



FIRST SPONSOR GROUP LIMITED

(Incorporated in the Cayman Islands)

(Registration No. AT-195714)

UNAUDITED FOURTH QUARTER AND FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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

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

	The Group			The Group		
	Fourth quarter ended		Incr / (Decr)	Full year ended		Incr / (Decr)
	2019	2018		2019	2018	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	149,793	131,952	13.5	319,164	277,361	15.1
Cost of sales	(75,565)	(61,960)	22.0	(130,129)	(115,861)	12.3
Gross profit	74,228	69,992	6.1	189,035	161,500	17.0
Administrative expenses	(9,694)	(8,587)	12.9	(38,206)	(27,997)	36.5
Selling expenses	(4,023)	(1,885)	113.4	(9,609)	(7,782)	23.5
Other (expenses)/ income (net)	(53,918)	2,316	n.m.	(61,940)	3,257	n.m.
Other gains (net)	36,656	1,155	3,073.7	42,827	2,838	1,409.1
Results from operating activities	43,249	62,991	(31.3)	122,107	131,816	(7.4)
Finance income	8,697	4,577	90.0	23,798	17,132	38.9
Finance costs	(8,274)	(2,605)	217.6	(22,928)	(9,902)	131.5
Net finance income	423	1,972	(78.5)	870	7,230	(88.0)
Share of after-tax profit of associates and joint ventures	51,363	8,667	492.6	71,222	5,502	1,194.5
Profit before tax	95,035	73,630	29.1	194,199	144,548	34.3
Tax expense	(967)	(10,420)	(90.7)	(28,623)	(26,298)	8.8
Profit for the period/year	94,068	63,210	48.8	165,576	118,250	40.0
Attributable to:						
Equity holders of the Company	94,910	58,238	63.0	167,088	113,008	47.9
Non-controlling interests	(842)	4,972	n.m.	(1,512)	5,242	n.m.
Profit for the period/year	94,068	63,210	48.8	165,576	118,250	40.0
Earnings per share (cents)						
- basic	11.75	8.73	34.6	21.64	16.72	29.4
- diluted	8.62	7.32	17.8	17.12	15.02	14.0

n.m.: not meaningful

Consolidated Statement of Comprehensive Income

	The Group		The Group	
	Fourth quarter ended		Full year ended	
	31 December		31 December	
	2019	2018	2019	2018
	S\$'000	S\$'000	S\$'000	S\$'000
Profit for the period/year	94,068	63,210	165,576	118,250
Other comprehensive income				
Items that are or may be reclassified subsequently to profit or loss:				
Foreign currency translation differences on financial statements arising from liquidation of foreign subsidiaries reclassified to profit or loss	-	1,187	-	1,187
Share of translation differences on financial statements of foreign associates and joint ventures, net of tax	(2,723)	(652)	(7,543)	(1,589)
Translation differences on financial statements of foreign subsidiaries, net of tax	1,712	(652)	(23,213)	(22,464)
Translation differences on monetary items forming part of net investment in foreign subsidiaries, net of tax	(28)	(1,308)	(1,496)	(1,486)
Other comprehensive income for the period/year, net of tax	(1,039)	(1,425)	(32,252)	(24,352)
Total comprehensive income for the period/year	<u>93,029</u>	<u>61,785</u>	<u>133,324</u>	<u>93,898</u>
Total comprehensive income attributable to:				
Equity holders of the Company	94,396	57,026	135,608	88,912
Non-controlling interests	(1,367)	4,759	(2,284)	4,986
Total comprehensive income for the period/year	<u>93,029</u>	<u>61,785</u>	<u>133,324</u>	<u>93,898</u>

Notes to the Group's Income Statement:

Profit before tax includes the following:

	The Group Fourth quarter ended 31 December		The Group Full year ended 31 December	
	2019 S\$'000	2018 S\$'000	2019 S\$'000	2018 S\$'000
Other gains/(losses) comprise:				
Gain/(loss) on disposal of:				
- assets held-for-sale	1,582	904	7,710	6,253
- a subsidiary	35,516	1	35,516	1
- investment properties	66	231	679	272
- other investments	-*	-	76	-
- property, plant and equipment	(3)	(1)	(14)	(1)
Impairment loss on assets held- for-sale	(481)	(381)	(481)	(4,088)
Loss on deconsolidation of a subsidiary	(24)	-	(637)	-
Loss on liquidation of subsidiaries (net)	-	(85)	-	(85)
Property, plant and equipment written off	-*	(1)	(22)	(1)
Others	-	487	-	487

Profit before tax includes the following (expenses)/income:

Depreciation of property, plant and equipment	(3,016)	(828)	(10,356)	(6,172)
Exchange gain/(loss) (net)	2,911	(13,632)	(27,374)	(26,248)
Fair value (loss)/gain on:				
- derivative assets/ liabilities (net)	(2,343)	14,368	24,786	30,761
- investment properties (net)	1,918	6,930	1,918	6,930
- other investments	78	12,850	528	12,850
Hotel base stocks written off	2	-	(495)	-
Hotel pre-opening expenses	(158)	-	(937)	-
Impairment loss on property, plant and equipment	(46,160)	(14,053)	(46,160)	(14,053)
Interest expense on lease liabilities	(817)	-	(3,338)	-
Write down of development properties	(1,915)	(3,153)	(1,915)	(3,153)

* Amount less than S\$1,000

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	
	As at 31 December 2019 S\$'000	As at 31 December 2018 S\$'000	As at 31 December 2019 S\$'000	As at 31 December 2018 S\$'000
Non-current assets				
Property, plant and equipment	345,847	170,435	950	306
Investment properties	94,827	259,135	-	-
Subsidiaries	-	-	774,562	720,981
Interests in associates and joint ventures	298,062	80,817	9,680	9,669
Derivative assets	28,778	19,385	28,778	19,385
Other investments	74,594	78,131	-	-
Deferred tax assets	43,470	33,387	-	-
Trade and other receivables	786,935	660,948	860,557	779,204
	<u>1,672,513</u>	<u>1,302,238</u>	<u>1,674,527</u>	<u>1,529,545</u>
Current assets				
Development properties	390,046	356,890	-	-
Inventories	550	215	-	-
Trade and other receivables	353,168	505,887	483,451	389,902
Assets held-for-sale	18,285	51,610	-	-
Derivative assets	12,545	-	12,545	-
Other investments	-	39,262	-	-
Cash and cash equivalents	313,389	125,711	22,629	18,139
	<u>1,087,983</u>	<u>1,079,575</u>	<u>518,625</u>	<u>408,041</u>
Total assets	<u>2,760,496</u>	<u>2,381,813</u>	<u>2,193,152</u>	<u>1,937,586</u>
Equity				
Share capital	101,251	81,405	101,251	81,405
Reserves	1,320,670	1,069,091	1,080,079	868,766
Equity attributable to owners of the Company	<u>1,421,921</u>	<u>1,150,496</u>	<u>1,181,330</u>	<u>950,171</u>
Perpetual convertible capital securities	146,548	161,285	146,548	161,285
Non-controlling interests	30,120	11,713	-	-
Total equity	<u>1,598,589</u>	<u>1,323,494</u>	<u>1,327,878</u>	<u>1,111,456</u>
Non-current liabilities				
Loans and borrowings	369,943	641,390	369,943	604,732
Derivative liabilities	2,717	5,564	2,717	5,564
Other payables	49,431	12,527	-	-
Lease liabilities	69,358	-	466	-
Deferred tax liabilities	7,202	8,638	-	-
	<u>498,651</u>	<u>668,119</u>	<u>373,126</u>	<u>610,296</u>

