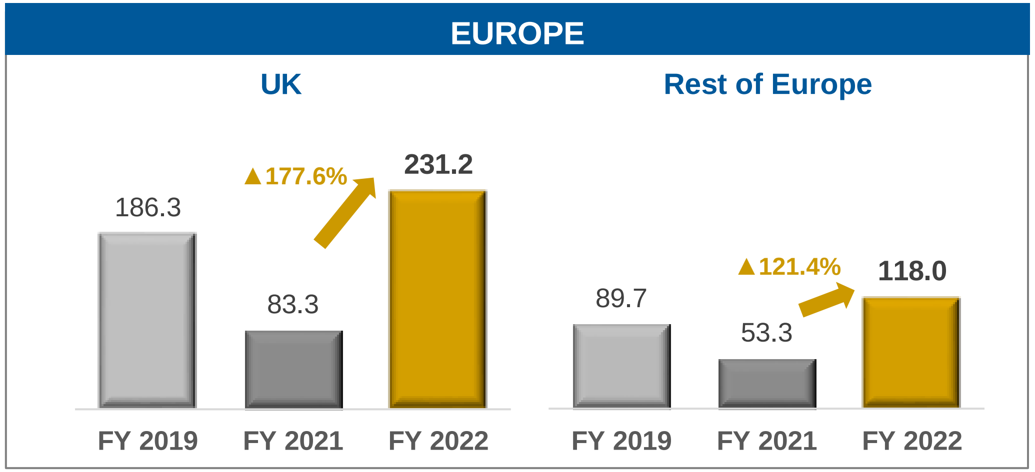
1. Room occupancy increased significantly with pent-up travel demand and the easing of travel restrictions in most regions
2. Average room rate for the Group surpassed FY 2019, signaling a strong recovery momentum
3. Strong RevPAR growth of 91%
4. GOP margin increased by 11.3% and surpassed FY 2019 levels, primarily led by the UK, US and Singapore markets

RevPAR by Region







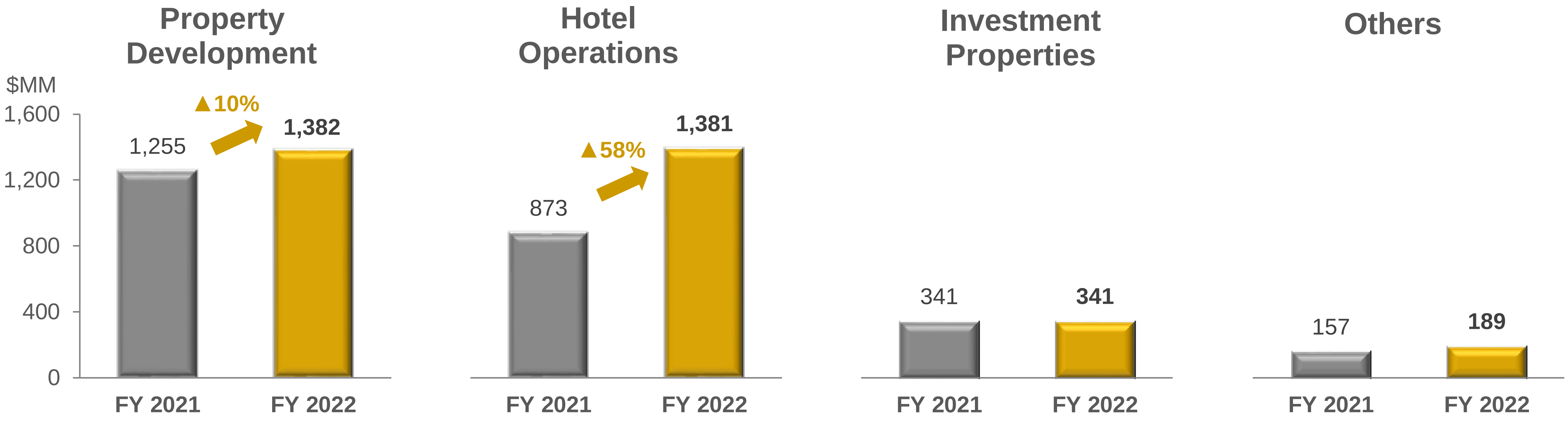


1. Strong RevPAR growth vs FY 2021 across all regions
2. RevPAR exceeded pre-Covid 2019 levels for UK and Europe, SG and New York close to pre-Covid 2019 levels

RevPAR values in S$. For comparability, FY 2019 and FY 2021 RevPAR had been translated at constant exchange rates (31 Dec 2022).

Revenue by Segment

Revenue	FY 2022	YoY
	$3,293MM	▲ 25%

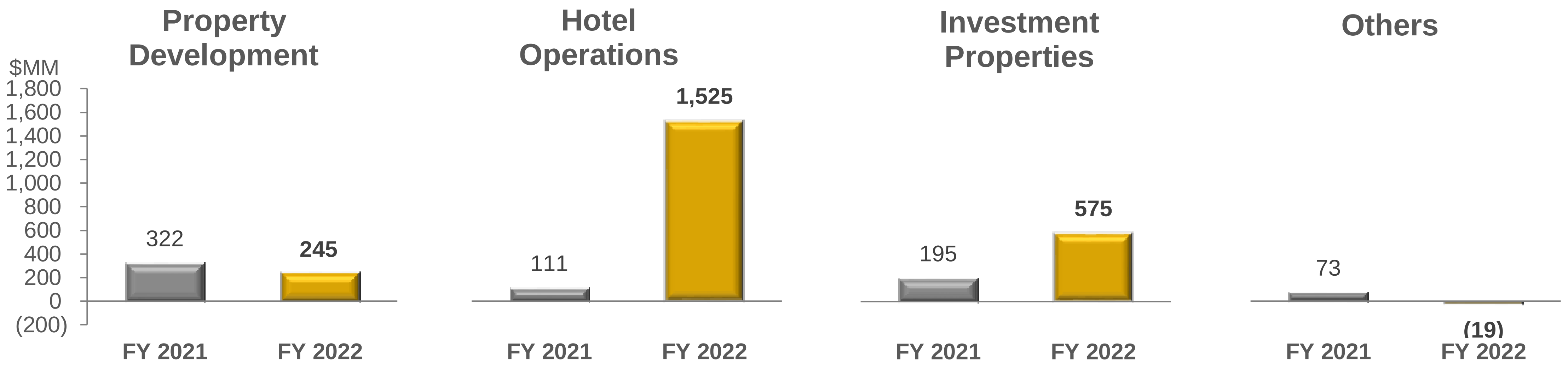


1. Property development contributes 42% of FY 2022 revenue, largely due to Amber Park, Irwell Hill Residences and Haus on Handy

2. Hotel operations improved substantially with a 91% increase in RevPAR

EBITDA by Segment

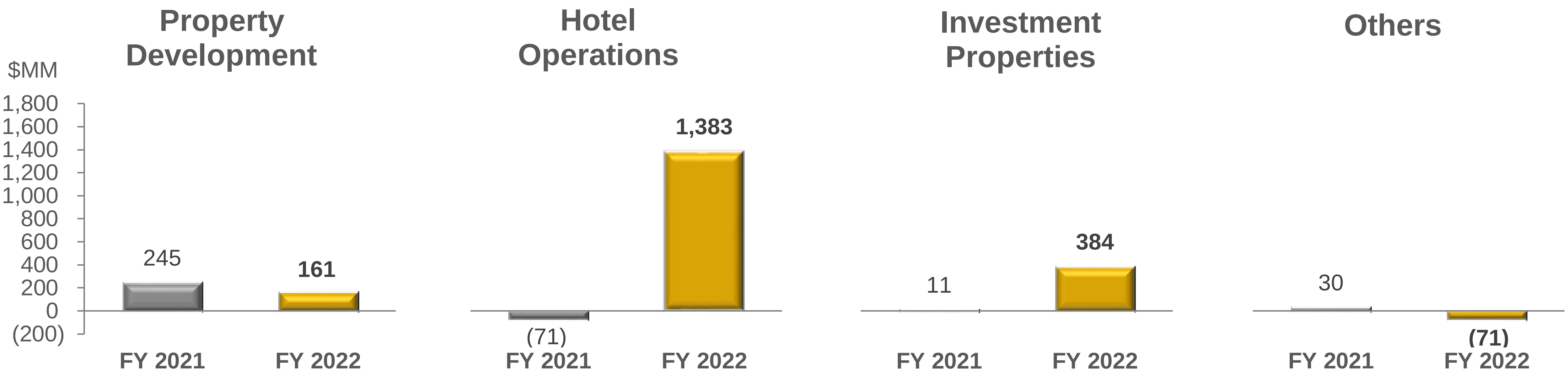
EBITDA	FY 2022	YoY
	$2,326MM	▲ 232%



1. Property development included $62MM of foreseeable losses for development projects in the UK in FY 2022
2. Hotel operations segment boosted by substantial divestment gains on Millennium Hilton Seoul and gain on deconsolidation of CDLHT
3. Investment properties segment boosted by divestment gains on collective sales of Tanglin Shopping Centre and Golden Mile Complex

PBT by Segment

PBT	FY 2022	YoY
	$1,857MM	▲ 764%



1. Property development included $62MM of foreseeable losses for development projects in the UK in FY 2022
2. Hotel operations segment boosted by substantial divestment gains on Millennium Hilton Seoul and gain on deconsolidation of CDLHT
3. Investment properties segment boosted by divestment gains on collective sales of Tanglin Shopping Centre and Golden Mile Complex, offset by higher financing costs and impairment losses
4. Others segment reported a loss in FY 2022 due to the write off of the Group's remaining exposure to Sincere Property Group

Strong Balance Sheet & Liquidity Position

Gearing	Strong Liquidity	Financing Flexibility	Balanced Debt Profile
Net Gearing	Total Cash	Interest Cover Ratio[1]	% of Fixed Rate Debt
84%	$2.4B	9.8 x	42%
FY 2021: 99%	FY 2021: $2.2B	FY 2021: 3.0x	FY 2021: 34%
Net Gearing[2] (include fair value)	Cash and Available Committed Credit Facilities	Average Borrowing Cost	Average Debt Maturity
51%	$4.1B	2.4%	2.3 years
FY 2021: 61%	FY 2021: $3.9B	FY 2021: 1.7%	FY 2021: 1.9 years

[1] Exclude non-cash impairment losses and/or reversals of impairment losses for investment properties, properties, plant and equipment.
[2] After taking in fair value on investment properties.

