

Full Year Financial Statement and Dividend Announcement for the Year Ended 31 December 2018

PART I INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a) **An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Consolidated Income Statement

	Note	2018 \$'000	2017 \$'000	+ / (-) %
Revenue	1	656,967	1,292,169	(49)
Cost of sales	2	<u>(348,925)</u>	<u>(850,824)</u>	(59)
Gross profit		308,042	441,345	(30)
Interest income		10,829	4,438	144
Other gains		3,179	3,064	4
Other losses	3	(478)	(15,513)	(97)
Reversal of impairment loss on financial assets		55	8	588
Selling and distribution costs		(25,216)	(59,535)	(58)
Administrative expenses		(29,778)	(29,357)	1
Finance expenses		<u>(11,098)</u>	<u>(11,679)</u>	(5)
Profit before share of results of associated companies and joint ventures		255,535	332,771	(23)
Share of results of associated companies	4	42,996	32,104	34
Share of results of joint ventures	5	34,582	34,630	(0)
Fair value gain/(loss) on investment properties	6	<u>47,613</u>	<u>(29,717)</u>	n.m.
Profit before income tax	7	380,726	369,788	3
Income tax expense	8	<u>(41,227)</u>	<u>(49,071)</u>	(16)
Net profit		<u>339,499</u>	<u>320,717</u>	6
Profit attributable to:				
Equity holders of the Company		313,369	297,315	5
Non-controlling interests	9	<u>26,130</u>	<u>23,402</u>	12
		<u>339,499</u>	<u>320,717</u>	6

The above net profit attributable to equity holders of the Company ("net attributable profit") can be analysed as follows:

Net profit from operations	250,621	301,830	(17)
Fair value gain/(loss) on investment properties held by subsidiary companies, associated company and joint venture, net of non-controlling interests included in:			
- Fair value gain/(loss) on investment properties	47,613	(29,717)	n.m.
- Share of results of associated companies	2,460	3,540	(31)
- Share of results of joint ventures	2,564	11,045	(77)
- Non-controlling interests (share of fair value loss)	10,111	10,617	(5)
	62,748	(4,515)	n.m.
Net attributable profit	<u>313,369</u>	<u>297,315</u>	5

n.m. - not meaningful

Note:

Comparative figures under new financial reporting framework

Following the adoption of the new Singapore financial reporting framework 'Singapore Financial Reporting Standards (International)' ("SFRS(I)"), certain comparative figures have been revised resulting in the decrease in the Group's net attributable profit for the financial year ended 31 December 2017 by \$4,146,000 compared with the results reported previously.

Please refer to Section 5 for details.

Consolidated Statement of Comprehensive Income

	2018 \$'000	2017 \$'000
Net profit	339,499	320,717
Other comprehensive (expense)/income items that may be reclassified subsequently to income statement:		
Net currency translation differences of financial statements of foreign entities	(8,412)	(3,201)
Share of other comprehensive income of a joint venture	94	381
Cash flow hedges	(276)	-
	(8,594)	(2,820)
Total comprehensive income	330,905	317,897
Total comprehensive income attributable to:		
Equity holders of the Company	305,447	294,841
Non-controlling interests	25,458	23,056
	330,905	317,897

