

PACIFIC CENTURY REGIONAL DEVELOPMENTS LIMITED

Company Registration No. 196300381N

Full Year Financial Statements Announcement for the Year Ended 31/12/2013

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

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

The results of PCCW Limited ("PCCW"), the Company's associated company which is listed on the Stock Exchange of Hong Kong Limited, for the year ended 31 December 2013 were announced by PCCW and the Company on 27 February 2014. These results of the Group reflect the Company's share of PCCW's full-year results on an equity accounting basis.

UNAUDITED CONSOLIDATED INCOME STATEMENT

	Group Year ended		
	31/12/2013	31/12/2012 (restated)	% Increase/ (decrease)
	S\$'000	S\$'000	
Continuing operations			
Revenue	7,679	4,225	81.8
Other income (Note 1)	969	344	181.7
Expenses			
- Depreciation of property, plant and equipment	(36)	(17)	111.8
- Employee compensation	(1,440)	(1,486)	(3.1)
- Finance expenses (Note 2)	(1,906)	(1,468)	29.8
- Foreign exchange (loss) gain, net	(1,140)	655	n.m.
- Legal and other professional fees	(941)	(3,458)	(72.8)
- Rental expense - operating leases	(316)	(340)	(7.1)
- Travelling expenses	(684)	(905)	(24.4)
- Subscriptions and donations	(670)	(541)	23.8
- Others	(851)	(1,110)	(23.3)
Total expenses	(7,984)	(8,670)	(7.9)
Changes in carrying value of associated companies:			
- Share of profits of associated companies, net of tax	65,085	56,549	* 15.1
Net loss on liquidation/dissolution of subsidiary companies (Note 3)	(2,130)	-	n.m.
Profit before income tax	63,619	52,448	21.3
Income tax credit (expense) (Note 4)	5,920	(786)	n.m.
Profit from continuing operations, after tax	69,539	51,662	34.6
Discontinued operations			
Loss from discontinued operations (Note 5)	-	(14,488)	n.m.
Total profit for the year	69,539	37,174	87.1
Attributable to:			
Equity holders of the Company	69,358	40,395	* 71.7
Non-controlling interests	181	(3,221)	n.m.
	69,539	37,174	87.1
Profit (loss) attributable to equity holders of the Company relates to:			
Profit from continuing operations	69,358	51,775	* 34.0
Loss from discontinued operations	-	(11,380)	n.m.
Total	69,358	40,395	71.7

* Restatements resulted from the adoption of FRS 19 (revised 2011) Employee Benefits by PCCW (refer to Note 5 of the Announcement on page 9).

n.m. = not meaningful

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Group Year ended		% Increase/ (decrease)
	31/12/2013	31/12/2012 (restated)	
	S\$'000	S\$'000	
Total profit for the year	69,539	37,174	87.1
Other comprehensive income (loss):			
Financial assets, available-for-sale			
- Fair value gains	2,930	53,863	(94.6)
- Reclassification	-	4	n.m.
Currency translation adjustment			
- Gains (losses)	17,643	(21,047)	n.m.
- Reclassification	1,505	7,176	(79.0)
Share of other comprehensive loss of associated companies, net of tax	(3,203)	(558)	474.0
Other comprehensive income, net of tax	<u>18,875</u>	<u>39,438</u>	(52.1)
Total comprehensive income for the year	<u>88,414</u>	<u>76,612</u>	15.4
Total comprehensive income attributable to:			
Equity holders of the Company	88,570	78,617	12.7
Non-controlling interests	(156)	(2,005)	(92.2)
	<u>88,414</u>	<u>76,612</u>	15.4

* Restatements resulted from the adoption of FRS 19 (revised 2011) Employee Benefits by PCCW (refer to Note 5 of the Announcement on page 9).

n.m. = not meaningful

	Group Year ended	
	31/12/2013	31/12/2012
	S\$'000	S\$'000
(Note 1)		
Other income :		
Interest income	913	281
Fair value (loss) gain on financial assets designated as fair value through profit or loss	(5)	14
Sundry income	61	49
	<u>969</u>	<u>344</u>

(Note 2)		
Finance expenses :		
Interest expense - bank borrowings	(260)	(15)
Finance facility fees	(1,646)	(1,453)
	<u>(1,906)</u>	<u>(1,468)</u>

(Note 3)		
Net loss on liquidation/dissolution of subsidiary companies :		
Reclassification of currency translation reserve on liquidation/dissolution of subsidiary companies	(1,505)	-
Loss on dissolution of a subsidiary company	(625)	-
	<u>(2,130)</u>	<u>-</u>

(Note 4)
Income tax credit (expense) :
Profit before tax for 2013 includes the Group's share of PCCW 2013 profit which is net of taxes. The tax credit of \$5.9 million for 2013 reflects a write back of \$6.7 million deferred tax provided in prior years and a refund of \$0.2 million taxes received following finalisation of tax assessments for prior years, partially offset by deferred tax provided of \$1.1 million on distributions received from HKT Trust and HKT Limited ("HKT").

