

**Unaudited Full Year Financial Statements And Dividend Announcement
For The Year Ended 31st December 2018**
**1(a) CONSOLIDATED INCOME STATEMENT
For The Fourth Quarter And Full Year Ended 31st December 2018**

THE GROUP							
		4th Quarter Ended 31 Dec			Full Year Ended 31 Dec		
		2018	2017	Change	2018	2017	Change
Notes		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue							
	Sale of development properties	915	3,463	(73.6)	17,196	17,488	(1.7)
	Rental income	51,542	37,703	36.7	179,649	147,167	22.1
		52,457	41,166	27.4	196,845	164,655	19.5
	Fair value gain on investment properties	93,036	78,082	19.2	121,364	78,082	55.4
	Other operating income	2,430	1,177	NM	13,361	24,887	(46.3)
		147,923	120,425	22.8	331,570	267,624	23.9
Less:							
	Cost of sales - residential development projects	(727)	(2,856)	(74.5)	(10,625)	(14,687)	(27.7)
	Direct rental expenses	(5,474)	(4,566)	19.9	(19,517)	(17,901)	9.0
	Staff costs & directors' remuneration	(4,230)	(2,184)	93.7	(18,178)	(17,313)	5.0
	(Loss)/gain on foreign exchange	(5,709)	(3,359)	70.0	(10,248)	711	NM
	Other operating expenses	(4,161)	(4,313)	(3.5)	(10,022)	(8,660)	15.7
	Profit from operations	127,622	103,147	23.7	262,980	209,774	25.4
	Net finance costs	(13,290)	(7,120)	86.7	(41,640)	(25,454)	63.6
		114,332	96,027	19.1	221,340	184,320	20.1
Share of profits/(losses) of:							
	Associates	10,098	25,640	(60.6)	108,547	99,252	9.4
	Jointly controlled entities	(14,084)	(12,003)	17.3	(9,730)	(4,409)	NM
	Profit before taxation	110,346	109,664	0.6	320,157	279,163	14.7
	Income tax expense	(29,063)	(6,894)	NM	(49,689)	(28,386)	75.0
	Profit for the period/year	81,283	102,770	(20.9)	270,468	250,777	7.9
Attributable to:							
	Owners of the Company	81,400	102,444	(20.5)	270,042	249,260	8.3
	Non-controlling interests	(117)	326	NM	426	1,517	(71.9)
	Net profit for the period/year	81,283	102,770	(20.9)	270,468	250,777	7.9
The following items have been included in arriving at profit for the period/year:							
	Distribution income - other financial assets	8	35	(77.1)	298	221	34.8
	Distribution income - jointly controlled operations	582	507	14.8	4,039	12,981	(68.9)
	Other income	564	635	(11.2)	7,748	3,214	NM
	Dividend income	-	-	-	-	1	(100.0)
	Gain on sale of investment property	-	-	-	-	7,352	(100.0)
	Gain on sale of quoted equity investment	-	-	-	-	485	(100.0)
	Gain on sale of property, plant & equipment	145	-	-	145	-	-
	Interest income	865	1,065	(18.8)	2,819	2,640	6.8
	Net changes in fair value of financial assets through profit & loss	863	81	NM	632	(440)	NM
	Depreciation of property, plant & equipment	(164)	(337)	(51.3)	(711)	(1,107)	(35.8)

NM: Not Meaningful.