Notes to the income statement

	2018 \$'000	2017 \$'000
<u>1. Revenue</u>		
Revenue from property investments	287,371	281,303
Revenue from property trading	87,017	760,299
Revenue from hotel operations	155,334	149,114
Revenue from technology operations	125,484	99,223
Others	1,761	2,230
	656,967	1,292,169
<u>2. Cost of sales</u>		
Cost of sales from property investments	79,004	74,143
Cost of sales from property trading	46,819	580,701
Cost of sales from hotel operations	107,952	105,274
Cost of sales from technology operations	114,826	90,363
Others	324	343
	348,925	850,824
<u>3. Other losses</u>		
Additional Buyer's Stamp Duty ("ABSD") costs	-	14,841
Others	478	672
	478	15,513
<u>4. Share of results of associated companies</u>		
Share of results of associated companies comprise:		
- share of operating profits	40,536	28,564
- share of fair value gain on an investment property	2,460	3,540
	42,996	32,104
<u>5. Share of results of joint ventures</u>		
Share of results of joint ventures comprise:		
- share of operating profits	32,018	23,585
- share of fair value gain on an investment property	2,564	11,045
	34,582	34,630
<u>6. Fair value gain/(loss) on investment properties held by subsidiary companies</u>		
This relates to the year end valuation by independent professional valuers of investment properties held by subsidiary companies.		
<u>7 Profit before income tax</u>		
Profit before income tax is stated after charging:		
Depreciation	23,095	22,594
<u>8. Income tax expense</u>		
Income tax expense included the following:		
Overprovision in preceding financial years	5,677	1,744
<u>9. Non-controlling interests</u>		
Non-controlling interests comprise:		
- share of operating profits	36,241	34,019
- share of fair value loss on investment properties	(10,111)	(10,617)
	26,130	23,402

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

		Group				Company		
	Note	31.12.18 \$'000	31.12.17 \$'000	1.1.17 \$'000	Note	31.12.18 \$'000	31.12.17 \$'000	1.1.17 \$'000
ASSETS								
Non-current assets								
Other receivables	1	375,284	187,054	109,745		-	-	-
Financial assets, available-for-sale	2	-	6,365	9,295		-	-	-
Financial assets at fair value through other comprehensive income	2	3,384	-	-		-	-	-
Investments in associated companies		595,447	568,993	548,278		-	-	-
Investments in joint ventures		100,558	67,629	77,749		-	-	-
Investments in subsidiary companies		-	-	-		1,226,859	1,227,768	1,228,307
Investment properties		6,215,000	6,160,900	6,175,900		-	-	-
Property, plant and equipment		434,546	453,559	469,861		42	279	332
		<u>7,724,219</u>	<u>7,444,500</u>	<u>7,390,828</u>		<u>1,226,901</u>	<u>1,228,047</u>	<u>1,228,639</u>
Current assets								
Cash and cash equivalents		247,891	177,381	86,508		1,723	1,152	866
Properties held for sale		268,337	336,537	1,069,731		-	-	-
Derivative financial instruments		52	-	-		52	-	-
Trade and other receivables	3	177,931	299,025	79,308	4	1,803,609	1,669,434	1,833,440
Inventories		3,220	3,730	2,266		-	-	-
		<u>697,431</u>	<u>816,673</u>	<u>1,237,813</u>		<u>1,805,384</u>	<u>1,670,586</u>	<u>1,834,306</u>
Total assets		8,421,650	8,261,173	8,628,641		3,032,285	2,898,633	3,062,945
LIABILITIES								
Current liabilities								
Trade and other payables		167,738	221,837	187,712	5	635,582	401,143	210,507
Current income tax liabilities		52,467	42,355	46,345		-	-	-
Borrowings		142,280	51,786	1,229,148	6	118,304	50,966	913,526
		<u>362,485</u>	<u>315,978</u>	<u>1,463,205</u>		<u>753,886</u>	<u>452,109</u>	<u>1,124,033</u>
Non-current liabilities								
Trade and other payables		60,372	54,832	56,781		1,624	1,624	1,624
Derivative financial instruments		328	-	-		328	-	-
Borrowings		307,162	479,130	12,480	6	298,450	467,650	-
Deferred income tax liabilities		57,898	64,597	54,943		-	-	-
		<u>425,760</u>	<u>598,559</u>	<u>124,204</u>		<u>300,402</u>	<u>469,274</u>	<u>1,624</u>
Total liabilities		788,245	914,537	1,587,409		1,054,288	921,383	1,125,657
NET ASSETS		<u>7,633,405</u>	<u>7,346,636</u>	<u>7,041,232</u>		<u>1,977,997</u>	<u>1,977,250</u>	<u>1,937,288</u>
EQUITY								
Capital and reserves attributable to equity holders of the Company								
Share capital		1,565,380	1,564,282	1,525,315		1,565,380	1,564,282	1,525,315
Reserves		5,227,983	4,965,258	4,712,794		412,617	412,968	411,973
		<u>6,793,363</u>	<u>6,529,540</u>	<u>6,238,109</u>		<u>1,977,997</u>	<u>1,977,250</u>	<u>1,937,288</u>
Non-controlling interests		840,042	817,096	803,123		-	-	-
TOTAL EQUITY		<u>7,633,405</u>	<u>7,346,636</u>	<u>7,041,232</u>		<u>1,977,997</u>	<u>1,977,250</u>	<u>1,937,288</u>