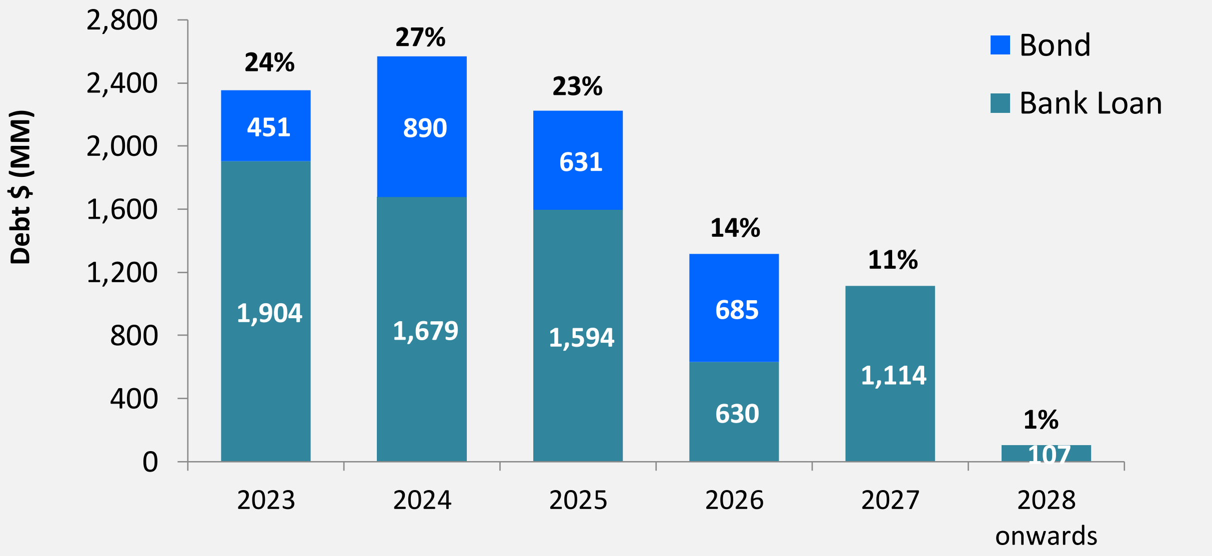
Prudent Capital Management

Balanced debt expiry profile

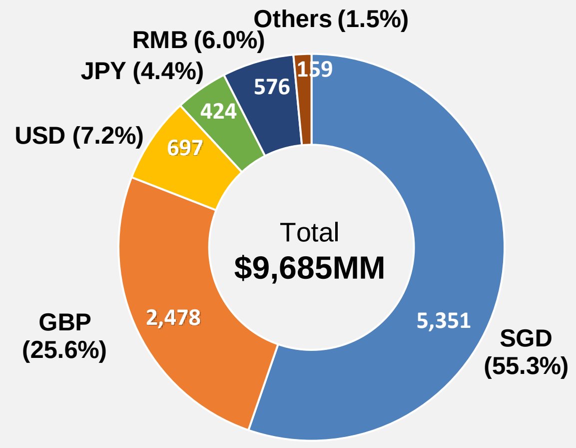
Balanced debt currency mix – adopting a natural hedging strategy

Average borrowing cost kept low

Well-Spread Debt Maturity Profile



Debt Currency Mix



31 Dec 2022

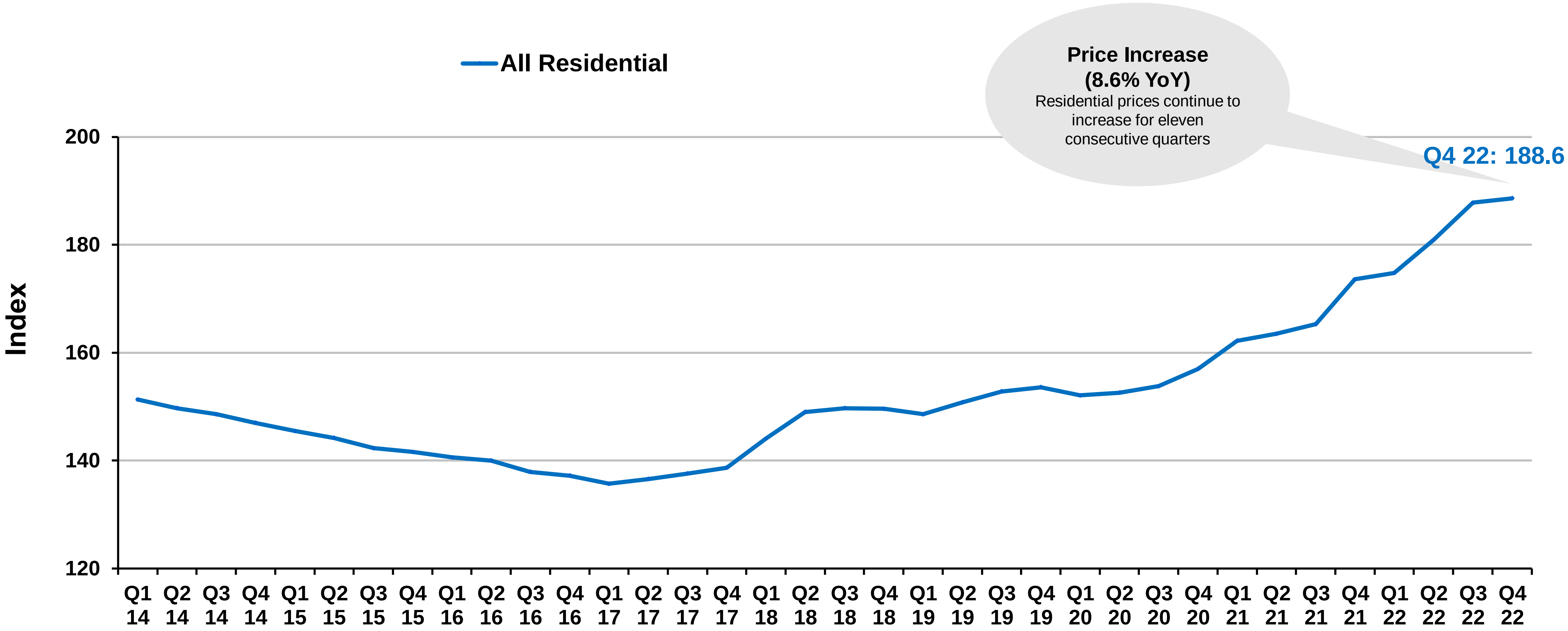
Operations Review >>>

Singapore Operations >>>

Property Development

Singapore Property Market

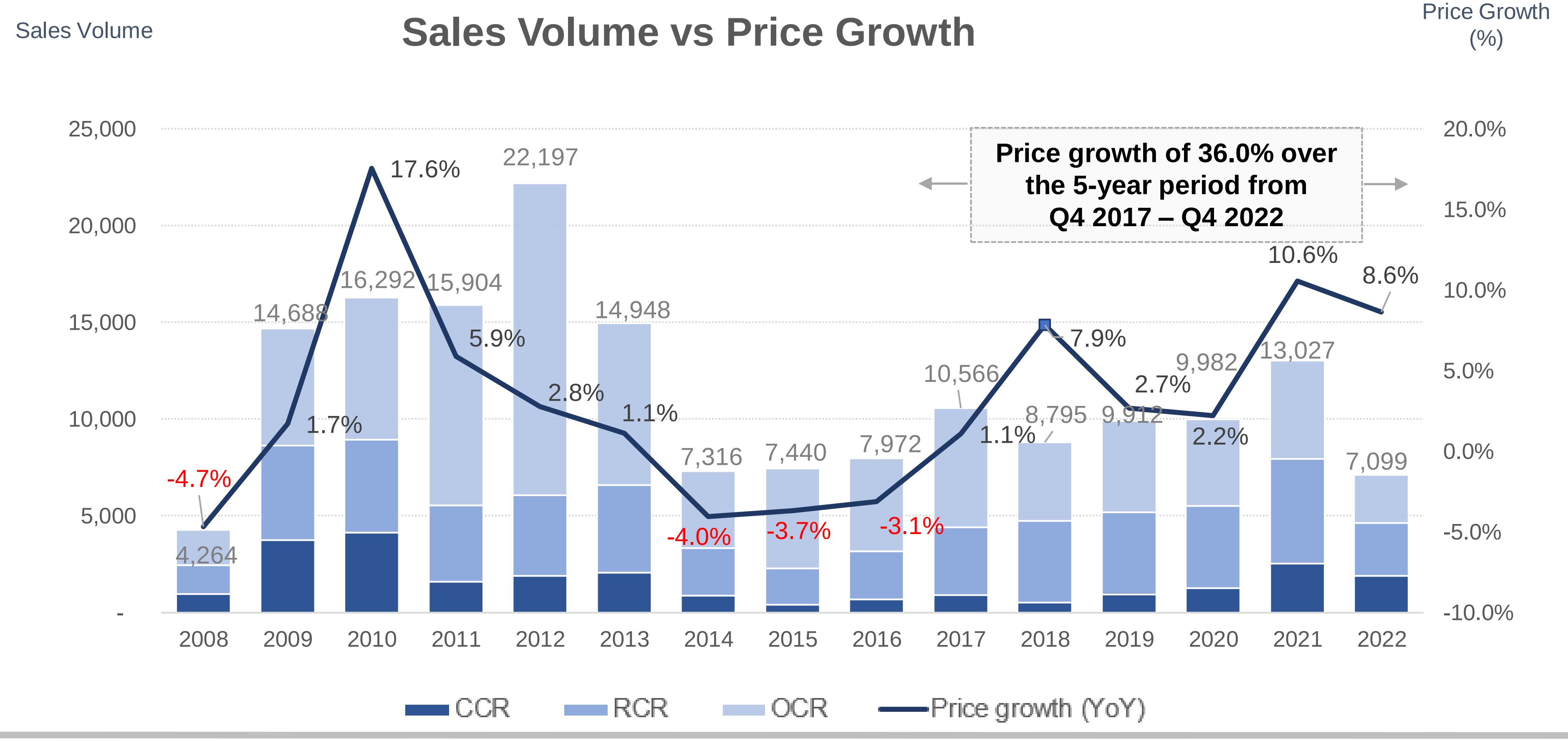
Property Price Index – Residential (2014 – 2022)