**NOTES TO CONSOLIDATED INCOME STATEMENT FOR THE FOURTH QUARTER ENDED 31ST
DECEMBER 2018**

- Note 1: The increase in rental income is largely attributable to a full quarter of rental income from Ropemaker Place, 25 Ropemaker Street, London EC2 (“**Ropemaker Place**”), which was acquired on 15 June 2018.
- Note 2: For the full year, the Group recorded a fair value gain of S\$121.4 million on its portfolio of investment properties in Singapore and the United Kingdom.
- Note 3: Net finance cost has increased largely due to the increase in borrowings of £645.3 million (approximately S\$1.12 billion). The additional borrowings funded the acquisition of Ropemaker Place. Interest rates for Singapore dollar and Pound Sterling borrowings have also increased year-on-year, thereby increasing the Group’s cost of borrowings on floating rate loans.
- Note 4: For the full year, the Group’s share of profits from associates has increased due to higher sales and profit recognition from the residential development project in Zhuhai, which was partially offset by the lower sales and profit recognition from the residential development project in Shanghai.
- Note 5: The increase in the Group’s share of the net losses of jointly controlled entities in the current quarter and for the full year was largely attributable to lower profits from the residential development project in Tangshan.
- Note 6: The tax expense in the current quarter included provision for a potential tax liability of approximately S\$20.3 million relating to the gain on sale of Hotel Windsor in FY2013. The tax authority has raised an additional tax assessment in FY2018. We have objected to the assessment based on professional advice.

1(b)(i) STATEMENTS OF FINANCIAL POSITION AS AT 31ST DECEMBER 2018

	Notes	The Group		The Company	
		31-12-2018	31-12-2017	31-12-2018	31-12-2017
		S\$'000	S\$'000	S\$'000	S\$'000
Non-current Assets					
Property, Plant & Equipment		30,301	26,700	505	564
Investment Properties	1	4,306,284	3,113,754	-	-
Investments in Subsidiaries		-	-	192,985	178,789
Interests in Associates		522,349	535,741	395,805	423,925
Interests in Jointly Controlled Entities		310,184	312,761	252,680	265,388
Other Assets		150	150	-	-
Financial Assets	2	115,189	3,893	100,288	2,615
Amounts Due from Subsidiaries & Jointly Controlled Entities		257,229	258,006	895,860	584,801
Deferred Tax Assets		52	-	-	-
		5,541,738	4,251,005	1,838,123	1,456,082
Current Assets					
Development Properties		43,865	56,563	-	-
Properties Held For Sale		183,534	184,701	-	-
Trade & Other Receivables		25,370	28,436	73	45
Amounts Due From Subsidiaries & Jointly Controlled Entities		18	17	78,443	107,387
Cash & Cash Equivalents		176,318	97,111	76,125	2,493
		429,105	366,828	154,641	109,925
TOTAL ASSETS		5,970,843	4,617,833	1,992,764	1,566,007
Current Liabilities					
Trade & Other Payables		56,287	47,148	132,425	92,724
Borrowings	3	400,262	172,965	124,613	130,785
Deferred Income		2,109	240	-	-
Current Tax Payable		60,761	42,381	47	-
		519,419	262,734	257,085	223,509
Net current (liabilities)/assets	4	(90,314)	104,094	(102,444)	(113,584)
Non-current Liabilities					
Borrowings	3	2,067,565	1,181,496	-	-
Other non-current liabilities		36,453	31,581	-	-
Deferred Income	5	47,215	260	-	-
		2,151,233	1,213,337	-	-
TOTAL LIABILITIES		2,670,652	1,476,071	257,085	223,509
Net assets		3,300,191	3,141,762	1,735,679	1,342,498
Represented by:					
Equity Attributable To Shareholders					
Share Capital		156,048	156,048	156,048	156,048
Treasury Shares		(65,079)	(63,930)	(65,079)	(63,930)
Capital Reserve		2,043	2,043	-	-
Fair value Reserve		(1,477)	-	-	-
Hedging Reserve		(6,479)	(1,832)	-	-
Foreign Currency Translation Reserve		(46,246)	(7,964)	-	-
Accumulated Profits		3,246,667	3,043,197	1,644,710	1,250,380
Share Capital and Reserves		3,285,477	3,127,562	1,735,679	1,342,498
Non-controlling Interests		14,714	14,200	-	-
Total Equity		3,300,191	3,141,762	1,735,679	1,342,498

*restated – refer to paragraph 4

NOTES TO STATEMENTS OF FINANCIAL POSITION AS AT 31ST DECEMBER 2018

Note 1: On 15 June 2018, the Group completed the acquisition of Ropemaker Place by acquiring the entire issued share capital of Frasia Properties S.à.r.l. (the “**Acquisition**”). The fair value of Ropemaker Place is approximately S\$1.14 billion as of 31 December 2018. Please refer to the Group’s SGX announcement dated 17 June 2018 for the details of the Acquisition.