Profit before tax for 2012 includes the Group's share of PCCW 2012 profit which is net of taxes. The tax charge of \$0.8 million for 2012 is mainly due to deferred tax provided of \$0.6m on distributions received from HKT and tax charges attributable to tax on profits of certain subsidiaries which cannot be offset against losses of other subsidiaries within the Group.

(Note 5)
Loss from discontinued operations :
In 2012, the results of Indo Pacific Housing Finance Limited ("IPHF"), the Group's home finance business in India, were presented separately in the income statement as "Discontinued operations". The sale of IPHF was completed on 9 October 2012.

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

	Notes	31/12/2013	Group 31/12/2012 (restated)	01/01/2012 (restated)	Company 31/12/2013	31/12/2012
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS						
Current assets						
Cash and cash equivalents	1	73,332	57,563	13,595	70,676	33,252
Financial assets, at fair value through profit or loss		17	22	8	17	22
Trade and other receivables	2	238	2,098	349	31	189
Loans to customers		-	-	2,960	-	-
Other current assets		1,017	1,086	2,120	614	696
		<u>74,604</u>	<u>60,769</u>	<u>19,032</u>	<u>71,338</u>	<u>34,159</u>
Non-current assets						
Financial assets, available-for-sale	3	147,029	139,242	90,482	139,727	133,229
Other receivables		-	-	-	-	18,487
Loans to customers		-	-	34,277	-	-
Investments in associated companies	4	589,180	546,268	457,606	804,515	652,202
Investments in subsidiary companies		-	-	-	121,548	91,397
Property, plant and equipment		84	69	37	-	1
Other non-current assets		485	752	1,856	95	432
		<u>736,778</u>	<u>686,331</u>	<u>584,258</u>	<u>1,065,885</u>	<u>895,748</u>
Total assets		<u>811,382</u>	<u>747,100</u>	<u>603,290</u>	<u>1,137,223</u>	<u>929,907</u>
LIABILITIES						
Current liabilities						
Trade and other payables	5	4,314	7,133	5,645	77,095	135,640
Current income tax liabilities		13	92	438	2	84
Borrowings		-	-	5,008	-	-
		<u>4,327</u>	<u>7,225</u>	<u>11,091</u>	<u>77,097</u>	<u>135,724</u>
Non-current liabilities						
Other payables		-	-	392	-	-
Deferred income tax liabilities	6	1,905	7,319	7,114	1,905	7,319
Borrowings		-	-	7,855	-	-
		<u>1,905</u>	<u>7,319</u>	<u>15,361</u>	<u>1,905</u>	<u>7,319</u>
Total liabilities		<u>6,232</u>	<u>14,544</u>	<u>26,452</u>	<u>79,002</u>	<u>143,043</u>
NET ASSETS		<u>805,150</u>	<u>732,556</u>	<u>576,838</u>	<u>1,058,221</u>	<u>786,864</u>
EQUITY						
Capital and reserves attributable to equity holders of the Company						
Share capital		457,283	457,283	457,283	457,283	457,283
Treasury shares		(9,276)	-	-	(9,276)	-
Other reserves		181,327	164,552	125,537	(93,588)	(127,315)
Retained profits (accumulated losses)		175,816	104,116	(14,592)	703,802	456,896
		<u>805,150</u>	<u>725,951</u>	<u>568,228</u>	<u>1,058,221</u>	<u>786,864</u>
Non-controlling interests		-	6,605	8,610	-	-
Total equity		<u>805,150</u>	<u>732,556</u>	<u>576,838</u>	<u>1,058,221</u>	<u>786,864</u>

* Restatements resulted from the adoption of FRS 19 (revised 2011) Employee Benefits by PCCW (refer to Note 5 of the Announcement on page 9).

