Company Registration No. 196300438C

UNAUDITED THIRD QUARTER FINANCIAL STATEMENT

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

1(a)(i) 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	The Group					
		Third Quarter Ended 30 September			Nine Months Ended 30 September		
		2019	2018	+ / (-)	2019	2018	+ / (-)
		$'000	(Restated) $'000	%	$'000	(Restated) $'000	%
Revenue	A	476,608	526,913	(10)	1,730,124	1,828,504	(5)
Cost of sales		(240,122)	(281,606)	(15)	(928,402)	(1,072,470)	(13)
Gross profit		236,486	245,307	(4)	801,722	756,034	6
Other income							
- Finance income	B	2,748	3,707	(26)	10,646	8,853	20
- Miscellaneous income		2,481	2,001	24	9,707	9,597	1
Expenses							
- Marketing and distribution	C	(24,036)	(21,697)	11	(66,000)	(66,257)	(0)
- Administrative	D	(30,659)	(30,071)	2	(90,317)	(90,772)	(1)
- Finance	E	(29,043)	(25,453)	14	(85,523)	(68,708)	24
- Other operating	F	(32,092)	(36,092)	(11)	(171,781)	(117,415)	46
Share of profit of associated companies		1,351	1,801	(25)	3,110	3,371	(8)
Share of loss of a joint venture company		(1,101)	(814)	35	(2,628)	(2,442)	8
Profit before fair value and other gains and income tax		126,135	138,689	(9)	408,936	432,261	(5)
Other gains	G	-	-	-	-	32	(100)
Fair value gains on the Group's investment properties		-	-	-	181,860	64,414	182
Profit before income tax	H	126,135	138,689	(9)	590,796	496,707	19
Income tax expense	I	(22,888)	(19,035)	20	(74,169)	(71,120)	4
Net profit		103,247	119,654	(14)	516,627	425,587	21
Attributable to:							
Equity holders of the Company		80,048	85,748	(7)	347,792	292,956	19
Non-controlling interests		23,199	33,906	(32)	168,835	132,631	27
		103,247	119,654	(14)	516,627	425,587	21
The above net profit attributable to equity holders of the Company can be analysed as follows:							
Attributable profit before fair value and other gains		80,048	85,748	(7)	244,075	253,605	(4)
Other gains		-	-	-	-	32	(100)
Fair value gains on the Group's investment properties		-	-	-	103,717	39,319	164
Net attributable profit		80,048	85,748	(7)	347,792	292,956	19

1(a)(ii) Explanatory Notes to the Consolidated Income Statement

	The Group					
	Third Quarter Ended 30 September			Nine Months Ended 30 September		
	2019	2018	+ / (-)	2019	2018	+ / (-)
	$'000	(Restated) $'000	%	$'000	(Restated) $'000	%
A Revenue						
Revenue from property development	109,282	164,955	(34)	645,456	760,393	(15)
Revenue from property investments	137,416	135,619	1	414,477	404,115	3
Revenue from hotel ownership and operations	166,322	172,244	(3)	480,994	501,036	(4)
Revenue from management services and technologies	41,233	33,732	22	134,091	114,815	17
Dividend income from financial assets at fair value through other comprehensive income	22,355	20,363	10	55,106	48,145	14
	476,608	526,913	(10)	1,730,124	1,828,504	(5)
B Finance income						
Interest income	2,748	3,707	(26)	9,206	8,853	4
Currency exchange gains (net)	-	-	-	1,440	-	n.m.
	2,748	3,707	(26)	10,646	8,853	20
C Marketing and distribution expense						
Advertising and promotion	7,838	7,806	0	21,193	21,924	(3)
Marketing and distribution payroll and related expenses	7,667	7,478	3	22,892	22,666	1
Sales commissions	4,024	3,016	33	11,474	14,204	(19)
Showflat expenses	3,544	2,329	52	7,819	5,018	56
Others	963	1,068	(10)	2,622	2,445	7
	24,036	21,697	11	66,000	66,257	(0)
D Administrative expenses						
Administrative payroll and related expenses	19,147	19,555	(2)	57,992	59,257	(2)
Corporate expenses	4,087	4,559	(10)	12,832	13,307	(4)
Credit card commissions	2,410	2,011	20	6,615	6,076	9
Information technology related expenses	2,210	2,020	9	5,921	5,929	(0)
Property taxes for corporate offices and other taxes	213	272	(22)	667	846	(21)
Bank loan fees and other bank charges	280	128	119	1,020	469	117
Others	2,312	1,526	52	5,270	4,888	8
	30,659	30,071	2	90,317	90,772	(1)
E Finance expense						
Bank facility fees	1,526	1,199	27	4,317	3,798	14
Interest expense	29,637	25,543	16	89,343	65,817	36
Less: borrowing costs capitalised (See footnote 1 on page 3)	(3,280)	(1,545)	112	(8,137)	(1,736)	369
Currency exchange losses (net)	1,160	256	353	-	829	(100)
	29,043	25,453	14	85,523	68,708	24
F Other operating expense						
Property taxes	13,553	13,620	(0)	41,215	41,238	(0)
Repairs, maintenance and security	4,650	5,054	(8)	13,505	15,119	(11)
Heat, light and power	6,518	6,667	(2)	19,136	19,524	(2)
Others	7,371	7,321	1	21,528	22,812	(6)
	32,092	32,662	(2)	95,384	98,693	(3)
Amortisation of development property backlog (See footnote 2 on page 3)	-	3,430	(100)	76,397	18,722	308
	32,092	36,092	(11)	171,781	117,415	46
G Other gains						
Gain on liquidation of a subsidiary	-	-	-	-	32	(100)
H Profit before income tax						
Profit before income tax is stated after charging:						
Depreciation and amortisation (See footnote 3 on page 3)	26,441	31,178	(15)	155,956	110,345	41
Property, plant and equipment written off and net loss on disposals	698	131	433	1,113	770	45
Impairment loss/(write-back of impairment loss) on financial assets	123	3	n.m.	189	(29)	752