The Acquisition is the key reason for the increase in the Group’s Investment Properties as at 31 December 2018.

Note 2: The Group’s Financial Assets as at 31 December 2018 of S\$115.2 million mainly relates to its year-to-date investments into CS Real Estate SICAV-SIF I – Credit Suisse (Lux) European Property Fund II and notes issued by Clouse S.A., Compartment 29. More details on these investments can be found in the Company’s SGX announcement dated 26 March 2018.

Note 3: The increase in bank borrowings is attributable to new loans used to finance the acquisition of Ropemaker Place and to partially finance the Financial Assets described in Note 2 above.

Note 4: The Group was in net current liabilities of S\$90.3 million largely due to long-term bank borrowings of a subsidiary of £99.2 million (approximately S\$171.9 million) becoming due in the next 12 months. Refinancing for these borrowings will be completed by the end of June 2019.

Note 5: During 2QFY2018, the Group completed the sale of a 30-year leasehold interest in a petrol station site located along Bukit Timah Road, an investment property with 999-year tenure held by the Group. In accordance with the accounting standard, the sale of the 30-year leasehold interest has been recorded as an operating lease in the Group’s financial statements.

The sales proceeds are recorded in Deferred Income and the y-o-y increase in Deferred Income (non-current) as at 31 December 2018 represents the deferred rental income for the period 1 January 2020 till 1 April 2048.

1(b)(ii) AGGREGATE AMOUNT OF GROUP’S BORROWINGS AND DEBT SECURITIES

Amount repayable in one year or less, or on demand

As at 31-12-2018		As at 31-12-2017	
Secured	Unsecured	Secured	Unsecured
\$400,262,000	-	\$172,965,000	-

Amount repayable after one year

As at 31-12-2018		As at 31-12-2017	
Secured	Unsecured	Secured	Unsecured
\$2,067,565,000	-	\$1,181,496,000	-

Details of any collateral

All secured borrowings of the Group are generally secured by first legal mortgage and assignment of rental and sale proceeds over investment properties, development properties and properties held for sale of the borrowing entity within the Group.

1(c) CONSOLIDATED STATEMENT OF CASH FLOWS
For The Fourth Quarter And The Full Year Ended 31st December

