



# CREATING MEMORABLE HOTEL EXPERIENCES

PAN PACIFIC HOTELS GROUP LIMITED  
SUMMARY FINANCIAL REPORT 2009

# SNAPSHOT

## DELIVERING SHAREHOLDERS' VALUE

	2005	2009	CAGR
REVENUE	\$276m	\$288m	1.07%
REVPAR	\$94.95	\$106.62	2.94%
EBITDA	\$81m	\$84m	0.91%
PROFIT AFTER TAX AND MINORITY INTERESTS	\$34m	\$39m	3.49%
EARNINGS PER SHARE*	8.38¢	6.78¢	-5.16%

\* before exceptional gains, impairment charge and fair value adjustments

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## ABOUT PAN PACIFIC HOTELS GROUP



### **CREATING MEMORABLE HOTEL EXPERIENCES**

Pan Pacific Hotels Group owns, manages and/or markets over 30 hotels, resorts and serviced suites with more than 9,000 rooms in Asia, Oceania and North America including those under development.

Headquartered in Singapore, it is a listed hotel subsidiary of UOL Group Limited, an established property company in Asia with a diversified portfolio of investment and development properties.

Known formerly as Hotel Plaza Limited, Pan Pacific Hotels Group hails the successful integration of two distinguished brands, "Pan Pacific" and "PARKROYAL", into one core business.

As an international hotel management company, Pan Pacific Hotels Group is focussed on creating memorable hotel experiences, with a global commitment to providing personalised, genuine care.

Combining agility and flexibility in its business approach, Pan Pacific Hotels Group responds to changing market trends by building brands that resonate with its guests, customers and associates. It enhances shareholders' value by driving greater innovation, customer focus and partner engagement.

## CHAIRMAN'S STATEMENT

"As Asia is expected to lead the business recovery this year, the Group will focus on extending our two brand names in this region."



### 2009 PERFORMANCE AND DIVIDEND

2009 was a challenging year for the hotel industry as international travel was impacted by the global economic slowdown and concerns of a H1N1 pandemic. The Singapore economy was not spared and contracted by 2.0% in 2009, while tourist arrivals dropped by 4.3% to 9.7 million.

For the year under review, the Group's pre-tax profit before impairment charge and fair value losses decreased by 35% to \$50.8 million (2008: \$78.1 million). The Group recognised a fair value loss of \$1.6 million on its investment properties, smaller than the loss of \$9.8 million in 2008. For 2009, no impairment provision was required for a hotel development project (2008: impairment provision of \$37.0 million). As a result, the Group's profit before tax increased by \$17.9 million or 57% to \$49.2 million (2008: \$31.3 million). The Group's net profit attributable to shareholders increased by 207% to \$39.3 million from \$12.8 million achieved in 2008.

Your Board is recommending a first and final dividend of 3.5 cents per share (2008: first and final dividend of 4 cents) amounting to \$21 million (2008: \$24 million) for the year ended 31 December 2009.

### OPERATIONS

#### SINGAPORE OPERATIONS

As a result of lower tourist arrivals into Singapore in 2009, the average occupancy for the hotel industry decreased by 4.6 percentage points to 76% and average room rate decreased by 22.3% to \$191 in 2009 (2008: \$246). The Group's hotels in Singapore, PARKROYAL on Beach Road and PARKROYAL on Kitchener Road, reported lower revenue and profit.

#### OVERSEAS OPERATIONS

With the exception of our operations in Malaysia and Myanmar, all the Group's hotels were affected by the global economic crisis and registered declines in both occupancy and/or average room rates. The performance of the PARKROYAL Penang was better due to higher room revenue while the better performance of PARKROYAL

Kuala Lumpur was due to higher food and beverage revenue. Although the PARKROYAL Yangon improved its performance in 2009, the operating environment remained difficult.

#### **HOTEL MANAGEMENT DIVISION**

In line with the Group's intent to grow its hotel management chain, the Group's hotel management division has rebranded two hotels in China owned by related companies. The Pan Pacific Xiamen was rebranded in August 2009 while the Pan Pacific Suzhou was rebranded in January 2010.

In February 2010, the Group opened the 148-unit Pan Pacific Serviced Suites Bangkok, an extended-stay property to complement the existing Pan Pacific Bangkok. The Group has also secured the contract to manage the Nirwana golf and spa resort in Bali as Pan Pacific Nirwana Bali Resort with effect from April 2010.

#### **CORPORATE DEVELOPMENTS**

##### **NAME CHANGE**

At the extraordinary general meeting held on 28 April 2009, shareholders approved the change of the Company's name to Pan Pacific Hotels Group Limited. The "Pan Pacific" brand, which the Company had acquired from its holding company UOL Group Limited ("UOL") in October 2008, has a rich heritage and is a well established name in the hospitality industry and in the Asia Pacific region. Together with the "PARKROYAL" brand, the Group is able to offer our customers a wider choice of hotels and extended-stay brands. It will also allow the Group to expand its hotel management services with a broader range of investors.

##### **ACQUISITION OF SUBSIDIARY**

To streamline the operations of the PARKROYAL Serviced Suites in Singapore, the Group acquired from UOL, the entire issued share capital of Parkroyal Serviced Residences Pte. Ltd. ("PSR") for a total consideration of \$581,000. PSR is the managing agent for the Company's 90 units of serviced suites located at The Plaza, Beach Road.

##### **HOTEL / SERVICED SUITES DEVELOPMENT**

###### **PROPOSED REDEVELOPMENT AT THE PLAZA, BEACH ROAD**

Arising from a strategic review to enhance the value of the Group's existing assets, the Company obtained approval to re-develop the existing Furniture Mall located at The Plaza into a 165-unit

serviced suite and new column-free meeting and ballrooms. In connection with this proposal, the Company has purchased certain air space rights for \$1,590,000. Provisional planning approval has been obtained and it is envisaged that the project will be completed in mid-2012.

##### **PROPOSED HOTEL & COMMERCIAL DEVELOPMENT AT UPPER PICKERING STREET**

Following the termination by mutual consent of the original contract for the construction of the proposed development at Upper Pickering Street, a fresh tender was called and a new main contract was awarded in December 2009 at a reduced pricing. Work on the 367-room hotel and approximately 7,320 square metres of office space is expected to be completed in mid-2012.

#### **OUTLOOK FOR 2010**

Current economic data suggests that the recession has ended in most countries and business and consumer confidence is expected to improve in 2010. International travel is projected to grow moderately in the Asia Pacific region. In Singapore, the opening of the two integrated resorts and resultant increase in room supply is expected to moderate the increase in average room rate of the Group's hotels and intensify competition for hotel staff. While the Group's hotels in the Asia Pacific are expected to benefit from higher occupancy in line with the increase in visitor arrivals, average room rates are expected to recover at a slower pace.

As Asia is expected to lead the business recovery this year, the Group will focus on extending our two brand names in this region.

#### **ACKNOWLEDGEMENT**

I wish to thank my fellow directors for their wise counsel and guidance during the past year. On 21 August 2009, Mr Amedeo Patrick Imbardelli joined the Board and we welcome him. My appreciation also goes to the management and staff for their hard work during this challenging year under review, and to our shareholders and business associates for their continuing support.

##### **DR WEE CHO YAW**

Chairman

February 2010

# BOARD OF DIRECTORS



1	2	3	
4	5	6	
7	8	9	10



**1. DR WEE CHO YAW - Chairman**

A career banker with 50 years of experience. Received Chinese high school education. Dr Wee has been the Chairman of the Company ("PPHG") and its holding company, UOL Group Limited ("UOL") since 1973.

He was appointed to the Board since 25 May 1973 and was last re-appointed as Director at PPHG's Annual General Meeting on 28 April 2009. Dr Wee, who is a non-executive and non-independent Director of PPHG, is also the Chairman of the Executive Committee and Member of the Nominating and Remuneration Committees.

He is the Chairman of United Overseas Bank Limited, Far Eastern Bank Limited, United Overseas Insurance Limited, United International Securities Ltd, Haw Par Corporation Limited, United Industrial Corporation Limited, Singapore Land Limited and Marina Centre Holdings Private Limited. He is the Chairman of Wee Foundation. He was previously the Chairman of Overseas Union Enterprise Limited.

Dr Wee is the President of the Singapore Federation of Chinese Clan Associations and also the Honorary President of Singapore Chinese Chamber of Commerce & Industry and a Pro-Chancellor of Nanyang Technological University.

In 2008, he was conferred an honorary Doctor of Letters by the National University of Singapore for his accomplishments in banking, education and community leadership.

Dr Wee was a recipient of the Credit Suisse-Ernst & Young Lifetime Achievement Award in 2006 and was named Businessman of the Year in 1990 and 2001. In 2009, he was conferred a Lifetime Achievement Award by The Asian Banker.

**2. MR GWEE LIAN KHENG - Group Chief Executive**

Mr Gwee is the Group Chief Executive of PPHG and UOL and has been with the UOL Group since 1973. An executive and non-independent Director, he was appointed to the Board since 20 January 1987 and was last re-elected as Director at PPHG's Annual General Meeting on 28 April 2009. He is also a member of the Executive Committee.

Mr Gwee sits on the board of various subsidiaries in the PPHG Group and UOL Group. He is also a Director of United Industrial Corporation Limited and Singapore Land Limited and was previously a Director of Overseas Union Enterprise Limited.

Mr Gwee holds a Bachelor of Accountancy (Honours) degree from the University of Singapore and is a Fellow Member of the Chartered Institute of Management Accountants and Association of Chartered Certified Accountants in the United Kingdom, as well as a Fellow of the Institute of Certified Public Accountants of Singapore.

Mr Gwee was named Asia Pacific Hotelier of the Year in 2003.

**3. MR ALAN CHOE FOOK CHEONG**

An architect and town planner by profession, Mr Choe was appointed to the Board since 2 May 1990 and was last re-appointed as Director at PPHG's Annual General Meeting on 28 April 2009. An independent and non-executive Director, he chairs the Nominating Committee and is a Member of the Executive, Audit and Remuneration Committees. He is also a Director of UOL.