Notes to the statement of financial position

1. The Group's other receivables, comprising mainly amounts due from an associated company and joint ventures, increased due mainly to shareholder's loans granted to an associated company for its acquisition of land parcel at Silat Avenue.
2. Following the adoption of the new Singapore financial reporting framework 'Singapore Financial Reporting Standards (International)' ("SFRS(I)"), the Group's "Financial assets, available-for-sale" have been redesignated as "Financial assets at fair value through other comprehensive income" on 1 January 2018.
3. The Group's trade & other receivables decreased mainly due to residential proceeds collected in 2018 upon TOP of certain development projects in the second half of 2017.
4. The Company's current trade & other receivables, comprising mainly amounts due from subsidiary companies, increased due to intercompany funding.
5. The Company's current trade and other payables, comprising mainly amounts due to subsidiary companies, increased due to intercompany funding.
6. The Company's total borrowings decreased due to repayment of borrowings via excess funds from subsidiary companies.

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

At 31.12.18		At 31.12.17	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
2,376	139,904	820	50,966

Amount repayable after one year

At 31.12.18		At 31.12.17	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
8,712	298,450	11,480	467,650

Details of any collaterals

The \$11.1 million secured loans (2017: \$12.3 million) are collateralised by way of mortgage over the Westin Tianjin hotel.