	4th Quarter ended 31 Dec		Full Year ended 31 Dec	
	2018	2017	2018	2017
	\$ '000	\$ '000	\$ '000	\$ '000
Cash flows from operating activities:				
Profit for the period/year	81,283	102,770	270,468	250,777
Adjustments for				
Depreciation of property, plant & equipment	164	337	711	1,107
Fair value gain on investment properties	(93,036)	(78,082)	(121,364)	(78,082)
Gain on sale of investment property	-	-	-	(7,352)
Gain on sales of quoted equity investment	-	-	-	(485)
Unrealised exchange loss/(gain) on foreign exchange	30,778	628	42,027	(2,875)
Gain on sale of property, plant & equipment	(145)	-	(145)	-
Property, plant and equipment written off	-	(15)	-	5
Interest income	(865)	(1,065)	(2,819)	(2,640)
Finance costs	14,155	8,185	44,459	28,094
Net change in fair value of financial assets through profit & loss	(863)	(81)	(632)	440
Distribution income from financial assets at fair value through profit & loss	(8)	(35)	(298)	(221)
Share of profits of associates	(10,098)	(25,640)	(108,547)	(99,252)
Share of losses of jointly controlled entities	14,084	12,003	9,730	4,409
Income tax expense	29,063	6,894	49,689	28,386
Operating profit before changes in working capital	64,512	25,899	183,279	122,311
Changes in working capital				
Development properties	359	2,320	8,869	11,990
Trade and other receivables	(7,832)	(14,072)	3,233	(7,631)
Trade and other payables	2,399	12,764	49,679	5,703
Cash generated from operations	59,438	26,911	245,060	132,373
Income tax paid	(4,666)	(1,911)	(24,162)	(19,498)
Net cash inflow from operating activities	54,772	25,000	220,898	112,875
Cash flows from investing activities				
Interest received	534	786	1,616	1,539
Dividend received	71,496	7,805	71,496	34,975
Purchase of property, plant & equipment	(2,811)	(1,829)	(4,934)	(4,541)
Investment in jointly controlled entities	(6,088)	(9,651)	(8,819)	(9,651)
Distribution from associates (capital reduction)	(2,105)	13,130	28,120	13,130
Proceeds from disposal of investment property	-	-	-	167,237
Acquisition of subsidiary (net of cash acquired)	9,255	-	(1,153,595)	(230,536)
Proceeds from sales of quoted equity investment	-	-	-	4,259
Proceeds from disposal of unquoted equity investments	47	-	47	-
Proceeds from sale of property, plant & equipment	435	-	436	-
Repayment from jointly-controlled entities	800	700	5,050	2,185
Purchase of other financial assets	(47,389)	(2,615)	(114,725)	(2,619)
Repayment from jointly-controlled operation	-	-	-	23,707
Distribution income of other financial assets	14	944	221	1,282
Net cash inflow/(outflow) from investing activities	24,188	9,270	(1,175,087)	967
Cash flows from financing activities:				
Proceeds from term loans	1,166,825	136,013	2,374,475	310,652
Interest paid	(14,155)	(8,185)	(44,459)	(28,094)
Purchase of treasury shares	-	-	(1,149)	-
Repayment of term loans	(1,161,905)	(194,890)	(1,222,763)	(313,111)
Dividend paid to non-controlling interests	-	(100)	(200)	(100)
Dividends paid	-	-	(66,572)	(39,943)
Net cash (outflow)/inflow from financing activities	(9,235)	(67,162)	1,039,332	(70,596)
Net increase/ (decrease) in cash and cash equivalents	69,725	(32,892)	85,143	43,246
Effect of foreign exchange rate fluctuations on cash held	(1,835)	(1,714)	(5,936)	(395)
Cash and cash equivalents at beginning of period/year	108,428	131,717	97,111	54,260
Cash and cash equivalents at end of period/year	176,318	97,111	176,318	97,111

1(d) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For The Fourth Quarter And The Full Year Ended 31st December 2018

	4th Quarter Ended 31 Dec			Full Year Ended 31 Dec		
	2018	2017	Change	2018	2017	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Profit for the period/year	81,283	102,770	(20.9)	270,468	250,777	7.9
Other comprehensive income/(loss)						
Items that will not be reclassified to profit and loss:						
Net change in fair value of financial assets at fair value through other comprehensive income ("FVOCI")	(1,478)	-	-	(1,477)	-	-
Items that may be reclassified subsequently to profit and loss:						
Share of foreign currency translation difference of equity-accounted investees	(1,022)	2,636	NM	(22,961)	(6,427)	NM
Exchange differences on consolidation of foreign operations	(8,695)	(4,335)	NM	(10,792)	(2,693)	NM
Net loss on hedge of net investment in foreign operations	(3,213)	-	-	(4,241)	-	-
Net loss on hedge of interest rate swaps	(6,060)	536	NM	(4,647)	928	NM
Total comprehensive income for the period/year	60,815	101,607	(40.1)	226,350	242,585	(6.7)
Attributable to:						
Owners of the Company	60,984	101,524	(39.9)	225,636	242,224	(6.8)
Non-controlling interests	(169)	83	NM	714	361	97.7
	60,815	101,607	(40.1)	226,350	242,585	(6.7)

1(e)(i) STATEMENT OF CHANGES IN EQUITY

GROUP	Share Capital S\$'000	Treasury Shares S\$'000	Capital & Other Reserves S\$'000	Foreign Currency Translation Reserves S\$'000 (restated)*	Accum. Profits S\$'000 (restated)*	Total S\$'000	Non-controlling Interests S\$'000	Total Equity S\$'000
Balance at 1st Jan 2017	156,048	(63,930)	(717)	-	2,833,880	2,925,281	13,939	2,939,220
Total comprehensive income/(loss) for the year	-	-	928	(7,964)	249,260	242,224	361	242,585
Dividends paid	-	-	-	-	(39,943)	(39,943)	(100)	(40,043)
Balance at 31st Dec 2017	156,048	(63,930)	211	(7,964)	3,043,197	3,127,562	14,200	3,141,762

