



**Fourth Quarter and Full Year Unaudited Financial Statements and Dividend Announcement
for the Year Ended 31 December 2018**

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Fourth Quarter and Full Year Unaudited Financial Statements and Dividend Announcement for the Year Ended 31 December 2018

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.

Income Statement

	3 months ended 31 December			12 months ended 31 December		
	4Q FY2018	4Q FY2017	+/(-) %	12M FY2018	12M FY2017	+/(-) %
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Interest income	8,066	6,255	29.0	28,136	24,612	14.3
Interest expense	(2,205)	(1,392)	58.4	(7,615)	(5,583)	36.4
Net interest income	5,861	4,863	20.5	20,521	19,029	7.8
Gross written premiums	1,366	1,757	(22.3)	7,268	10,990	(33.9)
Change in gross provision for unexpired risks	(1,163)	2,120	NM	605	5,727	(89.4)
Gross earned premium revenue	203	3,877	(94.8)	7,873	16,717	(52.9)
Written premiums ceded to reinsurers	(164)	(575)	(71.5)	(1,672)	(3,127)	(46.5)
Reinsurers' share of change in provision for unexpired risks	1,067	(1,521)	NM	652	(2,519)	NM
Reinsurance premium expense	903	(2,096)	NM	(1,020)	(5,646)	(81.9)
Net earned premium revenue (i)	1,106	1,781	(37.9)	6,853	11,071	(38.1)
Fee and commission income	2,130	1,768	20.5	8,000	6,687	19.6
Investment income	(251)	2,097	NM	1,797	5,803	(69.0)
Other income	16,430	202	NM	16,793	475	NM
Sub-total (ii)	18,309	4,067	NM	26,590	12,965	105.1
Non-interest income (i) + (ii)	19,415	5,848	NM	33,443	24,036	39.1
Income before operating expenses	25,276	10,711	136.0	53,964	43,065	25.3
Business development expenses	(200)	(139)	43.9	(549)	(495)	10.9
Commission expenses	(204)	(426)	(52.1)	(1,636)	(2,153)	(24.0)
Staff costs	(4,381)	(3,684)	18.9	(14,438)	(13,458)	7.3
General and administrative expenses	(1,461)	(1,600)	(8.7)	(6,345)	(6,890)	(7.9)
Operating expenses	(6,246)	(5,849)	6.8	(22,968)	(22,996)	(0.1)
Change in provision for insurance claims	(469)	2,712	NM	(1,736)	(1,886)	(8.0)
Reinsurers' share of change in provision for insurance claims	54	(569)	NM	1,023	(879)	NM
Gross claims paid	(1,155)	(3,327)	(65.3)	(8,655)	(11,331)	(23.6)
Reinsurers' share of claims paid	42	61	(31.1)	1,714	3,278	(47.7)
Net claims incurred	(1,528)	(1,123)	36.1	(7,654)	(10,818)	(29.2)
Operating profit before allowances	17,502	3,739	NM	23,342	9,251	152.3
Reversal of/ (Allowances for) loan losses and impairment of other assets	(362)	(635)	(43.0)	(753)	(3,473)	(78.3)
Profit before tax	17,140	3,104	NM	22,589	5,778	NM
Tax expense	(508)	(548)	(7.3)	(2,726)	(2,164)	26.0
Profit for the period	16,632	2,556	NM	19,863	3,614	NM
Profit attributable to:						
Owners of the Company	16,181	2,168	NM	17,987	1,956	NM
Non-controlling interests	451	388	16.2	1,876	1,658	13.1
Profit for the period	16,632	2,556	NM	19,863	3,614	NM

NM – not meaningful/more than +/- 200%

- 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.

Statement of Comprehensive Income

Note	3 months ended 31 December			12 months ended 31 December		
	4Q FY2018 S\$'000	4Q FY2017 S\$'000	+/(-) %	12M FY2018 S\$'000	12M FY2017 S\$'000	+/(-) %
Profit for the period	16,632	2,556	NM	19,863	3,614	NM
Other comprehensive income						
<i>Items that will not be reclassified to profit or loss</i>						
Defined benefit plan remeasurement	4	193	(98)	4	193	(98)
Tax on items that will not be reclassified to profit or loss	(1)	(40)	(98)	(1)	(40)	(98)
	3	153	(98)	3	153	(98)
<i>Items that are or may be reclassified subsequently to profit or loss</i>						
Net change in fair value of financial assets at FVOCI (i)	431	-	NM	-	-	NM
Net change in fair value of available-for-sale financial assets (i)	-	295	NM	-	893	NM
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	(7)	(694)	(99.0)	-	(2,361)	NM
Foreign currency translation differences of foreign operations (ii)	(145)	468	NM	1,013	639	58.5
Tax on other comprehensive income	-	81	NM	-	263	NM
	279	150	86.0	1,013	(566)	NM
Other comprehensive income for the period, net of tax	282	303	(6.9)	1,016	(413)	NM
Total comprehensive income for the period	16,914	2,859	NM	20,879	3,201	NM
Attributable to:						
Owners of the Company	16,530	2,336	NM	18,650	1,284	NM
Non-controlling interests	384	523	(26.6)	2,229	1,917	16.3
	16,914	2,859	NM	20,879	3,201	NM

NM – not meaningful/more than +/- 200%

Notes:

- (i) Net change in fair value of financial assets was mainly due to mark-to-market (loss)/gain on debt securities.
- (ii) Foreign currency translation differences of foreign operations arose mainly from the translation of financial statements of foreign operations whose functional currencies are Thai Baht, Malaysian Ringgit and Indonesian Rupiah.