1(c) **A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	2018	2017
	\$'000	\$'000
Cash flows from operating activities		
Profit before income tax	380,726	369,788
Adjustments for:		
Depreciation of property, plant and equipment	23,095	22,594
Allowance/(Write-back of allowance) for foreseeable losses on properties held for sale	5,677	(29,300)
Reversal of impairment loss on financial assets	(55)	(8)
Employee share option expense	252	199
Loss on disposal of property, plant and equipment	174	374
Share of results of associated companies	(42,996)	(32,104)
Share of results of joint ventures	(34,582)	(34,630)
Fair value (gain)/loss on investment properties	(47,613)	29,717
Interest income	(10,829)	(4,438)
Dividend income	(200)	-
Interest expense	11,098	11,679
Unrealised currency translation differences	(966)	(172)
	<u>283,781</u>	<u>333,699</u>
Change in working capital:		
Properties held for sale	146,224	578,786
Inventories	510	(1,464)
Trade and other receivables	35,445	(31,292)
Trade and other payables	(48,492)	32,335
Cash generated from operations	<u>417,468</u>	<u>912,064</u>
Interest paid	(10,565)	(16,108)
Income tax paid	(37,762)	(43,361)
Net cash provided by operating activities	<u>369,141</u>	<u>852,595</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(6,367)	(7,753)
Proceeds from disposal of property, plant and equipment	21	9
Upgrading of investment properties	(6,487)	(10,842)
Redevelopment of an investment property	-	(2,815)
Final distribution to non-controlling shareholder upon liquidation of a subsidiary company	-	(235)
Loans to an associated company	(152,342)	-
Loans to joint ventures	(26,366)	(73,455)
Investment in an associated company	(1,200)	-
Investment in a joint venture	-	(2,000)
Dividends received from unquoted equity investments	3,181	2,930
Dividends received from associated companies	12,820	9,324
Dividends received from joint ventures	-	47,500
Interest received	2,168	733
Net cash used in investing activities	<u>(174,572)</u>	<u>(36,604)</u>
Cash flows from financing activities		
Repayment of borrowings	(170,592)	(1,180,261)
Proceeds from borrowings	90,921	470,000
Bank facility fees paid	-	(2,400)
Increase in bank deposits pledged as security	(754)	(871)
Proceeds from issuance of shares	1,098	1,583
Dividends paid to equity holders of the Company	(42,974)	(5,192)
Dividends paid to non-controlling interests	(2,512)	(8,848)
Net cash used in financing activities	<u>(124,813)</u>	<u>(725,989)</u>
Net increase in cash and cash equivalents	69,756	90,002
Cash and cash equivalents at beginning of financial year	174,381	84,379
Cash and cash equivalents at end of financial year	<u>244,137</u>	<u>174,381</u>
For the purposes of the Statement of Cash Flows, the cash and cash equivalents comprise the following:		
	2018	2017
	\$'000	\$'000
Cash and cash equivalents (per Statement of Financial Position)	247,891	177,381
Less: Bank deposits pledged as security	(3,754)	(3,000)
Cash and cash equivalents (per Statement of Cash Flows)	<u>244,137</u>	<u>174,381</u>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	Attributable to equity holders of the Company				Total \$'000	Non- controlling interests \$'000	Total equity \$'000
	Share capital \$'000	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000			
2018							
Beginning of financial year	1,564,282	4,920,923	40,441	3,894	6,529,540	817,096	7,346,636
Net profit	-	313,369	-	-	313,369	26,130	339,499
Other comprehensive expense	-	-	-	(7,922)	(7,922)	(672)	(8,594)
Total comprehensive income/(expense)	-	313,369	-	(7,922)	305,447	25,458	330,905
Employee share option scheme							
- value of employee services	-	-	-	252	252	-	252
- proceeds from shares issued	1,098	-	-	-	1,098	-	1,098
Dividends paid in cash	-	(42,974)	-	-	(42,974)	(2,512)	(45,486)
Total transactions with owners, recognised directly in equity	1,098	(42,974)	-	252	(41,624)	(2,512)	(44,136)
End of financial year	1,565,380	5,191,318	40,441	(3,776)	6,793,363	840,042	7,633,405
2017							
Beginning of financial year	1,525,315	4,666,184	40,441	6,169	6,238,109	803,123	7,041,232
Net profit	-	297,315	-	-	297,315	23,402	320,717
Other comprehensive expense	-	-	-	(2,474)	(2,474)	(346)	(2,820)
Total comprehensive income/(expense)	-	297,315	-	(2,474)	294,841	23,056	317,897
Employee share option scheme							
- value of employee services	-	-	-	199	199	-	199
- proceeds from shares issued	1,583	-	-	-	1,583	-	1,583
Issue of shares pursuant to scrip dividend scheme	37,384	-	-	-	37,384	-	37,384
Dividends paid							
- in cash	-	(5,192)	-	-	(5,192)	(8,848)	(14,040)
- in scrip	-	(37,384)	-	-	(37,384)	-	(37,384)
Liquidation of a subsidiary company	-	-	-	-	-	(235)	(235)
Total transactions with owners, recognised directly in equity	38,967	(42,576)	-	199	(3,410)	(9,083)	(12,493)
End of financial year	1,564,282	4,920,923	40,441	3,894	6,529,540	817,096	7,346,636

<u>Company</u>	Share capital \$'000	Retained earnings \$'000	Share option reserve \$'000	Hedging reserve \$'000	Total equity \$'000
2018					
Beginning of financial year	1,564,282	406,600	6,368	-	1,977,250
Net profit	-	42,647	-	-	42,647
Other comprehensive expense	-	-	-	(276)	(276)
Total comprehensive income/(expense)	-	42,647	-	(276)	42,371
Employee share option scheme					
- value of employee services	-	-	252	-	252
- proceeds from shares issued	1,098	-	-	-	1,098
Dividends paid in cash	-	(42,974)	-	-	(42,974)
End of financial year	1,565,380	406,273	6,620	(276)	1,977,997
2017					
Beginning of financial year	1,525,315	405,804	6,169	-	1,937,288
Net profit and total comprehensive income	-	43,372	-	-	43,372
Employee share option scheme					
- value of employee services	-	-	199	-	199
- proceeds from shares issued	1,583	-	-	-	1,583
Issue of shares pursuant to scrip dividend scheme	37,384	-	-	-	37,384
Dividends paid					
- in cash	-	(5,192)	-	-	(5,192)
- in scrip	-	(37,384)	-	-	(37,384)
End of financial year	1,564,282	406,600	6,368	-	1,977,250