GROUP	Share Capital S\$'000	Treasury Shares S\$'000	Capital & Other Reserves S\$'000	Foreign Currency Translation Reserves S\$'000 (restated)*	Accum. Profits S\$'000 (restated)*	Total S\$'000	Non-controlling Interests S\$'000	Total Equity S\$'000
Balance at 1st Jan 2018	156,048	(63,930)	211	(7,964)	3,043,197	3,127,562	14,200	3,141,762
Total comprehensive income/(loss) for the year	-	-	(6,124)	(38,282)	270,042	225,636	714	226,350
Dividends paid	-	-	-	-	(66,572)	(66,572)	(200)	(66,772)
Purchase of treasury shares	-	(1,149)	-	-	-	(1,149)	-	(1,149)
Balance at 31st Dec 2018	156,048	(65,079)	(5,913)	(46,246)	3,246,667	3,285,477	14,714	3,300,191

1(e)(i) STATEMENT OF CHANGES IN EQUITY (cont'd)

COMPANY	Share Capital S\$'000	Treasury Shares S\$'000	Capital Reserve S\$'000	Accum. Profits S\$'000	Total Equity S\$'000
Balance at 1st Jan 2017	156,048	(63,930)	-	1,244,324	1,336,442
Total comprehensive income for the year	-	-	-	45,999	45,999
Dividends paid	-	-	-	(39,943)	(39,943)
Balance at 31st Dec 2017	156,048	(63,930)	-	1,250,380	1,342,498

COMPANY	Share Capital S\$'000	Treasury Shares S\$'000	Capital Reserve S\$'000	Accum. Profits S\$'000	Total Equity S\$'000
Balance at 1st Jan 2018	156,048	(63,930)	-	1,250,380	1,342,498
Total comprehensive income for the year	-	-	-	460,902	460,902
Dividends paid	-	-	-	(66,572)	(66,572)
Purchase of treasury shares	-	(1,149)	-	-	(1,149)
Balance at 31st Dec 2018	156,048	(65,079)	-	1,644,710	1,735,679

1(e)(ii) DETAILS OF CHANGES IN THE COMPANY'S ISSUED SHARE CAPITAL

	4th Quarter Ended 31st December 2018		4th Quarter Ended 31st December 2017	
	No. of Ordinary Shares	S\$'000	No. of Ordinary Shares	S\$'000
Balance at beginning of period	703,338,000	156,048	703,338,000	156,048
Balance at end of period	703,338,000	156,048	703,338,000	156,048

There were 38,107,400 treasury shares held by the Company as at 31st December 2018 (31st December 2017: 37,617,400) and this represents 5.73% of the total number of issued ordinary shares excluding treasury shares as at 31st December 2018 (31st December 2017: 5.65%). The treasury shares were included in the above number of issued ordinary shares. There were no sale, transfer, cancellation and/or use of treasury shares for the financial year ended 31st December 2018.

The Company has no subsidiary holdings as at 31st December 2018 and 31st December 2017. There was no sale, transfer, cancellation and/or use of subsidiary holdings for the financial year ended 31st December 2018.

2. AUDIT

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

3. ACCOUNTING POLICIES AND METHODS OF COMPUTATION

Refer to paragraph 4.

4. CHANGES IN ACCOUNTING POLICIES

In December 2017, the Accounting Standards Council (ASC) issued the Singapore Financial Reporting Standards (International) (SFRS(I)). SFRS(I) comprises standards and interpretations that are equivalent to International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) at 31 December 2017 that are applicable for annual period beginning on 1 January 2018. The Group's financial statements for the financial year ended 31 December 2018 have been prepared in accordance with SFRS(I).

