

HONG FOK CORPORATION LIMITED

(Co. Reg. No. 196700468N)

Full Year Financial Statement And Dividend Announcement for the Year Ended 31 December 2014

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

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

Full year financial statement on consolidated results for the year ended 31 December 2014.
These figures have not been audited.

	The Group		%
	\$'000		
	2014	2013 (Restated)	Increase/ (Decrease)
Revenue (Note 1)	97,236	235,411	(59)
Other income (Note 2)	742	1,995	(63)
	97,978	237,406	(59)
Cost of sales of development properties	(28,732)	(143,059)	(80)
Depreciation of fixed assets	(354)	(327)	8
Exchange gain/(loss), net	23	(229)	NM
Gain on disposal of subsidiary, net (Note 3)	18,849	-	NM
Gain on revaluation of investment properties	46,574	328,713	(86)
(Loss)/Gain on remeasurement of other investments	(135)	391	NM
Impairment loss on trade and other receivables and bad debts written off, net	(15)	(23)	(35)
Impairment loss on other assets	(24)	(16)	50
Other expenses	(45,392)	(54,545)	(17)
	88,772	368,311	(76)
Finance expense	(18,745)	(18,232)	3
	70,027	350,079	(80)
Share of results of associates, net of tax	*	-	NM
Profit before income tax (Note 4)	70,027	350,079	(80)
Income tax expense	(5,951)	(6,090)	(2)
Profit for the year	64,076	343,989	(81)
Profit attributable to:			
Owners of the Company	48,090	300,530	(84)
Non-controlling interests	15,986	43,459	(63)
Profit for the year	64,076	343,989	(81)
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of foreign subsidiaries	15,436	10,405	48
Exchange differences on monetary items forming part of net investments in foreign subsidiaries	1,659	926	79
Net change in capital and other reserves	(260)	-	NM
Other comprehensive income for the year, net of income tax	16,835	11,331	49
Total comprehensive income for the year	80,911	355,320	(77)
Total comprehensive income attributable to:			
Owners of the Company	53,771	320,572	(83)
Non-controlling interests	27,140	34,748	(22)
Total comprehensive income for the year	80,911	355,320	(77)

* Amount less than \$1,000.

Notes:

- (1) Included in Revenue is investment income of approximately \$27,000 (2013 : \$347,000).
- (2) Included in Other income is net gain on disposal of fixed assets of approximately \$41,000 (2013 : net loss of approximately \$4,000).
- (3) Included in Gain on disposal of subsidiary, net is transaction costs of approximately \$4,518,000.
- (4) Included in Profit before income tax is net profit on sale of development properties of approximately \$10,612,000 (2013 : \$36,877,000).

(5) NM – Not Meaningful.

(6) NA – Not Applicable.

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.

	The Group		The Company	
	\$'000		\$'000	
	2014	2013 (Restated)	2014	2013
Non-current Assets				
Fixed assets	2,131	624	-	-
Subsidiaries	-	-	225,359	197,354
Associates	*	-	-	-
Investment properties	2,193,456	2,096,825	-	-
Other assets	208	351	-	-
Available-for-sale financial assets	613	399	-	-
Pledged bank deposits	4,856	146	-	-
	2,201,264	2,098,345	225,359	197,354
Current Assets				
Amount due from subsidiaries	-	-	236,179	256,273
Other investments	1,282	1,402	-	-
Development properties	292,332	443,093	-	-
Trade and other receivables	33,835	19,122	29	7
Tax recoverable	22	50	-	-
Cash and cash equivalents	93,071	37,469	29,581	20,077
	420,542	501,136	265,789	276,357
Total Assets	2,621,806	2,599,481	491,148	473,711
Equity Attributable to Owners of the Company				
Share capital	186,688	186,688	186,688	186,688
Reserves	1,134,878	1,088,937	59,619	42,131
	1,321,566	1,275,625	246,307	228,819
Non-controlling interests	476,260	451,335	-	-
Total Equity	1,797,826	1,726,960	246,307	228,819
Non-current Liabilities				
Trade and other payables	4,387	7,626	-	-
Loans and borrowings	661,910	327,144	218,262	217,755
Deferred tax liability	917	7,028	-	-
	667,214	341,798	218,262	217,755
Current Liabilities				
Amount due to subsidiaries	-	-	22,001	22,002
Trade and other payables	66,686	58,922	4,578	4,593
Loans and borrowings	77,508	469,575	-	-
Financial guarantees	-	-	-	542
Tax payable	12,572	2,226	-	-
	156,766	530,723	26,579	27,137
Total Liabilities	823,980	872,521	244,841	244,892
Total Equity and Liabilities	2,621,806	2,599,481	491,148	473,711