Source: URA, Q4 2022

Singapore Property Market

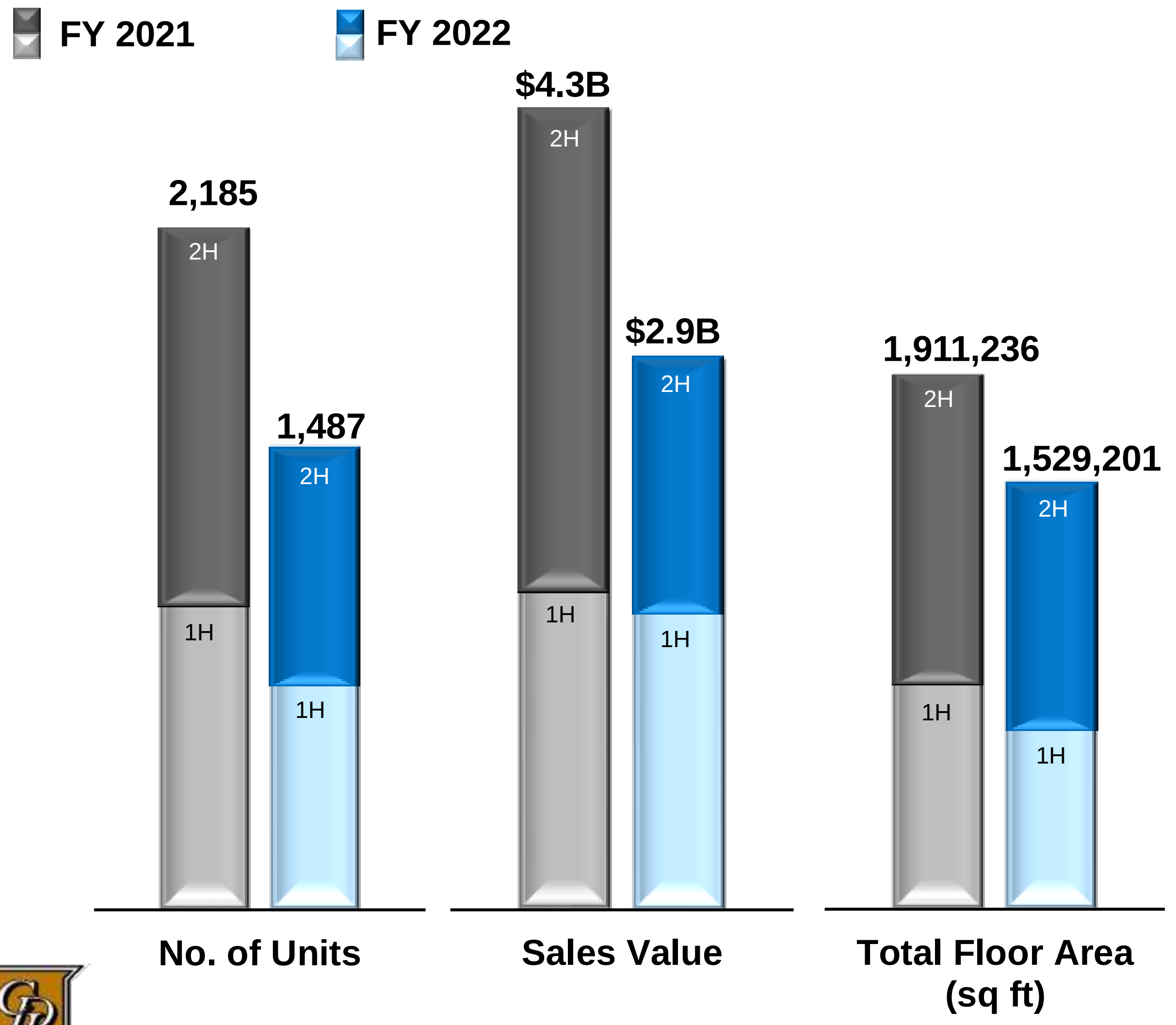
- Private residential market remains resilient with Q4 URA Private Residential Property Price Index registering a 0.4% growth from the previous quarter. Prices have increased by 8.6% in 2022.
- Primary home sales fell by 68.5% as compared to the previous quarter on the backdrop of rising interest rates and fewer number of new project launches. For the whole of 2022, developers sold 7,099 units (excluding ECs) which translates to a 45.6% decline in transaction volume when compared to the preceding year. Including ECs, developers sold a total of 8,578 units in 2022, which represents a 43.4% decline YoY.



Source: URA, Q4 2022

Singapore Property Development

Residential Units Sold[1]



2022 Highlights

- Performance was powered by two successful launches:
  - May: Piccadilly Grand (407 units): 86% sold[2]
  - Oct: Copen Grand EC (639 units): 100% sold

  (2021: Irwell Hill Residences – 540 units; CanningHill Piers – 696 units)
- Despite a lower sales volume vs 2021, the Group continued to hold a strong market share of 17.3%[3]
- Majority of the units sold in 2022 were from Copen Grand, Piccadilly Grand, CanningHill Piers, Amber Park, Haus on Handy and Irwell Hill Residences
- Sales remain resilient despite the Group's low existing inventory


Piccadilly Grand
Artist's Impression


Copen Grand
Artist's Impression

[1] Includes Executive Condominiums (ECs) and share of JV partners, excludes Nouvel 18.
[2] As at 19 Feb 2023
[3] Based on 8,578 new units (including ECs) sold by developers in 2022.

Singapore Property Development

Strong Sales Performance for FY 2022

- Sold 1,487 units with total sales value of $2.9B for FY 2022[1]
- Performance driven by highly successful launches of Piccadilly Grand and Copen Grand
- Continued steady take up of existing inventory

Steady Sales for Launches from 2019 – 2022

Launch Year	Project	Location	Tenure	Total Units	Total Units Sold[2]	% Sold[2]
2022	**Copen Grand**	Tengah Garden Walk	99 years	639	639	Fully Sold
	Piccadilly Grand	Northumberland Road	99 years	407	348	86%
2021	**CanningHill Piers**	River Valley Road / Tan Tye Place / Clarke Quay	99 years	696	676	97%
	Irwell Hill Residences	Irwell Bank Road	99 years	540	510	94%
2020	**Penrose**	Sims Drive	99 years	566	566	Fully sold
2019	**Boulevard 88**	Orchard Boulevard	Freehold	154	135	88%
	Amber Park	Amber Road	Freehold	592	584	99%
	Haus on Handy	Handy Road	99 years	188	173	92%
	Piermont Grand	Sumang Walk	99 years	820	820	Fully Sold
	Sengkang Grand Residences	Sengkang Central	99 years	680	680	Fully Sold
	Nouvel 18[3]	Anderson Road	Freehold	156	153	98%

[1] Includes Executive Condominiums (ECs) and share of JV partners, excludes Nouvel 18
[2] As at 19 Feb 2023
[3] Divested project marketed by CDL

Singapore Property Development

Inventory of Launched Residential Projects – As at 31 Dec 2022

Project	Equity Stake	Total Units	Units Sold	Total Unsold Inventory	CDL's Share of Unsold Inventory
St. Regis Residences	33%	173	161	12	4.0
One Shenton	100%	341	329	12	12.0
Cliveden at Grange	100%	110	47	63	63.0
UP@Robertson Quay	100%	70	61	9	9.0
Boulevard 88	40%	154	134	20	8.0
Amber Park	80%	592	582	10	8.0
Haus on Handy	100%	188	157	31	31.0
Irwell Hill Residences	100%	540	506	34	34.0
CanningHill Piers	50%	696	675	21	10.5
Piccadilly Grand	50%	407	344	63	31.5
TOTAL:		**3,271**	**2,996**	**275**	**211**

Excludes Cuscaden Residences – 1 unit unsold, The Oceanfront @ Sentosa Cove – 1 unit unsold

The Venue Shoppes – 17 units out of 28 sold, 11 units unsold and fully leased

Upcoming Launch in 1H 2023

Tembusu Grand – Jewel in the East with Excellent Connectivity and Amenities

Location	Tenure	Equity Stake	Total Units	Site Area (sq ft)	Total Saleable Area (sq ft)
Jalan Tembusu	99-year	51%	638	210,622	615,380

The Essence of Katong Living

- Located in prime District 15 amidst the charming enclaves of Tanjong Katong and East Coast, it comprises 4 blocks of 20/21-storey residential towers
- Good selection of units ranging from 1-Bedroom + Study to 5-Bedroom apartments and 2 exclusive Penthouses
- Unrivalled transport connectivity – less than 10 minutes walk to the upcoming Tanjong Katong MRT station on the Thomson East Coast Line, and a short drive to the CBD, Marina Bay Financial District and Changi Airport via major expressways such as the ECP, PIE and KPE
- Close proximity to amenities such as i12 Katong, Parkway Parade, Paya Lebar Square, East Coast Park, Singapore Sports Hub and within 1km to popular schools like Haig Girls' School, Kong Hwa School and Tanjong Katong Primary
- Features two luxurious clubhouses and a host of comprehensive facilities such as tennis court, 50m infinity lap pool, gymnasium and yoga studio

Other Upcoming Launches in 2023

Newport Residences – 1H 2023

Location	Tenure	Equity Stake	Total Units	Site Area (sq ft)	Total Saleable Area (sq ft)
80 Anson Road	Freehold	100%	246	54,802	Est 206,621

- Designed by renowned Japanese architecture firm Nikken Sekkei, the 45-storey development comprises 246 rare freehold residences, including a super penthouse. All the apartments are elevated from level 23 to 45, offering spectacular views of the city and the sea.
- Newport Residences is part of Newport Plaza (formerly Fuji Xerox Towers), an integrated development comprising apartments, serviced residences, Grade A offices and a retail component.
- The project is within walking distance of three MRT stations – Tanjong Pagar MRT, the upcoming Prince Edward Road MRT and Cantonment MRT.