	The Group		The Company	
	As at 31 December 2019 S\$'000	As at 31 December 2018 S\$'000	As at 31 December 2019 S\$'000	As at 31 December 2018 S\$'000
Current liabilities				
Loans and borrowings	251,220	45,338	251,220	45,338
Current tax payable	61,925	36,994	1,914	30
Trade and other payables	307,085	138,381	238,858	170,466
Contract liabilities	39,288	161,279	-	-
Receipts in advance	1,349	8,208	-	-
Lease liabilities	2,389	-	156	-
	<u>663,256</u>	<u>390,200</u>	<u>492,148</u>	<u>215,834</u>
Total liabilities	<u>1,161,907</u>	<u>1,058,319</u>	<u>865,274</u>	<u>826,130</u>
Total equity and liabilities	<u>2,760,496</u>	<u>2,381,813</u>	<u>2,193,152</u>	<u>1,937,586</u>

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

The Group's net borrowings refer to aggregate borrowings from banks and financial institutions, after deducting cash and cash equivalents and structured deposits. Unamortised balance of transaction costs have not been deducted from the gross borrowings.

	The Group	
	As at 31 December 2019 S\$'000	As at 31 December 2018 S\$'000
Unsecured		
- repayable within one year	251,220	45,338
- repayable after one year	369,943	604,732
Total	<u>621,163</u>	<u>650,070</u>
Secured		
- repayable within one year	-	-
- repayable after one year	-	36,658
Total	<u>-</u>	<u>36,658</u>
Grand total	<u>621,163</u>	<u>686,728</u>
Gross borrowings	628,931	695,719
Less:		
(i) cash and cash equivalents	(313,389)	(125,711)
(ii) other investments (current) ^{Note 1}	-	(39,262)
Net borrowings	<u>315,542</u>	<u>530,746</u>

Note 1 Other investments (current) relate to principal-guaranteed structured deposits placed with financial institutions.

Details of any collateral

The secured borrowing as at 31 December 2018 was secured by a mortgage on a subsidiary's investment property, assignment of its bank accounts, lease receivables and insurance proceeds (where applicable).

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		The Group	
	Fourth quarter ended		Full year ended	
	31 December		31 December	
	2019	2018	2019	2018
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Profit for the period/year	94,068	63,210	165,576	118,250
Adjustments for:				
Depreciation of property, plant and equipment	3,016	828	10,356	6,172
Fair value loss/(gain) on:				
- derivative assets/ liabilities (net)	2,343	(14,368)	(24,786)	(30,761)
- investment properties	(1,918)	(6,930)	(1,918)	(6,930)
- other investments	(78)	(12,850)	(528)	(12,850)
Finance income	(8,697)	(4,577)	(23,798)	(17,132)
Finance costs	8,274	2,605	22,928	9,902
Impairment loss on:				
- assets held-for-sale	481	381	481	4,088
- property, plant and equipment	46,160	14,053	46,160	14,053
(Gain)/loss on disposal of:				
- assets held-for-sale	(1,582)	(904)	(7,710)	(6,253)
- a subsidiary	(35,516)	(1)	(35,516)	(1)
- investment properties (net)	(66)	(231)	(679)	(272)
- other investments	-*	-	(76)	-
- property, plant and equipment	3	1	14	1
Loss on deconsolidation of a subsidiary	24	-	637	-
Loss on liquidation of subsidiaries (net)	-	85	-	85
Property, plant and equipment written off	-*	1	22	1
Write down of development properties	1,915	3,153	1,915	3,153
Share of after-tax profit of associates and joint ventures	(51,363)	(8,667)	(71,222)	(5,502)
Tax expense	967	10,420	28,623	26,298
	<u>58,031</u>	<u>46,209</u>	<u>110,479</u>	<u>102,302</u>
Changes in:				
Development properties	28,524	38,477	5,346	24,172
Inventories	(245)	(6)	(95)	(42)
Trade and other receivables	496,531	(87,550)	68,410	(458,197)
Trade and other payables	(482,744)	(84,481)	72,839	(126,488)
Contract liabilities	(86,459)	(86,635)	(119,784)	(12,226)
Loans and borrowings	(39,352)	4,709	1,122	128,173
Cash (used in)/generated from operations	<u>(25,714)</u>	<u>(169,277)</u>	<u>138,317</u>	<u>(342,306)</u>
Interest received	15,751	22,351	50,517	80,705
Interest paid	(3,060)	(4,513)	(21,272)	(13,054)
Tax paid	(2,349)	(3,477)	(9,240)	(22,074)
Net cash (used in)/ generated from operating activities	<u>(15,372)</u>	<u>(154,916)</u>	<u>158,322</u>	<u>(296,729)</u>

* Amount less than S\$1,000

	The Group		The Group	
	Fourth quarter ended 31 December		Full year ended 31 December	
	2019	2018	2019	2018
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from investing activities				
Acquisition of subsidiaries, net of cash acquired	840	-	(156,770)	-
Repayment from/(advances to) associates (net)	1,833	19,501	(86,867)	-
Deconsolidation of a subsidiary	1	-	(2,322)	-
Decrease in/(placement of) other investments	239,391	47,348	36,754	(1,427)
Deposits received in respect of assets held-for-sale	(25)	965	4,102	6,839
Dividends received from associate	-	-	-	18,295
Dividends received from a joint venture	325	-	757	-
Interest received	11,416	4,914	22,543	15,366
Repayment from third parties	-	1,235	-	-
Loan to a non-controlling interests	194	-	(31,929)	-
Payment for acquisition of other investments	-	(3,395)	(357)	(3,395)
Payment for additions to:				
- investment properties	22	(4,559)	(4,976)	(15,851)
- property, plant and equipment	(18,640)	(276)	(37,482)	(421)
Payment for investments in associates and joint ventures	(37)	(15,638)	(81,242)	(36,778)
Proceeds from disposal of:				
- investment properties	993	1,528	10,041	3,278
- property, plant and equipment	1	34	1	68
- assets held-for-sale	5,587	5,199	43,286	29,665
- a subsidiary, net of cash disposed	73,003	-	73,003	-*
- other investments	137	-	3,372	-
Return of capital from an associate	-	-	-	5,369
Net cash generated from/(used in) investing activities	315,041	56,856	(208,086)	21,008

* Amount less than S\$1,000

	The Group		The Group	
	Fourth quarter ended		Full year ended	
	31 December		31 December	
	2019	2018	2019	2018
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from financing activities				
Advances from associates (net)	11,693	13,312	120,261	3,009
Distributions to PCCS holders	(2,962)	(4,541)	(3,478)	(4,541)
Dividends paid to the owners of the Company	-	-	(19,078)	(14,271)
Interest paid	(7,729)	(1,565)	(15,665)	(5,038)
Loan from an affiliate of a non-controlling interest	(283)	-	46,679	-
Payment of lease liabilities	(1,299)	-	(5,422)	-
Payment of transaction costs related to:				
- borrowings	-	(528)	(2,838)	(3,153)
- PCCS	-	-	(1,200)	(672)
Proceeds from issuance of PCCS	-	-	147,649	162,199
Redemption of PCCS	-	-	(952)	-
Proceeds from bank borrowings	288,156	18,974	611,205	293,551
Repayment of bank borrowings	(362,432)	(9,171)	(632,633)	(345,950)
Net cash (used in)/from financing activities	(74,856)	16,481	244,528	85,134
Net increase/(decrease) in cash and cash equivalents	224,813	(81,579)	194,764	(190,587)
Cash and cash equivalents at beginning of the period/year	93,380	206,371	125,711	319,298
Effect of exchange rate changes on balances held in foreign currencies	(4,804)	919	(7,086)	(3,000)
Cash and cash equivalents at end of the period/year	313,389	125,711	313,389	125,711

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.