* Amount less than \$1,000.

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

Amount repayable in one year or less, or on demand

As at 31.12.2014		As at 31.12.2013 (Restated)	
Secured	Unsecured	Secured	Unsecured
\$77,292,000	\$216,000	\$469,575,000	-

Amount repayable after one year

As at 31.12.2014		As at 31.12.2013 (Restated)	
Secured	Unsecured	Secured	Unsecured
\$443,648,000	\$218,262,000	\$109,389,000	\$217,755,000

Details of any collaterals

The borrowings by the subsidiaries are generally secured by the Group's certain investment properties and certain development properties and are guaranteed by the Company and/or its 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.

The Group	
\$'000	
2014	2013 (Restated)
Operating Activities	
Profit before income tax	350,079
Adjustments for:	
Share of results of associates, net of tax	-
Amortisation of transaction costs of loans and borrowings	2,077
Depreciation of fixed assets	327
Equity-settled share-based payment expenses	1,549
(Gain)/Loss on disposal of fixed assets, net	4
Gain on disposal of other investments	(326)
Gain on disposal of subsidiary, net	-
Gain on revaluation of investment properties	(328,713)
Loss on disposal of other assets	10
Loss/(Gain) on remeasurement of other investments	(391)
Loss on revaluation on building	5
Impairment loss on trade and other receivables and bad debts written off, net	23
Impairment loss on other assets	16
Interest income	(153)
Interest expense	16,155
	40,662
Changes in working capital:	
Development properties	(108,614)
Trade and other receivables	5,001
Trade and other payables	5,820
Cash generated from/(used in) operations	(57,131)
Income tax paid	(3,028)
Interest income received	155
Income tax refund	-
Net Cash From/(Used In) Operating Activities	(60,004)
Investing Activities	
Capital expenditure on investment properties	(4,101)
Acquisition of investment properties	(16,491)
Payment of development charge	(63,492)
Purchase of fixed assets	(341)
Purchase of other assets	-
Purchase of other investments	(1,046)
Proceeds from disposal of fixed assets	-
Proceeds from disposal of other assets	1
Proceeds from disposal of other investments	976
Disposal of subsidiary, net of cash	-
Net Cash From/(Used In) Investing Activities	(84,494)
Financing Activities	
Increase in pledged bank deposits	(40)
Interest expense paid	(13,298)
Dividend paid	(3,780)
Payment of finance lease rentals	(11)
Payment of transaction costs on loans and borrowings	(4,855)
Payment of acquisition of ownership interests in subsidiaries with no change in control	(1,544)
Repayments of loans and borrowings	(132,700)
Proceeds from loans and borrowings	246,775
Net Cash (Used In)/From Financing Activities	90,547
Net Increase/(Decrease) in Cash and Cash Equivalents	(53,951)
Cash and cash equivalents at 1 January	90,760
Effect of exchange rate fluctuations	660
Cash and Cash Equivalents at 31 December	37,469
Cash and Cash Equivalents at 31 December is represented by:	
Cash at banks and in hand	23,884
Fixed deposits	13,585
	37,469

* Amount less than \$1,000.

Included in cash and cash equivalents as at 31 December 2014 is an amount held under the Housing Developers (Project Account) Rules of approximately \$22,237,000 (2013 : \$1,000) the use of which is subject to restriction imposed by the said Rules.