Note 1

Cash and cash equivalents increased by \$15.8 million mainly due to :

	S\$' million
Dividends received from PCCW in 2013	50.4
Distributions received from HKT in 2013	7.7
Receipt of remaining sale proceeds from the disposal of IPHF	1.8
	<u>59.9</u>
Less:	
Cost of share repurchases	(10.8)
Payments of previously accrued expenses	(3.7)
Payment of operating expenses	(5.2)
Subscription for additional shares in KSH Distriparks Private Limited ("KSH") under the restructuring of the Group's interest in Pasha Ventures Private Limited ("Pasha Ventures") and KSH (refer to section 8).	(24.4)
	<u>15.8</u>

Note 2

Trade and other receivables decreased by \$1.9 million, mainly due to receipt of \$1.8 million remaining sale proceeds from the disposal of IPHF.

Note 3

Financial assets, available-for-sale increased by \$7.8 million, mainly due to a net increases of \$6.5 million and \$1.3 million in the market value of the Company's holding of Share Stapled Units in HKT and in the market value of the Company's subsidiary's holding of a financial asset respectively.

Note 4

Investments in associated companies increased by \$36.7 million mainly due to the Company's share of PCCW's full year profit and increases in PCCW's reserves of \$64.7 million and \$3.8 million respectively and additional investment into KSH of \$17.7 million. These are partially offset by dividends received from PCCW of \$50.4 million.

Note 5

Trade and other payables decreased by \$2.8 million mainly due to payment of previously accrued expenses of \$3.7 million.

Note 6

Deferred income tax liabilities decreased by \$5.4 million due to a write back of \$6.7 million deferred tax provided in prior years following finalisation of tax assessments for prior years partially offset by deferred tax provided of \$1.1 million for distributions received from HKT.

1(b)(ii) In relation to the aggregate amount of group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-

Amount repayable in one year or less, or on demand

As at 31/12/2013		As at 31/12/2012	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Amount repayable after one year

As at 31/12/2013		As at 31/12/2012	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Details of any collateral

N.A.

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

Cash flow statement for the year ended 31 December

	Group	
	Year ended	
	31/12/2013	31/12/2012
		(restated)
	S\$'000	S\$'000
Cash flow from operating activities:		
Profit from continuing operations, after tax	69,539	51,662
Adjustments for :		
- Income tax (credit) expense	(5,920)	786
- Depreciation of property, plant and equipment	36	17
- Net loss on liquidation/dissolution of subsidiary companies	2,130	-
- Interest income	(913)	(281)
- Finance expenses	1,906	1,468
- Unrealised currency translation losses (gains)	1,780	(729)
- Fair value loss (gain) on financial assets designated as fair value through profit or loss	5	(14)
Change in carrying values of associated companies:		
- Share of profits of associated companies, net of tax	(65,085)	(56,549) *
	3,478	(3,640)
Change in working capital:		
- Trade and other receivables	1,644	1,322
- Trade and other payables	(2,901)	724
Cash generated from (used in) operations	2,221	(1,594)
Interest received	913	268
Income tax refund (paid)	240	(487)
Cash flows used in operating activities (discontinued operations)	-	(2,895)
Net cash generated from (used in) operating activities	3,374	(4,708)
Cash flow from investing activities:		
Proceeds from disposal of subsidiary companies	-	19,410
Purchase of property, plant and equipment	(53)	(65)
Dividend received from an associated company	50,382	39,352
Investment in an associated company	-	(6,200)
Movements in restricted cash and fixed deposits	8,041	(8,041)
Net cash outflows for dissolution of a subsidiary company	(24,410)	-
Cash flows used in investing activities (discontinued operations)	-	(278)
Net cash generated from investing activities	33,960	44,178
Cash flow from financing activities:		
Finance expenses paid	(1,906)	(1,468)
Proceeds from borrowings	26,164	3,296
Repayment of borrowings	(26,164)	(3,296)
Purchases of treasury shares	(10,799)	-
Cash flows used in financing activities (discontinued operations)	-	(1,959)
Net cash used in financing activities	(12,705)	(3,427)
Net increase in cash and cash equivalents	24,629	36,043
Cash and cash equivalents at beginning of year	49,522	13,595
Effects of currency translation on cash and cash equivalents	(819)	(116)
Cash and cash equivalents at end of year	73,332	49,522
Note 1 : Cash and cash equivalents		
Included in cash and cash equivalents per the balance sheet (Note 2)	73,332	57,563
Less: Restricted cash and fixed deposits	-	(8,041)
	73,332	49,522
Note 2 : Included in cash and cash equivalents per the balance sheet		
Cash at bank and on hand	41,621	37,820
Short-term bank deposits	31,711	19,743
	73,332	57,563

* Restatements resulted from the adoption of FRS 19 (revised 2011) Employee Benefits by PCCW (refer to Note 5 of the Announcement on page 9).