The significant gain from foreign currency translation differences of foreign operations in 12M FY18 arose mainly due to the appreciation of Thai Bath against Singapore Dollar by 2.4% since December 2017.

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.(continued)

However, the loss from foreign currency translation differences of foreign operation in Q4 FY18 mainly due to weaken of Thai Bath against Singapore dollar by 0.5%

Exchange rates for the respective reporting period were as follows:

	31-Dec 2018	30-Sep 2018	31-Dec 2017	30-Sep 2017
THB against SGD	23.809	23.697	24.390	24.570
MYR against SGD	3.0340	3.0276	3.0331	3.1124
IDR against SGD	10,672	10,908	10,121	9,929

1(a)(ii) The following items have been included in arriving at Group net profit/(loss) for the period

	3 months ended 31 December			12 months ended 31 December		
	4Q FY2018	4Q FY2017	+ / (-)	12M FY2018	12M FY2017	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Investment income						
- dividend, fee and interest income	690	820	(15.9)	2,273	2,365	(3.9)
- (loss)/gain on disposal of equity securities	(330)	603	NM	(368)	1,104	NM
- gain on partial redemption of convertible loan	94	504	(81.3)	1,070	2,171	(50.7)
- net change in fair value of financial assets at fair value through profit or loss	(667)	300	NM	(1,061)	761	NM
- amortisation of held-to-maturity debt securities	(25)	(10)	150.0	(56)	(52)	7.7
- exchange loss	(13)	(120)	(89.2)	(61)	(546)	(88.8)
	<u>(251)</u>	<u>2,097</u>	<u>NM</u>	<u>1,797</u>	<u>5,803</u>	<u>(69.0)</u>
Gain on disposal of property, plant and equipment	16,322	8	NM	16,375	8	NM
Amortisation of intangible assets	(71)	(92)	(22.8)	(311)	(410)	(24.1)
Depreciation of property, plant and equipment	(203)	(288)	(29.5)	(1,072)	(1,165)	(8.0)
Foreign currency differences						
- exchange gain/(loss)	36	(5)	NM	(124)	(211)	(41.2)
- realised gain on foreign exchange contracts	(22)	-	NM	(14)	-	NM
- fair value gain on foreign exchange forward contracts	8	7	14.3	8	7	14.3
	<u>16,070</u>	<u>(370)</u>	<u>NM</u>	<u>14,862</u>	<u>(1,771)</u>	<u>NM</u>
Reversal of/(provision for) unexpired risks, net of reinsurers' share						
- change in gross provision for unexpired risks	(1,163)	2,120	NM	605	5,727	(89.4)
- reinsurers' share of change in provision for unexpired risks	1,067	(1,521)	NM	652	(2,519)	NM
	<u>(96)</u>	<u>599</u>	<u>NM</u>	<u>1,257</u>	<u>3,208</u>	<u>(60.8)</u>

1(a)(ii) The following items have been included in arriving at Group net profit/(loss) for the period (Continued)

	3 months ended 31 December			12 months ended 31 December		
	4Q FY2018	4Q FY2017	+ / (-)	12M FY2018	12M FY2017	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Claims incurred, net of reinsurers' share						
- net of change in provision for insurance claims	(415)	2,143	NM	(713)	(2,765)	(74.2)
- net claims paid	(1,113)	(3,266)	(65.9)	(6,941)	(8,053)	(13.8)
	(1,528)	(1,123)	36.1	(7,654)	(10,818)	(29.2)
Reversal of/(allowance for) loan losses and impairment of investments						
- stage 1 provision	(80)	-	NM	(8)	-	NM
- stage 2 provision	146	-	NM	376	-	NM
- stage 3 provision	(269)	-	NM	(657)	-	NM
- collective provision - loans and receivables	-	92	NM	-	368	NM
- specific provision - loans and receivables	-	(245)	NM	-	(1,405)	NM
- specific provision - interest accrual on non-performing accounts	-	(608)	NM	-	(2,336)	NM
- insurance and other receivables	(155)	126	NM	(460)	(100)	NM
- debts written off	(4)	-	NM	(4)	-	NM
	(362)	(635)	(43.0)	(753)	(3,473)	(78.3)
Tax expenses						
- current tax expense	(416)	(461)	(9.8)	(1,877)	(1,692)	10.9
- deferred tax expense	(93)	(87)	6.9	(789)	(472)	67.2
- over/(under) provision of prior years' tax	1	-	NM	(60)	-	NM
	(508)	(548)	(7.3)	(2,726)	(2,164)	26.0

1(b)(i) A statement of financial position (for the group and issuer), together with a comparative statement as at the end of the immediately preceding financial year.