Summary of Effect of Disposal of Subsidiary

	The Group
	\$'000
	2014
Development properties	2,130
Trade and other receivables	9
Cash and cash equivalents	1
Trade and other payables	(103)
Inter-company loans	(10,040)
	(8,003)
Realisation of reserves	180
Assignment of inter-company loans	10,040
Net assets disposed	2,217
Gain on disposal of subsidiary, before transaction costs	23,367
Exchange difference	1,325
Sale consideration	26,909
Deferred consideration received in advance	9,000
Cash of subsidiary disposed	(1)
Cash inflow on disposal of subsidiary	35,908

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.**

	\$'000							
	Attributable to Owners of the Company						Non-Controlling Interests	Total Equity
	Share Capital	Capital and Other Reserves	Treasury Shares	Translation Reserves	Retained Profit	Total		
The Group								
At 1 January 2013, as previously reported	186,688	2,371	-	(58,987)	1,074,691	1,204,763	-	1,204,763
Effect of adopting FRS 110	-	5	(101,050)	2,681	(161,605)	(259,969)	430,621	170,652
At 1 January 2013, as restated	186,688	2,376	(101,050)	(56,306)	913,086	944,794	430,621	1,375,415
Total comprehensive income for the year								
Profit for the year, restated	-	-	-	-	300,530	300,530	43,459	343,989
Other comprehensive income								
Exchange differences on translation of financial statements of foreign subsidiaries	-	838	-	12,549	5,729	19,116	(8,711)	10,405
Exchange differences on monetary items forming part of net investments in foreign subsidiaries	-	-	-	926	-	926	-	926
Total other comprehensive income	-	838	-	13,475	5,729	20,042	(8,711)	11,331
Total comprehensive income for the year, restated	-	838	-	13,475	306,259	320,572	34,748	355,320
Transactions with Owners, recognised directly in equity								
Contributions by and distributions to Owners								
Equity-settled share-based transactions	-	-	-	-	1,549	1,549	-	1,549
Dividend paid	-	-	-	-	(3,780)	(3,780)	-	(3,780)
Total contributions by and distributions to Owners	-	-	-	-	(2,231)	(2,231)	-	(2,231)
Changes in ownership interests in subsidiaries								
Increase in interest in subsidiary due to cancellation of shares	-	-	-	-	8,896	8,896	(8,896)	-
Acquisition of additional interest in a subsidiary	-	-	-	-	3,594	3,594	(5,138)	(1,544)
Total changes in ownership interests in subsidiaries	-	-	-	-	12,490	12,490	(14,034)	(1,544)
Total transactions with Owners	-	-	-	-	10,259	10,259	(14,034)	(3,775)
At 31 December 2013, as restated	186,688	3,214	(101,050)	(42,831)	1,229,604	1,275,625	451,335	1,726,960
At 1 January 2014	186,688	3,209	-	(53,405)	1,426,895	1,563,387	-	1,563,387
Effect of adopting FRS 110	-	5	(101,050)	10,574	(197,291)	(287,762)	451,335	163,573
At 1 January 2014, as restated	186,688	3,214	(101,050)	(42,831)	1,229,604	1,275,625	451,335	1,726,960
Total comprehensive income for the year								
Profit for the year	-	-	-	-	48,090	48,090	15,986	64,076
Other comprehensive income								
Exchange differences on translation of financial statements of foreign subsidiaries	-	-	-	2,717	1,236	3,953	11,483	15,436
Exchange differences on monetary items forming part of net investments in foreign subsidiaries	-	-	-	1,659	-	1,659	-	1,659
Net change in capital and other reserves	-	69	-	-	-	69	(329)	(260)
Total other comprehensive income	-	69	-	4,376	1,236	5,681	11,154	16,835
Total comprehensive income for the year	-	69	-	4,376	49,326	53,771	27,140	80,911
Transactions with Owners, recognised directly in equity								
Contributions by and distributions to Owners								
Shares issued under share option scheme	-	47	-	-	-	47	35	82
Lapse of share options	-	-	-	-	(7)	(7)	-	(7)
Dividend paid	-	-	-	-	(9,450)	(9,450)	-	(9,450)
Total contributions by and distributions to Owners	-	47	-	-	(9,457)	(9,410)	35	(9,375)
Changes in ownership interests in subsidiaries								
Acquisition of additional interest in a subsidiary	-	-	-	-	1,580	1,580	(2,250)	(670)
Total changes in ownership interests in subsidiaries	-	-	-	-	1,580	1,580	(2,250)	(670)
Total transactions with Owners	-	47	-	-	(7,877)	(7,830)	(2,215)	(10,045)
At 31 December 2014	186,688	3,330	(101,050)	(38,455)	1,271,053	1,321,566	476,260	1,797,826