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

Changes in equity for the year ended 31 December

The Group

	Share capital S\$'000	Treasury shares S\$'000	Other reserves S\$'000	Retained profits S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Balance at 1 January 2013						
- As previously reported	457,283	-	164,552	110,348	6,605	738,788
- Effect of change in accounting policy: Adoption of FRS 19 (revised 2011) Employee Benefits by PCCW	-	-	-	(6,232)	-	(6,232)
- As restated	457,283	-	164,552	104,116	6,605	732,556
Total comprehensive income (loss) for the year	-	-	19,212	69,358	(156)	88,414
Purchase of treasury shares	-	(10,799)	-	-	-	(10,799)
Cancellation of treasury shares	-	1,523	-	(1,523)	-	-
Dissolution of a subsidiary company	-	-	-	-	(6,449)	(6,449)
Share of reserves of associated companies:						
- Equity share compensation reserve	-	-	(2,437)	-	-	(2,437)
- Remeasurements of defined benefit obligations	-	-	-	2,959	-	2,959
- Share of other comprehensive loss of an associate	-	-	-	(34)	-	(34)
- Purchase of Share Stapled Units under Share Stapled Units award schemes	-	-	-	(1,219)	-	(1,219)
- Reclassification due to expiry of share options	-	-	-	2,193	-	2,193
- Dividend paid to vested PCCW Shares under the share award schemes	-	-	-	(34)	-	(34)
Balance at 31 December 2013	457,283	(9,276)	181,327	175,816	-	805,150

The Group

	Share capital S\$'000	Treasury shares S\$'000	Other reserves S\$'000	Retained profits/ (accumulated losses) (restated) S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Balance at 1 January 2012						
- As previously reported	457,283	-	125,537	(9,962)	8,610	581,468
- Effect of change in accounting policy: Adoption of FRS 19 (revised 2011) Employee Benefits by PCCW	-	-	-	(4,630)	-	(4,630)
- As restated	457,283	-	125,537	(14,592)	8,610	576,838
Total comprehensive income (loss) for the year						
- As previously reported	-	-	39,754	40,465	(2,005)	78,214
- Effect of change in accounting policy: Adoption of FRS 19 (revised 2011) Employee Benefits by PCCW	-	-	-	(1,602)	-	(1,602)
- As restated	-	-	39,754	38,863	(2,005)	76,612
Share of reserves of associated companies:						
- Equity share compensation reserve	-	-	(739)	-	-	(739)
- Gain arising from distribution in specie of shares in the associate's subsidiary	-	-	-	54,585	-	54,585
- Increase in interests in the associate's subsidiaries	-	-	-	25,025	-	25,025
- Purchase of share stapled units of HKT Trust and HKT Limited under share award scheme	-	-	-	(168)	-	(168)
- Reclassification due to expiry of share options	-	-	-	403	-	403
Balance at 31 December 2012	457,283	-	164,552	104,116	6,605	732,556

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

Changes in equity for the year ended 31 December

The Company	Share capital S\$'000	Treasury shares S\$'000	Other reserves S\$'000	Retained profits S\$'000	Total equity S\$'000
Balance at 1 January 2013	457,283	-	(127,315)	456,896	786,864
Total comprehensive income for the year	-	-	33,727	248,429	282,156
Purchase of treasury shares	-	(10,799)	-	-	(10,799)
Cancellation of treasury shares	-	1,523	-	(1,523)	-
Balance at 31 December 2013	<u>457,283</u>	<u>(9,276)</u>	<u>(93,588)</u>	<u>703,802</u>	<u>1,058,221</u>

The Company	Share capital S\$'000	Treasury shares S\$'000	Other reserves S\$'000	Retained profits S\$'000	Total equity S\$'000
Balance at 1 January 2012	457,283	-	(139,554)	428,984	746,713
Total comprehensive income for the year	-	-	12,239	27,912	40,151
Balance at 31 December 2012	<u>457,283</u>	<u>-</u>	<u>(127,315)</u>	<u>456,896</u>	<u>786,864</u>