	Group			Company	
	31/12/2018	31/12/2017	1/1/2017	31/12/2018	31/12/2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
		Restated*	Restated*		
Non-current assets					
Property, plant and equipment	3,319	14,893	15,697	202	13,342
Intangible assets	1,081	465	588	787	119
Investment properties	2,094	3,756	3,914	-	-
Subsidiaries	-	-	-	83,063	86,897
Other investments	39,235	54,377	49,194	6,424	5,262
Loans, advances, hire purchase and leasing receivables	79,523	54,841	43,004	53,423	44,513
Deferred tax assets	4,716	5,308	5,434	11	391
	129,968	133,640	117,831	143,910	150,524
Current assets					
Reinsurers' share of insurance contract provisions	5,325	3,649	7,047	-	-
Insurance receivables	2,585	1,225	1,933	-	-
Loans, advances, hire purchase and leasing receivables	135,836	52,482	61,685	115,239	39,720
Trade and other receivables	166,210	169,334	153,681	51,641	52,665
Other investments	17,807	15,622	29,542	394	659
Cash and cash equivalents	48,724	35,064	33,724	18,773	12,163
	376,487	277,376	287,612	186,047	105,207
Total assets	506,455	411,016	405,443	329,957	255,731
Equity					
Share capital	137,302	137,302	137,302	137,302	137,302
Other reserves	1,184	3,982	4,701	-	379
Accumulated profits	30,720	11,007	9,004	36,923	24,696
Equity attributable to owners of the Company	169,206	152,291	151,007	174,225	162,377
Non-controlling interests	15,354	14,024	12,618	-	-
Total equity	184,560	166,315	163,625	174,225	162,377
Non-current liabilities					
Interest-bearing borrowings	13,864	9,412	13,033	10,000	4,000
Employee benefits	1,560	1,145	1,118	-	-
Deferred tax liabilities	515	375	339	-	-
	15,939	10,932	14,490	10,000	4,000
Current liabilities					
Trade and other payables	13,609	10,894	11,540	6,973	5,444
Insurance payables	3,078	1,967	2,273	-	-
Interest-bearing borrowings	265,478	198,377	187,390	138,743	83,894
Insurance contract provisions for					
- gross unexpired risks	9,425	10,029	15,756	-	-
- gross unexpired claims	13,446	11,710	9,824	-	-
Current tax payable	920	792	545	16	16
	305,956	233,769	227,328	145,732	89,354
Total liabilities	321,895	244,701	241,818	155,732	93,354
Total equity and liabilities	506,455	411,016	405,443	329,957	255,731

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

	Unsecured	
	As at 31-Dec-18	As at 31-Dec-17
	S\$'000	S\$'000
Amount repayable in one year or less, or on demand	265,478	198,377
Amount repayable after one year	13,864	9,412
	279,342	207,789

Details of any collateral

Nil

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.

	3 months ended 31 December		12 months ended 31 December	
	4Q FY2018	4Q FY2017	12M FY2018	12M FY2017
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Profit for the period	16,632	2,556	19,863	3,614
Adjustments for:				
Amortisation of intangible assets and debt securities at amortised cost	96	102	367	462
Net foreign exchange (gain)/loss	(182)	427	179	399
Depreciation of property, plant and equipment	207	291	1,077	1,168
Loss/(gain) on disposal of equity securities	330	(603)	368	(1,104)
Gain on partial redemption of convertible loans	(94)	(504)	(1,070)	(2,171)
Gain on disposal of property, plant and equipment	(16,322)	(8)	(16,375)	(8)
Net change in fair value of financial assets at fair value through profit or loss	667	(300)	1,061	(761)
Provision for/(reversal of), net of reinsurers' share				
- unexpired risks	96	(599)	(1,257)	(3,208)
- insurance claims	413	(2,143)	712	2,765
Interest income	(8,066)	(6,255)	(28,136)	(24,612)
Interest income from investments and fixed deposits	(269)	(337)	(1,114)	(1,281)
Dividend income from investments	(422)	(484)	(1,159)	(1,085)
Interest expense	2,205	1,392	7,615	5,583
Fixed assets writted off	2	-	15	-
Intangible assets writted off	11	-	11	-
Tax expense	507	548	2,725	2,164
Operating cash flows before changes in working capital	(4,189)	(5,917)	(15,118)	(18,075)
Changes in working capital				
Factoring receivables	7,080	(2,525)	(1,956)	(11,317)
Factoring amounts due to clients	(1,795)	(2,182)	4,501	(3,717)
Loans, advances, hire purchase and lease receivables	(21,944)	(2,534)	(108,870)	(2,452)
Insurance and other receivables	(105)	(153)	(173)	295
Trade, other and insurance payables	2,812	(1,873)	3,994	(834)
Cash used in operations	(18,141)	(15,184)	(117,622)	(36,100)
Interest received	8,332	6,595	29,288	25,967
Interest paid	(2,394)	(1,373)	(7,357)	(5,514)
Taxes paid, net	(47)	(51)	(1,768)	(1,457)
Net cash used in operating activities	(12,250)	(10,013)	(97,459)	(17,104)

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. (Continued)

	3 months ended 31 December		12 months ended 31 December	
	4Q FY2018	4Q FY2017	12M FY2018	12M FY2017
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment	29,065	8	29,119	9
Purchase of property, plant and equipment	(94)	(38)	(496)	(91)
Purchase of intangible assets	(480)	(153)	(937)	(285)
Purchase of investments	(3,684)	(6,878)	(17,764)	(48,508)
Proceeds from disposal of investments	6,678	7,751	30,218	59,216
Dividend received from investments	422	484	1,159	1,085
Net cash generated from investing activities	31,907	1,174	41,299	11,426
Cash flows from financing activities				
Dividends paid				
- by the Company	-	-	(1,128)	-
- by a subsidiary company to non-controlling interests	-	-	(849)	(511)
(Repayment of)/proceeds from interest-bearing borrowings	(7,660)	2,967	71,553	7,366
Net cash (used in)/generated from financing activities	(7,660)	2,967	69,576	6,855
Net increase/(decrease) in cash and cash equivalents	11,997	(5,872)	13,416	1,177
Cash and cash equivalents at beginning of period	36,770	40,858	35,064	33,724
Effect of exchange rate fluctuations on cash held	(43)	78	244	163
Cash and cash equivalents at end of period	48,724	35,064	48,724	35,064
Analysis of cash and cash equivalents				
Fixed deposits	11,153	23,291	11,153	23,291
Cash at banks and on hand	37,571	11,773	37,571	11,773
Cash and cash equivalents at end of period	48,724	35,064	48,724	35,064

1(d)(i) A statement (for the group and issuer) 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.