	\$'000							
	Attributable to Owners of the Company					Total	Non-Controlling Interests	Total Equity
	Share Capital	Capital and Other Reserves	Treasury Shares	Translation Reserves	Retained Profit			
The Company								
At 1 January 2013	186,688	-	-	-	43,101	229,789	-	229,789
Profit for the year - Total comprehensive income for the year	-	-	-	-	3,778	3,778	-	3,778
Transaction with Owners, recognised directly in equity								
Distributions to Owners								
Dividend paid	-	-	-	-	(4,748)	(4,748)	-	(4,748)
At 31 December 2013	186,688	-	-	-	42,131	228,819	-	228,819
At 1 January 2014	186,688	-	-	-	42,131	228,819	-	228,819
Profit for the year - Total comprehensive income for the year	-	-	-	-	29,360	29,360	-	29,360
Transaction with Owners, recognised directly in equity								
Distributions to Owners								
Dividend paid	-	-	-	-	(11,872)	(11,872)	-	(11,872)
At 31 December 2014	186,688	-	-	-	59,619	246,307	-	246,307

- 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.**

Nil.

- 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.**

Total number of issued shares excluding treasury shares

The Company	
2014	2013
791,465,621	791,465,621

- 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.**

NA.

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

The figures have not 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).**

NA.

- 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 disclosed in paragraph 5 below, the Group and the Company have applied the same accounting policies and methods of computation in the financial statements for the current reporting year compared with the Group's and the Company's audited financial statements for the year ended 31 December 2013.

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 Group has adopted various new/revised Financial Reporting Standards (FRS) which became effective for the Group's financial year beginning on 1 January 2014. These FRS, amendments to FRS and interpretations are set out below:

Amendments to FRS 32 Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities, which clarifies the existing criteria for net presentation on the face of the statement of financial position.

Under the amendments, to qualify for offsetting, the right to set off a financial asset and a financial liability must not be contingent on a future event and must be enforceable both in the normal course of business and in the event of default, insolvency or bankruptcy of the entity and all counterparties.

The Group does not expect any significant financial impact on its financial position from the adoption of amendment to FRS 32.

FRS 110 Consolidated Financial Statements, which changes the definition of control such that an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power with the investee. FRS 110 introduces a single control model with a series of indicators to assess control. FRS 110 also adds additional context, explanation and application guidance based on the principle of control.

The Group has re-evaluated its involvement with investees under the new control model. Based on its assessment, the Group is required under FRS 110 to consolidate Winfoong International Limited and its subsidiaries as well as Hong Fok Land International Limited and its subsidiaries.

In addition, the Group has accounted for the results in relation to the 20.4% shareholdings of the Company held by its subsidiary, which was previously accounted as an available-for-sale financial asset. As a result of the change, the total equity attributable to owners of the Company has been reduced accordingly after accounting for the non-controlling interest's share of the 20.4% shareholdings.