n.m. : not meaningful

1(a)(ii) Explanatory Notes to the Consolidated Income Statement (cont'd)

	The Group					
	Third Quarter Ended 30 September			Nine Months Ended 30 September		
	2019	2018	+ / (-)	2019	2018	+ / (-)
	$'000	(Restated) $'000	%	$'000	(Restated) $'000	%
l Income tax expense						
Tax expense attributable to profit is made up of:						
- Profit for the financial year:						
Current income tax						
- Singapore	20,272	15,753	29	59,396	51,512	15
- Foreign	2,494	3,403	(27)	16,958	7,493	126
- Withholding tax paid	136	430	(68)	353	620	(43)
Deferred income tax						
- fair value loss of investment properties	-	-	-	(321)	(259)	24
Deferred income tax	32	1,013	(97)	(1,766)	14,280	(112)
	22,934	20,599	11	74,620	73,646	1
- (Over)/under provision in prior financial periods:						
Current income tax						
- Singapore	(46)	(1,569)	(97)	(236)	(2,641)	(91)
- Foreign	-	5	(100)	(215)	115	(287)
	22,888	19,035	20	74,169	71,120	4

1 Borrowing costs capitalised relate mainly to borrowings for the development of Pan Pacific Orchard and One Bishopsgate Plaza.

2 Development property backlog relates to the recognition of fair value uplift for the sold units under development in Park Eleven, Shanghai and The Clement Canopy arising from the Purchase Price Allocation ("PPA") exercise on consolidation of UIC Group and the common associated and joint venture companies of UIC Group and UOL Group in August 2017. The development property backlog is amortised as and when development profits are recognised. With the completion of Park Eleven, Shanghai and The Clement Canopy as of the end of the first quarter 2019, all development property backlog previously recognised in respect of units sold as of August 2017 have been fully amortised.

3 Depreciation and amortisation for the nine months ended 30 September 2019 was higher mainly from higher amortisation of development property backlog (See footnote 2 above).

1(a)(iii) Consolidated Statement of Comprehensive Income

	Note	The Group					
		Third Quarter Ended 30 September			Nine Months Ended 30 September		
		2019	2018	+ / (-)	2019	2018	+ / (-)
		$'000	(Restated) $'000	%	$'000	(Restated) $'000	%
Net profit		103,247	119,654	(14)	516,627	425,587	21
Other comprehensive (loss)/income:							
Items that may be reclassified subsequently to profit or loss:							
Cash flow hedges		(1,654)	212	(880)	(6,328)	1,765	(459)
Currency translation differences arising from consolidation of foreign operations	A	(3,844)	(26,120)	(85)	(22,549)	(16,079)	40
		(5,498)	(25,908)	(79)	(28,877)	(14,314)	102
Items that will not be reclassified subsequently to profit or loss:							
Financial assets, at fair value through other comprehensive income - fair value (losses)/gains	B	(20,944)	10,624	(297)	52,530	28,310	86
Currency translation differences arising from consolidation of foreign operations		(4,206)	(12,280)	(66)	(9,517)	(15,350)	(38)
Other comprehensive (loss)/income, net of tax		(30,648)	(27,564)	11	14,136	(1,354)	(1,144)
Total comprehensive income		72,599	92,090	(21)	530,763	424,233	25
Total comprehensive income attributable to:							
Equity holders of the Company		53,821	70,478	(24)	369,797	306,765	21
Non-controlling interests		18,778	21,612	(13)	160,966	117,468	37
		72,599	92,090	(21)	530,763	424,233	25

1(a)(iv) Explanatory Notes to the Consolidated Statement of Comprehensive Income

A Currency translation differences arising from consolidation of foreign operations

The currency translation differences arose mainly from the translation of the net assets of the Group's foreign subsidiaries which are denominated in RMB, GBP, AUD, MYR, VND, USD and IDR.