	Attributable to owners of the Company					Total	Non-controlling interests	Total equity
	Share capital	Capital reserve	Fair value reserve	Translation reserve	Accumulated profits			
Group	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2018								
At 31 December 2017, as previously stated	137,302	108	3,458	(6,936)	18,359	152,291	14,024	166,315
Impact on the adoption of SFRS(I) 1	-	-	-	7,352	(7,352)	-	-	-
At 31 December 2017, as restated	137,302	108	3,458	416	11,007	152,291	14,024	166,315
Impact on the adoption of SFRS(I) 9	-	-	(3,458)	-	2,851	(607)	(50)	(657)
At 1 January 2018, as restated	137,302	108	-	416	13,858	151,684	13,974	165,658
Total comprehensive income for the period								
Profit for the period	-	-	-	-	17,987	17,987	1,876	19,863
<i>Other comprehensive income</i>								
Foreign currency translation differences	-	-	-	660	-	660	353	1,013
Defined benefit plan remeasurements	-	-	-	-	4	4	-	4
Tax on other comprehensive income	-	-	-	-	(1)	(1)	-	(1)
<i>Total other comprehensive income</i>	-	-	-	660	3	663	353	1,016
Total comprehensive income for the period	-	-	-	660	17,990	18,650	2,229	20,879
Transactions with owners, recognised directly in equity								
Contributions by and distributions to owners								
Dividends paid to owners of the Company	-	-	-	-	(1,128)	(1,128)	-	(1,128)
Total contributions by and distributions to owners	-	-	-	-	(1,128)	(1,128)	-	(1,128)
Changes in ownership interests in subsidiaries								
Dividends paid by a subsidiary company to non-controlling interests	-	-	-	-	-	-	(849)	(849)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	(849)	(849)
Total transactions with owners	-	-	-	-	(1,128)	(1,128)	(849)	(1,977)
At 31 December 2018	137,302	108	-	1,076	30,720	169,206	15,354	184,560

1(d)(i) A statement (for the group and issuer) 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.
(Continued)

	Attributable to owners of the Company					Total S\$'000	Non- controlling interests S\$'000	Total equity S\$'000
	Share capital S\$'000	Capital reserve S\$'000	Fair value reserve S\$'000	Translation reserve S\$'000	Accumulated profits S\$'000			
Group								
2017								
At 1 January 2017, as previously stated	137,302	38	4,663	(7,352)	16,356	151,007	12,618	163,625
Impact on the adoption of SFRS(I) 1	-	-	-	7,352	(7,352)	-	-	-
At 1 January 2017, as restated	137,302	38	4,663	-	9,004	151,007	12,618	163,625
Total comprehensive income for the period								
Profit for the period	-	-	-	-	1,956	1,956	1,658	3,614
<i>Other comprehensive income</i>								
Foreign currency translation differences	-	-	-	416	-	416	223	639
Net change in fair value of available-for-sale financial assets	-	-	893	-	-	893	-	893
Net change in fair value of financial assets at FVOCI reclassified to profit or loss	-	-	(2,361)	-	-	(2,361)	-	(2,361)
Defined benefit plan remeasurement	-	-	-	-	148	148	45	193
Tax on other comprehensive income	-	-	263	-	(31)	232	(9)	223
<i>Total other comprehensive income</i>	-	-	(1,205)	416	117	(672)	259	(413)
Total comprehensive income for the period	-	-	(1,205)	416	2,073	1,284	1,917	3,201
Transactions with owners, recognised directly in equity								
Contributions by and distributions to owners								
Capitalisation of statutory legal reserves of a subsidiary	-	70	-	-	(70)	-	-	-
Total contributions by and distributions to owners	-	70	-	-	(70)	-	-	-
Changes in ownership interests in subsidiaries								
Dividends paid by a subsidiary company to non-controlling interests	-	-	-	-	-	-	(511)	(511)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	(511)	(511)
Total transactions with owners	-	70	-	-	(70)	-	(511)	(511)
At 31 December 2017	137,302	108	3,458	416	11,007	152,291	14,024	166,315

1(d)(i) A statement (for the group and issuer) 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.
(Continued)

<u>Company</u>	Share capital S\$'000	Fair value reserve S\$'000	Accumulated profits S\$'000	Total equity S\$'000
2018				
At 31 December 2017	137,302	379	24,696	162,377
Impact on the adoption of SFRS(I) 9	-	(379)	276	(103)
At 1 January 2018	137,302	-	24,972	162,274
Total comprehensive income for the period				
Profit for the period	-	-	11,951	11,951
Total comprehensive income for the period	-	-	11,951	11,951
At 31 December 2018	137,302	-	36,923	174,225
2017				
At 1 January 2017	137,302	978	21,140	159,420
Total comprehensive income for the period				
Profit for the period	-	-	3,556	3,556
<i>Other comprehensive income</i>				
Net change in fair value of available-for-sale financial assets	-	528	-	528
Net change in fair value of financial assets at FVOCI reclassified to profit or loss	-	(1,249)	-	(1,249)
Tax on other comprehensive income	-	122	-	122
<i>Total other comprehensive income</i>	-	(599)	-	(599)
Total comprehensive income for the period	-	(599)	3,556	2,957
At 31 December 2017	137,302	379	24,696	162,377

- 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.**

	Number of Ordinary Shares (excluding Treasury Shares)	
	As at 31 Dec 2018	As at 31 Dec 2017
Balance at beginning and end of the period	375,969,665	375,969,665

There were no outstanding convertibles as at 31 December 2018 and 31 December 2017.