Mr Choe was the first General Manager of the Urban Redevelopment Authority and a Senior Partner of one of the largest architectural practices in Singapore. He was the Chairman of Sentosa Development Corporation, Sentosa Cove Pte Ltd, Pasir Ris Resort Pte Ltd, a Trustee of NTUC Income and Member of the Singapore Tourism Board. He was previously a Director of Keppel Land Limited and Frasers Centrepoint Limited.

Mr Choe holds a Bachelor of Architecture degree, a Diploma in Town & Regional Planning from University of Melbourne, and a Fellowship Diploma from the Royal Melbourne Institute of Technology. He is a Fellow Member of the Singapore Institute of Architects, Singapore Institute of Planners and Royal Australian Institute of Architects. He is also a member of the Royal Institute of British Architects, Royal Town Planning Institute, Royal Australian Planning Institute and American Planning Association.

He was awarded the Public Administration Medal (Gold) in 1967, the Meritorious Service Medal in 1990, and the Distinguished Service Order in 2001.

#### 4. DR LIM KEE MING

Dr Lim Kee Ming was appointed to the Board since 1 June 1995 and was last re-appointed as Director at PPHG's Annual General Meeting on 28 April 2009. An independent and non-executive Director, Dr Lim also chairs the Audit and Remuneration Committees and is a Member of the Nominating Committee. He is also a Director of UOL.

Dr Lim is the Chairman of Lim Teck Lee Group of companies. He is also a Director of Haw Par Corporation Limited. He is presently the President of Ngee Ann Kongsi and Chairman of Ngee Ann Development Pte Ltd, as well as an Honorary President of Singapore Chinese Chamber of Commerce & Industry and Teochew Poit Ip Huay Kuan and Advisor of Network China.

Dr Lim holds a Master of Science (International Trade & Finance) degree from Columbia University, New York, and a Bachelor of Science (Business Administration) degree from New York University, USA.

He was awarded the Pingat Bakti Masyarakat ("PBM") and the Bintang Bakti Masyarakat ("BBM") Public Service Star in 1995 and 2004 respectively by the President of Singapore and also The Royal Order of the Polar Star "Class of Commander" by His Excellency, the King of Sweden in 1982.

In 2009, Dr Lim Kee Ming was conferred the degree of Doctor of the University of Adelaide honoris causa, for his distinguished service to education and service to the community.

#### 5. MR WEE EE CHAO

Appointed to the Board since 9 May 2006, Mr Wee was last re-elected as Director at PPHG's Annual General Meeting on 25 April 2007. A non-executive and non-independent Director, he is also a member of the Executive Committee and a Director of UOL.

Mr Wee has led the management of UOB-Kay Hian Holdings Limited for more than 25 years. He is currently the Chairman and Managing Director of UOB-Kay Hian Holdings Limited and a Director of most of the UOB-Kay Hian Group of companies. Mr Wee also manages Kheng Leong Company (Private) Limited which is involved in real estate development and investments and is

a non-executive Director of Haw Par Corporation Limited. He had previously served as Chairman of the Singapore Tourism Board between 2002 to 2004.

Mr Wee holds a Bachelor of Business Administration degree from The American University, Washington DC, USA.

#### 6. MR JAMES KOH CHER SIANG

Appointed to the Board since 23 November 2005, Mr Koh was last re-elected as Director at PPHG's Annual General Meeting on 23 April 2008. An independent and non-executive Director, he is also a Director of UOL.

Mr Koh is the Chairman of the Housing & Development Board ("HDB"), which he joined in July 2005 after retiring from 35 years of distinguished service in the civil service. His prior appointments included Permanent Secretary, Ministry of National Development (1979), Ministry of Community Development (1987) and Ministry of Education (1994) as well as Commissioner of Inland Revenue and Chief Executive Officer of the Inland Revenue Authority of Singapore.

Mr Koh is the Chairman of CapitaMall Trust Management Limited and Singapore Deposit Insurance Corporation Limited and a Director of CapitaLand Limited, Singapore Airlines Limited, Singapore Cooperation Enterprise and CapitaLand Hope Foundation. He is also a member of the Presidential Council for Religious Harmony and an Adjunct Professor of the Lee Kuan Yew School of Public Policy.

Mr Koh holds a Bachelor of Arts (Honours) degree in Philosophy, Political Science and Economics, Master of Arts degree from University of Oxford, UK, and holds a Master in Public Administration degree from Harvard University, USA.

He was awarded the Public Administration Medal (Gold) in 1983 and the Meritorious Service Medal in 2002.

#### 7. MR LOW WENG KEONG

Appointed to the Board since 23 November 2005, Mr Low was last re-elected as Director at PPHG's Annual General Meeting on 23 April 2008. An independent and non-executive Director, he is also a member of the Audit Committee and a Director of UOL.

Mr Low is also an independent Director of listed companies Riverstone Holdings Limited and Unionmet (Singapore) Limited. He was a former Country Managing Partner of Ernst & Young, Singapore and is currently a Deputy President and Deputy Chair, Board of Directors of CPA Australia Limited.

Mr Low is a Fellow Member of CPA Australia, Institute of Chartered Accountants in England & Wales, Institute of Certified Public Accountants of Singapore and an Associate Member of Chartered Institute of Taxation (UK).

#### **8. MR WEE EE LIM**

Appointed to the Board since 9 May 2006, Mr Wee was last re-elected as Director at PPHG's Annual General Meeting on 25 April 2007. A non-executive and non-independent Director, he is also a Director of UOL.

He joined Haw Par Corporation Limited ("Haw Par") in 1986 and is currently the President and Chief Executive Officer of Haw Par. He is also a Director of United Industrial Corporation Limited, Singapore Land Limited, Hua Han Bio-Pharmaceutical Holdings Limited (a company listed on the Hong Kong Stock Exchange) and Wee Foundation. He was previously a board member of Sentosa Development Corporation.

Mr Wee holds a Bachelor of Arts (Economics) degree from Clark University, USA.

#### **9. MS WEE WEI LING**

Appointed to the Board since 24 March 1994, Ms Wee was last re-elected as Director at PPHG's Annual General Meeting on 28 April 2009. An executive and non-independent Director of PPHG, she also sits on the boards of some of the Group's subsidiaries.

As Executive Director (Asset Management), Ms Wee oversees the operations of the asset management of PPHG's hotel properties. She is also responsible for the management of the chain of St Gregory Spa and Si Chuan Dou Hua Restaurants. She has been with the PPHG Group for over 20 years.

Ms Wee holds a Bachelor of Arts degree from Nanyang University, Singapore.

#### **10. MR AMEDEO PATRICK IMBARDELLI**

Mr Imbardelli joined PPHG in July 2008 as the President and Chief Executive Officer and was appointed to the Board on 21 August 2009 as an executive, non-independent Director. He is also a director of various subsidiaries in PPHG.

Mr Imbardelli brings with him over 25 years of experience in the hotel industry including managing global multibrand organisations. He leads the strategic management and expansion of PPHG's hotels and businesses, including both "Pan Pacific" and "PARKROYAL" brands across the Asia Pacific region. Prior to joining PPHG, he held senior management positions at InterContinental Hotels Group, Southern Pacific Hotel Corporation and Hilton International.

Mr Imbardelli holds a Master of Science (Honours) degree in Finance from The City University of New York, USA, and is a Fellow of the American Academy of Financial Management, USA. He is also a member of the Young Presidents' Organisation and its Singapore Executive Committee.

# KEY MANAGEMENT EXECUTIVES



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**1. MR GWEE LIAN KHENG**

**2. MS WEE WEI LING**

**3. MR AMEDEO PATRICK IMBARDELLI**

Information concerning Mr Gwee, Ms Wee and Mr Imbardelli is found in the "Board of Directors" section of this report.

**4. MR FOO THIAM FONG WELLINGTON**

Mr Foo joined the UOL Group in 1977 after graduating from University of Singapore with a Bachelor of Accountancy (Honours) degree. He is the Company Secretary of both the UOL Group and PPHG and a director of several of their subsidiaries. He is also the Chief Financial Officer of UOL Group Limited.

Mr Foo is a Fellow of the Institute of Certified Public Accountants of Singapore, a Fellow of CPA Australia as well as an Associate of the Institute of Chartered Secretaries and Administrators and the Chartered Institute of Management Accountants.

**5. MR NEO SOON HUP**

Mr Neo is the Chief Financial Officer of PPHG and a director of several of its subsidiaries. He oversees the financial management of PPHG and focuses on improving efficiency to drive business performances. Mr Neo was a Senior Audit Manager with PricewaterhouseCoopers prior to joining the UOL Group in 2003 and has 13 years of experience in auditing.

He is a Fellow of the Institute of Certified Public Accountants of Singapore and a member of the Singapore Institute of Chartered Secretaries and Administrators.

**6. MR KEVIN CROLEY**

Mr Croley joined Pan Pacific Hotels and Resorts in 2005 and is currently the Senior Vice President, Marketing & Sales of PPHG. He is responsible for developing brand strategies and platforms of distribution, e-commerce and revenue management for PPHG. He has over 28 years of experience in sales and marketing, of which 21 years were spent in the Asia Pacific region.

After starting his career with First Hospitality Corporation of America, Mr Croley worked with Hilton International, InterContinental Hotels Group and the Royal Garden Resorts Hotel Group. He holds a Diploma in Hotel Management and Operations from Belfast College of Business Studies, UK.

**7. MR SCOTT SWANK**

Mr Swank joined Pan Pacific Hotels and Resorts in 2007 and is currently the Senior Vice President, Operations of PPHG. He is responsible for driving operational excellence for all properties under the "Pan Pacific" and "PARKROYAL" brands. He has spent over 27 years in the hospitality industry, serving with the Intercontinental Hotels Group, Shangri-La Hotels and Resorts and Mandarin Oriental Hotel Group, amongst others. He served previously with Pan Pacific Singapore and Pan Pacific Sonargaon Dhaka for 11 years in Marketing, Operational and General Management positions.

Mr Swank holds a Bachelor of Arts degree in history from George Washington University in Washington D.C.

**8. MR ERIC LEVY**

Mr Levy joined PPHG in 2009 and is currently the Senior Vice President, Development and Growth. He leads the Group's global development efforts to expand its hotel portfolio.