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

The Company's issued share capital as at 31 December 2013 and 31 December 2012 is summarised as follows: -

	31/12/2013		31/12/2012	
	No. of shares	\$	No. of shares	\$
Issued and paid up share capital, including treasury shares	3,088,867,100	457,282,366	3,096,269,100	457,282,366
Issued and paid up share capital, excluding treasury shares	3,047,103,100		3,096,269,100	

During Q4 2013, the Company purchased a total of 3,287,000 shares in the Company on the open market for a total consideration of \$0.74 million (including transaction costs), financed by internal funds. These shares were held as treasury shares and were recorded separately in shareholders' equity.

For the financial year 2013, the Company purchased a total of 49,166,000 shares in the Company on the open market for a total consideration of \$10.8 million (including transaction costs), financed by internal funds. These shares were held as treasury shares and were recorded separately in shareholders' equity.

In May 2013, 7,402,000 treasury shares were cancelled. The remaining 41,764,000 treasury shares, together with further purchases of 3,911,000 shares in 2014, were subsequently cancelled on 29 January 2014.

The Company does not have any convertibles as at 31 December 2013 and 31 December 2012.

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.

	Number of shares	
	As at 31/12/2013	As at 31/12/2012
Issued ordinary shares	3,088,867,100	3,096,269,100
Less: Treasury shares	(41,764,000)	-
Issued ordinary shares, excluding treasury shares	3,047,103,100	3,096,269,100

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.

Treasury shares:	Number of shares			
	Quarter ended		Year ended	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Balance at beginning of period	38,477,000	-	-	-
Purchased during the period	3,287,000	-	49,166,000	-
Less: Treasury shares cancelled	-	-	(7,402,000)	-
Balance at end of period	41,764,000	-	41,764,000	-

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

The figures have not been audited or reviewed.

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

N.A.

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 for the adoption of new or revised Singapore Financial Reporting Standards as described in Section 5, the Group has applied the same accounting policies and methods of computation in these results as in the audited financial statements for the year ended 31 December 2012.

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 2013, the Group adopted the new or revised Singapore Financial Reporting Standards (FRS) and Interpretations (INT FRS) that became effective in 2013.

The following are the new or amended FRSs that are relevant to the Group:

- FRS 19 (revised 2011) Employee Benefits
- FRS 113 – Fair Value Measurement

The adoption of the above FRSs did not result in any substantial change to the Group's accounting policies nor did it have any significant impact on the financial statements, except for the adoption of FRS 19 (revised 2011) Employee Benefits on 1 January 2013.

PCRD's significant associated company, PCCW, has adopted FRS 19 (revised 2011) Employee Benefits retrospectively in accordance with the transition provisions of the standard. The standard requires past service costs to be recognised immediately in the income statement and replaces the interest cost on the defined benefit obligation and the expected return on plan assets with a net interest cost based on the net defined benefit liability and the discount rate, measured at the beginning of the year. The standard also introduces a new term "remeasurements" and is made up of actuarial gains and losses, the difference between actual investment returns and the return implied by the net interest cost.

The adoption of the above FRS has resulted in PCCW's "Defined benefit liability" being restated at the reporting dates to reflect the effects of the above. Amounts have been restated as at 1 January 2012 as HK\$136 million (previously HK\$3 million); and 31 December 2012 as HK\$182 million (previously HK\$3 million).

Correspondingly, the Group has accounted for its share of PCCW's restatement of \$29.3 million (HK\$179 million) as at 31 December 2012. The Group's 21.3% share is \$6.2 million and is shown in Section 1(d)(i) under Changes in equity for the year ended 31 December 2013 – "Adoption of FRS 19 (revised 2011) Employee Benefits by PCCW".

The effects of the adoption of FRS 19 (revised 2011) Employee Benefits by PCCW have resulted in the following restatements to the Group's Balance Sheets:

	31/12/2012			01/01/2012		
	As previously reported	As restated	Increase/ (decrease)	As previously reported	As restated	Increase/ (decrease)
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Investments in associated companies	552,500	546,268	(6,232)	462,236	457,606	(4,630)
Retained profits (accumulated losses)	110,348	104,116	(6,232)	(9,962)	(14,592)	(4,630)

There is no impact to the Group's consolidated income statement and the Company's income statement for the year ended 31 December 2013 and to the Company's Balance Sheets as at 31 December 2012 and 31 December 2013.