Artist's Impression

The Myst – 2H 2023

Location	Tenure	Equity Stake	Total Units	Site Area (sq ft)	Total Saleable Area (sq ft)
Upper Bukit Timah Road	99-year	100%	Est. 408	179,007	Est. 387,677

- Comprises two 24-storey blocks with 408 residential apartments.
- The development is a mere 5-minute walk to Cashew MRT station and within a 10-minute walk to Bukit Panjang Integrated Transport Hub comprising Hillion Mall, Bukit Panjang Bus Interchange and Bukit Panjang MRT station.

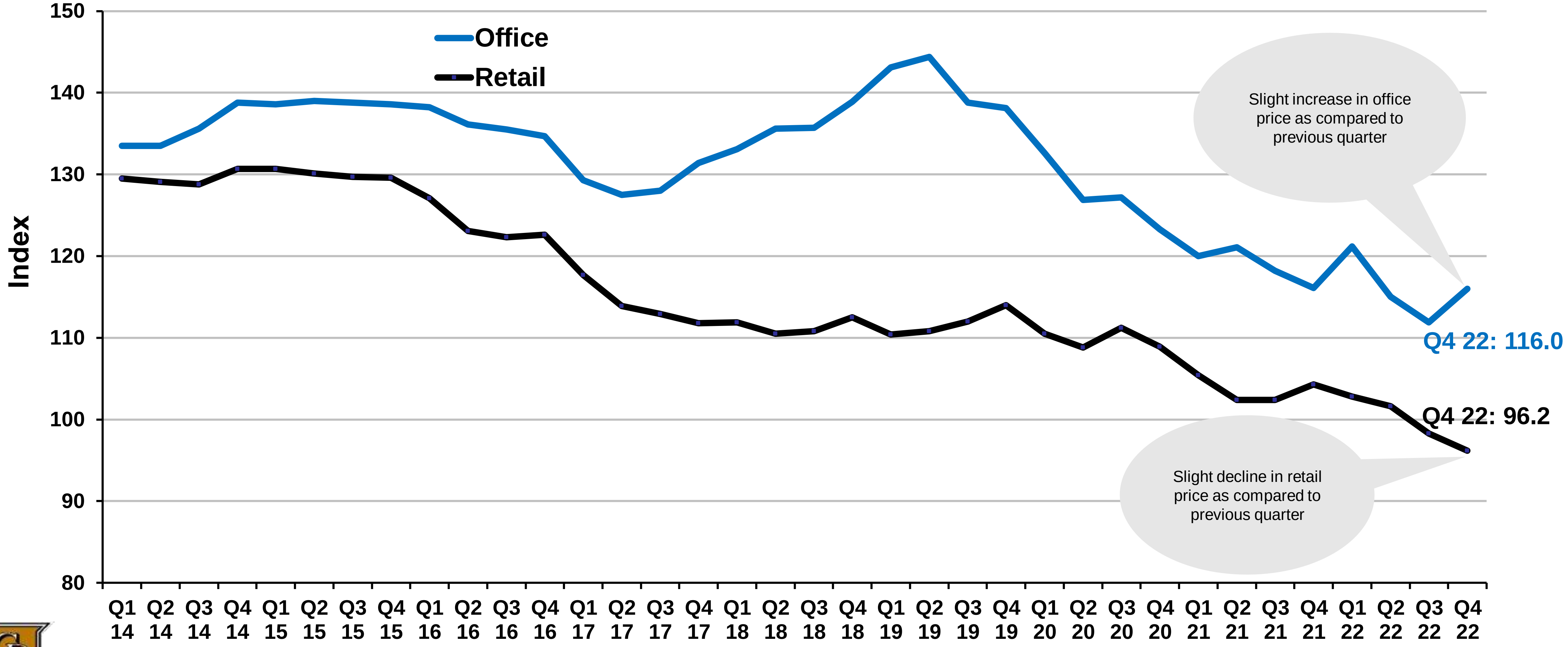

Artist's Impression

Singapore Operations >>>

Asset Management

Singapore Commercial Market

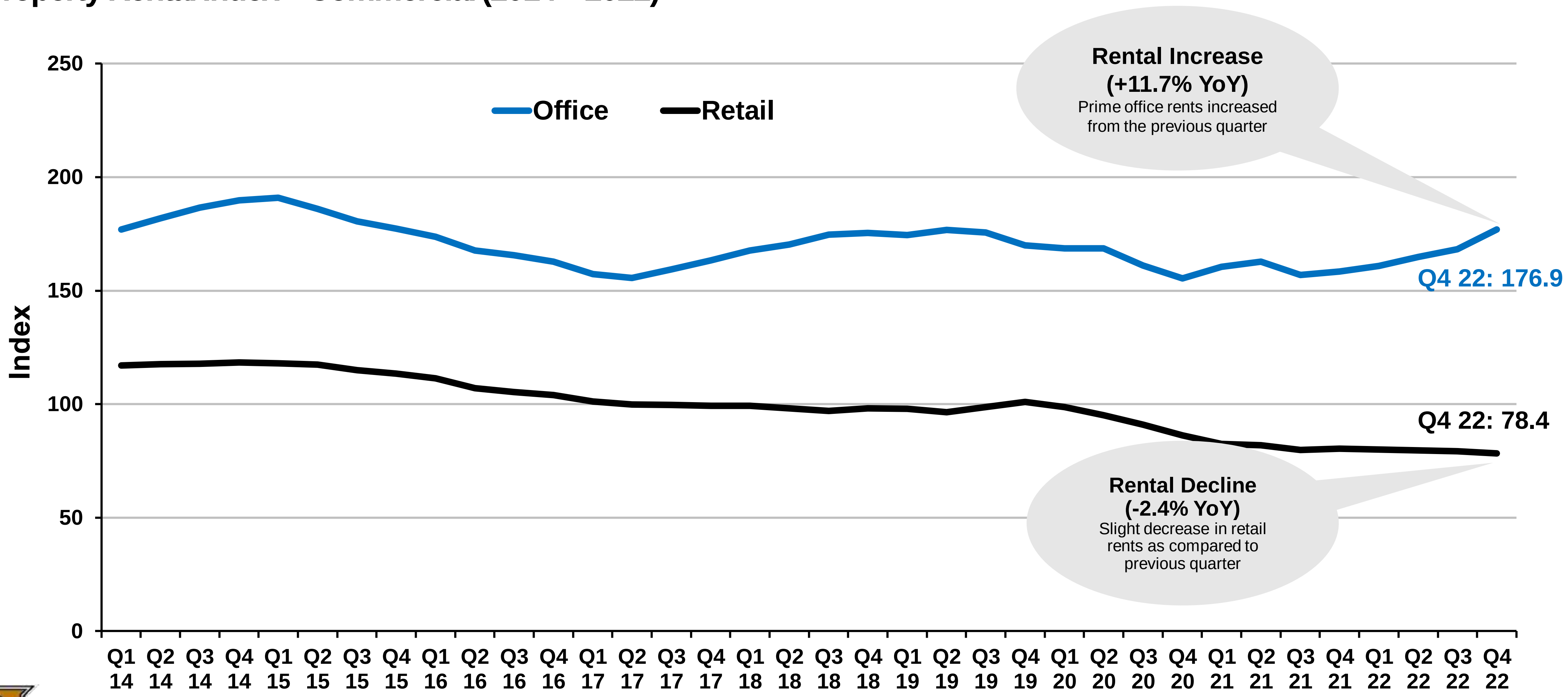
Property Price Index – Commercial (2014 – 2022)



Source: URA, Q4 2022

Singapore Commercial Market

Property Rental Index – Commercial (2014 – 2022)



Source: URA, Q4 2022

Singapore Commercial Portfolio

Strong Committed Occupancy for Office and Retail Portfolio (as at 31 Dec 2022)[1]

Office[2]

95.2%
Committed Occupancy

1.54MM sq ft
Net Lettable Area

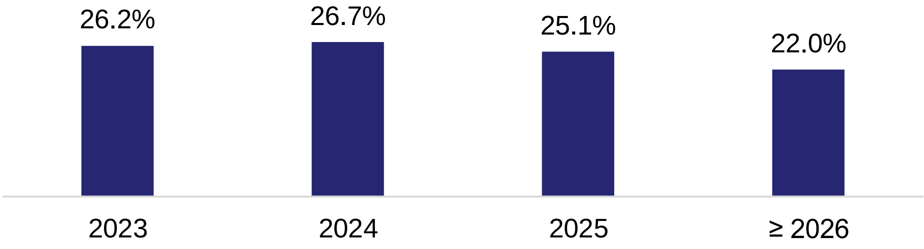
Retail[3]