He has over 30 years of experience in hotel operations, development advisory and private equity, having previously established his own hospitality investment and advisory firms, Octagon Capital Partners and Tourism Solutions International. His previous appointments include senior roles at Horwath Asia Pacific and Colony Capital in Asia Pacific.

Mr Levy holds a Bachelor of Science degree in hotel administration from Cornell University in Ithaca, New York.

**9. MRS MELODY KING**

Mrs King joined the Group in 2009 and is currently the Senior Vice President, Human Capital and Development.

She leads efforts in building capability and developing talent for PPHG.

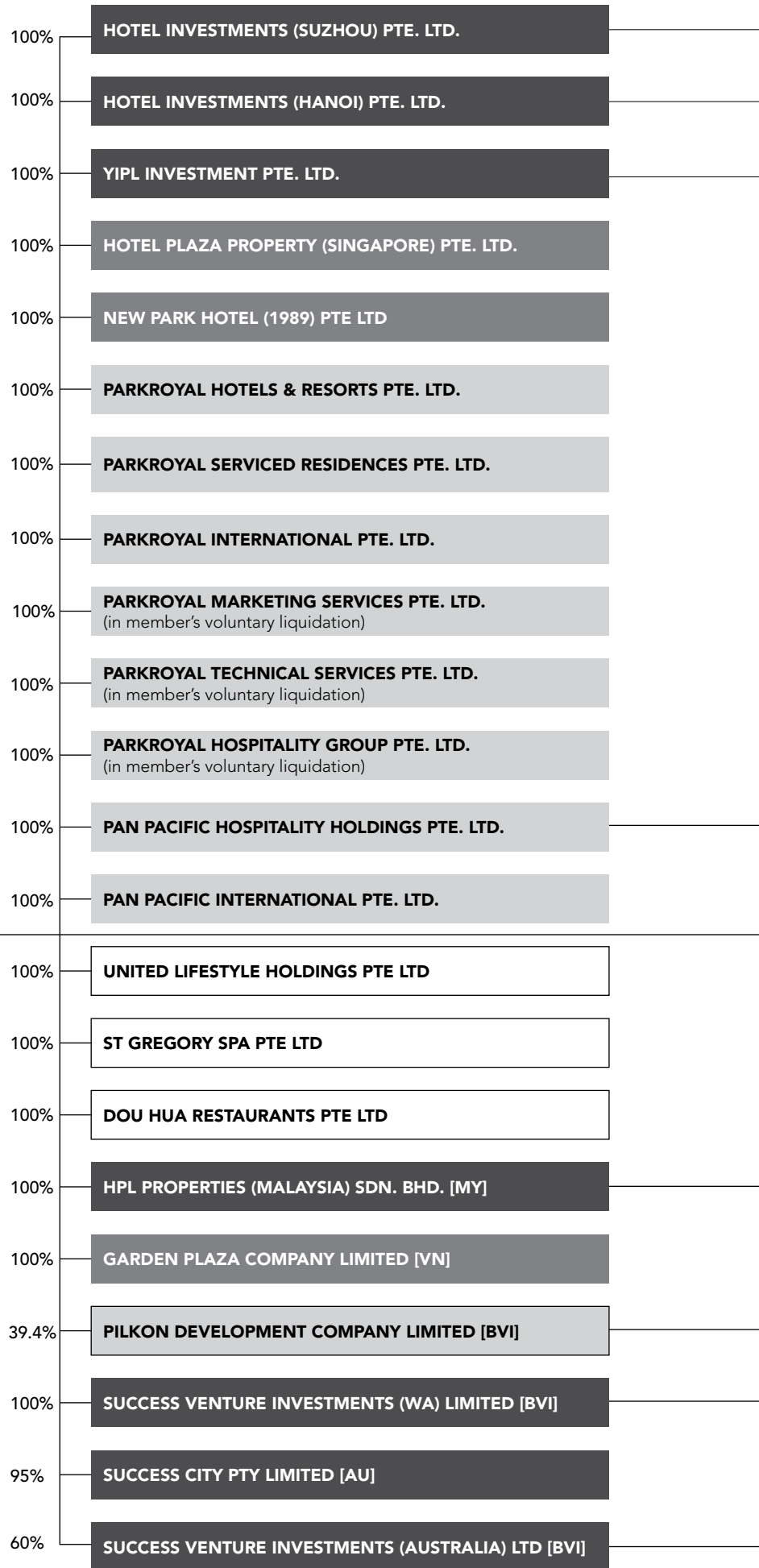
She has over 20 years of experience in human resource management and has held senior Human Resources leadership roles with multi-national companies including Siebe Intelligent Automation, Asea Brown Broveri (ABB) and Herbalife International.

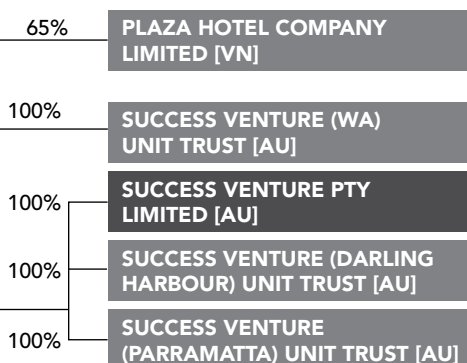
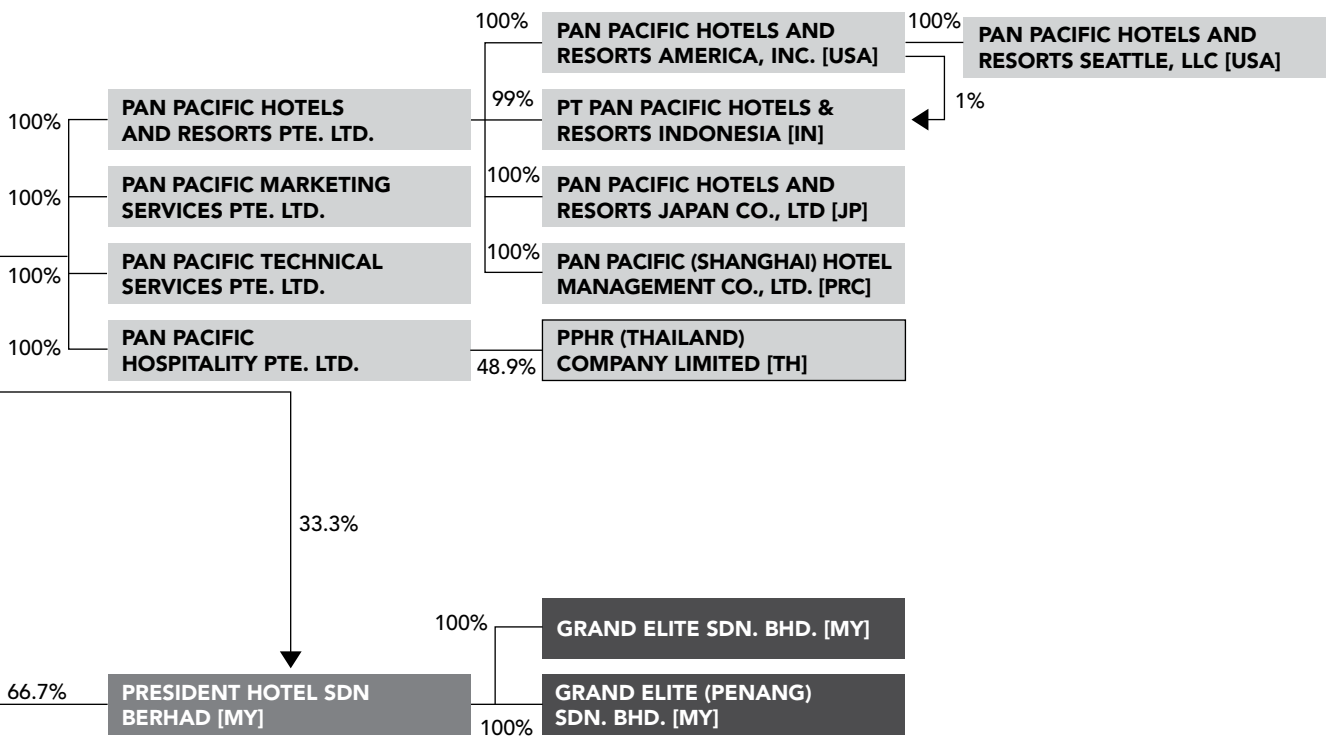
Mrs King graduated from Les Roches Hotel and Tourism School in Bluche-Montana, Switzerland.

# GROUP STRUCTURE

As at 8 March 2010

## PAN PACIFIC HOTELS GROUP LIMITED





- AU Incorporated In Australia
- BVI Incorporated in The British Virgin Islands
- MY Incorporated in Malaysia
- MN Incorporated in Myanmar
- IN Incorporated in Indonesia
- JP Incorporated in Japan
- PRC Incorporated in The People's Republic of China
- TH Incorporated in Thailand
- USA Incorporated in United States of America
- VN Incorporated in Vietnam

**PRINCIPAL ACTIVITIES**

- Investment holding and others
- Hotelier
- Hotel management services
- Spa, lifestyle and restaurant operations
- Associated companies

# SUMMARY FINANCIAL STATEMENTS

## IMPORTANT NOTE

The Summary Financial Statements as set out on pages 12 to 27 contain a summary of information in the Report of the Directors and financial statements of the Company's Annual Report and other information as required under Section 203A of the Companies Act, Cap 50, and the regulations made thereunder applicable to Summary Financial Statements. The Summary Financial Statements do not contain sufficient information to allow for a full understanding of the results and state of affairs of the Company and of the Group. For further information, the full financial statements, Independent Auditor's Report on those statements and the Report of the Directors in the Annual Report should be consulted. Shareholders may request for a copy of the Annual Report at no cost by using the Request Form at the end of this Summary Financial Statements.

## REPORT OF THE DIRECTORS

For the financial year ended 31 December 2009

The directors have pleasure in submitting this report to the members together with the summary financial statements of the Company and of the Group for the financial year ended 31 December 2009.

The name of the Company was changed from Hotel Plaza Limited to Pan Pacific Hotels Group Limited with effect from 28 April 2009.