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:-

Group	Continuing operations		Discontinued operations		Total	
	31/12/2013	31/12/2012 (restated)	31/12/2013	31/12/2012	31/12/2013	31/12/2012 (restated)
Net profit (loss) attributable to equity holders of the Company (S\$'000)	69,358	51,775 *	-	(11,380)	69,358	40,395 *
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	3,071,319	3,096,269	3,071,319	3,096,269	3,071,319	3,096,269
(i) Basic earnings (loss) per share (Cents per share)	2.258	1.672 *	-	(0.367)	2.258	1.305 *
(ii) On a fully diluted basis (Cents per share)	2.258	1.672 *	-	(0.367)	2.258	1.305 *

* Restatements resulted from the adoption of FRS 19 (revised 2011) Employee Benefits by PCCW (refer to Note 5 of the Announcement on page 9).

Basic earnings (loss) per share is calculated by dividing the net profit (loss) attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings (loss) per share is the same as basic earnings (loss) per share as there was no dilutive effect on earnings (loss) per share calculations due to the absence of any dilutive financial instruments during the year.

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.

	Group		Company	
	31/12/2013	31/12/2012 (restated)	31/12/2013	31/12/2012
Net asset value (S\$'000)	805,150	725,951 *	1,058,221	786,864
Number of issued shares excluding treasury shares ('000)	3,047,103	3,096,269	3,047,103	3,096,269
Net asset value per ordinary share based on issued share capital at the end of the year	\$0.264	\$0.234 *	\$0.347	\$0.254

* Restatements resulted from the adoption of FRS 19 (revised 2011) Employee Benefits by PCCW (refer to Note 5 of the Announcement on page 9).

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 2013 was \$7.7 million compared to \$4.2 million in 2012. The Group's revenue mainly relates to distributions received from the Company's investment in HKT.

Other income, comprising mainly bank interest income, was \$1.0 million compared to \$0.3 million in 2012.

Total expenses in 2013 amounted to \$8.0 million compared to \$8.7 million in 2012. The difference is mainly due to the following reasons:-

- Finance expenses were \$1.9 million in 2013 compared to \$1.5 million in 2012. The increase in finance expenses was mainly due to increases in renewal fees for bank facilities and interest expense.
- The Group recorded foreign exchange losses of \$1.1 million in 2013 compared to exchange gains of \$0.7 million in 2012. The losses in 2013 were the result of unrealised exchange losses on Hong Kong Dollar balances payable by subsidiaries reflecting the strengthening of the Hong Kong Dollar against the Singapore Dollar.
- The above increases in expenses were offset by a decrease in legal and professional fees, decreasing from \$3.5 million in 2012 to \$0.9 million in 2013, due to a reversal of accrued expenses and reduced engagement of legal and professional services.

The Group's share of profit of associated companies was \$65.1 million in 2013 compared to \$56.5 million in 2012. These included the Group's share of profit from PCCW of \$64.7 million in 2013 compared to \$56.9 million in 2012.

PCCW delivered a set of robust financial results for 2013 on the back of solid financial performance by HKT and the Media and Solutions businesses delivering on their growth potential. PCCW's core revenue increased by 10% to HK\$26,643 million (\$4,297.0 million), with core EBITDA increasing by 6% to HK\$8,129 million (\$1,311.0 million) with a strong contribution from its telecommunications business, enhanced profitability of the Media business and broad improvement in the Solutions business. PCCW's consolidated revenue increased by 8% to HK\$27,317 million (\$4,405.7 million) and consolidated EBITDA increased by 3% to HK\$8,033 million (\$1,295.6 million). PCCW's consolidated profit attributable to equity holders increased by 13% to HK\$1,885 million (\$304.0 million).

The Group's share of profit of associated companies for 2013 was arrived at after including the Group's share of profits amounting to \$0.4 million from its associated company, KSH. KSH is a logistics company with an inland container depot located in Pune, India. The Group acquired a 31.25% interest in KSH in July 2012. Upon issuance of new shares in KSH in Q1 2013, the Group's interest was reduced to 25.94%. Subsequent to the completion on 1 July 2013 of a restructuring of the Group's interest in Pasha Ventures (an Indian subsidiary which previously held the Group's interest in IPHF and KSH), as announced by the Group on 15 February 2013, Pasha Ventures was absorbed by KSH, and accordingly it ceased to be a subsidiary of the Group and the Group's interest in KSH was correspondingly increased to 49.87%.