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

The changes in the Company's issued share capital for the financial year ended 31 December 2018 were as follows:

	Number of ordinary shares '000
Issued share capital as at 1 January 2018	1,432,157
Issue of ordinary shares arising from the exercise of UIC share options	<u>374</u>
Issued share capital as at 31 December 2018	<u>1,432,531</u>

As at 31 December 2018, there were 2,638,000 (31 December 2017: 2,790,000) ordinary shares which may be issued upon the exercise of the subscription rights in full by holders of options granted to executives of the Group under the UIC Share Option Scheme.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	31.12.18 '000	31.12.17 '000
Total number of issued shares	<u>1,432,531</u>	<u>1,432,157</u>

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

- 2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Company's auditors.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The same accounting policies and methods of computation in the 2017 audited annual financial statements have been applied for the current reporting period, except as disclosed in Section 5 below.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Singapore Accounting Standards Council has introduced a new Singapore financial reporting framework that is identical to the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The new framework is referred to as 'Singapore Financial Reporting Standards (International)' ("SFRS(I)") hereinafter.

As required by the listing requirements of the Singapore Exchange, the Group has adopted SFRS(I) on 1 January 2018 and issued its first set of financial information prepared under SFRS(I) from the quarter ended 31 March 2018.

In adopting SFRS(I), the Group is required to apply all of the specific transition requirements in SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)*. The Group will also concurrently apply new SFRS(I) 9 *Financial Instruments* and SFRS(I) 15 *Revenue from Contracts with Customers*.

(a) Application of SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)*

The Group is required to retrospectively apply all SFRS(I) effective at the end of the first SFRS(I) reporting period (financial year ended 31 December 2018), subject to the mandatory exceptions and optional exemptions under SFRS(I) 1. The Group has elected the relevant optional exemptions and the exemptions resulting in adjustments to the Group's financial statements is as follows:

Cumulative translation differences

The Group has elected to set the cumulative translation differences for all foreign operations to be zero as at the date of transition to SFRS(I) on 1 January 2017. As a result, other reserves and retained earnings as at 1 January 2017 has reduced/increased by \$11,122,000 respectively.

(b) Adoption of SFRS(I) 9 *Financial Instruments*

The Group has elected to apply the exemption under SFRS(I) 1 to prospectively adopt SFRS(I) 9 on 1 January 2018. Accordingly, requirements of SFRS 39 *Financial Instruments: Recognition and Measurement* will continue to apply to financial instruments up to the financial year ended 31 December 2017.

The Group has assessed the business models that are applicable on 1 January 2018 to financial assets so as to classify them into the appropriate categories under SFRS(I) 9. The Group has elected to recognise changes in the fair value of all its equity investments not held for trading and previously classified as available-for-sale in other comprehensive income. Accordingly, 'Financial assets, available-for-sale' on the statement of financial position have been redesignated as 'Financial assets at fair value through other comprehensive income'.

(c) Adoption of SFRS(I) 15 *Revenue from Contracts with Customers*

In accordance with the requirements of SFRS(I) 1, the Group has adopted the SFRS(I) 15 retrospectively.

The Group incurs agency commissions in the course of selling its properties for sale under development. SFRS(I) 15 requires incremental costs of obtaining a contract with a customer (if the entity expects to recover those costs) to be recognised as an asset when incurred and subsequently expensed to income statement in accordance with revenue recognition.