In adopting the new framework, the Group applied the specific transition requirements in SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)*. In addition to the adoption of the new framework, the Group concurrently applied the following SFRS(I)s, interpretations of SFRS(I)s and requirements of SFRS(I)s which are mandatorily effective from the same date.

The Group applied the same accounting policies and methods of computation in the financial statements for the current reporting period as that of the audited financial statements for the year ended 31 December 2017, except for the adoption of the SFRS(I) framework as described above and the new/revised SFRS(I) applicable for the period beginning 1 January 2018 as follows:

4(i) SFRS(I) 1

Foreign currency translation reserve (FCTR)

The Group elected the optional exemption in SFRS(I) 1 to reset its cumulative FCTR for all foreign operations to nil at the date of transition, and reclassified the cumulative FCTR of \$25,727,000 as at 1 January 2017 determined in accordance with FRS at that date to retained earnings.

After the date of transition, any gain or loss on disposal of any foreign operations excluded translation differences that arose before the date of transition.

4(ii) SFRS(I) 9

For financial assets currently held at fair value, the Group will continue measuring all of these assets at fair value under SFRS(I) 9. The Group elected to present in OCI the changes in fair value of its equity securities that were previously classified as available for sale.

5. EARNINGS PER ORDINARY SHARE

	4th Quarter Ended 31st Dec		Full Year Ended 31st Dec	
	2018	2017	2018	2017
Profit attributable to owners of the Company (\$'000)	81,400	102,444	270,042	249,260
Weighted average number of shares (excluding treasury shares)	665,230,600	665,720,600	665,477,614	665,720,600
Earnings per ordinary share for the period (cents)				
i) Based on weighted average number of ordinary shares (excluding treasury shares)	12.24	15.39	40.58	37.44
ii) On a fully diluted basis	12.24	15.39	40.58	37.44

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

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

6. NET ASSET VALUE PER ORDINARY SHARE

	GROUP		COMPANY	
	31-12-2018	31-12-2017	31-12-2018	31-12-2017
Net assets after adjusting for non-controlling interests (S\$'000)	3,285,477	(restated) 3,127,562	1,735,679	(restated) 1,342,498
Ordinary shares at end of period (excluding treasury shares)	665,230,600	665,720,600	665,230,600	665,720,600
Net asset value per ordinary share	\$4.94	\$4.70	\$2.61	\$2.02

The calculation of net asset value per ordinary share of the Group and the Company was based on the net assets of the Group and the Company as at 31st December 2018 and 31st December 2017 after adjusting for non-controlling interests and 665,230,600 ordinary shares (excluding treasury shares) as at 31st December 2018 and 665,720,600 ordinary shares (excluding treasury shares) as at 31st December 2017.

7. PERFORMANCE REVIEW OF THE GROUP

4QFY2018 vs 4QFY2017

Group revenue for 4QFY2018 amounted to S\$52.5 million, representing a 27% year-on-year increase from S\$41.2 million in 4QFY2017. The increase was due mainly to higher rental revenue from Ropemaker Place, which was acquired on 15 June 2018. The increase in rental revenue was partially offset by lower sales recognition from two residential projects in Melbourne and Gold Coast in Australia.

The Group recorded a net fair value gain of S\$93.0 million on its investment properties in the United Kingdom and Singapore.

Profit from operations increased 24% to S\$127.6 million in 4QFY2018 compared to S\$103.1 million in 4QFY2017.

Higher finance costs were incurred in 4QFY2018 largely due to the additional bank borrowings to fund the acquisition of Ropemaker Place and other financial investments in Europe, as well as the increase in interest rates for the Group's Singapore dollar and Pound Sterling borrowings.

The Group's share of profit in associates, contributed by the development projects in Shanghai and Zhuhai, fell by S\$15.5 million to S\$10.1 million in 4QFY2018.

The Group's share of losses in jointly controlled entities was higher in 4QFY2018 largely attributable to lower profits from the residential development project in Tangshan.

Profit before taxation increased 1% from S\$109.7 million in 4QFY2017 to S\$110.3 million in 4QFY2018.