The Group recognised a net loss of \$2.1 million on liquidation and dissolution of subsidiary companies in 2013. This included a loss of \$2.9 million following completion of the merger of Pasha Ventures and KSH. The loss mainly reflects the depreciation of the Indian Rupee against the Singapore Dollar and arose upon the reclassification of currency translation reserves relating to Pasha Ventures to the income statement due to the dissolution of Pasha Ventures on completion of the restructuring.

The Group's profit after taxation from continuing operations for 2013 was \$69.5 million compared to \$51.7 million for 2012. After taking into account non-controlling interests, the Group recorded a profit attributable to equity holders of \$69.4 million compared to \$51.8 million for 2012.

The Group recognised a loss after taxation from discontinued operations of \$14.5 million in 2012. This loss relates to the discontinued operation of IPHF. The Group announced the sale of IPHF in March 2012 and the sale was completed in October 2012. The loss was mainly attributable to a loss of \$13.2 million recognised on the disposal of IPHF disposal group and disposal expenses of \$2.5 million. The loss of \$14.5 million (of which the Group's share was \$11.7 million) should be considered in the context of the Group's 74% share of gains previously recognised of \$21.8 million (2010: \$18.2 million, 2011: \$3.6 million) in relation to the Group's investment in IPHF. After taking into account non-controlling interests, the Group recognised a loss attributable to equity holders of \$11.4 million in 2012.

Overall, after taking into account non-controlling interests, the Group recorded a profit attributable to equity holders of \$69.4 million compared to \$40.4 million for 2012.

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

N.A.

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 results of the Group are substantially dependent on the results of the Group's major investment, PCCW.

PCCW's **NOW TV** business will continue to strengthen its programming and production capabilities in order to bring viewers higher quality and differentiated content, as it enters into its second decade of operation. As **NOW TV** has firmly established its leadership in the pay TV market, it looks forward to also bringing better programming choices to viewers of free television in Hong Kong as soon as practicable, subject to agreement on final licence terms with the Hong Kong Government.

PCCW Solutions is expected to exhibit sustained growth capitalising on its leading position in the IT services industry and riding on the endogenous growth of data centre on the back of structural demand of data traffic. It will also explore opportunities to expand beyond Hong Kong and China as part of its longer-term growth strategy.

HKT will continue to capitalise on its fibre-to-the-home ("FTTH") network advantages locally and on its global network coverage with additional capacity and resilience internationally to drive profitability and cashflow growth. In December 2013, HKT announced its intention to acquire CSL New World Mobility Limited. The transaction is subject to PCCW's and HKT's shareholders' and regulatory approvals.

11. **Dividend**

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? None

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None

Name of Dividend
Dividend Type
Dividend Rate
Tax Rate

(c) The date the dividend is payable.

N.A.

(d) 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.

N.A.

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

No dividend has been declared or recommended for the financial year ended 31 December 2013.

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

The Group has obtained a general mandate from the shareholders of the Company for interested person transactions at the Annual General Meeting held on 26 April 2013. During the financial period under review, the following interested person transactions were entered into by the Group:

Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
None	None, all IPTs below \$100,000.

- 14. Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results).**

N.A.

15 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

SEGMENTAL REPORTING FOR THE YEAR ENDED 31 DECEMBER 2013

	Hong Kong / China		Singapore		India		
	Business management and		Business management and				
	Investment holding S\$'000	consultancy services S\$'000	Investment holding S\$'000	consultancy services S\$'000	Investment holding S\$'000	Elimination S\$'000	Consolidated S\$'000
Continuing operations							
External revenue	-	-	7,661	18	-	-	7,679
Inter-segment revenue	-	-	-	2,756	-	(2,756)	-
Total revenue	-	-	7,661	2,774	-	(2,756)	7,679
Operating (loss) profit before interest income and depreciation	-	(276)	5,296	(3,149)	(178)		1,693
Interest income	-	-	36	-	877		913
Depreciation	-	(1)	(1)	(33)	(1)		(36)
(Loss) profit from operating activities	-	(277)	5,331	(3,182)	698		2,570
Interest expenses							(260)
Finance facility fees							(1,646)
Change in carrying values of associated companies:							
- Share of profits of associated companies, net of tax							65,085
Net loss on liquidation/dissolution of subsidiary companies							(2,130)
Profit before income tax							63,619
Income tax credit							5,920
Total profit for the year							69,539
Segment assets	-	723	147,786	361	-		148,870
Investment in associated companies	-	-	565,252	23,928	-		589,180
Unallocated corporate assets							
- Cash and cash equivalents							73,332
Total assets							811,382
Segment liabilities	-	274	3,336	704	-		4,314
Unallocated corporate liabilities							
- Current income tax liabilities							13
- Deferred income tax liabilities							1,905
Total liabilities							6,232
Other segment information:							
Additions to property, plant and equipment	-	-	-	53	-		53