96.1%
Committed Occupancy

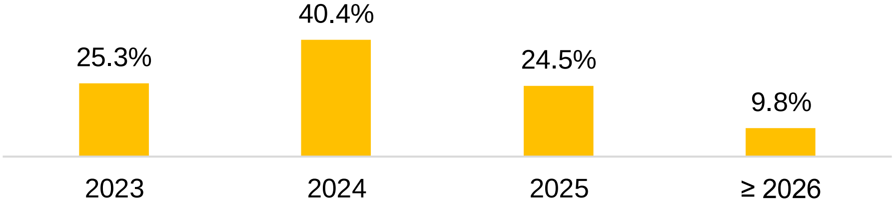
748,000 sq ft
Net Lettable Area

Lease Expiry Profile by % of NLA

Office



Retail



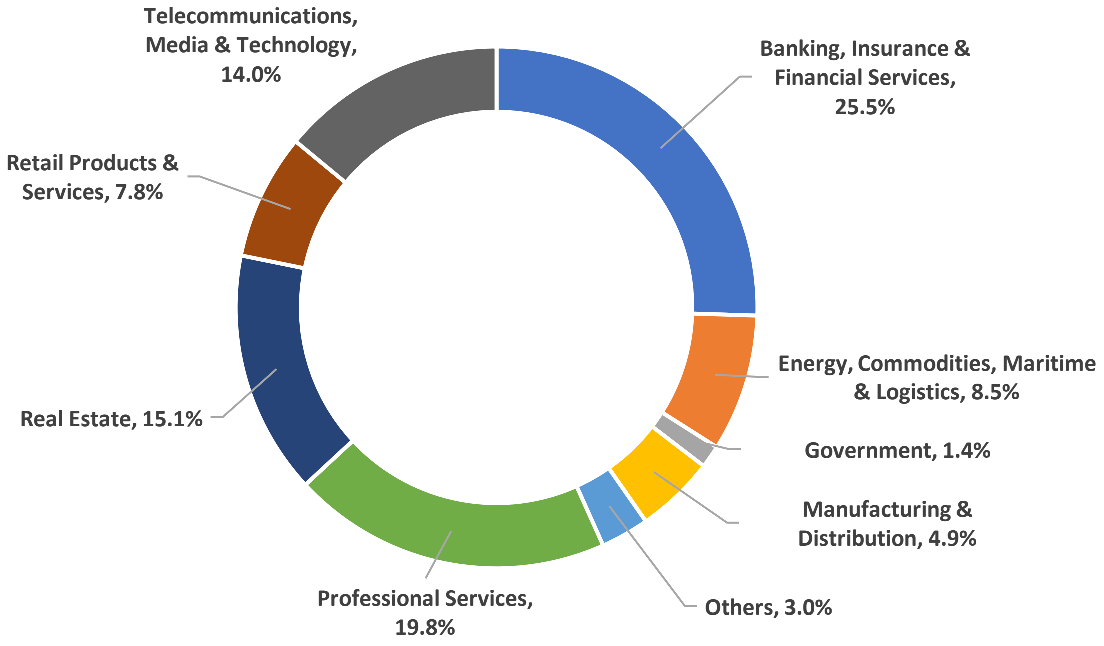
Well-managed lease expiry profile positioned to provide income stability.

[1] Includes South Beach Tower (in accordance with CDL's proportionate ownership). Excludes Central Mall Office Tower, Central Mall Conservation Unit and 11 Tampines Concourse.
[2] Comprises office only properties and the office component within integrated developments.
[3] Comprises retail only properties and the retail component within integrated developments.

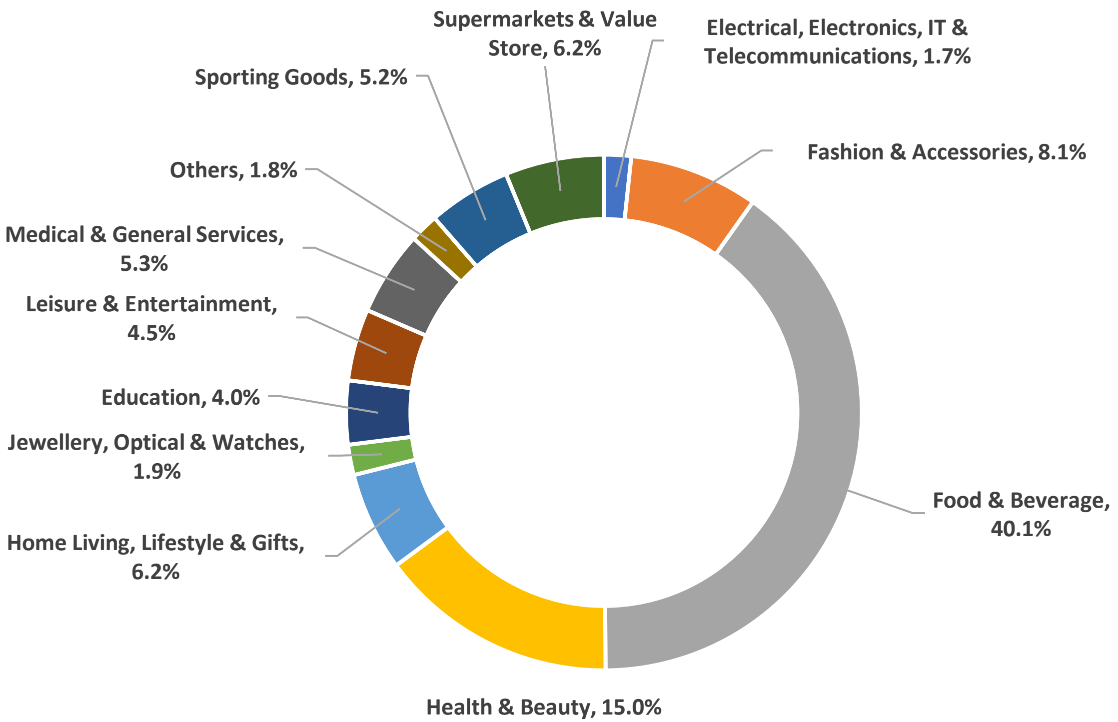
Singapore Commercial Portfolio

Trade Mix of Office & Retail Space by % of Total Gross Rental Income (as at 31 Dec 2022)[1]

Office[2]



Retail[3]



Well positioned tenant mix for both office and retail sectors:

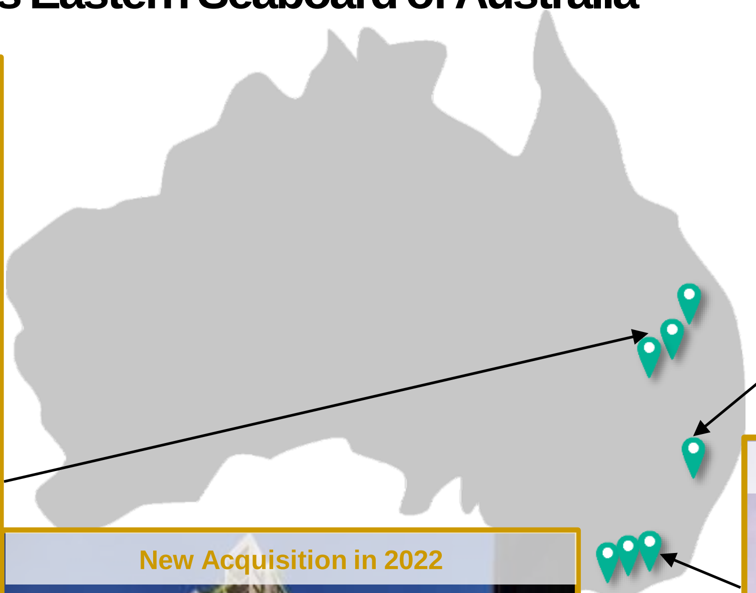
- **Office**: Diversified tenant trade mix with no major concentration risks from any sector.
- **Retail**: Food & Beverage focused trade mix which is well positioned against rising e-commerce consumption trends.

[1] Includes South Beach Tower (in accordance with CDL's proportionate ownership). Excludes Central Mall Office Tower, Central Mall Conservation Unit and 11 Tampines Concourse.
[2] Comprises office only properties and the office component within integrated developments.
[3] Comprises retail only properties and the retail component within integrated developments.

International Operations >>>

International Operations – Australia

Focus on Developments across Eastern Seaboard of Australia



Queensland

Brickworks Park (Residential)

- Brickworks Park has presold 45% of 215 units. Early Construction of apartments and townhouses to commenced Q4 2022.

Treetops at Kenmore (Residential)

- Treetops at Kenmore has presold 45% of 97 units. Construction commenced Q4 2022.

New Acquisition in 2022

Toowong (Residential)

- Acquired a freehold site 4km West of Brisbane CBD to develop 250 PRS apartments and a retail component.

New South Wales

Waterbrook Bowral

- Waterbrook Bowral, a 135-unit retirement housing project, has sold 100% of the available villas (first phase) and construction is in progress.

Victoria

New Acquisition in 2022

Southbank (Residential)

- Acquired a freehold site at Southbank, Melbourne. The PRS project will yield around 240 units.

Group's first PRS project in Australia

Fitzroy Fitzroy (Mixed-Use)

The Marker (Mixed-Use)

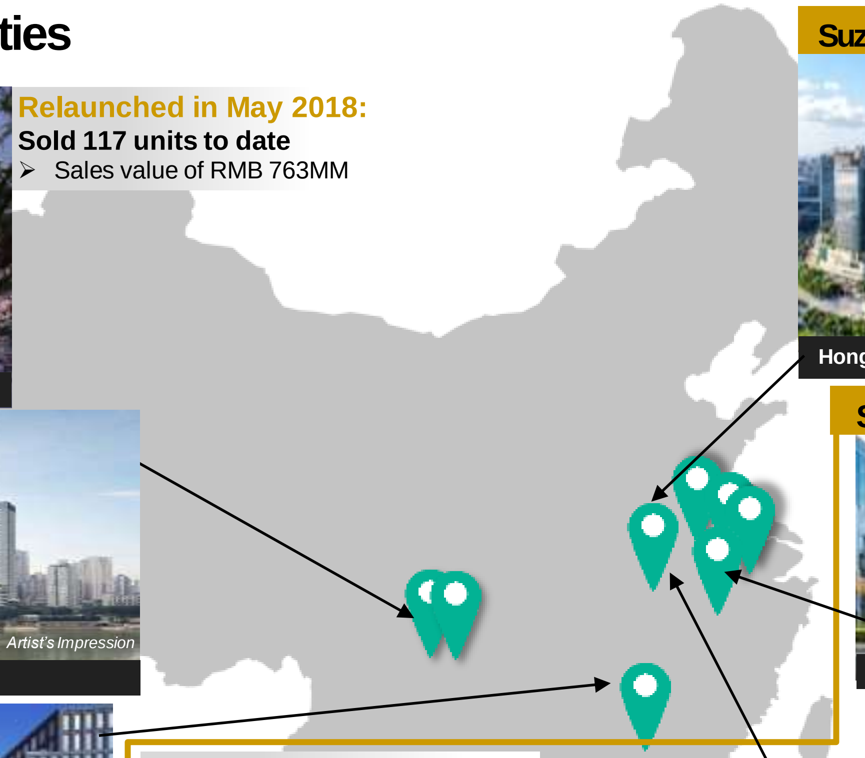
- The Marker has sold 79% of the total 198 units, construction completed in late Sep 2022. To date, 146 apartments have settled.
- Fitzroy Fitzroy has sold 38% of the total 60[1] units.