Income tax expense increased by S\$22.2 million year-on-year to S\$29.1 million. The tax expense in 4QFY2018 included provision for a potential tax liability of approximately S\$20.3 million relating to the gain on sale of Hotel Windsor, as well as recognition of a deferred tax liability amounting to S\$6.0 million relating to the sale of a 30-year leasehold interest in a petrol station site located along Bukit Timah Road. Hotel Windsor, an investment property in Singapore, was sold by the Group in the financial year ended 31 December 2013.

Consequently, profit attributable to owners of the Company in 4QFY2018 was S\$81.4 million, 21% lower year-on-year. This translates to an earnings per share of 12.24 cents, compared to 15.39 cents in 4QFY2017.

7. PERFORMANCE REVIEW OF THE GROUP (cont'd)

Full Year Ended 31st December 2018 vs Full Year Ended 31st December 2017

In FY2018, Group revenue amounted to S\$196.8 million, representing a 20% increase from S\$164.7 million in FY2017. The increase was mainly attributable to higher rental income from Ropemaker Place, which was acquired on 15 June 2018.

The Group's other operating income in FY2018 amounted to S\$13.4 million, a decrease of 46% over the S\$24.9 million recorded in FY2017. The main reasons for the decrease were the gain from the sale of an investment property, Rose Court, amounting to S\$7.4 million recorded in FY2017, and lower distribution income from Eporo Tower in FY2018. Eporo Tower, a residential project in Australia, was completed in the early part of FY2017 and most of the units were sold and delivered to buyers in FY2017.

Profit from operations increased 25% to S\$263.0 million in FY2018 compared to S\$209.8 million in FY2017. Net finance cost was S\$41.6 million, 64% higher year-on-year, mainly due to additional bank borrowings to fund the acquisitions of 67 Lombard Street and Ropemaker Place, and the increase in interest rates for the Group's Singapore dollar and Pound Sterling borrowings.

The Group's share of losses in jointly controlled entities was higher in FY2018 largely attributable to lower profits from the residential development project in Tangshan.

Profit before taxation increased 15% to S\$320.2 million in FY2018.

Income tax expense increased by a net S\$21.3 million to S\$49.7 million. The tax expense in FY2018 included provision for a potential tax liability of approximately S\$20.3 million relating to the gain on sale of Hotel Windsor, as well as recognition of a deferred tax liability amounting to S\$6.0 million relating to the sale of a 30-year leasehold interest in a petrol station site located along Bukit Timah Road. Hotel Windsor, an investment property in Singapore, was sold by the Group in the financial year ended 31 December 2013.

Profit attributable to owners of the Company in FY2018 was S\$270.0 million, 8% higher than FY2017. This translates to an earnings per share of 40.58 cents, compared to 37.44 cents in FY2017.

Total shareholders' fund as at 31st December 2018 amounted to S\$3.3 billion, representing a net asset value of S\$4.94 per share.

8. VARIANCE BETWEEN ACTUAL RESULTS FOR THE CURRENT PERIOD AND PROSPECT STATEMENT PREVIOUSLY DISCLOSED

Not applicable.

9. COMMENTARY ON THE GROUP PROSPECTS

The Singapore office market is expected to remain positive in view of stable demand and tightened supply. In the U.K., our long average tenancies of more than five years will cushion any negative impact that may arise from the uncertainties brought about by Brexit in the near term.

On the local residential front, we expect the market to remain challenging in view of the high number of properties in the supply pipeline and the impact brought about by the new cooling measures introduced in the second half of 2018.

Our portfolio of commercial properties in Singapore and the UK will continue to provide stable recurring income in the coming year. Notwithstanding, the Group is aware of the headwinds arising from the threat of a full-blown US-China trade war and Brexit. We will continue to monitor the underlying global economic outlook and adapt the Group's business strategies to meet these challenges.

10. DIVIDEND

(a) Current Financial Year Reported On

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

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

(b) Corresponding Period Of The Immediately Preceding Financial Year

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

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

(c) Date Payable

Subject to shareholders' approval at the Annual General Meeting of the Company to be held on 30 April 2019, the proposed first and final dividend and the special dividend will be paid on 31 May 2019.