Geographical information

	Revenue
	\$'000
Singapore	7,679
	Non-current assets
	\$'000
Singapore	589,359
Hong Kong	390
	589,749

15 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

SEGMENTAL REPORTING FOR THE YEAR ENDED 31 DECEMBER 2012

	Hong Kong / China		Singapore		India		
	Investment holding S\$'000	Business management and consultancy services S\$'000	Investment holding (restated) S\$'000	Business management and consultancy services S\$'000	Investment holding S\$'000	Elimination S\$'000	Consolidated (restated) S\$'000
Continuing operations							
External revenue	-	-	4,207	18	-	-	4,225
Inter-segment revenue	-	-	-	1,957	-	(1,957)	-
Total revenue	-	-	4,207	1,975	-	(1,957)	4,225
Operating profit (loss) before interest income and depreciation	195	(1,493)	1,484	(2,542)	(541)		(2,897)
Interest income	-	-	-	-	281		281
Depreciation	-	(3)	(1)	(11)	(2)		(17)
Profit (loss) from operating activities	195	(1,496)	1,483	(2,553)	(262)		(2,633)
Interest expenses							(15)
Finance facility fees							(1,453)
Change in carrying values of associated companies:							
- Share of profits of associated companies, net of tax							56,549
Profit before income tax							52,448
Income tax expense							(786)
Profit from continuing operations							51,662
Discontinued operations							
Loss from discontinued operations							(14,488)
Total profit for the year							37,174
Segment assets	-	579	140,581	204	1,905		143,269
Investment in associated companies	-	-	540,068	6,200	-		546,268
Unallocated corporate assets							
- Cash and cash equivalents							57,563
Total assets							747,100
Segment liabilities	-	72	3,634	3,097	330		7,133
Unallocated corporate liabilities							
- Current income tax liabilities							92
- Deferred income tax liabilities							7,319
Total liabilities							14,544
Other segment information:							
Additions to property, plant and equipment	-	-	-	64	1		65

Geographical information

	Revenue
	\$'000
Singapore	4,225
	Non-current assets
	\$'000
Singapore	546,764
Hong Kong	300
India	25
	547,089

* Restatements resulted from the adoption of FRS 19 (revised 2011) Employee Benefits by PCCW (refer to Note 5 of the Announcement on page 9).

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

1. External revenue for 2013 was \$7.7 million compared to \$4.2 million for 2012. External revenue relate to distributions received from the Company's investment in HKT.
2. Operating profit before interest income and depreciation under the segment 'Singapore Investment holding' for 2013 was \$5.3 million compared to \$1.5 million for 2012. The increase was mainly the result of the increase in external revenue of distributions received from the Company's investment in HKT.
3. Operating loss before interest income and depreciation under the segment 'Hong Kong Business and management and consultancy services' decreased from \$1.5 million in 2012 to \$0.3 million in 2013. The improvement was mainly due to a decrease in legal and professional fees from this segment in 2013.

17. A breakdown of sales

		31/12/2013 S\$'000	31/12/2012 (restated) S\$'000		Increase/ (Decrease) %
(a)	Revenue reported for first half year	3,858	611		531.4
(b)	Operating profit after tax before deducting non-controlling interests reported for first half year	30,614	16,311		87.7
(c)	Revenue reported for second half year	3,821	3,614		5.7
(d)	Operating profit after tax before deducting non-controlling interests reported for second half year	38,925	20,863	*	86.6

* Restatements resulted from the adoption of FRS 19 (revised 2011) Employee Benefits by PCCW (refer to Note 5 of the Announcement on page 9).

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

Total Annual Dividend:

	Latest Full Year 31/12/2013 S\$'000	Previous Full Year 31/12/2012 S\$'000
Ordinary	-	-
Preference	-	-
Total:	-	-

N.A.

19. 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 prescribed format. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company confirms that there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Lim Beng Jin
Company Secretary
28/02/2014