## DIRECTORS

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

Wee Cho Yaw	–	Chairman
Gwee Lian Kheng	–	Group Chief Executive
Alan Choe Fook Cheong		
Lim Kee Ming		
Wee Ee Chao		
Low Weng Keong		
Wee Wei Ling		
James Koh Cher Siang		
Wee Ee Lim		
Amedeo Patrick Imbardelli		(appointed on 21 August 2009)

## PRINCIPAL ACTIVITIES

The principal activities of the Company are those of an hotelier, property owner and the holding of investments.

The principal activities of the subsidiaries are those of hoteliers, property owners, hotel manager and operator, health and beauty retreats manager, restaurant operator, and the holding of investments.

## ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

## DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

- (a) The directors holding office at 31 December 2009 are also the directors holding office at the date of this report. Their interests in the share capital of and options to subscribe for ordinary shares of the Company and related corporations, as recorded in the register of directors' shareholdings, were as follows:

# REPORT OF THE DIRECTORS

For the financial year ended 31 December 2009

## DIRECTORS' INTERESTS IN SHARES OR DEBENTURES (CONTINUED)

	Holdings registered in name of director		Holdings in which a director is deemed to have an interest	
	At 31.12.2009	At 1.1.2009	At 31.12.2009	At 1.1.2009
<b>Pan Pacific Hotels Group Limited ("PPHG")</b>				
– Ordinary Shares				
Wee Cho Yaw	–	–	489,440,652 *	489,440,652 *
Gwee Lian Kheng	171,000	171,000	315,000	225,000
Lim Kee Ming	15,000	15,000	–	–
Wee Ee Chao	–	–	892,500	892,500
Wee Wei Ling	27,000	27,000	67,500	67,500
<b>Immediate holding company – UOL Group Limited ("UOL")</b>				
– Ordinary Shares				
Wee Cho Yaw	3,388,151 *	3,388,151 *	228,818,442 *	228,818,442 *
Gwee Lian Kheng	388,000	388,000	–	–
Lim Kee Ming	348,477	348,477	532,277	532,277
Wee Ee Chao	30,748 *	30,748 *	82,820,597 *	82,820,597 *
Wee Wei Ling	941,493 *	941,493 *	30,603 *	30,603 *
James Koh Cher Siang	385	385	–	–
Wee Ee Lim	241,489	241,489	80,553,452 *	80,553,452 *
– Executives' Share Options				
Gwee Lian Kheng	680,000	600,000	–	–
Wee Wei Ling	126,000	126,000	–	–

\* Includes shares registered in the name of nominees.

(b) The directors' interests in the share capital of and options to subscribe for ordinary shares of the Company and related corporations, as recorded in the register of directors' shareholdings at 21 January 2010, were the same as those at 31 December 2009.

(c) Messrs Wee Cho Yaw, Wee Ee Chao and Wee Ee Lim are each deemed to have an interest in all the shares held by Kheng Leong Company (HK) Limited in the following partially owned subsidiaries of the Group, by virtue of their having an interest of not less than 20% each in the issued share capital of Kheng Leong Company (HK) Limited:

	Holdings in which a director is deemed to have an interest	
	At 31.12.2009	At 1.1.2009
<b>Success Venture Investments (Australia) Ltd</b>		
– Ordinary Shares of US\$1 each	2,059,500	2,059,500
<b>Success City Pty Limited</b>		
– Ordinary Shares	1,720,834	1,720,834

(d) Save as disclosed above, none of the other directors holding office at 31 December 2009 has any interest in the ordinary shares of the Company, the ordinary shares and Executives' Share Options of UOL and the ordinary shares of any other related corporations of the Company, as recorded in the register of directors' shareholdings.

## DIRECTORS' CONTRACTUAL BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest, except as disclosed in the accompanying financial statements and in this report, and except that Mr Gwee Lian Kheng has an employment relationship with the holding company and has received remuneration in that capacity.

# REPORT OF THE DIRECTORS

For the financial year ended 31 December 2009

## SHARE OPTIONS

There were no options granted in respect of unissued ordinary shares of the Company or any subsidiary during the financial year.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued ordinary shares of the Company or any subsidiary.

There were no unissued ordinary shares of the Company or any subsidiary under option at the end of the financial year.

## AUDIT COMMITTEE

The Audit Committee comprises three members, all of whom are independent and non-executive Directors. The Audit Committee members are:

Lim Kee Ming	–	Chairman
Alan Choe Fook Cheong	–	Member
Low Weng Keong	–	Member

The Audit Committee carries out the functions set out in the Companies Act (Cap. 50). The terms of reference include reviewing the financial statements, the internal and external audit plans and audit reports, the scope and results of the internal audit procedures and proposals for improvements in internal controls, the independent auditor's report on the weaknesses of internal accounting controls arising from the statutory audit, the cost effectiveness, independence and objectivity of the independent auditor and interested persons transactions.

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

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

## ABILITY TO MEET OBLIGATIONS

No contingent liability or other liability of the Group or of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

## OTHER CIRCUMSTANCES AFFECTING THE FINANCIAL STATEMENTS

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the full Report of the Directors or the full financial statements for the year ended 31 December 2009 which would render any amount stated in the financial statements of the Group or of the Company misleading.

## UNUSUAL ITEMS

In the opinion of the directors, no item, transaction or event of a material and unusual nature has substantially affected the results of the operations of the Group or of the Company during the financial year.

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

The Summary Financial Statements as set out on pages 12 to 27 were approved by the Board of Directors and signed on its behalf by:

**WEE CHO YAW**  
Chairman

**GWEE LIAN KHENG**  
Director

23 February 2010

# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PAN PACIFIC HOTELS GROUP LIMITED  
(Formerly known as Hotel Plaza Limited)

We have examined the Summary Financial Statements as set out on pages 12 to 27.

In our opinion, the Summary Financial Statements are consistent, in all material aspects, with the full financial statements and the Report of the Directors of Pan Pacific Hotels Group Limited and its subsidiaries for the financial year ended 31 December 2009 and complies with the requirements of Section 203A of the Companies Act, Cap 50, and the regulations made thereunder, applicable to Summary Financial Statements.

For a full understanding of the results and state of affairs of the Company and the Group, the Summary Financial Statements should be read in conjunction with the full financial statements of Pan Pacific Hotels Group Limited and its subsidiaries for the financial year ended 31 December 2009.

We have issued an unqualified audit report dated 23 February 2010 on the full financial statements of Pan Pacific Hotels Group Limited and its subsidiaries for the year ended 31 December 2009. The audit report is as follows:

## **"INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PAN PACIFIC HOTELS GROUP LIMITED (Formerly known as Hotel Plaza Limited)**

We have audited the accompanying financial statements of Pan Pacific Hotels Group Limited (the "Company") and its subsidiaries (the "Group") set out on pages 59<sup>1</sup> to 123<sup>1</sup> for the financial year ended 31 December 2009, which comprise the statements of financial position of the Company and the Group as at 31 December 2009, the statements of comprehensive income and statement of changes in equity of the Company and of the Group and the consolidated statement of cash flows of the Group for the financial year then ended, and a summary of the significant accounting policies and other explanatory notes.

### **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act (Cap. 50) (the "Act") and Singapore Financial Reporting Standards. This responsibility includes:

- (a) devising and maintaining a system of internal accounting control sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets;
- (b) selecting and applying appropriate accounting policies; and
- (c) making accounting estimates that are reasonable in the circumstances.

### **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management as well as evaluating the overall presentation of the financial statements.

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

### **OPINION**

In our opinion,

- (a) the statements of comprehensive income, statements of financial position and statements of changes in equity of the Company and of the Group and the consolidated statement of cash flows of the Group are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2009, the results and the changes in equity of the Company and of the Group, and the cash flows of the Group for the financial year ended on that date; and
- (b) the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditor, have been properly kept in accordance with the provisions of the Act."

PricewaterhouseCoopers LLP  
Public Accountants and Certified Public Accountants

Singapore, 23 February 2010

<sup>1</sup> The page numbers are stated in the Independent Auditor's Report dated 23 February 2010 included in the Pan Pacific Hotels Group Limited Annual Report for the financial year ended 31 December 2009.

# INCOME STATEMENTS

For the financial year ended 31 December 2009

	Notes	The Group		The Company	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Revenue	2	<b>287,806</b>	315,225	<b>57,602</b>	56,994
Cost of sales	3	<b>(147,347)</b>	(153,970)	<b>(19,672)</b>	(22,363)
<b>Gross profit</b>		<b>140,459</b>	161,255	<b>37,930</b>	34,631
Other income					
– Finance income	2	<b>2,505</b>	2,958	<b>4,786</b>	8,771
– Miscellaneous income	2	<b>1,440</b>	1,058	<b>542</b>	558
Expenses					
– Marketing and distribution	3	<b>(14,343)</b>	(14,364)	<b>(1,063)</b>	(1,345)
– Administrative	3	<b>(31,059)</b>	(28,415)	<b>(6,936)</b>	(6,788)
– Finance		<b>(3,655)</b>	(1,747)	<b>(1,227)</b>	(2,489)
– Other operating	3	<b>(45,610)</b>	(44,600)	<b>(5,960)</b>	(6,438)
Share of profit of associated companies		<b>1,067</b>	1,946	–	–
		<b>50,804</b>	78,091	<b>28,072</b>	26,900
Impairment charge on property under construction		–	(37,000)	–	–
Other losses – net		–	–	–	(33,400)
Fair value loss on investment properties	4	<b>(1,620)</b>	(9,840)	<b>(1,620)</b>	(9,840)
Profit/(loss) before income tax		<b>49,184</b>	31,251	<b>26,452</b>	(16,340)
Income tax expense	5	<b>(9,109)</b>	(15,829)	<b>(505)</b>	(3,260)
<b>Total profit/(loss)</b>		<b>40,075</b>	15,422	<b>25,947</b>	(19,600)
<b>Attributable to:</b>					
Equity holders of the Company		<b>39,312</b>	12,818	<b>25,947</b>	(19,600)
Minority interests		<b>763</b>	2,604	–	–
		<b>40,075</b>	15,422	<b>25,947</b>	(19,600)
<b>Earnings per share attributable to equity holders of the Company (expressed in cents per share)</b>					
– Basic and diluted		<b>6.55</b>	2.14		