B Fair value (losses)/gains on financial assets at fair value through other comprehensive income

The quoted financial assets at fair value through other comprehensive income are stated at their fair values based on the quoted closing bid prices as at the reporting date. The fair value losses recorded for the third quarter of 2019 was due to the decrease in the closing bid prices of the relevant quoted equity shares from the previous quarter.

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.

	Note	The Group			The Company	
		30.09.19	31.12.18 (Restated)	31.12.17 (Restated)	30.09.19	31.12.18
		$'000	$'000	$'000	$'000	$'000
ASSETS						
Current assets						
Cash and bank balances		570,636	677,172	816,446	1,664	2,490
Trade and other receivables		511,674	575,648	395,299	5,989	4,269
Derivative financial instrument		232	1,958	14	-	-
Developed properties held for sale	A	727,998	985,376	393,435	-	-
Development properties	A	2,116,981	2,641,025	2,458,787	-	-
Inventories		4,957	4,248	4,991	-	-
Other assets	B	237,898	51,123	75,238	4,308	775
Current income tax assets		244	125	220	-	-
		4,170,620	4,936,675	4,144,430	11,961	7,534
Non-current assets						
Trade and other receivables		114,998	106,787	92,924	863,884	1,096,239
Other assets		29,381	23,451	-	-	-
Derivative financial instrument		-	-	1,538	-	-
Available-for-sale financial assets		-	-	1,131,702	-	-
Financial assets at fair value through other comprehensive income		1,128,066	1,075,536	-	856,827	820,642
Investments in associated companies		281,632	281,480	285,511	-	-
Investments in joint venture companies		-	-	970	-	-
Investments in subsidiaries		-	-	-	1,986,203	1,971,775
Investment properties	C	11,433,445	11,264,120	10,917,340	478,376	477,250
Property, plant and equipment		2,763,602	2,807,688	2,856,164	1,756	1,665
Intangibles	D	53,493	122,691	180,951	630	758
Deferred income tax assets		21,133	1,931	1,005	-	-
		15,825,750	15,683,684	15,468,105	4,187,676	4,368,329
Total assets		19,996,370	20,620,359	19,612,535	4,199,637	4,375,863
LIABILITIES						
Current liabilities						
Trade and other payables	E	448,836	802,588	927,594	640,974	920,417
Current income tax liabilities		94,935	107,282	108,581	3,551	1,845
2.5% unsecured fixed rate notes due 2020		239,780	-	-	-	-
2.5% unsecured fixed rate notes due 2018		-	-	174,961	-	-
Bank loans	F	1,653,026	1,762,719	797,583	-	319,269
Finance lease liabilities and lease liabilities		1,051	252	270	-	-
Derivative financial instrument		-	322	377	-	322
Loan from non-controlling shareholder of a subsidiary	G	13,868	80,168	-	-	-
		2,451,496	2,753,331	2,009,366	644,525	1,241,853
Non-current liabilities						
Trade and other payables		224,843	200,633	214,879	3,845	2,430
Finance lease liabilities and lease liabilities		13,926	3,367	3,614	-	-
Bank loans	F	2,515,427	2,522,149	2,568,187	62,265	-
2.5% unsecured fixed rate notes due 2020		-	239,600	239,360	-	-
3.0% unsecured fixed rate notes due 2024	F	199,083	-	-	-	-
Derivative financial instrument		8,664	2,419	1,708	1,290	-
Loan from non-controlling shareholder of a subsidiary		107,361	101,561	63,009	-	-
Provision for retirement benefits		6,695	6,203	5,621	-	-
Deferred income tax liabilities		352,353	357,448	369,622	3,673	3,717
		3,428,352	3,433,380	3,466,000	71,073	6,147
Total liabilities		5,879,848	6,186,711	5,475,366	715,598	1,248,000
NET ASSETS		14,116,522	14,433,648	14,137,169	3,484,039	3,127,863
Capital & reserves attributable to equity holders of the Company						
Share capital		1,559,823	1,556,201	1,549,744	1,559,823	1,556,201
Reserves		837,605	814,629	916,889	678,840	642,560
Retained earnings		7,459,891	7,250,220	6,973,061	1,245,376	929,102
		9,857,319	9,621,050	9,439,694	3,484,039	3,127,863
Non-controlling interests	H	4,259,203	4,812,598	4,697,475	-	-
TOTAL EQUITY		14,116,522	14,433,648	14,137,169	3,484,039	3,127,863

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. (cont'd)

Explanatory Notes to the Statement of Financial Position

A Developed properties held for sale/Development properties

The decrease in developed properties held for sale was due mainly to 1) residential sales in Pollen & Bleu, V on Shenton and Mon Jervois; and 2) the handover of sold units at Park Eleven, Shanghai to purchasers (where revenue for the development is recognised on a completed contract basis). The decrease in development properties was due mainly to the receipt of Temporary Occupation Permit ("TOP") for The Clement Canopy and Botanique at Bartley in March 2019 and April 2019 respectively.