	Share capital S\$'000	Share premium S\$'000	Statutory reserve S\$'000	Capital reserve S\$'000	Distributable reserve S\$'000	Foreign currency translation reserve S\$'000	Retained earnings S\$'000	Total attributable to equity holders of the Company S\$'000	Perpetual convertible capital securities S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Group											
At 1 January 2019, as previously stated	81,405	9,821	36,607	245	655,029	12,854	354,535	1,150,496	161,285	11,713	1,323,494
Adjustment on initial recognition of IFRS 16	-	-	-	-	-	-	(1,965)	(1,965)	-	-	(1,965)
Adjusted balance at 1 January 2019	81,405	9,821	36,607	245	655,029	12,854	352,570	1,148,531	161,285	11,713	1,321,529
Total comprehensive income for the year											
Profit for the year	-	-	-	-	-	-	167,088	167,088	-	(1,512)	165,576
Other comprehensive income											
Share of translation differences on financial statements of foreign associates and joint ventures, net of tax	-	-	-	-	-	(7,543)	-	(7,543)	-	-	(7,543)
Translation differences on financial statements of foreign subsidiaries, net of tax	-	-	-	-	-	(22,441)	-	(22,441)	-	(772)	(23,213)
Translation differences on monetary items forming part of net investment in foreign subsidiaries, net of tax	-	-	-	-	-	(1,496)	-	(1,496)	-	-	(1,496)
Total other comprehensive income	-	-	-	-	-	(31,480)	-	(31,480)	-	(772)	(32,252)
Total comprehensive income for the year	-	-	-	-	-	(31,480)	167,088	135,608	-	(2,284)	133,324

	Share capital S\$'000	Share premium S\$'000	Statutory reserve S\$'000	Capital reserve S\$'000	Distributable reserve S\$'000	Foreign currency translation reserve S\$'000	Retained earnings S\$'000	Total attributable to equity holders of the Company S\$'000	Perpetual convertible capital securities S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Transaction with owners, recognised directly in equity											
Contributions by and distributions to owners											
Dividends paid to the owners of the Company	-	-	-	-	-	-	(19,078)	(19,078)	-	-	(19,078)
Issuance of new shares pursuant to conversion of perpetual convertible capital securities ("PCCS")	19,846	140,492	-	-	-	-	-	160,338	(160,338)	-	-
Distributions of PCCS	-	-	-	-	-	-	(3,478)	(3,478)	-	-	(3,478)
Redemption of PCCS	-	-	-	-	-	-	-	-	(948)	-	(948)
Issuance of PCCS	-	-	-	-	-	-	-	-	147,649	-	147,649
PCCS issue expenses	-	-	-	-	-	-	-	-	(1,100)	-	(1,100)
Transfer to statutory reserves	-	-	3,352	-	-	-	(3,352)	-	-	-	-
Total contributions by and distributions to owners	19,846	140,492	3,352	-	-	-	(25,908)	137,782	(14,737)	-	123,045
Changes in ownership interests in subsidiaries											
Acquisition of subsidiaries with non-controlling interests	-	-	-	-	-	-	-	-	-	32,373	32,373
Derecognition of a subsidiary with non-controlling interests	-	-	-	-	-	-	-	-	-	(11,682)	(11,682)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	20,691	20,691
Total transactions with owners	19,846	140,492	3,352	-	-	-	(25,908)	137,782	(14,737)	20,691	143,736
At 31 December 2019	101,251	150,313	39,959	245	655,029	(18,626)	493,750	1,421,921	146,548	30,120	1,598,589

	Share capital S\$'000	Share premium S\$'000	Statutory reserve S\$'000	Capital reserve S\$'000	Distributable reserve S\$'000	Fair value reserve S\$'000	Foreign currency translation reserve S\$'000	Retained earnings S\$'000	Total attributable to equity holders of the Company S\$'000	Perpetual convertible capital securities S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Group												
At 1 January 2018, as previously stated	73,640	9,609	33,447	225	662,764	(3,949)	36,950	267,468	1,080,154	-	6,727	1,086,881
Impact of adoption of IFRS 9	-	-	-	-	-	3,949	-	(3,949)	-	-	-	-
At 1 January 2018, as restated	73,640	9,609	33,447	225	662,764	-	36,950	263,519	1,080,154	-	6,727	1,086,881
Total comprehensive income for the year												
Profit for the year	-	-	-	-	-	-	-	113,008	113,008	-	5,242	118,250
Other comprehensive income												
Foreign currency translation differences on financial statements arising from liquidation of foreign subsidiaries reclassified to profit or loss	-	-	-	-	-	-	1,187	-	1,187	-	-	1,187
Share of translation differences on financial statements of foreign associates and joint ventures, net of tax	-	-	-	-	-	-	(1,589)	-	(1,589)	-	-	(1,589)
Translation differences on financial statements of foreign subsidiaries, net of tax	-	-	-	-	-	-	(22,208)	-	(22,208)	-	(256)	(22,464)
Translation differences on monetary items forming part of net investment in foreign subsidiaries, net of tax	-	-	-	-	-	-	(1,486)	-	(1,486)	-	-	(1,486)
Total other comprehensive income	-	-	-	-	-	-	(24,096)	-	(24,096)	-	(256)	(24,352)
Total comprehensive income for the year	-	-	-	-	-	-	(24,096)	113,008	88,912	-	4,986	93,898

	Share capital S\$'000	Share premium S\$'000	Statutory reserve S\$'000	Capital reserve S\$'000	Distributable reserve S\$'000	Fair value reserve S\$'000	Foreign currency translation reserve S\$'000	Retained earnings S\$'000	Total attributable to equity holders of the Company S\$'000	Perpetual convertible capital securities S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Transactions with owners, recognised directly in equity												
Contributions by and distributions to owners												
Dividends paid to the owners of the Company	-	-	-	-	-	-	-	(14,271)	(14,271)	-	-	(14,271)
Issuance of bonus shares	7,735	-	-	-	(7,735)	-	-	-	-	-	-	-
Issuance of PCCS	-	-	-	-	-	-	-	-	-	162,199	-	162,199
PCCS issue expenses	-	-	-	-	-	-	-	-	-	(672)	-	(672)
Distributions to PCCS holders	-	-	-	-	-	-	-	(4,541)	(4,541)	-	-	(4,541)
Issuance of new shares pursuant to conversion of PCCS	30	212	-	-	-	-	-	-	242	(242)	-	-
Liquidation of subsidiaries	-	-	(2,588)	20	-	-	-	2,568	-	-	-	-
Transfer to statutory reserves	-	-	5,748	-	-	-	-	(5,748)	-	-	-	-
Total contributions by and distributions to owners	7,765	212	3,160	20	(7,735)	-	-	(21,992)	(18,570)	161,285	-	142,715
Total transactions with owners of the Company	7,765	212	3,160	20	(7,735)	-	-	(21,992)	(18,570)	161,285	-	142,715
At 31 December 2018	81,405	9,821	36,607	245	655,029	-	12,854	354,535	1,150,496	161,285	11,713	1,323,494