# STATEMENTS OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2009

	Notes	The Group		The Company	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Total profit/(loss)		<b>40,075</b>	15,422	<b>25,947</b>	(19,600)
<b>Other comprehensive income:</b>					
Fair value gains/(losses) on available for sale financial assets		<b>5,064</b>	(8,646)	<b>5,064</b>	(8,646)
Cash-flow hedges					
– Fair value losses	6(d)	<b>(296)</b>	(259)	–	–
– Transfer to income statement	6(d)	<b>194</b>	–	–	–
Currency translation differences arising from consolidation	6(c)	<b>32,347</b>	(38,626)	–	–
Change in tax rate		<b>162</b>	–	<b>165</b>	–
<b>Other comprehensive income, net of tax</b>		<b>37,471</b>	(47,531)	<b>5,229</b>	(8,646)
<b>Total comprehensive income</b>		<b>77,546</b>	(32,109)	<b>31,176</b>	(28,246)
<b>Attributable to:</b>					
Equity holders of the Company		<b>70,669</b>	(28,029)	<b>31,176</b>	(28,246)
Minority interests		<b>6,877</b>	(4,080)	–	–
		<b>77,546</b>	(32,109)	<b>31,176</b>	(28,246)

# STATEMENTS OF FINANCIAL POSITION

As at 31 December 2009

	Notes	The Group		The Company	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and bank balances		93,117	49,085	9,632	1,124
Trade and other receivables		19,991	23,330	36,505	25,579
Advances to holding company		55,662	–	55,662	–
Inventories		2,580	2,839	280	354
Other assets		3,332	4,269	221	282
		<b>174,682</b>	<b>79,523</b>	<b>102,300</b>	<b>27,339</b>
<b>Non-current assets</b>					
Trade and other receivables		–	4,264	257,102	354,622
Available-for-sale financial assets		18,032	12,968	18,032	12,968
Associated companies		6,954	8,242	9,820	9,820
Subsidiaries		–	–	201,819	197,952
Investment properties		155,481	155,469	155,481	155,469
Property, plant and equipment		491,716	478,171	41,484	39,785
Property under construction		248,122	237,059	–	–
Intangibles		27,200	28,026	204	304
Deferred income tax assets		3,330	2,014	–	–
		<b>950,835</b>	<b>926,213</b>	<b>683,942</b>	<b>770,920</b>
<b>Total assets</b>		<b>1,125,517</b>	<b>1,005,736</b>	<b>786,242</b>	<b>798,259</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables		54,273	54,755	9,255	10,950
Current income tax liabilities		14,848	17,808	6,553	8,490
Borrowings		6,087	12,778	–	9,275
Loans from a subsidiary		–	–	4,653	–
		<b>75,208</b>	<b>85,341</b>	<b>20,461</b>	<b>28,715</b>
<b>Non-current liabilities</b>					
Derivative financial instruments		439	316	–	–
Borrowings		176,031	101,017	–	–
Loans from subsidiaries		–	–	106,663	117,477
Rental deposits		2,882	820	2,715	530
Provision for retirement benefits		2,316	2,112	–	–
Deferred income tax liabilities		48,222	48,859	30,572	32,882
		<b>229,890</b>	<b>153,124</b>	<b>139,950</b>	<b>150,889</b>
<b>Total liabilities</b>		<b>305,098</b>	<b>238,465</b>	<b>160,411</b>	<b>179,604</b>
<b>NET ASSETS</b>		<b>820,419</b>	<b>767,271</b>	<b>625,831</b>	<b>618,655</b>
<b>EQUITY</b>					
<b>Capital and reserves attributable to the equity holders of the Company</b>					
Share capital		557,333	557,333	557,333	557,333
Reserves	6	22,278	(9,079)	32,046	26,817
Retained earnings		210,866	195,554	36,452	34,505
		<b>790,477</b>	<b>743,808</b>	<b>625,831</b>	<b>618,655</b>
<b>Minority interests</b>		<b>29,942</b>	<b>23,463</b>	<b>–</b>	<b>–</b>
<b>TOTAL EQUITY</b>		<b>820,419</b>	<b>767,271</b>	<b>625,831</b>	<b>618,655</b>

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2009

	Notes	Attributable to equity holders of the Company			Total \$'000	Minority interests \$'000	Total equity \$'000
		Share capital \$'000	Reserves \$'000	Retained earnings \$'000			
<b>Balance at 1 January 2009</b>		557,333	(9,079)	195,554	743,808	23,463	767,271
Dividends relating to 2008	7	–	–	(24,000)	(24,000)	(398)	(24,398)
Total comprehensive income for the year		–	31,357	39,312	70,669	6,877	77,546
<b>Balance at 31 December 2009</b>		<b>557,333</b>	<b>22,278</b>	<b>210,866</b>	<b>790,477</b>	<b>29,942</b>	<b>820,419</b>
<b>Balance at 1 January 2008</b>		557,333	31,768	212,736	801,837	27,949	829,786
Dividends relating to 2007	7	–	–	(30,000)	(30,000)	(406)	(30,406)
Total comprehensive income for the year		–	(40,847)	12,818	(28,029)	(4,080)	(32,109)
<b>Balance at 31 December 2008</b>		<b>557,333</b>	<b>(9,079)</b>	<b>195,554</b>	<b>743,808</b>	<b>23,463</b>	<b>767,271</b>

# STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2009

	Notes	Share Capital \$'000	Reserves \$'000	Retained earnings \$'000	Total Equity \$'000
<b>Balance at 1 January 2009</b>		557,333	26,817	34,505	618,655
Dividends relating to 2008	7	–	–	(24,000)	(24,000)
Total comprehensive income for the year		–	5,229	25,947	31,176
<b>Balance at 31 December 2009</b>		<b>557,333</b>	<b>32,046</b>	<b>36,452</b>	<b>625,831</b>
<b>Balance at 1 January 2008</b>		557,333	35,463	84,105	676,901
Dividends relating to 2007	7	–	–	(30,000)	(30,000)
Total comprehensive income for the year		–	(8,646)	(19,600)	(28,246)
<b>Balance at 31 December 2008</b>		<b>557,333</b>	<b>26,817</b>	<b>34,505</b>	<b>618,655</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2009

	Notes	2009 \$'000	2008 \$'000
<b>Cash flows from operating activities</b>			
Total profit		40,075	15,422
Adjustments for:			
– Income tax expense		9,109	15,829
– Depreciation and amortisation		32,331	29,214
– Property, plant and equipment written off and net loss on disposals		1,166	1,053
– Fair value loss on investment properties		1,620	9,840
– Interest income		(2,505)	(1,999)
– Dividend income		(142)	(1,266)
– Interest expense		3,034	1,747
– Net provision for retirement benefits		290	308
– Share of profit of associated companies		(1,067)	(1,946)
– Unrealised translation gain/(loss)		9,650	(9,641)
– Impairment charge on property under construction		–	37,000
– Loss on disposal of available-for-sale financial assets		–	4
Operating cash flow before working capital changes		93,561	95,565
Change in operating assets and liabilities, net of effects from acquisition of subsidiaries			
– Inventories		259	130
– Receivables		989	6,740
– Payables		436	(1,078)
– Rental deposits		722	576
Cash generated from operations		95,967	101,933
Income tax paid – net		(13,979)	(9,537)
Retirement benefits paid		(61)	(136)
<b>Net cash from operating activities</b>		<b>81,927</b>	<b>92,260</b>
<b>Cash flows from investing activities</b>			
Acquisition of subsidiaries, net of cash acquired	(b)	69	(15,161)
Repayment of loans from an associated company		4,155	–
Advances to holding company		(55,555)	–
Net proceeds from sale of available-for-sale financial assets		–	15
Net proceeds from disposal of property, plant and equipment		178	63
Purchase of investment property and property, plant and equipment		(21,314)	(38,629)
Payment for purchase of land parcel		–	(189,695)
Expenditure on property under construction		(8,802)	(11,488)
Interest received		2,398	1,999
Dividend received		2,246	1,266
<b>Net cash used in investing activities</b>		<b>(76,625)</b>	<b>(251,630)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		114,173	177,128
Repayment of borrowings		(44,495)	(163,518)
Repayments to holding company		–	(900)
Expenditure on long term borrowings		(1,680)	(675)
Interest paid		(4,733)	(3,306)
Dividends paid to shareholders of the Company		(24,000)	(30,000)
Dividends paid to minority shareholders of subsidiaries		(398)	(406)
<b>Net cash from/(used in) financing activities</b>		<b>38,867</b>	<b>(21,677)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>44,169</b>	<b>(181,047)</b>
Cash and cash equivalents at the beginning of the financial year		48,948	229,995
<b>Cash and cash equivalents at the end of the financial year</b>	(a)	<b>93,117</b>	<b>48,948</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2009

- (a) For the purposes of the consolidated cash flow statement, the consolidated cash and cash equivalents comprised the following:

	<b>The Group</b>	
	<b>2009</b>	2008
	<b>\$'000</b>	\$'000
Cash and bank balances	<b>93,117</b>	49,085
Less : Bank overdrafts	-	(137)
Cash and cash equivalents per consolidated cash flow statement	<b>93,117</b>	48,948

- (b) Acquisition of subsidiary

On 13 July 2009, the Company acquired a 100% interest in Parkroyal Serviced Residences Pte. Ltd. ("PSR") from UOL Group Limited, the holding company of the Company. The effects of the acquisition of PSR on the cash flows of the Group are as follows:

	<b>\$'000</b>
<u>Identifiable assets and liabilities</u>	
Cash and cash equivalents	51
Trade and other receivables	86
Property, plant and equipment	454
Shareholder's loan	599
Total assets	1,190
Trade and other payables	(545)
Current income tax liabilities	(62)
Deferred income tax liabilities	(2)
Total liabilities	(609)
<u>Identifiable net assets acquired</u>	581
Cash consideration paid	581
Repayment of shareholder's loan	(599)
Less: Cash and cash equivalents in subsidiary acquired	(51)
Net cash flow on acquisition net of cash acquired	(69)

# NOTES TO THE SUMMARY FINANCIAL STATEMENTS

For the financial year ended 31 December 2009

## 1. EFFECTS ON FINANCIAL STATEMENTS ON ADOPTION OF NEW AND AMENDED SINGAPORE FINANCIAL REPORTING STANDARDS ("FRS") AND INTERPRETATIONS TO FRS

On 1 January 2009, the Group adopted the new or revised FRS that are mandatory for application from that date. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS.