	Financial year ended 2017		
	Reported under SFRS \$'000	Effects \$'000	Reported under SFRS(I) \$'000
<u>Consolidated Income Statement</u>			
Selling and distribution costs	(53,514)	(6,021)	(59,535)
Share of results of associated companies	31,952	152	32,104
Share of results of joint ventures	33,577	1,053	34,630
Income tax expense	(49,739)	668	(49,071)
Net profit	324,865	(4,148)	320,717
Attributable to:			
- Equity holders of the Company	301,461	(4,146)	297,315
- Non-controlling interests	23,404	(2)	23,402
	<u>324,865</u>	<u>(4,148)</u>	<u>320,717</u>
Basic and diluted earnings per ordinary share (cents)			
- excluding fair value loss on investment properties	21.4	(0.2)	21.2
- including fair value loss on investment properties	21.1	(0.2)	20.8 #

	As at 1.1.17			As at 31.12.17		
	Reported under SFRS \$'000	Effects \$'000	Reported under SFRS(I) \$'000	Reported under SFRS \$'000	Effects \$'000	Reported under SFRS(I) \$'000
<u>Statement of Financial Position</u>						
Investments in associated companies	547,461	817	548,278	568,024	969	568,993
Investments in joint ventures	77,749	-	77,749	66,576	1,053	67,629
Trade and other receivables	73,287	6,021	79,308	299,025	-	299,025
Deferred income tax liabilities	54,275	668	54,943	64,597	-	64,597
Reserves	4,706,632	6,162	4,712,794	4,963,242	2,016	4,965,258
Non-controlling interests	803,115	8	803,123	817,090	6	817,096

There is no effect on net asset value per ordinary share as at 31 December 2017 resulting from the adoption of SFRS(I).

Numbers cannot sum up due to rounding difference.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Latest year	Previous year
	31.12.18	31.12.17
Earnings per ordinary share		
(a) Based on the weighted average number of ordinary shares on issue		
- excluding fair value gain/(loss) on investment properties	17.5 cents	21.2 cents
- including fair value gain/(loss) on investment properties	21.9 cents	20.8 cents
(b) On a fully diluted basis		
For the purposes of calculating diluted earnings per share, the weighted average number of shares in issue is adjusted to take into account the dilutive effect arising from the outstanding options granted to employees, where such shares would have been issued at a price lower than the average market price in the current year. As the impact of the dilution is insignificant, diluted earnings per share is the same as basic earnings per share.		

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the :-
(a) current financial period reported on; and
(b) immediately preceding financial year.**

	31.12.18	31.12.17
Net asset value per ordinary share		
Group	\$4.74	\$4.56
Company	\$1.38	\$1.38

8. 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.

For the financial year ended 31 December 2018, the Group achieved revenue of \$657.0 million, which was lower than last year by \$635.2 million (49%), mainly due to lower sales recognised from property trading.

Revenue from property trading at \$87.0 million was lower by \$673.3 million (89%) as the Group's development projects were completed and substantially sold in 2017.

Revenue from hotel operations and property investments increased by \$6.2 million (4%) and \$6.1 million (2%) respectively, compared to last year. Revenue from technology operations increased by \$26.3 million (26%) to \$125.5 million.

Other losses in 2017 pertains mainly to ABSD payment on the Mon Jervois residential project.

Selling and distribution costs decreased mainly due to lower agency commission in line with lower residential sales.

Lower contribution from property trading was partially mitigated by the higher contribution from joint venture residential projects, The Clement Canopy and Park Eleven (Shanghai).

Based on valuation by professional valuers as at 31 December 2018 on the investment properties held by the Group's subsidiary companies, associated company and joint venture, fair value gain (net of non-controlling interests) of \$62.7 million (2017: fair value loss of \$4.5 million) was recognised in the income statement.

In line with the lower contribution from property trading, net profit from operations decreased by \$51.2 million (17%) to \$250.6 million. After including the fair value gain (net of non-controlling interests), the Group recorded a net attributable profit of \$313.4 million, an increase of \$16.1 million (5%) compared to last year.

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

Not applicable.

10. 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.

Office rental is expected to continue to be well-supported amidst strong demand and limited supply completion in the CBD.