	Share capital S\$'000	Share premium S\$'000	Capital reserve S\$'000	Distributable reserve S\$'000	Retained earnings S\$'000	Total attributable to equity holders of the Company S\$'000	Perpetual convertible capital securities S\$'000	Total equity S\$'000
The Company								
At 1 January 2019, as previously stated	81,405	10,033	(5,988)	655,029	209,692	950,171	161,285	1,111,456
Adjustment on initial recognition of IFRS 16	-	-	-	-	(9)	(9)	-	(9)
Adjusted balance at 1 January 2019	81,405	10,033	(5,988)	655,029	209,683	950,162	161,285	1,111,447
Total comprehensive income for the year								
Profit for the year	-	-	-	-	93,393	93,393	-	93,393
Total comprehensive income for the year	-	-	-	-	93,393	93,393	-	93,393
Transaction with owners, recognised directly in equity								
Contribution by and distributions to owners								
Dividends paid to the owners of the Company	-	-	-	-	(19,085)	(19,085)	-	(19,085)
Issuance of new shares pursuant to conversion of PCCS	19,846	140,492	-	-	-	160,338	(160,338)	-
Distributions of PCCS	-	-	-	-	(3,478)	(3,478)	-	(3,478)
Redemption of PCCS	-	-	-	-	-	-	(948)	(948)
Issuance of PCCS	-	-	-	-	-	-	147,649	147,649
PCCS issue expenses	-	-	-	-	-	-	(1,100)	(1,100)
Total contributions by and distributions to owners	19,846	140,492	-	-	(22,563)	137,775	(14,737)	123,038
Total transactions with owners of the Company	19,846	140,492	-	-	(22,563)	137,775	(14,737)	123,038
At 31 December 2019	101,251	150,525	(5,988)	655,029	280,513	1,181,330	146,548	1,327,878

	Share capital S\$'000	Share premium S\$'000	Capital reserve S\$'000	Distributable reserve S\$'000	Retained earnings S\$'000	Total attributable to equity holders of the Company S\$'000	Perpetual convertible capital securities S\$'000	Total equity S\$'000
The Company								
At 1 January 2018	73,640	9,821	(5,988)	662,764	140,470	880,707	-	880,707
Total comprehensive income for the year								
Profit for the year	-	-	-	-	88,037	88,037	-	88,037
Total comprehensive income for the year	-	-	-	-	88,037	88,037	-	88,037
Transaction with owners, recognised directly in equity								
Contribution by and distributions to owners								
Dividends paid to the owners of the Company	-	-	-	-	(14,274)	(14,274)	-	(14,274)
Issuance of bonus shares	7,735	-	-	(7,735)	-	-	-	-
Issuance of PCCS	-	-	-	-	-	-	162,199	162,199
PCCS issue expenses	-	-	-	-	-	-	(672)	(672)
Distributions of PCCS	-	-	-	-	(4,541)	(4,541)	-	(4,541)
Issuance of new shares pursuant to conversion of PCCS	30	212	-	-	-	242	(242)	-
Total contributions by and distributions to owners	7,765	212	-	(7,735)	(18,815)	(18,573)	161,285	142,712
Total transactions with owners of the Company	7,765	212	-	(7,735)	(18,815)	(18,573)	161,285	142,712
At 31 December 2018	81,405	10,033	(5,988)	655,029	209,692	950,171	161,285	1,111,456

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 Shares	Share Capital (S\$'000)
Balance at 1 October 2019 and 31 December 2019	795,384,155	101,251

The total number of issued ordinary shares excluding treasury shares as at 31 December 2019 and 31 December 2018 was 795,384,155 and 649,015,668 respectively.

As at 31 December 2019 and 31 December 2018, a subsidiary of the Company held 307,682 ordinary shares, representing 0.04% and 0.05% of the Company's total number of issued ordinary shares on the two dates respectively.

As at 31 December 2018, pursuant to the rights issue of up to S\$162.2 million in aggregate principal amount of 3.98% Series 1 Perpetual Convertible Capital Securities ("PCCS 1") in the denomination of S\$1.10 for each PCCS 1, 147,234,050 PCCS 1 were outstanding. Assuming (a) full conversion of the PCCS 1 and no adjustments to the conversion price of S\$1.10, an aggregate of 147,357,237 new ordinary shares will be issued, which will increase the total number of issued ordinary shares at 31 December 2018 to 796,249,718. The outstanding PCCS 1 were fully redeemed by the Company on 14 June 2019. There were no warrants outstanding at 31 December 2018.

As at 31 December 2019, pursuant to the 2019 Rights Issue¹ on 31 May 2019, 113,576,237 PCCS 2 and 192,797,846 warrants were outstanding. Assuming (a) full conversion of the PCCS 2 and no adjustments to the conversion price of S\$1.30 and (b) full exercise of the warrants and no adjustments to the exercise price of S\$1.30, an aggregate of 306,374,083 new ordinary shares will be issued, which will increase the total number of issued ordinary shares to 1,101,758,238.

As at 31 December 2019, a subsidiary of the Company held 30,768 warrants (31 December 2018: Nil).

The Company did not hold any treasury shares as at 31 December 2019 and 31 December 2018.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

The total number of issued ordinary shares excluding treasury shares as at 31 December 2019 and 31 December 2018 was 795,384,155 and 649,015,668 respectively.

¹ 2019 Rights Issue refers to the rights issue of up to S\$147.6 million in aggregate principal amount of 3.98% Series 2 Perpetual Convertible Capital Securities ("PCCS 2") in the denomination of S\$1.30 for each PCCS 2, on the basis of one PCCS 2 for every seven existing ordinary shares, at an issue price of S\$1.30 for each PCCS 2, with up to 113,576,237 free detachable warrants, on the basis of one warrant for every one PCCS 2 subscribed for. 79,221,609 warrants were also allotted and issued on 31 May 2019, on the basis of one warrant for every ten existing ordinary shares, pursuant to a bonus issue.

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.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the three months ended 31 December 2019.

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

The figures have neither been audited nor reviewed by our auditors.

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

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

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

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group adopted various new standards, amendments to standards and interpretations that are effective for the financial period beginning on 1 January 2019.

IFRS 16 Leases

In particular, the Group adopted IFRS 16 *Leases* from 1 January 2019.

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. Lessor accounting remains unchanged i.e. lessors continue to classify leases as finance or operating leases.

For leases which the Group is a lessee, the Group is required to recognise new assets and liabilities for its portfolio of operating leases. The nature of expenses related to those leases has changed because the Group will recognise a depreciation charge for ROU assets and interest expense on lease liabilities.

Previously, the Group recognised operating lease expense on a straight-line basis over the term of the leases, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

The Group has recognised ROU assets of S\$78,293,000 and lease liabilities of S\$80,258,000, with a corresponding decrease in retained earnings of S\$1,965,000 as at 1 January 2019.

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.**

	Fourth quarter ended 31 December		Full year ended 31 December	
	2019	2018	2019	2018
Earnings per share (cents)				
- basic	11.75	8.73	21.64	16.72
- diluted	8.62	7.32	17.12	15.02
Profit attributable to ordinary shareholders (S\$'000)	93,429	56,613	163,610	108,467
Profit attributable to ordinary shareholders and PCCS holders (S\$'000)	94,910	58,238	167,088	113,008
Weighted average number of ordinary shares in issue:				
- basic	795,076,473 ²	648,638,117 ²	756,097,371 ²	648,717,196 ²
- diluted	1,101,450,556 ²	795,792,218 ²	975,932,309 ²	752,440,409 ²

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	
	As at 31 December 2019	As at 31 December 2018	As at 31 December 2019	As at 31 December 2018
Net asset value per ordinary share (cents)	197.27	202.21	166.95	171.25
Number of issued ordinary shares (excluding treasury shares)	795,076,473 ²	648,707,986 ²	795,384,155	649,015,668

² Excludes 307,682 shares in the Company held by a subsidiary which are accounted for as treasury shares in the consolidated financial statements of the Group in accordance with IAS 32 *Financial Instruments: Presentation*.