The following are the new or revised FRS that are relevant to the Group:

- FRS 1 (revised), *Presentation of Financial Statements*
- FRS 108, *Operating segments*
- Amendment to FRS 107, *Improving Disclosures about Financial Statements*
- FRS 23 (revised), *Borrowing costs*

The adoption of the above FRS did not result in any substantial change to the Group's accounting policies nor any significant impact on the financial statements.

## 2. REVENUE, FINANCE INCOME AND MISCELLANEOUS INCOME

	The Group		The Company	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Gross revenue from hotel ownership	260,877	296,556	29,153	37,571
Revenue from property investments	13,027	13,135	12,247	13,176
Revenue from hotel management services	13,760	4,268	–	–
Dividend income	142	1,266	16,202	6,247
<b>Total revenue</b>	<b>287,806</b>	<b>315,225</b>	<b>57,602</b>	<b>56,994</b>
Interest income				
– advances to holding company	996	11	996	11
– loans to subsidiaries	–	–	3,766	8,617
– fixed deposits with financial institutions	1,254	1,720	–	118
– others	255	268	24	25
	2,505	1,999	4,786	8,771
Currency exchange gain – net	–	959	–	–
<b>Finance income</b>	<b>2,505</b>	<b>2,958</b>	<b>4,786</b>	<b>8,771</b>
<b>Miscellaneous income</b>	<b>1,440</b>	<b>1,058</b>	<b>542</b>	<b>558</b>
<b>Total</b>	<b>291,751</b>	<b>319,241</b>	<b>62,930</b>	<b>66,323</b>

# NOTES TO THE SUMMARY FINANCIAL STATEMENTS

For the financial year ended 31 December 2009

## 3. EXPENSES BY NATURE

	The Group		The Company	
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
Cost of inventory sold	<b>24,633</b>	26,571	<b>3,596</b>	3,813
Depreciation of property, plant and equipment	<b>31,505</b>	28,932	<b>4,493</b>	3,940
Amortisation of trademark	<b>826</b>	282	<b>100</b>	100
Total depreciation and amortisation	<b>32,331</b>	29,214	<b>4,593</b>	4,040
Employees compensation	<b>88,311</b>	90,627	<b>11,825</b>	13,725
Staff cost recharges by related companies for corporate management and maintenance services (Note 8(a))	<b>3,542</b>	3,328	<b>1,843</b>	1,658
Rental expense on operating leases	<b>1,859</b>	983	<b>53</b>	–
Auditors' remuneration paid/payable to:				
– auditors of the Company	<b>262</b>	303	<b>139</b>	175
– other auditors	<b>474</b>	391	–	–
Other fees paid/payable to:				
– auditors of the Company	<b>56</b>	11	<b>32</b>	8
– other auditors	<b>93</b>	170	–	–
Repairs and maintenance	<b>6,942</b>	6,973	<b>953</b>	956
Currency exchange loss – net	<b>212</b>	79	<b>42</b>	–
Heat, light and power	<b>14,509</b>	14,476	<b>1,243</b>	1,387
Property, plant and equipment written off and net loss on disposals	<b>1,166</b>	1,053	<b>339</b>	63
Group marketing expenses	<b>2,580</b>	1,719	–	–
Advertising and promotion	<b>9,203</b>	9,255	<b>698</b>	879
Management fee to hotel operators	<b>4,714</b>	6,183	<b>1,145</b>	1,352
Property tax	<b>5,356</b>	5,639	<b>1,007</b>	1,519
Other hospitality related expenses	<b>42,116</b>	44,374	<b>6,123</b>	7,359
Total cost of sales, marketing and distribution, administrative and other operating expenses	<b>238,359</b>	241,349	<b>33,631</b>	36,934

## 4. FAIR VALUE LOSS ON INVESTMENT PROPERTIES

Investment properties are carried at fair values at the end of the reporting period as determined by independent professional valuers. Valuations are made semi-annually based on the properties' highest-and-best use using various valuation methods such as Direct Market Comparison Method and Income Method. Changes in fair values are recognised in the income statement. During the financial year, a fair value loss of \$1,620,000 (2008 : loss of \$9,840,000) was recognised in the income statement.

# NOTES TO THE SUMMARY FINANCIAL STATEMENTS

For the financial year ended 31 December 2009

## 5. INCOME TAX EXPENSE

	The Group		The Company	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Tax expense attributable to profit is made up of:				
Current income tax				
– Singapore	4,627	7,171	2,624	3,850
– Foreign	6,665	6,994	–	–
Deferred income tax	(388)	1,656	(488)	(1,326)
	10,904	15,821	2,136	2,524
Effect of changes in tax rate on deferred taxation:				
– Singapore	(2,160)	–	(1,657)	–
– Foreign	–	(733)	–	–
	8,744	15,088	479	2,524
(Over)/under provision in the preceding financial years				
– Singapore current income tax	(48)	(123)	26	–
– Deferred income tax	413	864	–	736
	9,109	15,829	505	3,260

## 6. RESERVES

	The Group		The Company	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Fair value reserve	7,456	2,392	7,456	2,392
Asset revaluation reserve	23,070	22,905	24,590	24,425
Currency translation reserve	(7,884)	(34,117)	–	–
Hedging reserve	(364)	(259)	–	–
	22,278	(9,079)	32,046	26,817

All the reserves are non-distributable.

### (a) Fair value reserve

	The Group		The Company	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
At the beginning of the financial year	2,392	11,038	2,392	11,038
Fair value gains/(losses) on available-for-sale financial assets	5,064	(8,646)	5,064	(8,646)
At the end of the financial year	7,456	2,392	7,456	2,392

### (b) Asset revaluation reserve

At the beginning of the financial year	22,905	22,905	24,425	24,425
Effect of change in Singapore tax rate	165	–	165	–
At the end of the financial year	23,070	22,905	24,590	24,425

The asset revaluation reserve does not take into account the surplus of \$75,983,000 (2008: \$75,323,000) and \$514,339,000 (2008: \$524,648,000), arising from the revaluation of the hotel properties of the Company and of the Group respectively.

# NOTES TO THE SUMMARY FINANCIAL STATEMENTS

For the financial year ended 31 December 2009

## 6. RESERVES (CONTINUED)

### (c) Currency translation reserve

	The Group	
	2009	2008
	\$'000	\$'000
At the beginning of the financial year	(34,117)	(2,175)
Net currency translation differences of financial statements of foreign subsidiaries and borrowings designated as hedges against foreign subsidiaries	32,347	(38,626)
Amount attributable to minority interests	(6,114)	6,684
	26,233	(31,942)
<b>At the end of the financial year</b>	<b>(7,884)</b>	<b>(34,117)</b>

### (d) Hedging reserve

	The Group	
	2009	2008
	\$'000	\$'000
At the beginning of the financial year	(259)	–
Effect of change in Singapore tax rate	(3)	–
Fair value losses	(357)	(316)
Deferred tax on fair value losses	61	57
	(296)	(259)
Transfer to income statement	234	–
Tax on transfer adjustments	(40)	–
	194	–
<b>At the end of the financial year</b>	<b>(364)</b>	<b>(259)</b>

The hedging reserve comprises the effective portion of the cumulated net change in the fair value of interest rate swaps for hedged transactions that have not occurred.

## 7. DIVIDENDS

	The Group and the Company	
	2009	2008
	\$'000	\$'000
Final one-tier dividend paid in respect of the previous financial year of 4 cents (2008: one-tier dividend of 5 cents) per share	24,000	30,000

At the forthcoming Annual General Meeting on 21 April 2010, a final dividend of 3.5 cents per share amounting to \$21,000,000 will be recommended. These summary financial statements do not reflect this dividend, which will be accounted for in the shareholders' equity as an appropriation of retained earnings in the financial year ending 31 December 2010.

# NOTES TO THE SUMMARY FINANCIAL STATEMENTS

For the financial year ended 31 December 2009

## 8. RELATED PARTY TRANSACTIONS

- (a) In addition to the related party information disclosed elsewhere in the summary financial statements, there were the following significant transactions between the Group and related companies during the financial year on terms agreed between the parties concerned:

	The Group		The Company	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
<u>Transactions with UOL and its subsidiaries</u>				
Acquisition of Pan Pacific operations	–	21,346	–	21,346
Acquisition of Parkroyal Serviced Residences Pte. Ltd.	581	–	581	–
Staff costs recharges for corporate management and property maintenance services received	3,542	3,328	1,843	1,658
Fees received for management of hotels and serviced suites	1,489	407	78	–
Rental paid	826	–	826	–
<u>Transactions with UOL's associated companies</u>				
Fees received for management of hotel	5,967	–	34	–
<u>Transactions with banks and insurance companies in which certain directors have interests</u>				
Interest earned from fixed deposits	1,213	1,630	–	118
Rental and maintenance fees received	279	255	55	42
Interest paid on bank loans	1,405	1,461	22	1,267
Commitment and facility fee paid	1,761	171	42	152
Bankers' guarantee commission	106	6	101	2
Rental paid	769	781	–	–
Insurance premium paid	419	377	101	88

- (b) The borrowings of the Group and the Company amounting to \$88,480,000 (2008: \$9,437,000) and \$nil (2008: \$9,336,000) respectively were extended by a bank in which certain directors have interests.
- (c) Cash at bank and fixed deposits with financial institutions of the Group and the Company amounting to \$68,878,000 (2008: \$33,373,000) and \$9,632,000 (2008: \$1,124,000) respectively were placed with a bank in which certain directors have interests.
- (d) Key management personnel compensation is analysed as follows:

	The Group	
	2009 \$'000	2008 \$'000
Salaries and other short-term employee benefits	3,438	1,591
Directors' fees	486	432
Post-employment benefits – contribution to CPF and pension fund	138	61
Share options granted	22	29
	<b>4,084</b>	<b>2,113</b>

Total compensation to directors of the Company included in above amounted to \$2,376,000 (2008: \$792,000).