In accordance with FRS 110, this change in accounting policy was applied retrospectively. Accordingly, the effects of the Group's financial statements arising from the adoption of FRS 110 are as follows:

	Group	
	\$'000	
	2014	2013
	Increase/ (Decrease)	Increase/ (Decrease)
<u>Balance sheet as at 1 January</u>		
Capital and other reserves	5	5
Treasury shares	(101,050)	(101,050)
Translation reserves	10,574	2,681
Retained profit	(197,291)	(161,605)
Non-controlling interests	451,335	430,621
Total Equity	163,573	170,652
<u>Balance sheet as at 31 December</u>		
Non-current Assets		
Fixed assets	-	328
Associates	-	(184,524)
Investment properties	-	383,700
Available-for-sale financial assets	-	399
Pledged bank deposits	-	146
Current Assets		
Other investments	-	112
Development properties	-	42,756
Trade and other receivables	-	14,314
Tax recoverable	-	50
Cash and cash equivalents	-	15,334
Total Assets	-	272,615
Non-current Liabilities		
Loans and borrowings	-	101,728
Current Liabilities		
Trade and other payables	-	6,040
Loans and borrowings	-	1,257
Tax payable	-	17
Total Liabilities	-	109,042
Net Assets	-	163,573
<u>Income statement for the year ended 31 December</u>		
Revenue	-	7,773
Other income	-	32
Depreciation of fixed assets	-	99
Exchange loss, net	-	228
Gain from change in interests in associates	-	(8,896)
Gain on revaluation of investment properties	-	5,095
Gain on remeasurement of other investments	-	(30)
Other expenses	-	12,604
Finance expense	-	1,124
Share of results of associates, net of tax	-	(2,388)
Income tax expense	-	494
Non-controlling interests	-	(43,459)
Profit attributable to owners of the Company	-	(56,422)
Increase in basic earnings per share (cents)	-	2.60
Increase in diluted earnings per share (cents)	-	2.60

FRS 112 *Disclosure of Interests in Other Entities*, which sets out the disclosures required to be made in respect of all forms of an entity's interests in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities. The adoption of this standard would result in more extensive disclosures being made in the Group's financial statements in respect of its interests in other entities.

As FRS 112 is primarily a disclosure standard, there will be no financial impact on the results and financial position of the Group and the Company upon adoption of this standard.

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.**

The Group	
2014	2013 (Restated)
7.63 cts	47.70 cts
7.63 cts	47.70 cts

Earnings per ordinary share of the Group after deducting any provision for preference dividends:

- (a) Based on the weighted average number of ordinary shares on issue; and
- (b) On a fully diluted basis (detailing any adjustments made to the earnings)

The basic and diluted earnings per ordinary share of the Group were calculated based on the consolidated profit for the year of approximately \$48,090,000 (2013 : \$300,530,000) and the weighted average number of ordinary shares outstanding of 630,020,501 (2013 : 630,020,501) which excludes ordinary shares held by an investee.

There are no potential dilutive ordinary shares in existence as at 31 December 2014 and 30 December 2013.

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.**

The Group		The Company	
2014	2013 (Restated)	2014	2013
210 cts	202 cts	31 cts	29 cts

Net asset value per ordinary share based on the total number of issued shares excluding treasury shares and excluding ordinary shares held by an investee

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.**

The Group's revenue for 2014 decreased from approximately \$235.4 million to \$97.2 million. This was due mainly to lower revenue recognised from the residential units of Concourse Skyline as the balance percentage recognised is lower than the percentage recognised in 2013.

In 2013, the Group's other income comprised mainly compensation income relating to the leases of its investment properties. The absence of such recognition in 2014 and the loss on disposal of a club membership resulted in a decrease in the Group's other income for 2014.

With a lower recognition of sales revenue from the residential units of Concourse Skyline, the Group recorded a lower cost of sales of development properties.

In 2014, the Group's investee disposed the entire issued share capital of its wholly owned subsidiary which resulted in a gain on disposal.

The Group recorded a lower gain on revaluation of investment properties, as assessed by professional valuers.

The loss on re-measurement of other investments was due to the recorded bid price being lower compared to 31 December 2013.

Hence, the Group recognised a lower profit as compared to 2013.

The increase in fixed assets was due mainly to the purchase of motor vehicles and furnishing items for the leasing of the residential units of Concourse Skyline.

The decrease in development properties was due mainly to the receipt of Temporary Occupation Permit (TOP) for Concourse Skyline in March 2014.