- 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.**

As at 31 December 2018 and 31 December 2017, the issued and paid up share capital excluding treasury shares of the Company comprised of 375,969,665 (31 December 2017: 375,969,665) ordinary shares.

The Company does not hold any treasury shares as at 31 December 2018 and 31 December 2017.

- 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.**

During the current financial period reported on, there were no purchases, sales, transfers, disposal, cancellation and/or use of treasury shares.

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

During the current financial period reported on, there were no purchases, sales, transfers, disposal, cancellation and/or use of subsidiary holdings.

- 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 by the Group'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.

In December 2017 the Accounting Standards Council (ASC) issued the Singapore Financial Reporting Standards (International) ("SFRS(I)") which comprises of standards and interpretations that are equivalent to International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board ("IASB") at 31 December 2017. Singapore-incorporated companies listed on the Singapore Exchange shall apply SFRS(I) with effect from annual periods beginning on or after 1 January 2018.

As a result of the Group's adoption of SFRS(I), the consolidated statement of financial position and consolidated statement of changes in equity as at 1 January 2017 and 31 December 2017 have been restated. The adoption of SFRS(I) and their impact on the financial statements are detailed in the Paragraph 5.

Other than the adoption of the new framework and the new SFRS(I)s, amendments and interpretations of SFRS(I)s which took effect from the current financial year, there were no changes in accounting policies and methods of computation adopted in the financial statements for the current reporting period as compared to the most recent audited annual financial statements as at 31 December 2017 which was prepared under Singapore Financial Reporting Standards ("SFRS").

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.

Prior year adjustment in accordance with SFRS(I) 1 First-Time Adoption of Singapore Financial Reporting Standards (International)

The Financial Statements for FY2017 has been restated to reflect the effects of resetting the cumulative Foreign Currency Translation Reserve ("FCTR"). The Group considered that restating FCTR to comply with SFRS(I) 1-21 *The Effects of Changes in Foreign Exchange Rates* may not be practicable as certain acquisitions and disposals were transacted at dates that preceded the statutory record keeping periods, and has elected the optional exemption in SFRS(I) 1 to reset its cumulative FCTR for all foreign operations to nil at the date of transition. After the date of transition, any gain or loss on disposal of any foreign operations will exclude translation differences that arose before the date of transition.

Opening balance adjustment in accordance with adoption of SFRS(I) 9 Financial Instruments

The opening balance for FY2018 has been adjusted to reflect the effects of adopting the new classification and measurement model for financial instruments and the effects of replacing impairment models. In our situation, the 'incurred loss' model previously used was replaced with a forward-looking expected credit loss ("ECL") model. Changes in accounting policies resulting from the adoption of accounting standards will generally be applied by the Group retrospectively. However, the Group decided to take advantage of the exemption in SFRS(I) 1 allowing it not to restate comparative information. Differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption were recognised in retained earnings.

The Group adopted the forward-looking ECL model using a "three stage" model approach based on changes in credit quality as follows:

- Stage 1 – Financial instruments that have not had a significant deterioration in credit quality;
- Stage 2 – Financial instruments that have had a significant increase in credit risk since initial recognition; and
- Stage 3 – Financial assets that have objective evidence of impairment.

Loss allowances for Stage 1 financial assets were based on 12-month ECLs (result from possible default events within the 12 months after the reporting date) while loss allowances for Stage 2 and Stage 3 financial assets were based on lifetime ECLs (result from all possible default events over the expected life of a financial instrument).

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. (Continued)

Consequential to resetting the cumulative FCTR as at 1 January 2017 determined in accordance with SFRS(I) and the effects of the adjustments arising from the adoption of SFRS(I) 9 to the opening balances, the effects on the Consolidated Statement of Financial Position are as follows:

	31-Dec-17 SFRS Framework S\$'000 Audited	31-Dec-17 SFRS(I) 1 Note (1) S\$'000	31-Dec-17 SFRS(I) Framework S\$'000 (Restated)	1-Jan-18 SFRS(I) 9 Note (2) S\$'000	1-Jan-18 SFRS(I) 9 Note (3) S\$'000	1-Jan-18 SFRS(I) Framework S\$'000
Non-current assets						
Loans, advances, hire purchase and leasing	54,841	-	54,841	-	(51)	54,790
Other investments	54,377	-	54,377	(49)	(266) *	54,062
Others	24,422	-	24,422	-	-	24,422
	133,640	-	133,640	(49)	(317)	133,274
Current assets						
Loans, advances, hire purchase and leasing	52,482	-	52,482	-	(840)	51,642
Factoring receivables	166,927	-	166,927	-	552	167,479
Other investments	15,622	-	15,622	-	(3) *	15,619
Others	42,345	-	42,345	-	-	42,345
	277,376	-	277,376	-	(291)	277,085
Total assets	411,016	-	411,016	(49)	(608)	410,359
Equity						
Share capital	137,302	-	137,302	-	-	137,302
Other reserves	(3,370)	7,352	3,982	(3,458)	-	524
Accumulated profits	18,359	(7,352)	11,007	3,409	(558)	13,858
Equity attributable to owners of the Company	152,291	-	152,291	(49)	(558)	151,684
Non-controlling interests	14,024	-	14,024	-	(50)	13,974
Total equity	166,315	-	166,315	(49)	(608)	165,658
Non-current liabilities	10,932	-	10,932	-	-	10,932
Current liabilities	233,769	-	233,769	-	-	233,769
Total liabilities	244,701	-	244,701	-	-	244,701
Total equity and liabilities	411,016	-	411,016	(49)	(608)	410,359