B Other assets

Included in other assets as at 30 September 2019 was an amount of $167.0 million being tender deposit and stamp duties for a residential site at Clementi Avenue 1 awarded by the Urban Redevelopment Authority at a tender price of $491.3 million. The Group has an effective 90% interest in the development project through its 80% direct interest and 20% through United Industrial Corporation Limited.

C Investment properties

Investment properties are stated at valuation as determined by independent professional valuers. It is the practice of the Group to revalue its investment properties half yearly. The increase in investment properties arose mainly from the recognition of fair value gains totaling $181.9 million mainly from Singapore Land Tower, Novena Square, The Gateway and UIC Building.

D Intangibles

The reduction in intangibles was due mainly to the full amortisation of development property backlog previously recorded as an intangible arising from the Purchase Price Allocation exercise on consolidation of UIC Group. See also footnote 2 on page 3.

E Current trade and other payables

Current trade and other payables have decreased due mainly to the recognition of revenue from sales proceeds received in advance from the sale of residential units in Park Eleven, Shanghai upon the handover of the remaining 103 units out of the 150 units sold as at end 2018.

F Current and non-current bank loans/3.0% unsecured fixed rate notes due 2024

The Group raised $200 million by issuing unsecured fixed rate notes with a coupon rate of 3.0% and maturing in 2024 in the second quarter of 2019, with the proceeds used to repay some of the Group's short term borrowings. The net increase in borrowings totaling $82.8 million was due mainly to the acquisition of shares in Marina Centre Holdings Private Limited ("MCH") and Aquamarina Hotel Private Limited ("AHPL") for $675.3 million. This was offset in part by loan repayments from proceeds received upon the issue of TOP for Principal Garden in December 2018, The Clement Canopy in March 2019, and Botanique at Bartley in April 2019.

G Current loan from non-controlling shareholder of a subsidiary

The decrease from end 2018 arose mainly from the repayment of loan from the non-controlling shareholder of Secure Venture Development (Alexandra) Pte. Ltd. with proceeds from the construction completion of Principal Garden.

H Non-controlling interests

The decrease in non-controlling interests was due mainly to the Group's acquisition of shares in subsidiaries, MCH and AHPL, from non-controlling shareholders. With this acquisition, the Group's aggregate interest (direct and deemed) in MCH increased from 75.73% to 100%; and in AHPL increased from 75% to 100%.

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

	As at 30.09.19		As at 31.12.18	
	Secured	Unsecured	Secured	Unsecured
	$'000	$'000	$'000	$'000
Amount repayable in one year or less, or on demand	41,288	1,866,075	100,661	1,743,810
Amount repayable after one year	1,186,108	1,643,756	1,217,580	1,654,499

Details of any collaterals

The borrowings are secured by bank deposits, mortgages on the borrowing subsidiaries' investment properties, hotel properties, development properties, and/or assignment of all rights and benefits with respect to the properties and/or corporate guarantees from the Company or other Group subsidiaries.

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.