The increase in trade and other receivables was due mainly to 7% of the sales consideration from the sold units of Concourse Skyline recorded as accrued receivables. Included in this accrued receivables is 5% of the sales monies paid by the purchasers but deposited with the Singapore Academy of Law. This increase was partially offset by the reclassification of progress payments made for the acquisition of 8 residential units to investment properties upon receipt of its TOP.

The increase in cash and cash equivalents was due mainly to progress payments made by the purchasers of Concourse Skyline.

The Group has reclassified certain of its secured loans from current liabilities in 2013 to non-current liabilities in 2014 as a result of the loans being refinanced in 2014.

However, certain loans incurred by its subsidiaries in Hong Kong were reclassified from non-current to current as the loans are due in the third quarter of 2015.

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

NA.

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 Group expects the demand for the leasing of office space to remain healthy. However, the residential property market is likely to remain sluggish.

11. If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

Yes.

(b)(i) Amount per share cents

First and final 1-tier tax exempt dividend of 1.0 cents per share and special dividend of 1.0 cents per share.

(ii) Previous corresponding period cents

First and final 1-tier tax exempt dividend declared at 1.5 cents per share.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Tax exempt dividend.

(d) The date the dividend is payable.

The proposed dividend, if approved at the forthcoming Annual General Meeting, will be paid at a date to be announced.

(e) The date on which Registrable Transfers received by the Company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

The books closure date will be announced at a later date.

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

NA.

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 does not have a general mandate from shareholders for interested person transactions.

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14. 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.

The Group					
\$'000					
Business Segments	Property Investment	Property Development and Construction	Property Management	Other Operations	Total
2014					
External revenue	54,447	40,231	1,748	810	97,236
Inter-segment revenue	213	13,474	447	14,467	28,601
Reportable segment revenue	54,660	53,705	2,195	15,277	125,837
Reportable segment profit/(loss) before income tax	56,550	712	398	(6,482)	51,178
Other profit or loss items					51,178
Gain on disposal of subsidiary					18,849
Share of results of associates, net of tax					70,027
Income tax expense					*
Profit for the year					(5,951)
					64,076
2013 (Restated)					
External revenue	53,099	180,099	1,165	1,048	235,411
Inter-segment revenue	183	90,083	307	5,787	96,360
Reportable segment revenue	53,282	270,182	1,472	6,835	331,771
Reportable segment profit/(loss) before income tax	334,908	21,183	233	(6,245)	350,079
Other profit or loss items					350,079
Share of results of associates, net of tax					-
Income tax expense					350,079
Profit for the year					-
					(6,090)
					343,989

* Amount less than \$1,000.

15. 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 paragraph 8 above.

16. A breakdown of sales as follows:

The Group			
\$'000			%
	2014	2013 (Restated)	Increase/ (Decrease)
(a) Sales reported for first half year	67,353	132,117	(49)
(b) Profit after income tax before deducting non-controlling interest reported for first half year	33,527	22,558	49
(c) Sales reported for second half year	29,883	103,294	(71)
(d) Profit after income tax before deducting non-controlling interest reported for second half year	30,549	321,431	(90)

17. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:**

- (a) Ordinary
 (b) Preference
 (c) Total

The Company	
\$'000	
2014	2013
11,872	4,748
-	-
11,872	4,748

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) in the format below.**

Name	Age	Family relationship with any director or chief executive officer 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
Mr Cheong Pin Chuan	65	<p>Brother of Mr Cheong Sim Eng, who is a Director and Substantial Shareholder of the Company.</p> <p>Brother of Mr Cheong Kim Pong, who is a Substantial Shareholder of the Company.</p> <p>Brother of Mdm Cheong Hooi Kheng, who is a Director of the Company.</p> <p>Brother-in-law of Mr Tan Tock Han, who is a Director of the Company.</p>	<p>Currently is Joint Chairman and Joint Managing Director. During 2013, was Managing Director.</p> <p>Managing Director with effect from 4 September 1981 and Joint Chairman with effect from 31 January 2014.</p> <p>Is responsible for the Group's overall operations and management with greater emphasis in Hong Kong.</p>	Nil.
Mr Cheong Sim Eng	54	<p>Brother of Mr Cheong Pin Chuan, who is a Director and Substantial Shareholder of the Company.</p> <p>Brother of Mr Cheong Kim Pong, who is a Substantial Shareholder of the Company.</p> <p>Brother of Mdm Cheong Hooi Kheng, who is a Director of the Company.</p> <p>Brother-in-law of Mr Tan Tock Han, who is a Director of the Company.</p>	<p>Currently is Joint Chairman and Joint Managing Director. During 2013, was Executive Director.</p> <p>Joint Chairman and Joint Managing Director with effect from 31 January 2014 and Executive Director with effect from 14 May 1990.</p> <p>Is responsible for the Group's overall operations and management with greater emphasis in Singapore.</p>	NA.