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

Group performance

Revenue and cost of sales

The breakdown of our revenue (net of business tax/value added tax) for the period under review is as follows:

	Fourth quarter ended 31 December		Full year ended 31 December	
	2019 S\$'000	2018 S\$'000	2019 S\$'000	2018 S\$'000
Revenue from sale of properties	101,521	96,705	159,976	139,336
Rental income from investment properties	3,170	3,794	11,082	13,732
Hotel operations	18,307	11,218	60,681	41,953
Revenue from property financing	26,795	20,235	87,425	82,340
Total	<u>149,793</u>	<u>131,952</u>	<u>319,164</u>	<u>277,361</u>

4Q 2019 vs 4Q 2018

Revenue increased by S\$17.8 million or 13.5%, from S\$132.0 million in 4Q 2018 to S\$149.8 million in 4Q 2019. This was due mainly to the increase in revenue from hotel operations, property financing and revenue from sale of properties of S\$7.1 million, S\$6.6 million and S\$4.7 million respectively. The decrease was partially offset by lower rental income from investment properties of S\$0.6 million.

Revenue from sale of properties is recognised when the construction of the properties has been completed and ready for delivery to the purchasers pursuant to the sale and purchase agreements and collectability of related receivables is reasonably assured. The increase in revenue from sale of properties in 4Q 2019 compared to 4Q 2018 was due mainly to the recognition of revenue from a higher number of residential units in the Chengdu Millennium Waterfront project (4Q 2019: 864 residential units, 4Q 2018: 502 residential units).

Revenue from property financing increased by S\$6.6 million or 32.8%, from S\$20.2 million in 4Q 2018 to S\$26.8 million in 4Q 2019. The increase was due mainly to the net penalty interest income of S\$4.0 million (RMB20.4 million) recognised in 4Q 2019 in relation to the successful enforcement action on the Case 1 PRC defaulted loan, S\$3.3 million increase in PRC consultancy income for the period, and S\$1.0 million increase in revenue from European property financing.

Revenue from hotel operations increased by S\$7.1 million or 63.2%, from S\$11.2 million in 4Q 2018 to S\$18.3 million in 4Q 2019. The significant increase was due mainly to a full quarter's contribution from the 340-room Westin Bellevue Dresden Hotel which the Group acquired a 94.9% equity interest via a share deal in late March 2019, as well as the 193-room Hampton by Hilton Utrecht Centraal Station in the Netherlands which commenced operations in June 2019. The hotel in Dresden has since been rebranded as Bilderberg Bellevue Hotel Dresden in January 2020.

Cost of sales comprise mainly land costs, development expenditure and cost adjustments (if any), borrowing costs, hotel-related depreciation charge and rental expense, and other related expenditure. Cost of sales increased by S\$13.6 million or 22.0%, from S\$62.0 million in 4Q 2018 to S\$75.6 million in 4Q 2019. The increase in revenue recognised from sale of properties had led to a quarter-on-quarter increase in related cost of sales of S\$10.2 million and higher cost of sales incurred in respect of the hotel operations of S\$3.8 million. The increase was partially offset by the lower cost of sales incurred in respect of property financing of S\$0.2 million.

The Group's gross profit increased by S\$4.2 million or 6.1%, from S\$70.0 million in 4Q 2018 to S\$74.2 million in 4Q 2019. The increase was due mainly to higher gross profit from property financing of S\$6.8 million and hotel operations of S\$3.3 million in 4Q 2019. This was partially offset by lower gross profit from sale of properties and rental income from investment properties of S\$5.3 million and S\$0.5 million respectively.

The Group's gross profit margin declined slightly from 53.0% for 4Q 2018 to 49.6% for 4Q 2019.

Administrative expenses

Administrative expenses comprise mainly staff costs, rental expenses and depreciation charge in relation to non-hotel assets, professional fees, and other expenses such as office, telecommunications and travelling expenses, stamp duties and other indirect PRC taxes.

Administrative expenses increased by S\$1.1 million or 12.9%, from S\$8.6 million to S\$9.7 million. This was due mainly to the consolidation of a full quarter's results of the Bilderberg Bellevue Hotel Dresden.

Selling expenses

Selling expenses comprise mainly staff costs of the Group's sales and marketing staff, advertising and promotion expenses, sales commissions paid to external sales agents and other related expenses.

Selling expenses increased by S\$2.1 million or 113.4%, from S\$1.9 million to S\$4.0 million. This was mainly attributable to the costs incurred for the set-up of the temporary sales office and show units, and other promotional expenses incurred in respect of the 60%-owned Pinnacle Chang'an project.

Other (expenses)/income (net)

In 4Q 2019, the Group recorded other expenses of S\$53.9 million which comprised mainly impairment loss in respect of the Crowne Plaza Chengdu Wenjiang and the adjoining hot spring of S\$46.2 million in aggregate, net fair value loss on financial derivatives of S\$2.3 million and write down of the carrying amounts of Chengdu Cityspring car parks included in development properties of S\$1.9 million. The acquisition of Bilderberg Bellevue Hotel Dresden also contributed approximately S\$0.5 million to the increase. This was partially offset by fair value gain from an investment property of S\$1.9 million and net foreign exchange gain of S\$2.9 million.

In 4Q 2018, the Group recorded other income of S\$2.3 million which comprised mainly net fair value gain on derivative instruments, other investments and investment properties of S\$14.4 million, S\$12.9 million and S\$6.9 million respectively. This was partially offset by net foreign exchange loss, impairment loss in respect of the Wenjiang hot spring and write down of carrying amounts of Chengdu Cityspring car parks included in development properties of S\$13.6 million, S\$14.1 million and S\$3.2 million respectively.

Other gains (net)

In 4Q 2019, the Group recorded other gains of S\$36.7 million which comprised mainly gain from the disposal of a subsidiary, and certain commercial spaces of the Chengdu Cityspring project classified as assets held-for-sale of S\$35.5 million and S\$1.6 million respectively. These gains are partially offset by S\$0.5 million impairment loss on Chengdu Cityspring car parks classified as assets held-for-sale.

In 4Q 2018, the Group recorded S\$1.2 million of other gains. This mainly comprised S\$0.9 million gain on disposal of certain commercial spaces of the Chengdu Cityspring project classified as assets held-for-sale, S\$0.2 million gain on disposal of investment properties, partially offset by S\$0.4 million impairment loss on certain assets held-for-sale.

Net finance income

The net finance income for 4Q 2019 was net of interest expense on lease liabilities recorded under IFRS 16, amounting to S\$0.8 million.

Share of after-tax results of associates and joint ventures

Share of after-tax results of associates and joint ventures increased by S\$42.7 million from S\$8.7 million in 4Q 2018 to S\$51.4 million in 4Q 2019. The 30%-owned Star of East River project in Dongguan contributed S\$23.9 million to the Group's share of results in 4Q 2019. This is due mainly to profit recognition from the handover of the remaining four residential blocks in the project which commenced since September 2019 as well as credit adjustments made to the tax provision on the project in the current quarter. The 33%-owned FSMC also contributed S\$21.7 million to the Group's share of results in 4Q 2019 of which S\$22.5 million relates to the attributable share of fair value gain in respect of the Oliphant office property in Amsterdam.