Consolidated Statement of Cash Flows for the third quarter ended 30 September

	Note	The Group 3rd Qtr 2019 $'000	The Group 3rd Qtr 2018 (Restated) $'000
Cash flows from operating activities			
Net profit		103,247	119,654
Adjustments for:			
Income tax expense		22,888	19,035
Non-cash items	i	33,953	38,857
Dividend income and interest income		(25,103)	(24,070)
Interest expense		27,883	25,197
		162,868	178,673
Change in working capital			
Receivables	ii	(89,052)	291,383
Development properties	iii	(8,341)	(1,091,034)
Inventories		(1,527)	951
Payables		16,322	(5,871)
		(82,598)	(804,571)
Cash generated from/(used in) operations		80,270	(625,898)
Income tax paid		(35,740)	(30,165)
Retirement benefits paid		(11)	(33)
Net cash from/(used in) operating activities	iii	44,519	(656,096)
Cash flows from investing activities			
Payment to non-controlling shareholder on liquidation of a subsidiary		-	(1,679)
Payments for intangibles		(208)	-
Loans to an associated company and a joint venture company		-	(7,250)
Net proceeds from disposal of property, plant and equipment		50	177
Purchase of property, plant and equipment and investment properties	iv	(21,618)	(19,332)
Interest received		2,748	4,875
Dividends received		22,355	23,345
Net cash from investing activities		3,327	136
Cash flows from financing activities			
Proceeds from shares issued		655	449
Payment to non-controlling shareholders for purchase of shares in subsidiaries		-	(1,556)
Net proceeds from issue of shares to non-controlling shareholders of subsidiaries		-	15
Loan from non-controlling shareholder of a subsidiary		1,680	60,277
Proceeds from borrowings	v	219,777	877,427
Repayment of borrowings	v	(282,767)	(288,059)
Expenditure relating to bank borrowings		-	(2,919)
Interest paid		(28,893)	(27,464)
Payment of finance lease liabilities and lease liabilities		(538)	(65)
Bank deposits pledged as security		(37,746)	-
Dividends paid to non-controlling interests		-	(1,092)
Net cash (used in)/from financing activities		(127,832)	617,013
Net decrease in cash and cash equivalents		(79,986)	(38,947)
Cash and cash equivalents at the beginning of the financial period		609,390	739,699
Effects of currency translation on cash and cash equivalents		(268)	(2,091)
Cash and cash equivalents at the end of the financial period	vi	529,136	698,661

Explanatory Notes to the Consolidated Statement of Cash Flows

i. Non-cash items

Non-cash items consist mainly of depreciation and amortisation expenses and unrealised translation gains/losses.

ii. Receivables

The cashflow changes for receivables for the third quarter of 2019 arose mainly from the payment of tender deposit and stamp duties amounting to $167.0 million for the residential site at Clementi Avenue 1. The cash inflow for receivables in the third quarter of 2018 relates mainly to the reclassification of the tender deposit and stamp duties totaling $300.2 million for the site at Silat Avenue (for the Avenue South Residence development) from receivables to development properties upon completion of the acquisition in the third quarter.

iii. Development properties/Net cash used in operating activities

The cash outflow for development properties and net cash used in operating activities in the third quarter of 2018 resulted mainly from the acquisition of the site at Silat Avenue.

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. (cont'd)

Explanatory Notes to the Consolidated Statement of Cash Flows

iv. Purchase of property, plant and equipment and investment properties

Purchases of property, plant and equipment and investment properties relates mainly to expenditure for the redevelopment of Pan Pacific Orchard and on-going upgrading and improvements to the Group's hotels and investment properties.

v. Proceeds from borrowings/Repayment of borrowings

The net repayment of borrowings was mainly from funds received from dividends and progress billings of development projects.

vi. Cash and cash equivalents

For the purposes of the Consolidated Statement of Cash Flows, the cash and cash equivalents comprise the following:

	The Group	
	30.09.19	30.09.18
	$'000	$'000
Fixed deposits with financial institutions	522,778	353,166
Cash at bank and on hand	47,858	345,495
Cash and bank balances per Statement of Financial Position	570,636	698,661
Less: Bank deposits pledged as security	(41,500)	-
Cash and cash equivalents per Consolidated Statement of Cash Flows	529,136	698,661

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

Consolidated Statement of Changes in Equity for the third quarter ended 30 September

	Share capital	Reserves	Retained earnings	Non-controlling interests	Total equity
	$'000	$'000	$'000	$'000	$'000
The Group					
2019					
Balance at 1 July 2019	1,559,168	863,524	7,379,843	4,240,394	14,042,929
Profit for the period	-	-	80,048	23,199	103,247
Other comprehensive loss for the period	-	(26,227)	-	(4,421)	(30,648)
Total comprehensive (loss)/income for the period	-	(26,227)	80,048	18,778	72,599
Employee share option scheme					
- value of employee services	-	308	-	31	339
- proceeds from shares issued	655	-	-	-	655
Total transactions with owners, recognised directly in equity	655	308	-	31	994
Balance at 30 September 2019	1,559,823	837,605	7,459,891	4,259,203	14,116,522
The Group					
2018					
Balance at 1 July 2018	1,554,946	946,910	7,032,066	4,749,764	14,283,686
Profit for the period	-	-	85,748	33,906	119,654
Other comprehensive loss for the period	-	(15,270)	-	(12,294)	(27,564)
Total comprehensive (loss)/income for the period	-	(15,270)	85,748	21,612	92,090
Employee share option scheme					
- value of employee services	-	563	-	38	601
- proceeds from shares issued	449	-	-	-	449
Dividends	-	-	-	(1,092)	(1,092)
Acquisition of interests from non-controlling shareholders	-	-	-	(1,556)	(1,556)
Issue of shares to non-controlling shareholders	-	-	-	15	15
Liquidation of a subsidiary	-	-	-	(1,679)	(1,679)
Total transactions with owners, recognised directly in equity	449	563	-	(4,274)	(3,262)
Balance at 30 September 2018	1,555,395	932,203	7,117,814	4,767,102	14,372,514