The continued growth of e-commerce and new retail supply are expected to add pressure on retail rents.

Residential market will likely remain subdued as developers have become more cautious in replenishing their land bank. Sales demand is expected to be dampened as buyers' purchasing power has been curbed by the higher ABSD and tightening of loan-to-value limits on housing loans.

Demand in the hotel sector in Singapore is expected to be robust with tourist arrivals continuing on an upward trend.

11. Dividend

(a) Current Financial Period Reported On

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

Name of dividend	First and Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	3.5 cents per ordinary share
Tax rate	Tax exempt (One-tier)

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of dividend	First and Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	3.0 cents per ordinary share
Tax rate	Tax exempt (One-tier)

(c) Date payable

To be announced at a later date.

(d) Books closure date

To be announced at a later date.

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

**Group
2018**

	Property investment \$'000	Property trading \$'000	Hotel operations \$'000	Technology operations \$'000	Others \$'000	Total \$'000
Revenue						
- external sales	287,371	87,017	155,334	125,484	1,761	<u>656,967</u>
Segment results	202,748	28,931	27,337	3,792	1,335	264,143
Unallocated costs						(8,339)
Interest income						10,829
Finance expenses						<u>(11,098)</u>
Profit before share of results of associated companies and joint ventures						<u>255,535</u>
Share of results of associated companies	11,347	9,136	22,513	-	-	42,996
Share of results of joint ventures	9,024	25,558	-	-	-	34,582
Fair value gain on investment properties	47,613	-	-	-	-	<u>47,613</u>
Profit before income tax						<u><u>380,726</u></u>

2017

	Property investment \$'000	Property trading \$'000	Hotel operations \$'000	Technology operations \$'000	Others \$'000	Total \$'000
Revenue						
- external sales	281,303	760,299	149,114	99,223	2,230	<u>1,292,169</u>
Segment results	198,633	121,390	24,391	2,582	1,836	348,832
Unallocated costs						(8,820)
Interest income						4,438
Finance expenses						<u>(11,679)</u>
Profit before share of results of associated companies and joint ventures						<u>332,771</u>
Share of results of associated companies	11,675	638	19,791	-	-	32,104
Share of results of joint ventures	17,546	17,084	-	-	-	34,630
Fair value loss on investment properties	(29,717)	-	-	-	-	<u>(29,717)</u>
Profit before income tax						<u><u>369,788</u></u>

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

Please refer to Section 8 on review of performance of the Group.

15. A breakdown of revenue and net profit.

	2018	2017	+ / (-)
	\$'000	\$'000	%
(a) Revenue			
- first half	348,104	626,419	(44)
- second half	308,863	665,750	(54)
	<u>656,967</u>	<u>1,292,169</u>	(49)
(b) Net profit			
- first half	184,069	138,607	33
- second half	155,430	182,110	(15)
	<u>339,499</u>	<u>320,717</u>	6

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

	Latest Full Year (S\$'000)	Previous Full Year (S\$'000)
	Recommended	Declared
Ordinary	50,139	42,974
Preference	-	-
Total	50,139	42,974

The Directors propose to recommend a First and Final Dividend (one-tier tax exempt) of 3.5 cents per share (2017: 3.0 cents per share) amounting to \$50.1 million (2017: \$43.0 million) in respect of the financial year ended 31 December 2018. The proposed dividend is subject to shareholders' approval at the forthcoming Annual General Meeting to be held on Friday, 23 April 2019.

17. If the Group has obtained a general mandate from shareholders for Interested Person Transactions "IPTs", the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

No IPT mandate has been obtained.

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13). If there are no such persons, the issuer must make an appropriate negative statement.

During the year, there was no person occupying a managerial position in the Company or any of its principal subsidiaries who is related to the directors, chief executive officer or substantial shareholders of the Company.

19. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company confirms that it has procured undertakings from all of its directors and executive officers in the format set out in Appendix 7.7 of the Listing Manual.

BY ORDER OF THE BOARD

Teo Hwee Ping
Acting Company Secretary
22 February 2019