

**FRAGRANCE GROUP LIMITED**

Company Registration No.: 200006656M

PRESS RELEASE

Fragrance Group's 1Q 2018 net profit up 57.7% yoy to S\$8.5 million on higher revenue

- *1Q 2018 revenue increased 50.6% yoy to S\$65.7 million on contribution from its property development, hotel operations, commercial and hospitality investment segments in Singapore, Australia and the United Kingdom*
- *Net asset value stands at S\$1.1 billion, with total assets of S\$2.3 billion as at end 1Q 18*

\$'000	1Q 2018	1Q 2017	Change (%)
Revenue	65,738	43,657	50.6
Gross Profit	23,345	15,490	50.7
Net Profit Before Tax	10,799	6,725	60.6
Net Profit Attributable To Shareholders	8,498	5,389	57.7

Financial period ended 31 March

SINGAPORE – 15 May 2018 – Mainboard-listed **Fragrance Group Limited** (“Fragrance” or the “Group”) delivered a net profit of S\$8.5 million for the three months ended 31 March 2018 (“1Q 2018”), up 57.7% year-on-year (“yoy”). The increase in profits comes on back of a 50.6% improvement in revenue to S\$65.7 million for 1Q 2018.

This increase in Group revenue is mainly attributable to the significant contributions from its *City Gate* project in Singapore, higher rental income from the Group’s investment properties, as well as contributions from its hotel investments in the United Kingdom. The Group’s two hotels in Australia and the United Kingdom also contributed to Group revenue.

**Revenue by Segments**

\$'000	1Q 2018	1Q 2017	Change (%)
Property Development	53,136	37,862	40.3
Commercial Investment	5,798	4,957	17.0
Hotel Operations	6,216	838	NM
Hospitality Investment	588	-	NM
	65,738	43,657	50.6

*Financial Period ended 31 March**NM- Not meaningful***Property Development**

The Group's property development segment contributed 40.3% higher revenue to S\$53.1 million compared to the 1Q 2017 due to the substantial recognition of revenue from its *City Gate* project in Singapore.

Investment Properties

Higher rental income from its investment properties mainly due to higher occupancy from *Fragrance Empire Building* and *Victory Centre*, boosted revenue by 17.0% to S\$5.8 million.

Hotel Operations

Group's two hotels – namely, *ibis Styles Hobart* in Australia, and *The Imperial Hotel* in the United Kingdom – generated S\$6.2 million in income from full period operations during the current financial period as opposed to one hotel, *The Imperial Hotel* in the UK contributing its maiden revenue for a shorter period in the corresponding period.

Hospitality Investment

The Group's hotels in the United Kingdom – namely, *Corbyn Head Hotel*, *Lyndene Hotel*, *The Townhouse Hotel* and *The Crown Hotel* - generated S\$0.6 million in Group's turnover.



EPS/NAV per Share

For 1Q 2018, the Group's earnings per ordinary share, based on the weighted average number of shares, rose to approximately 0.13 cents whilst net asset value per ordinary shares remained relatively stable at 16.3 cents and 16.4 cents as at 31 March 2018 and 31 December 2017 respectively.

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About Fragrance Group Limited

Listed on the Mainboard of the Singapore Exchange in 2005, Fragrance Group Limited focuses on real estate, investment and hospitality, and has built up a presence in Asia, Australia and Europe. Its core business include Property Development in Singapore and Australia, Commercial Investments in Singapore, Hotel Investments in the United Kingdom, and Hotel Operations in Australia and the United Kingdom.