Name	Age	Family relationship with any director or chief executive officer 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 Cheong Hooi Kheng	61	<p>Sister of Mr Cheong Pin Chuan and Mr Cheong Sim Eng, who are Directors and Substantial Shareholders of the Company.</p> <p>Sister of Mr Cheong Kim Pong, who is a Substantial Shareholder of the Company.</p> <p>Sister-in-law of Mr Tan Tock Han, who is a Director of the Company.</p>	<p>Currently is Executive Director and Chief Operating Officer. During 2013, was Executive Director.</p> <p>Chief Operating Officer with effect from 31 January 2014 and Executive Director with effect from 1 March 1989.</p> <p>Is principally involved in the Group's development of properties. She also oversees the project management in relation to the development and construction of properties, the leasing and marketing of the Group's real estate properties and major financial affairs of the Group in Singapore.</p>	NA.
Mdm Cheong Puay Kheng	60	<p>Sister of Mr Cheong Pin Chuan and Mr Cheong Sim Eng, who are Directors and Substantial Shareholders of the Company.</p> <p>Sister of Mr Cheong Kim Pong, who is a Substantial Shareholder of the Company.</p> <p>Sister of Mdm Cheong Hooi Kheng, who is a Director of the Company.</p> <p>Sister-in-law of Mr Tan Tock Han, who is a Director of the Company.</p>	<p>Currently is Vice President (Administration & Personnel) with effect from 1 June 2014.</p> <p>Her job responsibilities essentially cover the planning, organisation and control of office administration and personnel management of the Group.</p>	<p>Prior to 1 June 2014, she is Vice President (Administration & Personnel)/ (Property Maintenance).</p> <p>Prior to 1 June 2014, her job responsibilities essentially cover the planning, organisation and control of office administration and personnel management of the Group. She also oversees the management and maintenance of the Group's properties and the Group's property management services.</p>
Mr Cheong Tze Hong, Marc	42	<p>Son of Mr Cheong Pin Chuan, who is a Director and Substantial Shareholder of the Company.</p> <p>Nephew of Mr Cheong Sim Eng, who is a Director and Substantial Shareholder of the Company.</p> <p>Nephew of Mr Cheong Kim Pong, who is a Substantial Shareholder of the Company.</p> <p>Nephew of Mdm Cheong Hooi Kheng, who is a Director of the Company.</p>	<p>Currently is Director - Business Development in Winfoong Group, with effect from 1 August 2011.</p> <p>His job responsibilities cover identification and development of new business opportunities in Hong Kong.</p>	Nil.

Name	Age	Family relationship with any director or chief executive officer 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
Mr Cheong Tze Hian, Howard	40	<p>Son of Mr Cheong Pin Chuan, who is a Director and Substantial Shareholder of the Company.</p> <p>Nephew of Mr Cheong Sim Eng, who is a Director and Substantial Shareholder of the Company.</p> <p>Nephew of Mr Cheong Kim Pong, who is a Substantial Shareholder of the Company.</p> <p>Nephew of Mdm Cheong Hooi Kheng, who is a Director of the Company.</p>	<p>Currently is Director - Project Management in Winfoong Group, with effect from 1 August 2011.</p> <p>His job responsibilities cover project management in relation to the development and construction of properties in Hong Kong.</p>	Nil.

BY ORDER OF THE BOARD

Koh Chay Tiang
Lo Swee Oi
Company Secretaries
28 February 2015