[1] The approved total number of units reduced from 62 units to 60 units due to amalgamation of units.

Sales data as at 19 Feb 2023

International Operations – China

Focus on Tier 1 and Tier 2 Cities



Chongqing (重庆)

Eling Palace (鹅岭峯)

Relaunched in May 2018:

Sold 117 units to date

- Sales value of RMB 763MM

Fully sold:

Fully sold in April 2022

- Sales value of RMB 2.53B

Emerald (翡翠都会)

Suzhou (苏州)

Hong Leong City Center (丰隆城市中心)

Continued Sales Momentum:

Total sales of RMB 4.04B generated for 92% of 1,813 units to date[1]

- Phase 1 – 100% sold
- Phase 2 – 67% sold
- HLCC Plaza, a 32,101 sqm Grade A office tower is 94% occupied
- HLCC mall is 82% occupied
- Hotel expected to open in 2023

Shanghai (上海)

Hong Leong Hongqiao Center (丰隆虹桥中心)

Challenging leasing market:

- Committed occupancy for office and retail units is 41% as of Dec 2022
- YTD occupancy of serviced apartment as of end-2022 is 46.2%.

Yaojiang International (耀江国际)

Asset enhancement:

- Operational since Jan 2019

Good Uptake:

74 villas sold to date

- Sales value of RMB 1.80B

Hongqiao Royal Lake (御湖)

Hong Leong Plaza Hongqiao (虹桥丰隆广场)

Stable income stream:

- Comprises 5 office towers with 2 levels of basement carpark with GFA of 32,182sqm
- 76% of total NLA leased out for serviced apartments, a confinement centre and corporate office use; majority of leases for 15-year term

Shenzhen (深圳)

Hong Leong Technology Park Shenzhen (丰隆深港科技园)

Continue to move the sales in a challenging commercial real estate market:

- Total sales of RMB 1.04B achieved ever since the Group acquired this project in March 2021

[1] Excludes 143 units transferred to CDL's wholly-owned subsidiary for investment purpose.

Sales data as at 19 Feb 2023

International Operations – Japan

Continue to Grow our Japan PRS Footprint with New Acquisitions

5 freehold residential properties in Osaka (228 units)

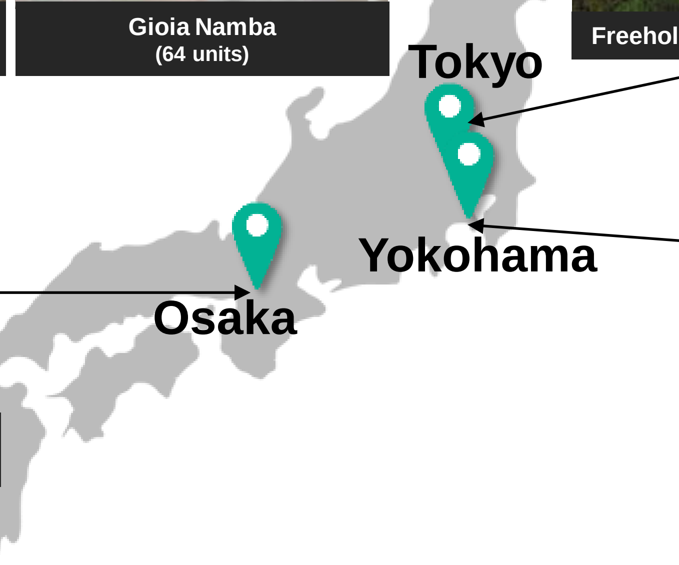
Horie Lux
(34 units)

Pregio Joto Chuo
(48 units)

Gioia Namba
(64 units)

B-Proud Tenmabashi
(26 units)

Pregio Miyakojima Hondori
(56 units)



Development Site:

- Prime 180,995 sq ft freehold site acquired in Oct 2014

Freehold site in Shirokane

3 freehold residential properties in Yokohama (285 units)

City Lux Tobe
(118 units)

LOC's Yokohama Bayside
(89 units)

City Lux Yokohama
(78 units)

International Operations – UK Residential

Strengthening our Presence

31 & 33 Chesham Street **100 Sydney Street**

Freehold developments consisting of 15 units[1] across 2 properties in Prime Central London

Teddington Riverside

Freehold development consisting of 239 apartments and houses [2] in Teddington, London

The Junction

Construction in progress for a 665-unit PRS development in Leeds

Practical Completion achieved for Blocks A to C (307 units) in Nov and Dec 2022

The Octagon

Construction in progress for a 250-year leasehold site to develop a 370-unit PRS development in Birmingham

Ransomes Wharf

Planning approvals obtained for a 118-unit development in Battersea, London

Stag Brewery

Planning in progress for the former Stag Brewery site in Mortlake, London

[1] 14 apartments and 1 retail unit
[2] Includes 15 affordable housing apartments

Status as at 19 Feb 2023

International Operations – UK Purpose-Built Student Accommodation

Expanding our Footprint – Acquired a total of 2,368 beds across 6 Purpose-Built Student Accommodation assets in 2022

Altura, Birmingham
(435 Beds)

Sycamore House, Leeds
(117 Beds)

Infinity, Coventry
(505 Beds)

Trinity View, Coventry
(614 Beds)

Cumberland Place, Southampton
(206 Beds)

Riverside, Canterbury
(491 Beds)

UK – Recurring Income Projects

Solidifying our Presence in London

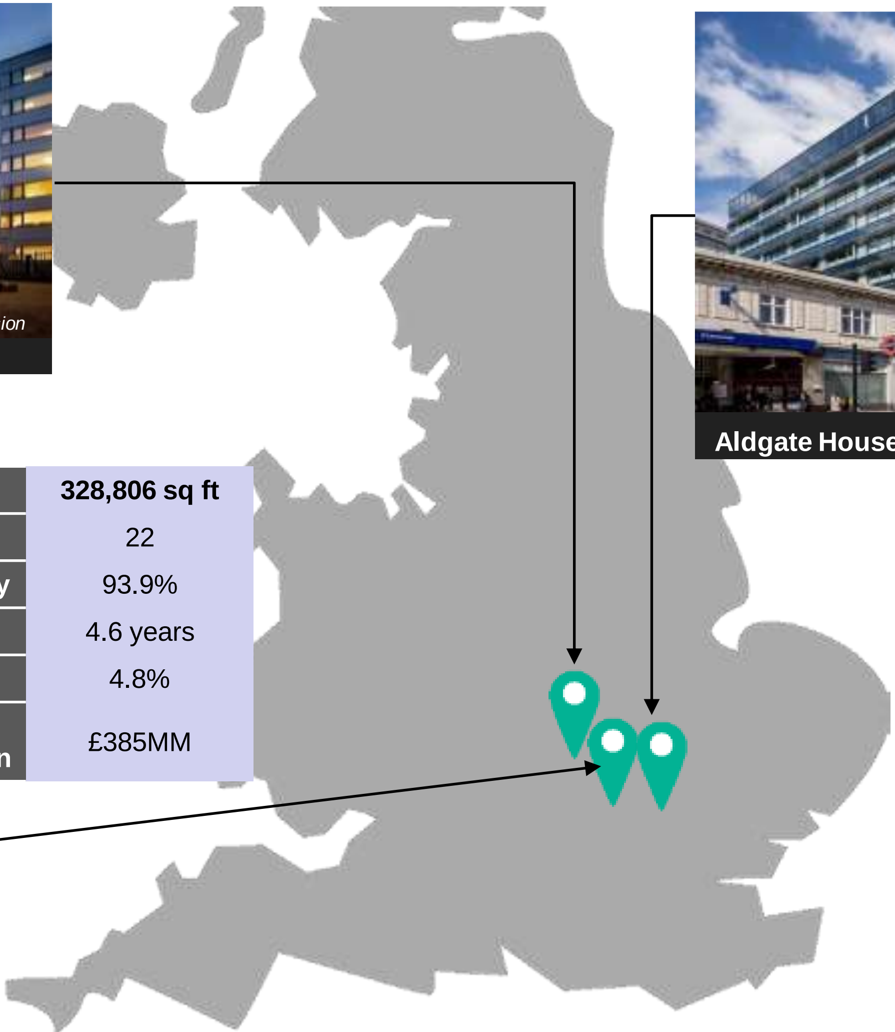
Artist's Impression

Development House

Planning in progress for a 10-storey office building in Shoreditch

Aldgate House

NLA	**209,860 sq ft**
Tenants	5
Occupancy	98.1%
WALE[1]	4.1 years
Yield	5.1%
CDL's Acquisition	£183MM



125 Old Broad Street

NLA	**328,806 sq ft**
Tenants	22
Occupancy	93.9%
WALE[1]	4.6 years
Yield	4.8%
CDL's Acquisition	£385MM

[1] WALE to expiry based on Gross Rental Income (GRI)

Data as at 19 Feb 2023

Hospitality >>>

Hotel Operations

Trading Performance

	FY 2022 $MM	FY 2021 $MM
Revenue	**1,380.7**	873.1
Profit Before Tax (PBT)	**1,383.2**	(71.0)
EBITDA	**1,525.3**	111.1