# SHAREHOLDING STATISTICS

As at 8 March 2010

## Size of Shareholdings

Range	No. of Shareholders	%	No. of Shares	%
1 - 999	45	0.62	11,781	0.00
1,000 - 10,000	6,319	87.66	19,279,504	3.21
10,001 - 1,000,000	832	11.54	32,754,151	5.46
1,000,001 and above	13	0.18	547,954,564	91.33
<b>Total</b>	<b>7,209</b>	<b>100.00</b>	<b>600,000,000</b>	<b>100.00</b>

## Location of Shareholders

Country	No. of Shareholders	%	No. of Shares	%
Singapore	7,085	98.28	597,692,484	99.62
Malaysia	75	1.04	603,501	0.10
Others	49	0.68	1,704,015	0.28
<b>Total</b>	<b>7,209</b>	<b>100.00</b>	<b>600,000,000</b>	<b>100.00</b>

## Twenty Largest Shareholders

No.	Name	No. of Shares	%
1	UOL Group Limited	435,000,000	72.50
2	UOB Kay Hian Pte Ltd	55,454,652	9.24
3	Tye Hua Nominees (Pte) Ltd	36,525,000	6.09
4	United Overseas Bank Nominees Pte Ltd	4,236,159	0.71
5	Citibank Nominees Singapore Pte Ltd	3,798,000	0.63
6	DBS Nominees Pte Ltd	3,639,403	0.61
7	HSBC (Singapore) Nominees Pte Ltd	1,933,500	0.32
8	OCBC Nominees Singapore Pte Ltd	1,585,850	0.26
9	Morph Investments Ltd	1,454,000	0.24
10	DBSN Services Pte Ltd	1,199,000	0.20
11	Phillip Securities Pte Ltd	1,079,000	0.18
12	Oversea-Chinese Bank Nominees Pte Ltd	1,030,000	0.17
13	Ong Kian Kok	1,020,000	0.17
14	Teo Kok Kheng	800,000	0.13
15	Kim Eng Securities Pte. Ltd.	785,000	0.13
16	Kor Beng Shien	618,000	0.10
17	Wee Aik Koon Pte Ltd	580,000	0.10
18	Citibank Consumer Nominees Pte Ltd	547,000	0.09
19	Goh Geok Ling	513,000	0.09
20	Mayban Nominees (S) Pte Ltd	477,000	0.08
<b>Total</b>		<b>552,274,564</b>	<b>92.04</b>

Based on information available to the Company as at 8 March 2010, approximately 12.2% of the issued shares of the Company is held by the public and therefore, Rule 723 of the SGX-ST Listing Manual is complied with.

**Substantial Shareholders** as shown in the Register of Substantial Shareholders

Name	No. of Shares fully paid			% <sup>1</sup>
	Direct Interest	Deemed Interest	Total	
UOL Group Limited ("UOL")	489,440,652 <sup>2</sup>	–	489,440,652	81.57
Wee Cho Yaw	–	489,440,652 <sup>3</sup>	489,440,652	81.57
United Overseas Bank Limited <sup>4</sup>	–	36,603,000	36,603,000	6.10

### Notes

<sup>1</sup> As a percentage of the issued share capital of the Company, comprising 600,000,000 shares.

<sup>2</sup> Includes 54,440,652 shares held in the name of UOB Kay Hian Pte Ltd ("UOB Kay Hian").

<sup>3</sup> Dr Wee is deemed to have an interest in the 435,000,000 shares held by UOL and 54,440,652 shares held by UOB Kay Hian for the benefit of UOL.

<sup>4</sup> Held in the name of Tye Hua Nominees (Pte) Ltd.

# NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 41st Annual General Meeting of the Company will be held at Pan Pacific Singapore, Ocean 3-5, Level 2, 7 Raffles Boulevard, Marina Square, Singapore 039595, on Wednesday, 21 April 2010, at 3.00 p.m. to transact the following business:

## AS ORDINARY BUSINESS

- Resolution 1** To receive and adopt the Audited Financial Statements and the Reports of the Directors and the Auditors for the year ended 31 December 2009.
- Resolution 2** To declare a first and final tax exempt (one-tier) dividend of 3.5 cents per ordinary share for the year ended 31 December 2009.
- Resolution 3** To approve Directors' fees of S\$457,500 for 2009 (2008: S\$442,500).
- Resolution 4** To re-appoint Dr Wee Cho Yaw, who retires pursuant to Section 153(6) of the Companies Act, Cap. 50, as Director of the Company to hold such office until the next Annual General Meeting of the Company.
- Resolution 5** To re-appoint Mr Alan Choe Fook Cheong, who retires pursuant to Section 153(6) of the Companies Act, Cap. 50, as Director of the Company to hold such office until the next Annual General Meeting of the Company.
- Resolution 6** To re-appoint Dr Lim Kee Ming, who retires pursuant to Section 153(6) of the Companies Act, Cap. 50, as Director of the Company to hold such office until the next Annual General Meeting of the Company.
- Resolution 7** To re-elect Mr Wee Ee Chao, who retires by rotation pursuant to Article 94 of the Company's Articles of Association, as Director of the Company.
- Resolution 8** To re-elect Mr Wee Ee Lim, who retires by rotation pursuant to Article 94 of the Company's Articles of Association, as Director of the Company.
- Resolution 9** To re-elect Mr Amedeo Patrick Imbardelli, who was appointed during the year and retires pursuant to Article 99 of the Company's Articles of Association, as Director of the Company.
- Resolution 10** To re-appoint Messrs PricewaterhouseCoopers LLP as Auditors of the Company and authorise the Directors to fix their remuneration.

## AS SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without amendments, the following resolutions as Ordinary Resolutions:

- Resolution 11** "That authority be and is hereby given to the Directors of the Company to:
- (a) (i) issue shares in the capital of the Company ("shares") whether by way of rights, bonus or otherwise; and/or
  - (ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares;
- at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and
- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

# NOTICE OF ANNUAL GENERAL MEETING

provided that:

- (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty per cent (50%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed twenty per cent (20%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited ("SGX-ST")) for the purpose of determining the aggregate number of shares that may be issued under paragraph (1) above, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Resolution is passed, after adjusting for:
  - (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and
  - (ii) any subsequent consolidation or subdivision of shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and
- (4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier."

## **Resolution 12** "That:

- (1) approval be and is hereby given for the purposes of Chapter 9 of the Listing Manual (the "Listing Manual") of the SGX-ST for the Company and its entities at risk (as defined in Chapter 9 of the Listing Manual) or any of them to enter into any of the transactions falling within the types of interested person transactions set out in the Appendix to the Company's Letter to Shareholders dated 1 April 2010 (the "Letter"), with any party who is of the classes of interested persons described in the Letter, provided that such interested person transactions are carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders and are carried out in accordance with the review procedures for interested person transactions as set out in the Appendix to the Letter (the "Shareholders' IPT Mandate");
- (2) the Shareholders' IPT Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or until the date on which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier;

# NOTICE OF ANNUAL GENERAL MEETING

- (3) the Audit Committee of the Company be and is hereby authorised to take such action as it deems proper in respect of the procedures and/or to modify or implement such procedures as may be necessary to take into consideration any amendment to Chapter 9 of the Listing Manual which may be prescribed by the SGX-ST from time to time; and
- (4) the Directors of the Company and each of them be hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they or he may consider expedient or necessary or in the interests of the Company to give effect to the Shareholders' IPT Mandate and/or this Resolution."

BY ORDER OF THE BOARD

Foo Thiam Fong Wellington

Secretary  
Singapore, 1 April 2010

# NOTICE OF ANNUAL GENERAL MEETING

## Notes

A member entitled to attend and vote at the Meeting is entitled to appoint not more than two proxies to attend and vote in his stead. A proxy need not be a member of the Company.

The instrument appointing a proxy must be deposited at the Registered Office of the Company at 101 Thomson Road, #33-00 United Square, Singapore 307591 not less than 48 hours before the time for holding the Meeting.

## Notes to Resolutions

1. In relation to **Resolution 4**, Dr Wee Cho Yaw will, upon re-appointment, continue as the Chairman of the Board of Directors and the Executive Committee, and as a member of the Remuneration and Nominating Committees. He is considered a non-independent director.
2. In relation to **Resolution 5**, Mr Alan Choe Fook Cheong will, upon re-appointment, continue as the Chairman of the Nominating Committee and as a member of the Executive, Audit and Remuneration Committees. He is considered an independent director.
3. In relation to **Resolution 6**, Dr Lim Kee Ming will, upon re-appointment, continue as the Chairman of the Audit and Remuneration Committees, and as a member of the Nominating Committee. He is considered an independent director.
4. In relation to **Resolution 7**, Mr Wee Ee Chao will, upon re-election, continue as a Member of the Executive Committee. He is considered a non-executive non-independent director.
5. In relation to **Resolution 8**, Mr Wee Ee Lim is considered a non-executive non-independent director.
6. In relation to **Resolution 9**, the personal particulars of Mr Amedeo Patrick Imbardelli can be found on the "Board of Directors" section in the Summary Financial Report/Annual Report. He is considered an executive non-independent director.
7. **Resolution 11** is to empower the Directors from the date of that meeting until the next Annual General Meeting to issue, or agree to issue shares and/or grant instruments that might require shares to be issued, up to an amount not exceeding fifty per cent (50%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (calculated as described) of which the total number of shares to be issued other than on a pro rata basis to shareholders of the Company does not exceed twenty per cent (20%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (calculated as described).
8. **Resolution 12** is to renew the Shareholders' IPT Mandate to allow the Company and its entities at risk (as defined in Chapter 9 of the Listing Manual) or any of them to enter into any of the transactions falling within the types of interested person transactions set out in the Appendix to the Letter.

# PROXY FORM

Annual General Meeting

## Pan Pacific Hotels Group Limited

(Incorporated in the Republic of Singapore)  
(Company Registration No. 19680248D)

### IMPORTANT: FOR CPF INVESTORS ONLY

1. For investors who have used their CPF monies to buy Pan Pacific Hotels Group Limited's shares, this Report is sent to them at the request of the CPF Approved Nominee and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Meeting as OBSERVERS have to submit their requests through their respective Agent Banks so that their Agent Banks may register with the Company's Registrar (Please see Note. 9 on the reverse).