(1) Adjustment to foreign currency translation reserve under SFRS(I) 1.

(2) Adjustment to accumulated profits due to reclassification of other investments under SFRS(I) 9.

(3) Adjustment to accumulated profits due to new ECL model under SFRS(I) 9.

* Not included in the 1Q 2018 results announcement. This ECL adjustment on debt securities was finalised in 4Q 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. (Continued)

The effects of the adjustments arising from the adoption of SFRS(I) 9 to the opening balances on the Company's Statement of Financial Position are as follows:

	31-Dec-17 SFRS Framework S\$'000 Audited	1-Jan-18 SFRS(I) 9 Note (4) S\$'000	1-Jan-18 SFRS(I) 9 Note (5) S\$'000	1-Jan-18 SFRS(I) Framework S\$'000
Non-current assets				
Loans, advances, hire purchase and leasing receivables	44,513	-	(5)	44,508
Others	106,011	-	-	106,011
	150,524	-	(5)	150,519
Current assets				
Loans, advances, hire purchase and leasing receivables	39,720	-	(196)	39,524
Factoring receivables	24,668	-	98	24,766
Others	40,819	-	-	40,819
	105,207	-	(98)	105,109
Total assets	255,731	-	(103)	255,628
Equity				
Share capital	137,302	-	-	137,302
Other reserves	379	(379)	-	-
Accumulated profits	24,696	379	(103)	24,972
Total equity	162,377	-	(103)	162,274
Non-current liabilities	4,000	-	-	4,000
Current liabilities	89,354	-	-	89,354
Total liabilities	93,354	-	-	93,354
Total equity and liabilities	255,731	-	(103)	255,628

(4) Adjustment to accumulated profits due to reclassification of other investments under SFRS(I) 9.

(5) Adjustment to accumulated profits due to new ECL model under SFRS(I) 9.

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:—

- (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).

	3 months ended 31 December		12 months ended 31 December	
	4Q FY2018	4Q FY2017	12M FY2018	12M FY2017
Earnings Per Ordinary Share				
- on weighted-average number of ordinary shares in issue	4.30 cents	0.58 cents	4.78 cents	0.52 cents
- on fully diluted basis	4.30 cents	0.58 cents	4.78 cents	0.52 cents
Net profit/(loss) attributable to shareholders:	\$16,181,000	\$2,168,000	\$17,987,000	\$1,956,000
Number of shares in issue				
- on weighted-average number of ordinary shares in issue	375,969,665	375,969,665	375,969,665	375,969,665
- on fully diluted basis	375,969,665	375,969,665	375,969,665	375,969,665

The basic and fully diluted loss per ordinary share are the same as the Group did not have any potential dilutive ordinary share outstanding for the above reporting financial periods.

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-Dec-18	31-Dec-17	31-Dec-18	31-Dec-17
Net Asset Value (NAV) per ordinary share	45.1 cents	40.5 cents	47.8 cents	43.2 cents
NAV computed based on no. of ordinary shares issued	375,969,665	375,969,665	375,969,665	375,969,665

- 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:—
- 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
 - any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of Group Performance

Net interest income

Upon the adoption of SFRS(I) 9 at the beginning of current financial year, the Group has ceased recognition of interest income arising from NPLs.

Details for net interest income generated from activities are as follows:

	3 months ended 31 December			12 months ended 31 December		
	4Q FY2018 S\$'000	4Q FY2017 S\$'000	+/(-) %	12M FY2018 S\$'000	12M FY2017 S\$'000	+/(-) %
Factoring	3,548	3,395	4.5	14,319	13,136	9.0
Loans, advances, hire purchase	4,442	2,119	109.6	13,324	8,364	59.3
Facility fee	76	41	85.4	493	271	81.9
Interest income excluding NPLs	8,066	5,555	45.2	28,136	21,771	29.2
Non-performing loans (NPLs)	-	700	NM	-	2,841	NM
Interest income	8,066	6,255	29.0	28,136	24,612	14.3
Interest expense	(2,205)	(1,392)	58.4	(7,615)	(5,583)	36.4
Net interest income	5,861	4,863	20.5	20,521	19,029	7.8

Interest income from the Loan portfolio continued to grow in fourth quarter 2018 ("Q4 FY2018"). Total new loans of S\$ 36.4 million were disbursed in the quarter under review.

For the 12 months ended 31 December 2018 ("12M FY2018"), our Factoring volume increased by S\$ 135 million when compared to the corresponding period in 2017 ("12M FY2017") hence an increase of 9% in the interest income from Factoring.