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. (cont'd)

Statement of Changes in Equity for the third quarter ended 30 September

	Share capital $'000	Reserves $'000	Retained earnings $'000	Total equity $'000
The Company				
2019				
Balance at 1 July 2019	1,559,168	694,823	806,590	3,060,581
Profit for the period	-	-	438,786	438,786
Other comprehensive loss for the period	-	(16,260)	-	(16,260)
Total comprehensive (loss)/ income for the period	-	(16,260)	438,786	422,526
Employee share option scheme				
- value of employee services	-	277	-	277
- proceeds from shares issued	655	-	-	655
Total transactions with owners, recognised directly in equity	655	277	-	932
Balance at 30 September 2019	1,559,823	678,840	1,245,376	3,484,039
2018				
Balance at 1 July 2018	1,554,946	719,485	848,537	3,122,968
Profit for the period	-	-	16,015	16,015
Other comprehensive income for the period	-	8,317	-	8,317
Total comprehensive income for the period	-	8,317	16,015	24,332
Employee share option scheme				
- value of employee services	-	524	-	524
- proceeds from shares issued	449	-	-	449
Total transactions with owners, recognised directly in equity	449	524	-	973
Balance at 30 September 2018	1,555,395	728,326	864,552	3,148,273

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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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.

During the quarter ended 30 September 2019, the changes in the issued share capital of the Company were as follows:

	Number of Ordinary Shares
Issued share capital as at 1 July 2019	843,156,232
Issue of ordinary shares arising from the exercise of:	
2013 Options at exercise price of S$6.55 per share	38,000
2014 Options at exercise price of S$6.10 per share	29,000
2016 Options at exercise price of S$5.87 per share	12,000
2017 Options at exercise price of S$6.61 per share	24,000
Ordinary shares issued upon exercise of options	103,000
Issued share capital as at 30 September 2019	843,259,232

As at 30 September 2019, there were 4.842,000 (30.09.2018: 4,693,000) ordinary shares which may be issued upon the exercise of options under the UOL 2000 Share Option Scheme and UOL 2012 Share Option Scheme.

The Company did not hold any treasury shares and there were no subsidiary holdings as of 30 September 2019 and 30 September 2018.

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.

	The Company	
	30.09.19	31.12.18
Total number of issued shares, excluding treasury shares	843,259,232	842,679,232

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.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

There were no sales, transfers, disposal, cancellation and/or use of subsidiary holdings during the financial period ended 30 September 2019.

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

The figures have neither been audited nor 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.

Except as stated in Note 5, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as those of the audited financial statements for the financial year ended 31 December 2018.

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.

On 1 January 2019, the Group adopted the standards, amendments and interpretations to existing standards that are mandatory for application from that date. The following are the new or amended financial reporting standards that are relevant to the Group:

- SFRS(I) 16 Leases
- SFRS(I) 1-23 Borrowing Costs - Agenda Decision by the International Financial Reporting Interpretations Committee
- SFRS(I) INT 23 Uncertainty Over Income Tax Treatments

The adoption of the above standards and interpretations did not result in any substantial change to the Group's accounting policies nor any significant impact on the financial statements except for the following:

SFRS(I) 16 Leases

SFRS(I) 16 removes the distinction between operating and finance leases and results in the recognition of an asset (the right to use the leased item) and a financial liability to pay rentals in the statement of financial position for leases except those that are short term or have low value.

The Group has applied the standard from its mandatory adoption date of 1 January 2019 and adopted the simplified transition approach which allows for no restatement of comparative amounts for the year prior to first adoption. Right-of-use assets for property leases was measured on transition as if the new rules had always been applied and all other right-of-use assets was measured at the amount of the lease liability on adoption (adjusted for any prepaid or accrued lease expenses).

Right-of-use assets and lease liabilities of approximately $11.9 million respectively have been recognised by the Group on 1 January 2019 in its statement of financial position while the impact to the consolidated income statement is not signficant. There is also no significant impact on the financial statements from the Group's activities as a lessor except for some additional disclosures which will be required in the full year Annual Report.

SFRS(I) 1-23 Borrowing Costs

In 2018, the International Financial Reporting Standards Interpretations Committee ("Interpretations Committee"), which works with the International Accounting Standards Board in supporting the application of IFRS Standards, received a submission on whether a real estate developer capitalises borrowing costs as part of the cost of units for a residential multi-unit real estate development, for which the developer recognises revenue over time for the sale of individual units in the development based on IFRS 15 Revenue from Contracts with Customers.