I/We, \_\_\_\_\_ (Name)

of \_\_\_\_\_ (Address)

being a member/members of PAN PACIFIC HOTELS GROUP LIMITED (the "Company"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her, the Chairman of the Meeting as my/our proxy/proxies to attend and vote for me/us on my/our behalf and, if necessary, to demand a poll, at the **41st Annual General Meeting** of the Company (the "AGM") to be held at Pan Pacific Singapore, Ocean 3-5, Level 2, 7 Raffles Boulevard, Marina Square, Singapore 039595 on Wednesday, 21 April 2010 at 3.00 p.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the AGM as indicated below. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the AGM. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

Resolution No.	Resolutions	To be used on a show of hands		To be used in the event of a poll	
		For*	Against*	No. of Votes For**	No. of Votes Against**
1	Adoption of Financial Statements and Reports of the Directors and the Auditors				
2	Declaration of First and Final Dividend				
3	Approval of Directors' Fees				
4	Re-appointment (Dr Wee Cho Yaw)				
5	Re-appointment (Mr Alan Choe Fook Cheong)				
6	Re-appointment (Dr Lim Kee Ming)				
7	Re-election (Mr Wee Ee Chao)				
8	Re-election (Mr Wee Ee Lim)				
9	Re-election (Mr Amedeo Patrick Imbardelli)				
10	Re-appointment of Auditors and Authority for Directors to Fix Their Remuneration				
	<b>Special Business</b>				
11	Authority for Directors to Issue Shares				
12	Renewal of Shareholders' IPT Mandate				

\* Please indicate your vote "For" or "Against" with a tick [✓] within the box provided.

\*\* If you wish to exercise all your votes "For" or "Against", please tick [✓] within the box provided. Otherwise, please indicate the number of votes as appropriate.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2010

Shares in:	Total No. of Shares Held
(a) Depository Register	
(b) Register of Members	
Total	

\_\_\_\_\_  
Signature(s) or Common Seal of Member(s)

**IMPORTANT: Please read Notes on the reverse**



**Notes :**

1. Save for members which are nominee companies, a member of the Company entitled to attend and vote at the AGM is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company. Where a member appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholdings (expressed as a percentage of the whole) to be represented by each proxy.
2. This instrument of proxy must be signed by the appointor or his/her duly authorised attorney or, if the appointor is a body corporate, signed by its duly authorised officer or attorney or executed under its common seal.
3. A body corporate which is a member may also appoint by resolution of its directors or other governing body, an authorised representative or representatives in accordance with its Articles of Association and Section 179 of the Companies Act, Chapter 50 of Singapore, to attend and vote on behalf of such body corporate.
4. Please insert the total number of shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate all the Shares held by you.
5. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the AGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the AGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under this instrument of proxy, to the AGM.
6. This instrument appointing a proxy or proxies (together with the power of attorney (if any) under which it is signed or a certified copy thereof) must be deposited at the registered office of the Company at 101 Thomson Road, #33-00 United Square, Singapore 307591, not less than 48 hours before the time fixed for holding the AGM.
7. Any alteration made in this form must be initialed by the person who signs it.
8. The Company shall be entitled to reject this instrument of proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in this instrument of proxy. In addition, in the case of a member whose Shares are entered against his/her name in the Depository Register, the Company shall be entitled to reject any instrument of proxy lodged if such member, being the appointor, is not shown to have Shares entered against his/her name in the Depository Register as at 48 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.
9. Agent Banks acting on the request of the CPF Investors who wish to attend the AGM as Observers are requested to submit in writing, a list with details of the investors' names, NRIC/passport numbers, addresses and number of shares held. The list, signed by an authorised signatory of the Agent Bank, should reach the Company's Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, Singapore Land Tower, #32-01, Singapore 048623, at least 48 hours before the time fixed for holding the AGM.

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PROXY FORM

Please affix  
postage  
stamp

The Company Secretary  
**PAN PACIFIC HOTELS GROUP LIMITED**  
101 THOMSON ROAD  
#33-00 UNITED SQUARE  
Singapore 307591

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3rd fold here and seal



# REPLY FORM

## PAN PACIFIC HOTELS GROUP LIMITED

(incorporated in the Republic of Singapore)  
Company Registration No. 196800248D

1 April 2010

Dear Shareholder

- 1) **REQUEST** - **ANNUAL REPORT FOR FY2009**  
2) **SURVEY** - **ANNUAL REPORT FOR FUTURE FINANCIAL YEARS**

This notice accompanies a copy of the Summary Financial Report ("SFR") of Pan Pacific Hotels Group Limited ("PPHG") for the financial year ended 31 December 2009 ("FY2009"). The SFR contains a review of PPHG and its subsidiaries (the "Group"), as well as a summary of the audited financial statements of PPHG and the Group for FY2009.

### **Request - Annual Report for FY2009**

The full audited financial statements of PPHG and the Group for FY2009 are set out in the Annual Report ("AR"), which may be accessed from our corporate website at [www.pphg.com](http://www.pphg.com). Alternatively, all registered shareholders of PPHG may request for a copy of the AR, at no cost, by completing the request portion of the Reply Form below and returning it to us.

**If we do not receive your request by 8 April 2010, you will be taken to have indicated that you do not wish to receive the AR for FY2009, or that there is no change to your previous request.** Your latest request will supersede any earlier requests received by us.

### **Survey - Annual Report for future financial years**

As part of our efforts to protect the environment and to save processing costs, we propose to dispense with the sending of SFR for future financial years. Instead, the AR in soft digital format (CD-Rom) will be sent to all registered shareholders of PPHG. In addition to the CD-Rom, we also propose to provide our shareholders with the option of receiving a printed copy of the AR. In this regard, we would like to have your feedback on the survey below by **8 April 2010. If we do not receive your feedback, we will assume that you will prefer to receive the AR in CD-Rom.**

Yours faithfully  
for Pan Pacific Hotels Group Limited

Foo Thiam Fong Wellington  
Secretary

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### REPLY FORM

**TO: PAN PACIFIC HOTELS GROUP LIMITED**

#### **Request - Annual Report for FY2009**

Please send me/us a Print Copy of the AR for FY2009 (CPFIS holders may also choose this option).

#### **Survey - Annual Report for future financial years**

(Note: Please tick only ONE box.)

1. I/We wish to retain the current arrangement where I/we will receive the SFR with an option to receive the AR in Print Copy.

2. I/We wish to receive the AR in CD-Rom with an option to receive the AR in Print Copy.

3. I/We wish to receive the AR in Print Copy only.

Name of Shareholder(s): \_\_\_\_\_ NRIC/Passport\* No.: \_\_\_\_\_

Address: \_\_\_\_\_

The shares are held by me under or through:

CDP Securities Account Number +

1	6	8	1	-															
---	---	---	---	---	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

CPFIS Account

Physical scrips

Signature(s): \_\_\_\_\_

Date: \_\_\_\_\_

\* Please delete where inapplicable.

+ This applies only if your shares are registered with The Central Depository (Pte) Limited.



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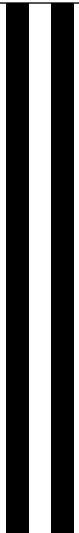
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BUSINESS REPLY SERVICE  
PERMIT NO. 07728



**PAN PACIFIC HOTELS GROUP LIMITED**  
c/o THE CENTRAL DEPOSITORY (PTE) LIMITED  
4 SHENTON WAY, #02-01,  
SGX CENTRE 2  
SINGAPORE 068807

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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

Dr Wee Cho Yaw  
*Chairman*

Mr Gwee Lian Kheng  
*Group Chief Executive*

Mr Alan Choe Fook Cheong

Dr Lim Kee Ming

Mr Wee Ee Chao

Mr Low Weng Keong

Ms Wee Wei Ling

Mr James Koh Cher Siang

Mr Wee Ee Lim

Mr Amedeo Patrick Imbardelli

## EXECUTIVE COMMITTEE

Dr Wee Cho Yaw  
*Chairman*

Mr Gwee Lian Kheng

Mr Alan Choe Fook Cheong

Mr Wee Ee Chao

## AUDIT COMMITTEE

Dr Lim Kee Ming  
*Chairman*

Mr Alan Choe Fook Cheong

Mr Low Weng Keong

## NOMINATING COMMITTEE

Mr Alan Choe Fook Cheong  
*Chairman*

Dr Wee Cho Yaw

Dr Lim Kee Ming

## REMUNERATION COMMITTEE

Dr Lim Kee Ming  
*Chairman*

Dr Wee Cho Yaw

Mr Alan Choe Fook Cheong

## MANAGEMENT

Mr Gwee Lian Kheng  
*Group Chief Executive*

Ms Wee Wei Ling  
*Executive Director,  
Asset Management*

Mr Amedeo Patrick Imbardelli  
*President &  
Chief Executive Officer*

Mr Foo Thiam Fong Wellington  
*Company Secretary*

Mr Neo Soon Hup  
*Chief Financial Officer*

Mr Kevin Croley  
*Senior Vice President,  
Marketing & Sales*

Mr Scott Swank  
*Senior Vice President,  
Hotel Operations*

Mr Eric Levy  
*Senior Vice President,  
Development and Growth*

Mrs Melody King  
*Senior Vice President,  
Human Capital and Development*

## INTERNAL AUDIT

Mr Yeo Bin Hong  
*Senior Manager, Internal Audit*

## COMPANY SECRETARY

Mr Foo Thiam Fong Wellington

## DEPUTY COMPANY SECRETARY/ LEGAL MANAGER

Mr Yeong Sien Seu

## AUDITORS

PricewaterhouseCoopers LLP  
8 Cross Street, #17-00  
PWC Building  
Singapore 048424

*Partner-in-charge:*

Mr Sim Hwee Cher  
Year of appointment: 2008

## PRINCIPAL BANKERS

United Overseas Bank Limited  
Far Eastern Bank Limited  
Public Bank Berhad  
Malayan Banking Berhad  
Australia and New Zealand  
Banking Group Limited

## REGISTERED OFFICE

101 Thomson Road  
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## SHARE REGISTRAR

Boardroom Corporate &  
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**PAN PACIFIC HOTELS GROUP LIMITED**  
Company Registration No. 196800248D

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