Group RevPAR : ▲ 89.2% in FY 2022 (reported currency)
▲ 91.0% in FY 2022 (constant currency)

Revenue, PBT and EBITDA increased mainly due to:

- Global recovery in tourism and travel, driven by improved consumer confidence levels, lifting of pandemic-related restrictions and strong pent-up demand, as well as real productivity gains achieved by the hotels during the pandemic

- Exponential growth in room rates arising from the return of domestic and international travellers, as well as citywide events in major markets

- PBT and EBITDA boosted by a substantial gain from the divestment of Millennium Hilton Seoul

The Biltmore, Mayfair

Millennium Hilton New York One UN Plaza

Hotel Operations (2H 2022 vs 2H 2021)

Hotel Occupancy, Average Room Rate, and RevPAR and GOP Margin by Region for CDL Group

	Room Occupancy			Average Room Rate			RevPar			GOP		
	2H 2022 %	2H 2021 %	Incr/ (Decr) % pts	2H 2022 $	2H 2021* $	Incr/ (Decr) %	2H 2022 $	2H 2021* $	Incr/ (Decr) %	2H 2022 %	2H 2021 %	Incr/ (Decr) % pts
Singapore	88.6	80.4	8.2	212.3	99.4	113.6	188.2	79.9	135.5	49.1	42.8	6.3
Rest of Asia	56.4	44.8	11.6	148.6	106.9	39.0	83.9	47.8	75.5	27.2	15.9	11.3
Total Asia	**69.2**	**58.6**	**10.6**	**181.0**	**102.9**	**75.9**	**125.3**	**60.3**	**107.8**	**39.0**	**26.8**	**12.2**
Australasia	**49.0**	**31.3**	**17.7**	**155.2**	**142.8**	**8.7**	**76.0**	**44.7**	**70.0**	**30.8**	**29.5**	**1.3**
London	85.7	63.5	22.2	321.4	214.6	49.8	275.4	136.4	101.9	49.2	43.8	5.4
Rest of Europe	79.7	66.6	13.1	161.1	127.6	26.3	128.4	85.0	51.1	33.1	29.7	3.4
Total Europe	**82.9**	**65.0**	**17.9**	**249.6**	**173.1**	**44.2**	**206.9**	**112.5**	**83.9**	**43.8**	**38.6**	**5.2**
New York	89.4	72.4	17.0	387.9	278.0	39.5	346.9	201.2	72.4	28.1	0.6	27.5
Regional US	56.6	56.9	(0.3)	198.4	164.3	20.8	112.2	93.5	20.0	24.6	29.6	(5.0)
Total US	**69.5**	**62.8**	**6.7**	**294.4**	**214.0**	**37.6**	**204.6**	**134.4**	**52.2**	**26.8**	**14.0**	**12.8**
Total Group	**70.7**	**58.9**	**11.8**	**233.5**	**161.4**	**44.7**	**165.1**	**95.1**	**73.6**	**35.9**	**25.6**	**10.3**

* For comparability, 2H 2021 Average Room Rate and RevPAR have been translated at constant exchange rates (31 Dec 2022).

Hotel Operations (FY 2022 vs FY 2021)

Hotel Occupancy, Average Room Rate, and RevPAR and GOP Margin by Region for CDL Group

	Room Occupancy			Average Room Rate			RevPar			GOP		
	FY 2022 %	FY 2021 %	Incr/ (Decr) % pts	FY 2022 $	FY 2021* $	Incr/ (Decr) %	FY 2022 $	FY 2021* $	Incr/ (Decr) %	FY 2022 %	FY 2021 %	Incr/ (Decr) % pts
Singapore	79.3	77.4	1.9	190.4	93.9	102.8	151.0	72.7	107.7	45.9	41.2	4.7
Rest of Asia	48.4	40.5	7.9	135.3	107.3	26.1	65.6	43.5	50.8	16.9	10.4	6.5
Total Asia	**60.5**	**54.8**	**5.7**	**163.6**	**100.0**	**63.6**	**99.1**	**54.8**	**80.8**	**32.1**	**23.0**	**9.1**
Australasia	**43.7**	**36.1**	**7.6**	**154.0**	**141.0**	**9.2**	**67.3**	**50.9**	**32.2**	**28.9**	**33.7**	**(4.8)**
London	78.2	41.9	36.3	295.8	199.0	48.6	231.2	83.3	177.6	46.1	38.1	8.0
Rest of Europe	74.5	44.8	29.7	158.3	119.0	33.0	118.0	53.3	121.4	30.2	19.6	10.6
Total Europe	**76.5**	**43.3**	**33.2**	**233.7**	**159.4**	**46.6**	**178.7**	**69.0**	**159.0**	**40.6**	**31.1**	**9.5**
New York	82.8	63.7	19.1	337.2	233.9	44.2	279.3	149.0	87.4	19.8	(17.3)	37.1
Regional US	54.6	50.1	4.5	186.9	147.3	26.9	102.1	73.8	38.3	24.8	26.6	(1.8)
Total US	**65.5**	**55.0**	**10.5**	**260.3**	**183.3**	**42.0**	**170.6**	**100.8**	**69.2**	**21.8**	**4.9**	**16.9**
Total Group	**64.4**	**50.2**	**14.2**	**214.1**	**143.8**	**48.9**	**137.9**	**72.2**	**91.0**	**30.8**	**19.5**	**11.3**

* For comparability, FY 2021 Average Room Rate and RevPAR have been translated at constant exchange rates (31 Dec 2022).

Hotel Operations (FY 2022 vs FY 2019)

Hotel Occupancy, Average Room Rate, and RevPAR and GOP Margin by Region for CDL Group

	Room Occupancy			Average Room Rate			RevPar			GOP		
	FY 2022 %	FY 2019 %	Incr/ (Decr) % pts	FY 2022 $	FY 2019* $	Incr/ (Decr) %	FY 2022 $	FY 2019* $	Incr/ (Decr) %	FY 2022 %	FY 2019 %	Incr/ (Decr) % pts
Singapore	79.3	86.4	(7.1)	190.4	176.2	8.1	151.0	152.2	(0.8)	45.9	40.1	5.8
Rest of Asia	48.4	70.5	(22.1)	135.3	155.2	(12.8)	65.6	109.5	(40.1)	16.9	32.4	(15.5)
Total Asia	**60.5**	**76.3**	**(15.8)**	**163.6**	**163.8**	**(0.1)**	**99.1**	**124.9**	**(20.7)**	**32.1**	**35.7**	**(3.6)**
Australasia	**43.7**	**59.8**	**(16.1)**	**154.0**	**194.7**	**(20.9)**	**67.3**	**116.4**	**(42.2)**	**28.9**	**45.2**	**(16.3)**
London	78.2	79.1	(0.9)	295.8	235.6	25.6	231.2	186.3	24.1	46.1	39.0	7.1
Rest of Europe	74.5	69.6	4.9	158.3	128.9	22.8	118.0	89.7	31.5	30.2	14.5	15.7
Total Europe	**76.5**	**74.2**	**2.3**	**233.7**	**183.6**	**27.3**	**178.7**	**136.2**	**31.2**	**40.6**	**30.0**	**10.6**
New York	82.8	86.6	(3.8)	337.2	337.4	(0.1)	279.3	292.2	(4.4)	19.8	11.4	8.4
Regional US	54.6	58.0	(3.4)	186.9	182.5	2.4	102.1	105.8	(3.5)	24.8	19.7	5.1
Total US	**65.5**	**67.5**	**(2.0)**	**260.3**	**255.0**	**2.1**	**170.6**	**172.1**	**(0.9)**	**21.8**	**15.3**	**6.5**
Total Group	**64.4**	**71.3**	**(6.9)**	**214.1**	**199.5**	**7.3**	**137.9**	**142.3**	**(3.1)**	**30.8**	**27.8**	**3.0**

* For comparability, FY 2019 Average Room Rate and RevPAR have been translated at constant exchange rates (31 Dec 2022).