(d) Books Closure Date

Notice is hereby given that the Share Transfer Books and Register of Members of the Company will be closed on 17 May 2019. Duly completed transfers in respect of ordinary shares in the capital of the Company (Shares) received by the Company's Share Registrar, M & C Services Private Limited, 112 Robinson Road #05-01, Singapore 068902, up to the close of business at 5.00 p.m. on 16 May 2019 will be registered to determine entitlements to the proposed first and final dividend and the special dividend. Shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with Shares at 5.00 p.m. on 16 May 2019 will be entitled to the proposed first and final dividend and the special dividend.

11. INTERESTED PERSON TRANSACTIONS

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

12. CONFIRMATION PURSUANT TO RULE 720(1) OF THE LISTING MANUAL

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

13. SEGMENTAL BUSINESS & RESULTS OF THE GROUP

By Operating Segment	Sale of Development Properties		Rental Income		Total	
	FY2018 S\$'000	FY2017 S\$'000	FY2018 S\$'000	FY2017 S\$'000	FY2018 S\$'000	FY2017 S\$'000
Revenue	17,196	17,488	179,649	147,167	196,845	164,655
Gross profit	6,571	2,801	160,132	129,266	166,703	132,067
Fair value gain on investment properties	-	-	121,364	78,082	121,364	78,082
Operating results	6,571	2,801	281,496	207,348	288,067	210,149
Other operating income					13,361	24,887
Other operating expenses					(38,448)	(25,262)
Profit from operations					262,980	209,774
Net finance costs					(41,640)	(25,454)
Share of profits/(losses) of:						
Associates					108,547	99,252
Jointly controlled entities					(9,730)	(4,409)
Profit before taxation					320,157	279,163
Income tax expense					(49,689)	(28,386)
Profit for the year					270,468	250,777

By Geographical Location	Revenue		Profit for the year	
	FY2018 S\$'000	FY2017 S\$'000	FY2018 S\$'000	FY2017 S\$'000
Singapore	91,354	90,347	68,076	66,698
China	5	54	105,083	101,444
Australia	19,444	18,694	7,347	10,197
UK	86,042	55,560	89,962	72,438
Total	196,845	164,655	270,468	250,777

14. BREAKDOWN OF SALES

	GROUP		
	FY2018 S\$'000	FY2017 S\$'000	Change %
Sales reported for first half year	92,055	79,770	15.4%
Profit for the year for first half year	121,464	93,219	30.3%
Sales reported for second half year	104,790	84,885	23.4%
Profit for the year for second half year	149,004	157,558	-5.4%

15. BREAKDOWN OF TOTAL ANNUAL DIVIDEND (NET OF TAX)

	Latest Full Year S\$'000	Previous Full Year S\$'000
Ordinary shares	66,523	66,572
Total	66,523	66,572

16. DISCLOSURE OF PERSON OCCUPYING A MANAGERIAL POSITION IN THE ISSUER OR ANY OF ITS PRINCIPAL SUBSIDIARIES WHO IS A RELATIVE OF A DIRECTOR OR CHIEF EXECUTIVE OFFICER OR SUBSTANTIAL SHAREHOLDER OF THE ISSUER PURSUANT TO RULE 704 (13)

Name	Age	Family relationship with any director, chief executive officer and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Mdm Ng Noi Hinoy	68	Wife of Chua Thian Poh (director, chairman, chief executive officer and substantial shareholder)	Manager, Administration Responsible for office administration and corporate affairs of the Group Since 1995	Nil
Chua Wee Chern	43	Son of Chua Thian Poh (director, chairman, chief executive officer and substantial shareholder)	Deputy Chief Executive Officer Assist the Chairman/CEO in providing leadership and the day to day management of the Group's business and operations. Since 1 October 2018	Promoted from Group Director – Business Development to Deputy Chief Executive Officer on 1 October 2018

BY ORDER OF THE BOARD

Desmond Woon
Executive Director
25 February 2019