Tax expense

The Group recorded tax expenses of S\$1.0 million on profit before tax of S\$95.0 million in 4Q 2019, which included land appreciation tax of S\$3.4 million. After adjusting for the share of after-tax profits of associates and joint ventures of S\$51.4 million, the tax effect of non-deductible expenses and unrecognised tax losses of S\$4.1 million in aggregate, and the tax effect of non-taxable income and recognition of previously unrecognised tax benefits of S\$16.4 million in aggregate, the effective tax rate of the Group would be approximately 24.6%.

FY2019 vs FY2018

Revenue of the Group increased by S\$41.8 million or 15.1%, from S\$277.4 million in FY2018 to S\$319.2 million in FY2019. This was due mainly to the increase of S\$20.6 million, S\$18.7 million and S\$5.1 million from revenue from sale of properties, hotel operations and property financing respectively. The increase was partially offset by the lower rental income from investment properties of S\$2.6 million due mainly to the effect of the deconsolidation of NL Property 1 B.V. ("NLP1") as a subsidiary. (Please refer to the Non-Current Assets section below for more details).

The increase in revenue from sale of properties in FY2019 compared to FY2018 was due mainly to the recognition of revenue from the handover of more commercial and residential units in the Chengdu Millennium Waterfront project (FY2019: 867 residential units and 122 commercial units, FY2018: 647 residential units and 71 commercial units).

Revenue from hotel operations increased by S\$18.7 million or 44.6%, from S\$42.0 million in FY2018 to S\$60.7 million in FY2019. The increase was due to the additional contribution from Bilderberg Bellevue Hotel Dresden and Hampton by Hilton Utrecht Centraal Station.

The Group's gross profit increased by S\$27.5 million or 17.0%, from S\$161.5 million in FY2018 to S\$189.0 million in FY2019. The increase was due mainly to the higher gross profit generated from sale of properties, hotel operations and property financing of S\$13.1 million, S\$10.8 million and S\$5.9 million respectively. This was partially offset by lower gross profit from rental income from investment properties of S\$2.3 million.

The Group's gross profit margin for FY2019 remained fairly constant at 59.2% (FY2018: 58.2%).

Administrative expenses

Administrative expenses increased by S\$10.2 million or 36.5%, from S\$28.0 million to S\$38.2 million in FY2019. The increase for the year was due mainly to the inclusion of operating expenses of Bilderberg Bellevue Hotel Dresden and Hampton by Hilton Utrecht Centraal Station, as well as S\$1.3 million professional fees incurred by the Group in relation to the acquisition of the entities owning and operating Bilderberg Bellevue Hotel Dresden.

Other (expenses)/income(net)

In FY2019, the Group recorded other expenses of S\$61.9 million which comprised mainly impairment loss in respect of the Crowne Plaza Chengdu Wenjiang and the adjoining hotspring of S\$46.2 million in aggregate, net foreign exchange loss of S\$27.4 million, hotel management fees of S\$2.6 million, write down of carrying amounts of Chengdu Cityspring car parks included in development properties of S\$1.9 million, hotel base stocks written off and hotel pre-opening expenses amounting to S\$1.4 million in aggregate incurred in respect of Hampton by Hilton Utrecht Centraal Station. The acquisition of Bilderberg Bellevue Hotel Dresden also contributed approximately S\$1.0 million to the increase. This was partially offset by net fair value gain on financial derivatives of S\$24.8 million and fair value gain on an investment property of S\$1.9 million.

In FY2018, the Group recorded other income of S\$3.3 million which comprised mainly net fair value gain on derivative instruments, other investments (equity investments at fair value through profit or loss) and investment properties of S\$30.8 million, S\$12.9 million and S\$6.9 million respectively. This was partially offset by net foreign exchange loss, impairment of the Wenjiang hotspring and write down of development properties of S\$26.2 million, S\$14.1 million and S\$3.2 million respectively.

Other gains/(losses)(net)

In FY2019, the Group recorded other gains of S\$42.8 million which comprised mainly gain from the disposal of a subsidiary holding the Oliphant property amounting to S\$35.5 million, certain commercial spaces of the Chengdu Cityspring project classified as assets held-for-sale of S\$7.7 million and gain from disposal of investment properties of S\$0.7 million. This was partially offset by the loss on deconsolidation of NLP1 of S\$0.6 million and an impairment loss on assets held-for-sale of S\$0.5 million.

In FY2018, the Group recorded other gains of S\$2.8 million which comprised S\$6.3 million gain on disposal of certain commercial spaces of the Chengdu Cityspring project classified as assets held-for-sale and S\$0.3 million gain on disposal of investment properties. This was partially offset by an impairment loss on assets held-for-sale of S\$4.1 million.

Net finance income

Net finance income for FY2019 of S\$0.9 million is net of interest expense on lease liabilities recorded under IFRS 16, amounting to S\$3.3 million.

Share of after-tax results of associates and joint ventures

The Group recorded a share of after-tax profit of associates and joint ventures of S\$71.2 million in FY2019 compared to a share of after-tax profit of S\$5.5 million in FY2018. S\$43.8 million of the share of results for FY2019 was attributable to the 30%-owned Star of East River project led by the first time profit recognition from the handover of six residential blocks during the current year. The attributable share of fair value gain on the Oliphant Amsterdam property held by 33%-owned FSMC of S\$22.5 million further boosted the Group's share of results in FY2019.

Tax expense

The Group recorded tax expenses of S\$28.6 million on profit before tax of S\$194.2 million in FY2019, which included land appreciation tax of S\$16.5 million. After adjusting for the share of after-tax profit of associates and joint ventures of S\$71.2 million, the tax effect of non-deductible expenses and unrecognised tax losses of S\$17.0 million in aggregate, and the tax effect of non-taxable income and recognition of previously unrecognised tax benefits of S\$31.2 million, the effective tax rate of the Group would be approximately 24.8%.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Non-current assets

Property, plant and equipment increased by S\$175.4 million or 102.9%, from S\$170.4 million as at 31 December 2018 to S\$345.8 million as at 31 December 2019. The increase was due mainly to the Group's acquisition of the Bilderberg Bellevue Hotel Dresden in late March 2019, and reclassification of the two hotels in Utrecht, namely the Hampton by Hilton Utrecht Centraal Station and the Crowne Plaza Utrecht Centraal Station, located within the Hoog Catharijne shopping mall, from investment properties to property, plant and equipment. The Crowne Plaza hotel is still undergoing fit-out works and is expected to be fully completed in the second quarter of 2020. These two hotels were reclassified from assets held-for-sale to property plant and equipment in 4Q 2019 as they no longer meet the held-for-sale criteria. The property, plant and equipment balance was also boosted by the Group's acquisition of a bare shell property in Milan in January 2019 which will be refurbished by the Group into a hostel to tap on the youth hospitality market.

The acquisition accounting for the Group's 94.9% equity interest in the entities that own and operate the Bilderberg Bellevue Hotel Dresden has been completed in the current quarter. There is no change to the earlier provisional value of S\$71.0 million (EUR47.0 million) ascribed by the Group to the hotel on acquisition which is based on its fair value at the date of acquisition. No goodwill or negative goodwill has arisen from the acquisition.