With the strong and steady performance achieved in FY 2018, the Group not only managed to achieve overall growth rate of 29% in interest income (excluding NPLs) for the 12M FY 2018 but also improved our Net Interest Margin ("NIM") from 6.5% in 4Q FY2017 to 6.8% in 4Q FY 2018 and from 6.4% for 12M FY2017 to 6.6% for 12M FY2018.

Non-interest income

With the completion of the disposal of our office property in November 2018, the Group recorded a gain of \$16.3 million in 4Q FY2018.

Consequently non-interest income grew by 232% to \$19.4 million in 4Q FY2018.

Business in our insurance segment continued to remain soft in 4Q FY2018. Overall production volume for 12M FY2018 fell by 34%; largely due to the Motor Insurance portfolio (cessation of Uber and private-hire portfolio).

Operating expenses

The slight increase in operating expenses in 4Q FY2018 was due to staff costs. However, for 12M FY2018 operating expenses remained flat compared to 12M FY2017.

Net claims incurred

Following the cessation of the Uber and private-hire Motor insurance portfolio in June/July 2017 and coupled with the more stringent underwriting standards implemented, the Group saw a decline in its net claims incurred by \$3.2 million (29%) in 12M FY2018.

Allowances and Impairments

	3 months ended 31 December			12 months ended 31 December		
	4Q FY2018 S\$'000	4Q FY2017 S\$'000	+/(-) %	12M FY2018 S\$'000	12M FY2017 S\$'000	+/(-) %
Stage 1	80	-	NM	8	-	NM
Stage 2	(146)	-	NM	(376)	-	NM
Stage 3	269	-	NM	657	-	NM
Specific provision	-	853	NM	-	3,741	NM
- on principals	-	245	NM	-	1,405	NM
- on interests	-	608	NM	-	2,336	NM
Collective provision	-	(92)	NM	-	(368)	NM
Others	159	(126)	NM	464	100	NM
Allowances and Impairments	362	635	(43.0)	753	3,473	(78.3)

Profit before tax

Excluding the gain of \$16.3 million arising from disposal of our office property, the Group recorded a pre-tax profit of \$6.3 million for 12M FY2018, an improvement of 8%, contributed by the strong performance achieved by our Lending business.

For 12M FY2018, profit attributable to shareholders (excluding gain arising from disposal of office property) was \$1.6 million, second year of positive performance after 2016.

Review of Financial Position as at 31 December 2018

Resulting from the disposal of our office property in November 2018, the Group managed to realise its investment in Property, plant and equipment (Non-current assets) into Cash and cash equivalents (Current assets).

The increase in Intangible assets is largely due to investment in system and technology development in the Lending business.

As mentioned in our 3Q FY2018 results announcement, the Group has reclassified 2 office units owned by its subsidiary in Thailand from Investment properties to Property, plant and equipment following the change in purpose from leasing to own use in order to cater for the expansion in business.

Gross lending assets including factoring receivables outstanding were \$380 million, an increase of 39% when compared against the base of \$274 million as at 31 December 2017. The increase was mainly due to higher loan portfolio derived from the strong growth in our Group Lending business.

Correspondingly the Group's overall interest-bearing borrowings also increased from \$208 million as at 31 December 2017 to \$279 million as at 31 December 2018.

Despite the increase in lending assets and borrowings from the banks, the Group managed to achieve a healthy current ratio of 1.23 times (FY2017: 1.18 times).

Cash flows from operating activities

The Group recorded a net cash outflow of \$12.3 million for 4Q FY2018 and \$97.5 million for 12M FY2018 compared to \$10 million and \$17.1 million against the corresponding periods. Higher net cash were used in operating activities compared against the corresponding periods as a result of the growth in our lending activities.

Cash flows from investing activities

The net cash generated from investing activities for 4Q FY2018 and 12M FY2018 was \$31.9 million and \$41.3 million. Net cash inflows were mainly due to proceeds from disposal of office property and redemption/disposal of investments.

Details of the purchase of investments and proceeds from redemption/disposal of investments for 4Q FY2018 and 12M FY2018 were as follows:

	Purchase of investments		Proceeds from redemption / disposal of investments	
	4Q FY2018 S\$'000	12M FY2018 S\$'000	4Q FY2018 S\$'000	12M FY2018 S\$'000
<u>ECICS Limited</u> *				
- Quoted equity securities	776	3,426	1,858	6,892
- Quoted debt securities	2,908	13,284	3,894	17,720
<u>IFS Group</u> (excluding ECICS Limited)	-	1,054	926	5,606
Total	3,684	17,764	6,678	30,218

* MAS regulated insurance company, within the exception of Rules 704(17) and 704(18) of the Listing Manual.

Cash flows from financing activities

The net cash used in or generated from financing activities resulted from repayment of or additional drawdown of interest-bearing borrowings to meet lending activities requirements.

Cash and cash equivalents

As a result of the net inflows from investing activities, we recorded a net increase in cash and cash equivalent for 4Q FY3029

For 12M FY2018, the net cash inflows from investing and financing activities exceeded the net cash outflows from operating activities resulting in an increase in cash and cash equivalents for the periods

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

The current announced results are in line with the prospect statement as disclosed in the Group's third quarter results announcement for the year ended 30 September 2018 dated 14 November 2018.

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.

In 2018, our Lending Business enjoyed strong growth momentum thereby enabling the Group to achieve better performance compared to prior year, with each of the countries we operate in delivering profits.

With the sale of our office property, the Group strengthened its balance sheet by about \$16.3 million. With a healthy and growing pipeline of business, this additional liquidity will support further growth in the Lending Business.