CDL Hospitality Trusts

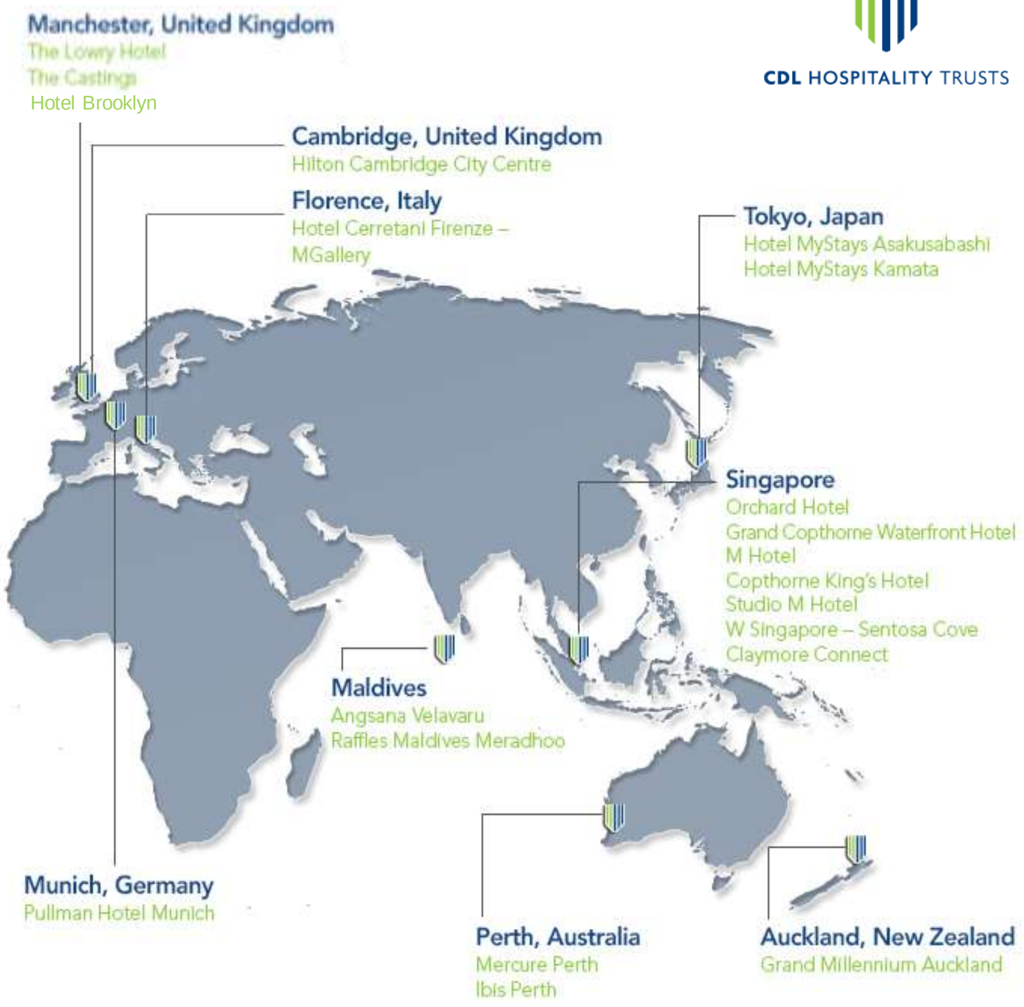
Trading Performance

	FY 2022 $MM	FY 2021 $MM
Gross Revenue	**229.4**	157.7
Net Property Income (NPI)	**123.7**	86.1

Accelerated global travel recovery, spurred initially by leisure demand and later reinforced by the return of corporate groups and citywide events, drove robust performance growth across virtually all of CDLHT's portfolio markets. Countries are now treating COVID-19 as endemic, embracing the risk associated with travel.

NPI contribution increased across CDLHT's portfolio, driven primarily by Singapore and United Kingdom. The increases were partly offset by lower NPI from the New Zealand hotel.

CDLHT remains confident in the medium to long-term outlook, despite the challenging economic environment, and will actively assess opportunities to carry out asset enhancements to strengthen the competitiveness of its hotels.



CDL Hospitality Trusts

Country	YoY change in RevPAR (%)	Remarks
Singapore	104.1	The end to government isolation contracts for most hotels, coupled with the healthy recovery of both domestic and inbound demand, and return of sporting and citywide events boosted accommodation demand in 2022. The outlook for demand in 2023 remains positive with a healthy pipeline of events, increased flight connectivity and China's reopening.
Maldives	25.9	The recovery in demand attributed to an increase in tourist arrivals in 2022 but was slightly offset by the reopening of alternative island destinations and strengthening of USD. In 2023, the return of the largest pre-pandemic visitor source market, China, should mitigate the impact of new supply of resorts and re-opening of other resort destinations.
New Zealand	(26.8)	Recovery in 2022 was hampered by a backdrop of labour constraints, low winter demand, and a late resumption of air travel capacity. Looking ahead, the return of sporting events is expected to boost international tourism numbers to the region.
Australia	75.6	The initial slow pace of recovery improved markedly with the return of mining and shipping demand, as well as major sporting events. This is expected to continue into 2023, alongside the government's Reconnect WA package, which will bring in increased leisure and corporate travellers, supporting hotel demand in Perth.
Germany	207.3	The lifting of restrictions and return of corporate travel and citywide events supported the strong RevPAR recovery of the hotels in 2022, after coming off a low base in the previous year. Demand is expected to continue growing in 2023, supported by recovery of travel in Europe and a healthy events calendar.
Italy	339.3	
Japan	61.0	Limitations on foreign arrivals to Japan remained largely in place for most of 2022, suppressing rates prior to the full reopening of borders in late 2022, when the rate of recovery accelerated. Moving forward, the reopening of China's borders is expected to drive hotel demand.
United Kingdom	70.2	Consumer confidence quickly improved after all remaining domestic restrictions in the UK ended in February 2022. In early 2023, a new "GREAT Britain" marketing campaign capturing major events will be launched across Europe, the Gulf Cooperation Council countries and the USA to drive bookings.

Disclaimer:

This document may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, availability of real estate properties, competition from other developments or companies, shifts in customer demands, customers and partners, expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events. Numbers in tables and charts may not add up due to rounding.

CITY DEVELOPMENTS LIMITED

60 YEARS OF GLOBAL TRUST

Artist's Impression

CANNINGHILL PIERS I SINGAPORE

OUR VISION:

We aim to be recognised by customers, employees and peers as an innovative creator of quality and sustainable spaces.

OUR MISSION:

C onceptualise spaces and solutions
R espect planet Earth
E ncourage diversity of people and ideas
A dvance the communities we operate in
T ake prudent risk for sustainable returns
E mbrace a forward-looking mindset

OUR VALUES:

- INNOVATION
- COLLABORATION
- INTEGRITY

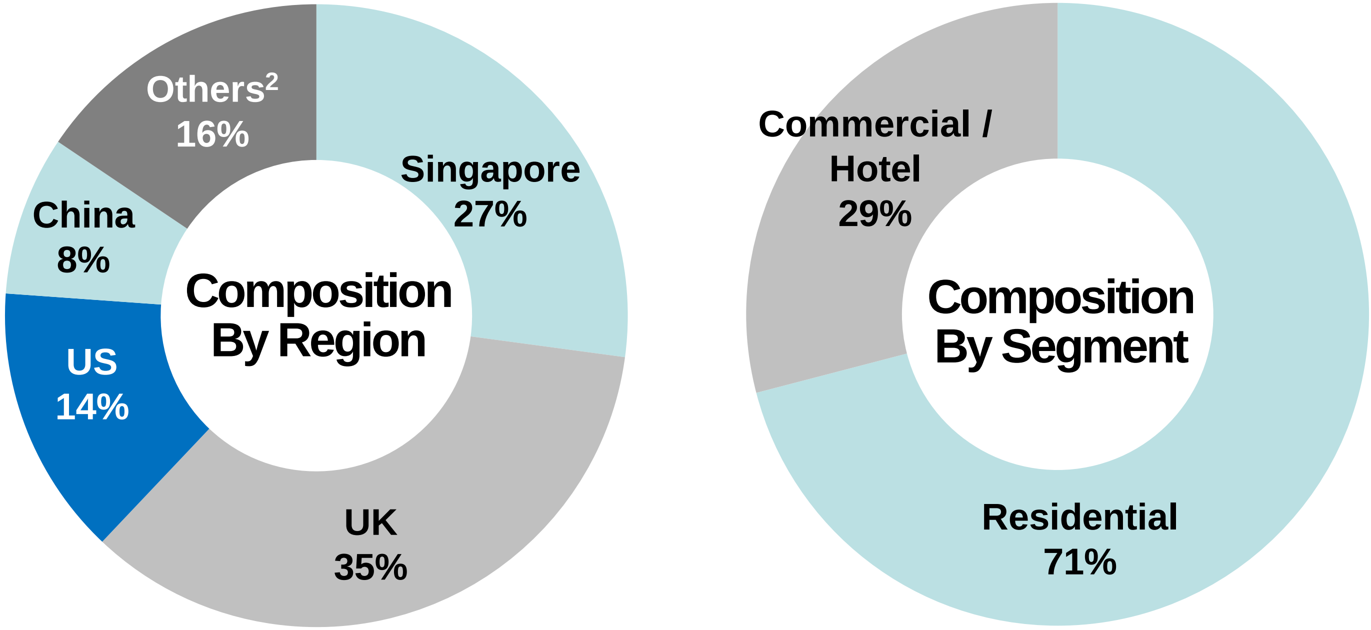
Appendix

Diversified Land Bank

Land Area (as at 31 Dec 2022) – CDL's Attributable Share

Type of Development	Land Area (sq ft)			
	Singapore	International	Total	%
Residential	826,846	1,649,144	2,475,990	71
Commercial / Hotel	119,970	894,136	1,014,106	29
Total	**946,816**	**2,543,280**	**3,490,096**	**100**

Total Land Area[1] – 3.5MM sq ft

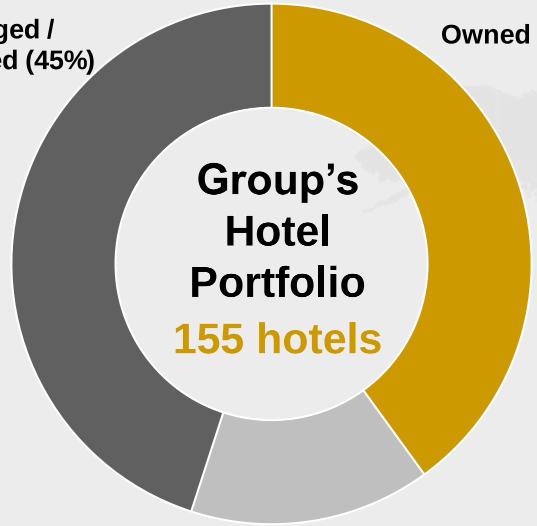


[1] Includes M&C and its subsidiaries, excludes CDL New Zealand
[2] Includes Japan, Australia and Malaysia

Global Hospitality Portfolio – Overview

Diversified Portfolio of 155 Hotels Worldwide

➢ **Global footprint driven by Millennium & Copthorne Hotels Limited (M&C), with over 130 hotels and 38,000 rooms**



MILLENNIUM
HOTELS AND RESORTS

M&C's hospitality brands:

- The Biltmore
- Grand Millennium
- Millennium
- M Social
- Studio M
- M
- Copthorne
- Kingsgate

UK & Europe

29 Hotels

The Biltmore Mayfair London

M Social Hotel Paris Opera

US

18 Hotels

The Biltmore Los Angeles

Middle East

50 Hotels

Grand Millennium Dubai

Asia

36 Hotels

Grand Copthorne Waterfront Hotel Singapore

Australasia

22 Hotels

Grand Millennium Auckland

As at 31 Dec 2022
Includes hotels managed by third parties as well as those under CDLHT