Following the adoption of IFRS 16 *Leases* on 1 January 2019, the Group and the Company recognised right-of-use assets (the right to use leased assets) and lease liabilities (its obligations to make lease payments) in relation to its existing operating lease arrangements. Right-of-use assets that relate to property, plant and equipment have been presented within property, plant and equipment, and led to the increase of S\$68.5 million.

Investment properties decreased by S\$164.3 million or 63.4%, from S\$259.1 million as at 31 December 2018 to S\$94.8 million as at 31 December 2019. S\$99.6 million of the decrease was due to the de-recognition of Zuiderhof I, an office building in Amsterdam, in June 2019. Zuiderhof I is held by NLP1, a 33%-owned entity of the Group which was deconsolidated as a subsidiary on 28 June 2019 when the Group forfeited its unilateral right to exercise a call option entered with the other three co-investors of NLP1 which would have entitled the Group to hold majority voting rights in NLP1. Accordingly, NLP1 has been accounted for by the Group as an associated company with effect from 28 June 2019.

In addition, the above-mentioned reclassification of the two Utrecht hotels to property, plant and equipment and disposal of investment properties of Chengdu Cityspring amounting to S\$53.4 million and S\$9.5 million respectively, has further contributed to the decrease in the year-end balance.

Interests in associates and joint ventures increased by S\$217.2 million or 268.8%, from S\$80.8 million as at 31 December 2018 to S\$298.1 million as at 31 December 2019. S\$161.9 million of the increase is attributable to the Group's co-investment with China Poly Group in June 2019 via a 27%-owned project company that would develop Skyline Garden (formerly known as the "Wanjiang Victory Project"), a mixed development site in Wanjiang, Dongguan. China Poly Group owns 70% equity interest in the project company. Further to that, the first time profit recognition

from the handover of the residential units of the Star of East River project in FY2019 also boosted the Group's interest in the 30%-owned associated company by S\$42.3 million.

The increase was also due partly to the Group accounting for its 33% equity interest in NLP1 amounting to S\$8.9 million as at 31 December 2019. NLP1 was deconsolidated since 28 June 2019 as mentioned above.

Non-current trade and other receivables increased by S\$126.0 million or 19.1%, from S\$660.9 million as at 31 December 2018 to S\$786.9 million as at 31 December 2019. The increase was due mainly to the disbursement of property financing loans of \$176.1 million (RMB910.0 million) and an interest bearing loan to a non-controlling interest of a subsidiary of S\$31.3 million (RMB161.6 million) during the current financial year. This is partially offset by reclassification of property financing loans amounting to S\$67.7 million (RMB350.0 million) to current receivables as at 31 December 2019.

Current assets

Trade and other receivables decreased by S\$152.7 million or 30.2%, from S\$505.9 million as at 31 December 2018 to S\$353.2 million as at 31 December 2019. The decrease was due mainly to the repayment of a loan from an associate of S\$116.1 million (RMB600.0 million) and net repayment of third party PRC property financing loans of S\$182.1 million (RMB941.0 million), including the recovery of Case 1 defaulted PRC loan of S\$33.9 million (RMB170.0 million). This is partially offset by a reclassification of a shareholder loan to an associate amounting to S\$37.9 million (RMB195.9 million) and PRC property financing loans of S\$67.7 million (RMB350.0 million), from non-current to current assets, and net increase in advances to contractors of S\$14.5 million.

Assets held-for-sale decreased by S\$33.3 million or 64.6%, from S\$51.6 million as at 31 December 2018 to S\$18.3 million as at 31 December 2019. The decrease was due to the recognition of gain on disposal of M Hotel Chengdu and certain bare shell commercial spaces of the Chengdu Cityspring project in the current financial year.

Current liabilities

Trade and other payables increased by S\$168.7 million or 121.9%, from S\$138.4 million as at 31 December 2018 to S\$307.1 million as at 31 December 2019. This was due mainly to the increase in interest-free advances from a 30%-owned PRC associate of S\$118.3 million (RMB613.3 million), interest-free advances from a non-controlling shareholder of a subsidiary of S\$25.3 million (RMB130.8 million) and a loan from a third party of S\$34.7 million (RMB179.5 million).

Loans and borrowings

Gross bank borrowings decreased by S\$66.8 million or 9.6%, from S\$695.7 million as at 31 December 2018 to S\$628.9 million as at 31 December 2019. This was due mainly to the de-recognition of bank borrowing of S\$36.7 million, arising from the deconsolidation of NLP1, and repayment of the Group's borrowings amounting to S\$113.1 million which is due mainly to the receipt of disposal proceeds from the sale of the entire 100% shareholding in the subsidiary holding the Oliphant property in Amsterdam and refinancing by the Group's associated companies with onshore debt. The decrease is partially offset by new bank borrowings to fund the acquisition of the property in Milan, the redevelopment of Oliphant (prior to its disposal) and the construction of the two Utrecht hotels, as well as a disbursement of S\$-denominated property financing loan.

The Group maintained a net gearing ratio of 0.20 as at 31 December 2019.

Foreign currency risk management

The Group is exposed to volatility of the RMB due to its operations in the PRC. Therefore, any depreciation in the RMB against the S\$ will adversely affect the Group's earnings, net assets, value of any dividends we pay to our shareholders in S\$ or require us to use more RMB funds to service the same amount of any S\$ debt. Fluctuations in RMB exchange rates are affected by,

amongst others, changes in political and economic conditions and the PRC's foreign exchange regime and policy.

Since the Group's entry to the Dutch and German property markets in February 2015 and January 2018 respectively, the Group has hedged its currency exposure to Euro by financing all its Dutch and German acquisitions with a combination of Euro-denominated borrowings and financial derivatives such as cross currency swaps ("CCSs") and foreign currency swaps ("FCSs") whereby the end result is also to achieve a corresponding Euro liability. The Group takes an economic hedge rather than an accounting hedge approach with regard to the management of its Euro asset exposure.

In November 2018, the Group entered into the property financing market in Australia via a 50-50 owned joint venture with Tai Tak. The Group has also adopted the same approach as its European assets, which is to fully hedge its Australian dollar loan asset base.

As at 31 December 2019, the Group had 17 CCSs and two FCSs outstanding with an aggregate notional amount of €452.1 million, A\$10.0 million and RMB530.6 million. These financial instruments are measured at fair value with changes in fair value recognised in the profit and loss account. The fair value of these instruments is mainly dependent on the forward foreign exchange rates, discount rates and yield curves of the notional amounts, as applicable. On the other hand, the changes in fair value of the instruments will be largely offset by the corresponding changes in fair values of the underlying foreign currency-denominated assets when the respective instruments approach their maturity dates and foreign currency-denominated borrowings are taken up to close out the instruments, thereby resulting in a minimal cumulative impact to the profit or loss. The cumulative positive impact to the retained earnings arising from the financial derivatives and underlying foreign currency-denominated assets as at 31 December 2019 amounted to approximately S\$0.3 million.

As at 31 December 2019, the Group recorded a cumulative translation loss of S\$18.6 million as part of reserves in its shareholders' equity. This mainly arose from the translation of the net assets and income and expenses of the Group's foreign operations in the PRC to S\$ at the exchange rates prevailing at the end of each reporting period.

We do not currently have a formal hedging policy with respect to our RMB foreign exchange exposure and have not actively used financial hedging instruments to manage our RMB foreign exchange risk. The cost of entering into such hedging instruments to manage the Group's exposure to RMB remains fairly expensive. However, the Group has started to hedge its new exposure to the PRC property development and property financing operations to the extent that these are not funded by onshore RMB assets by drawing CNH-denominated borrowings and/or executing CNH CCSs.