With new leadership in place, the restructuring of our insurance business is progressing. However, it will take time before the insurance segment turns around decisively.

Meanwhile the Group is mindful of the considerable uncertainties in the business environment. In particular, the Group will monitor movements in currencies and interest rates in the countries the Group operates in. Nevertheless, the ASEAN region has demonstrated greater resilience than in the past and, with the risk mitigation we have put in place and a disciplined approach to business, we remain confident that the Group can contain these risks.

11 Dividend

(a) Current Financial Period

Name of Dividend	First and Final
Dividend Type	Cash (Ordinary)
Dividend Rate	0.55 Singapore cents per share
Tax Rate	One-tier tax exempt

(b) Corresponding Period of the Immediately Preceding Financial Year

Nil

(c) Date Payable

17 May 2019, subject to the approval of the Shareholders for the proposed first and final dividend at the Annual General Meeting.

(d) Books closure date

Subject to the approval of the Shareholders for the proposed first and final dividend at the Annual General Meeting, the Share Transfer Books and the Register of Members of the Company will be closed on 8 May 2019, for the purpose of determining shareholders' entitlements to the proposed first and final one-tier tax exempt ordinary cash dividend for the year ended 31 December 2018.

Duly completed and stamped transfers together with all relevant documents of or evidencing title received by the Company's Share Registrar, M & C Services Private Limited at 112 Robinson Road #05-01 Singapore 068902 up to the close of business at 5.00 p.m. on 7 May 2019 will be registered before entitlements to the proposed first and final dividend are determined. Shareholders whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares in the Company as at 5.00 p.m. on 7 May 2019 will be entitled to the proposed first and final dividend.

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

Not applicable.

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 Group did not obtain a general mandate from shareholders for Interested Person Transactions.

14 Confirmation that the issuer has procured undertakings from all its directors and executive officers.

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.

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.

Business segments

	Credit Financing S\$'000	Insurance S\$'000	Private equity and other investments S\$'000	Total S\$'000
2018				
Operating results				
Total operating income	37,350	7,249	187	44,786
Reportable segment profit/(loss) before tax	24,389	(4,733)	2,933	22,589
Net interest income	20,521	-	-	20,521
Net earned premium revenue	-	6,853	-	6,853
Non-interest income	23,214	397	2,979	26,590
Other material non-cash items:				
- Provisions for loan losses and impairment of other assets	(666)	(87)	-	(753)
- Depreciation and amortisation	(1,240)	(143)	-	(1,383)
Assets and liabilities				
Reportable segment assets	423,695	57,041	20,740	501,476
Capital expenditure	1,232	194	-	1,426
Reportable segment liabilities	291,332	26,852	436	318,619
2017				
Operating results				
Total operating income	32,076	13,388	2,709	48,173
Reportable segment profit/(loss) before tax	5,892	(3,551)	3,437	5,778
Net interest income	19,029	-	-	19,029
Net earned premium revenue	-	11,071	-	11,071
Non-interest income	7,098	2,381	3,486	12,965
Other material non-cash items:				
- Provisions for loan losses and impairment of other assets	(3,453)	(20)	-	(3,473)
- Depreciation and amortisation	(1,321)	(254)	-	(1,575)
Assets and liabilities				
Reportable segment assets	318,752	61,234	25,157	405,143
Capital expenditure	251	158	-	409
Reportable segment liabilities	218,024	25,032	495	243,551

- 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. (Continued)**

Geographical segments

	Operating income S\$'000	Non-current assets S\$'000	Total assets S\$'000
2018			
Singapore	21,249	1,241	277,176
Thailand	18,614	4,978	186,621
Malaysia	2,634	132	22,794
Indonesia	2,289	143	18,916
Others	-	-	948
	44,786	6,494	506,455
2017			
Singapore	27,429	13,671	215,420
Thailand	16,455	5,278	175,177
Malaysia	2,301	139	9,747
Indonesia	1,988	26	10,041
Others	-	-	631
	48,173	19,114	411,016

- 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.**

Please refer to item 8.

- 17 **A breakdown of sales as follows:-**

	FY2018 S\$'000	FY2017 S\$'000	+/(-) %
Sales reported for first half year	22,161	23,354	(5.1)
Operating profit after tax before deducting non-controlling interests reported for first half year	467	934	(50.0)
Sales report for second half year	22,625	24,819	(8.8)
Operating profit after tax before deducting non-controlling interests reported for second half year	19,396	2,680	NM

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

	FY2018 S\$'000	FY2017 S\$'000	+/(-) %
Ordinary			
First and Final	2,068	1,128	83.3
Proposed First and Final	-	-	
Total	2,068	1,128	83.3

- 19 **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Lim Wah Tong	62	Brother of Mr. Lim Hua Min, a director and deemed substantial shareholder of the Company.	Non-Executive Director of ECICS Limited (a wholly-owned subsidiary of the Company) since 2003.	Nil

By Order of the Board

Chionh Yi Chian/ Angeline Ng
Company Secretary/ Assistant Company Secretary
 22 February 2019



IFS Capital Limited

(Registration no: 198700827C)

Confirmation By The Board Pursuant to Rule 705(5) of the Listing Manual

On behalf of the Board of Directors of IFS Capital Limited ("the Company"), we hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements for the fourth quarter and full year ended 31 December 2018 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Lim Hua Min
Chairman

Eugene Tan
Group Chief Executive Officer/Director

Ang Iris
Group Chief Financial Officer

Singapore
22 February 2019