In November 2018, the Committee issued a Tentative Agenda Decision containing explanatory material for the decision and how the applicable principles and requirements in IAS 23 Borrowing Costs apply to the fact pattern in the submission. The Interpretations Committee tentatively concluded that such an entity should not capitalise borrowing costs. This tentative agenda decision was finalised in its original form on 20 March 2019.

As SFRS(I) 1-23 and SFRS(I) 15 Revenue from Contracts with Customers (the accounting standards applicable to the Group) are aligned to IAS 23 and IFRS 15 respectively, the above Agenda Decision has relevant impact to the Group's activities as a property developer. Following this Agenda Decision, borrowing costs which were previously capitalised for development projects over the period of development are now expensed as incurred to the income statement.

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. (cont'd)

The effects of the change in accounting policy on capitalisation of borrowings costs on the results and financial position of the Group are as follows:

	Third Quarter Ended 30 Sep 2018			Nine Months Ended 30 Sep 2018		
	As previously reported $'000	Effects of adoption $'000	As restated $'000	As previously reported $'000	Effects of adoption $'000	As restated $'000
Effect on Consolidated Income Statement						
Cost of sales	(288,792)	5,546	(283,246)	(1,104,856)	27,547	(1,077,309)
Finance expenses	(9,408)	(16,045)	(25,453)	(34,421)	(34,287)	(68,708)
Share of loss of a joint venture company	(73)	(741)	(814)	(221)	(2,221)	(2,442)
Income tax expense	(20,835)	1,800	(19,035)	(72,310)	1,190	(71,120)
Net profit	129,094	(9,440)	119,654	433,358	(7,771)	425,587
Net profit attributable to:						
- Equity holders of the Company	92,807	(7,059)	85,748	299,292	(6,336)	292,956
- Non-controlling interests	36,287	(2,381)	33,906	134,066	(1,435)	132,631
	129,094	(9,440)	119,654	433,358	(7,771)	425,587
Basic earnings per share (cents)*	11.02	(0.84)	10.18	35.54	(0.75)	34.79
Diluted earnings per share (cents)*	11.02	(0.84)	10.18	35.52	(0.75)	34.78

	31.12.18			1.1.18		
	As previously reported $'000	Effects of adoption $'000	As restated $'000	As previously reported $'000	Effects of adoption $'000	As restated $'000
Effect on Statement of Financial Position						
Developed properties held for sale	990,310	(4,934)	985,376	399,786	(6,351)	393,435
Development properties	2,676,478	(35,453)	2,641,025	2,472,402	(13,615)	2,458,787
Investments in joint venture companies	1,095	(2,962)	(1,867)	970	-	970
Current income tax liabilities	107,758	(476)	107,282	109,186	(605)	108,581
Deferred income tax liabilities	363,831	(6,383)	357,448	372,345	(2,723)	369,622
Retained earnings	7,277,078	(26,858)	7,250,220	6,984,500	(11,439)	6,973,061
Non-controlling interest	4,822,230	(9,632)	4,812,598	4,702,674	(5,199)	4,697,475
Net asset value per ordinary share ($)*	11.45	(0.03)	11.42	11.23	(0.01)	11.22
Net tangible asset backing per ordinary share ($)*	11.30	(0.03)	11.27	11.01	(0.01)	11.00

*The amounts may not add up due to rounding.

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

	The Group	
	3rd Qtr 2019	3rd Qtr 2018 (Restated)
Earnings per ordinary share for the period		
(i) Based on weighted average number of ordinary shares in issue	cents 9.50	cents 10.18
(ii) On a fully diluted basis	cents 9.49	cents 10.18

Earnings per share is calculated by reference to the weighted average number of ordinary shares in issue during the financial period.

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 market value.

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 period reported on and (b) immediately preceding financial year.

	The Group		The Company	
	30.09.19	31.12.18 (Restated)	30.09.19	31.12.18
Net asset value per ordinary share	$11.69	$11.42	$4.13	$3.71
Net tangible asset backing per ordinary share	$11.63	$11.27	$4.13	$3.71

8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonable or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Revenue

Group revenue in the third quarter of 2019 decreased by $50.3 million or 10% to $476.6 million from $526.9 million in the corresponding period of 2018 due mainly to lower progressive recognition of revenue from development projects, Principal Garden, The Clement Canopy and Botanique at Bartley which obtained TOP in December 2018, March 2019 and April 2019 respectively. Hotel operations also recorded a 3% decline mainly from lower occupancies and room rates at Marina Mandarin and PARKROYAL Darling Harbour and ongoing refurbishments at PARKROYAL on Kitchener Road.

The decrease was offset partially by higher progressive recognition of revenue from development projects, Amber45 and The Tre Ver and higher sales from the Group's technologies segment.

Gross profit margin

Gross profit margin of 50% for the third quarter of 2019 was higher than the 47% margin for 2018 due mainly to lower revenue from property development which has a higher cost ratio.

Expenses

The higher marketing and distribution expenses was mainly from showflat costs and expenses for the launch of the Avenue South Residence development, and ongoing sales of residential units at Amber45, The Tre Ver, Mon Jervois and V on Shenton.

The decrease in other operating expenses resulted mainly from the absence of amortisation of development property backlog for which an amount of $3.4 million was recorded in the third quarter of 2018 on sold units under development in The Clement Canopy. The development property backlog arose from the Purchase Price Allocation exercise in relation to the consolidation of UIC Group in August 2017 and is amortised as and when development profits are recognised. With the completion of Park Eleven, Shanghai and The Clement Canopy as of the end of the first quarter 2019, all development property backlog previously recognised in respect of units sold as of August 2017 have been fully amortised.

Finance expenses have increased with higher interest expenses on borrowings for the new development project, Avenue South Residence and for the acquisition of shares in Marina Centre Holdings Private Limited and Aquamarina Hotel Private Limited.

Profit & Loss

Third quarter ended 30 September 2019/2018

The pre-tax profit for the third quarter of 2019 was $126.1 million, a decrease of 9% compared to the profit of $138.7 million for the third quarter of 2018. The decrease was attributed mainly to lower profit from property development and higher finance expenses. Profit after tax and non-controlling interest was $80.0 million, a decrease of 7% from the profit of $85.7 million in the corresponding quarter of 2018.

Nine months ended 30 September 2019/2018

The pre-tax profit before fair value and other gains/(losses) for the nine months ended 30 September 2019 was $408.9 million, a decrease of 5% or $23.3 million from the profit of $432.3 million in 2018 due mainly to 1) the accounting reversal of development property backlog of $76.4 million compared to $18.7 million in 2018; and 2) higher interest expenses on borrowings.

With higher attributable fair value and other gains of $103.7 million recognised in 2019 compared to $39.4 million in the previous period, profit after tax and non-controlling interest increased by $54.8 million or 19% to $347.8 million from the profit of $293.0 million in 2018.

Net tangible asset and gearing

The Group's shareholders' funds increased from $9.62 billion as at 31 December 2018 to $9.86 billion as at 30 September 2019 due mainly to profits recognised in the first nine months of 2019 and fair value gains on financial assets at fair value through other comprehensive income. Consequently the net tangible asset per ordinary share of the Group increased to $11.63 as at 30 September 2019 from $11.27 (restated) as at 31 December 2018.

The Group's gearing ratio increased from 0.28 as at 31 December 2018 to 0.30 as at 30 September 2019 due mainly to borrowings for the acquisition of shares in Marina Centre Holdings Private Limited and Aquamarina Hotel Private Limited.

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

Nil.

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.

The Singapore economy grew by a marginal 0.1% on a year-on-year basis in the third quarter of 2019, the same pace as in the previous quarter. Prices of private residential properties increased by 1.3% in the third quarter of 2019 from the levels in the previous quarter, with about 3,281 new units sold. It is expected that prices of new private homes will remain relatively stable.

Limited supply and tightening vacancy should support office rents in Singapore although the weakening economic outlook could limit growth in rental rates. Retail rents are expected to remain under pressure amidst weak retail sales and tepid economic growth.

In the United Kingdom, uncertainties over Brexit will continue to weigh on the London residential property market. Leasing activities remain resilient in Midtown where the Group owns two commercial properties.

According to the World Trade Organization, international tourist arrivals to Asia and the Pacific grew by 6.2% in the first six months of 2019. However, the protracted China-US trade tensions could moderate growth in international tourist arrivals to the region. Trading conditions for the Group's hotels in Myanmar and People's Republic of China remain difficult.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Name of dividend	:	N.A.
Dividend Type	:	N.A.
Dividend Rate	:	NIL
Tax Rate	:	N.A.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of dividend	:	N.A.
Dividend Type	:	N.A.
Dividend Rate	:	NIL
Tax Rate	:	N.A.

(c)	Date payable	:	N.A.
(d)	Books closure date	:	N.A.

12 If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

No dividend has been declared or recommended for the third quarter ended 30 September 2019 as it is not the usual practice of the Group to declare interim dividends.

13 If the Group has obtained a general mandate from shareholders for 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.

The Company has not obtained a general mandate from shareholders for Interested Person Transactions.

CONFIRMATION BY DIRECTORS

The Board of Directors of the Company hereby confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited consolidated financial results for the nine months / third quarter ended 30 September 2019 to be false or misleading.

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 its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Foo Thiam Fong Wellington
Company Secretary
12 November 2019