We will continue to monitor our foreign exchange exposure vis-à-vis the associated hedging costs and take appropriate actions when necessary. There is no assurance as to the effectiveness and success of any hedging action that we might or might not take.

Statement of cash flows of the Group

4Q 2019

Net cash used in operating activities amounted to S\$15.4 million in 4Q 2019 due mainly to net disbursement of PRC property financing loans of S\$63.9 million (RMB330.0 million) and payment of construction costs for The Pinnacle, Chang'an and the Millennium Waterfront project. This was partially offset by S\$19.1 million advance receipts collected mainly from the Millennium Waterfront project and interest received from property financing loans of S\$15.8 million.

Net cash generated from investing activities of S\$315.0 million in 4Q 2019 was due mainly to maturity of structured deposits of S\$239.4 million, interest received of S\$11.4 million and proceeds received from the disposal of the subsidiary that owns the Oliphant Amsterdam property to 33%-owned FSMC and proceeds from the disposal of M Hotel Chengdu and certain bare commercial space of the Chengdu Cityspring project of S\$73.0 million and S\$5.6 million

respectively. This was partially offset by payments for additions of property, plant and equipment of S\$18.6 million (mainly related to the fit out of the two hotels in Utrecht).

Net cash used in financing activities amounted to S\$74.9 million in 4Q 2019 due mainly to distributions to PCCS holders of S\$3.0 million, net repayment of bank borrowings of S\$74.3 million and the payment of interest expense and lease liabilities of S\$7.7 million and S\$1.3 million respectively. This was partially offset by net advances from associates of S\$11.7 million.

FY2019

Net cash generated from operating activities of S\$158.3 million in FY2019 was due mainly to net repayment of PRC property financing loans of S\$14.4 million (RMB72.9 million), repayment of loan from a PRC associate of S\$119.9 million (RMB600.0 million) and net interest received of S\$50.5 million. This was partially offset by payment of interest and income tax of S\$21.3 million and S\$9.2 million respectively and payment of construction costs incurred for The Pinnacle, Chang'an and Millennium Waterfront project.

Net cash used in investing activities of S\$208.1 million in FY2019 was due mainly to (i) payment of S\$156.8 million for the acquisition of subsidiaries, net of cash acquired, comprising S\$87.1 million relating to the Concord Acquisition and S\$69.7 million relating to the acquisition of the Bilderberg Bellevue Hotel Dresden, (ii) investment in the 27%-owned project company together with Poly for the Skyline Garden, Wanjiang project amounting to S\$81.0 million, (iii) net advances to associates of S\$86.9 million, (iv) payment for additions to property, plant and equipment of S\$37.5 million, including acquisition of a vacant property in Milan amounting to S\$16.5 million and fit-out of the two hotels in Utrecht, and (v) a loan to a non-controlling interest of a subsidiary of S\$31.9 million. This was partially offset by (i) proceeds from the disposal of the subsidiary that owns the Oliphant property of S\$73.0 million, (ii) maturity of structured deposits of S\$36.8 million, (iii) interest received of S\$22.5 million, and (iv) proceeds from the disposal of M Hotel Chengdu and certain bare commercial space of the Chengdu Cityspring project, certain investment properties, and other investments of S\$43.3 million, S\$10.0 million and S\$3.4 million respectively.

Net cash generated from financing activities amounted to S\$244.5 million in FY2019 due mainly to the net proceeds of S\$146.4 million from the issuance of PCCS Series 2, net advances from associates of S\$120.3 million and a loan from an affiliate of a non-controlling interest of a subsidiary of S\$46.7 million. This was partially offset by net repayment of bank borrowings of S\$21.4 million, payment of dividends to the shareholders of the Company of S\$19.1 million, distributions to PCCS holders of S\$3.5 million, redemption of remaining PCCS Series 1 of S\$1.0 million, and the payment of interest expense, lease liabilities and transaction costs related to borrowings of S\$15.7 million, S\$5.4 million and S\$2.8 million respectively.

Note:

The figures stated in our statement of financial position have been translated based on the exchange rates at the end of each reporting period; and the figures in our income statement, statement of comprehensive income and statement of cash flows have been translated based on the average exchange rate for the relevant period and exchange rate at the date of the transaction, where applicable.

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

No forecast or prospect statement for the current reporting period has been previously disclosed to shareholders.

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.**

Industry Outlook

People's Republic of China ("PRC")

The PRC saw a GDP growth of 6.1% for 2019 which is within the government's target rate of 6% to 6.5% set in early 2019. In early January 2020, the People's Bank of China announced yet another 0.5% cut in the reserve requirement ratio for banks, the eighth reduction since 2018. This is expected to free up more than RMB800 billion cash, with the primary purpose of lowering financing costs especially for small and medium enterprises. Oxford Economics revised its 2020 GDP forecast for the PRC from 5.7% to 6% after the conclusion of the "Phase One" trade deal signed in mid-January which is supposed to de-escalate the US-PRC trade tension.

The Business Times reported that new home price growth in December 2019 slowed from the previous month and on a year-on-year basis, and policymakers are not expected to overly cool the property market given that it is a key pillar of the national economy.

The PRC government proposed 16 measures that will benefit Hong Kong and Macau residents under the Greater Bay Area integration program. These measures include easing of restrictions on Hong Kongers on buying homes and school enrolment in nine cities in Guangdong province, including Dongguan. The introduction of these measures, coupled with the rampant protests in the embattled Hong Kong city, fueled speculation of an increased interest in residential apartments in the Greater Bay Area.

A coronavirus named "2019-nCoV" that caused an outbreak of a pneumonia-like illness in Wuhan and was first reported in late December 2019 by the PRC authorities, has since spread to various parts of the world and is expected to disrupt economic activity especially in the travel and tourism sector.

The Netherlands

The Dutch Central Planning Bureau ("CPB") announced in December 2019 that it has further reduced GDP growth forecast for 2020 by 0.1% to 1.3%. Despite the downward revision, CPB expects the Dutch economy to do well compared to the Eurozone in general.

In the housing sector, DutchNews.nl reported that based on new figures from the Dutch housing ministry, the government will not be able to meet its 75,000 new build homes per year target until 2024. Home prices continued to climb against the backdrop of a home supply shortage. Statistics Netherlands ("CBS") reported an upward trend in home prices, with the highest level recorded in November 2019. Home prices increased by almost 42% on average in November 2019 from the lowest price level in June 2013. RaboResearch anticipates average home prices to increase by 4.5% in 2020. Savills expects continued shortfall in housing supply due to rising construction costs and land prices as well as building regulations, and demand to remain strong given the low mortgage interest rate.

The prime office yield decreased by 0.75% to 3.25% in Amsterdam South Axis and by 1% to 4.75% in Amsterdam Southeast in 3Q2019 as compared to a year ago as noted by Cushman & Wakefield. In a December 2019 report, Savills reported that the scarcity of office space has resulted in companies moving to Amsterdam Southeast.

CBS reported a 0.3% increase in turnover generated by hotels in 3Q2019. The industry continues to face manpower shortages but entrepreneurs surveyed are more positive of turnover in 2020 as compared to a year ago about 2019.

The country's highest court ruled in May 2019 that certain Dutch builders of development projects have breached EU law relating to nitrogen emissions. As a result of the ruling, permits for multiple new-build projects have been revoked or delayed as reported by Reuters and Savills. This may exacerbate the shortage in the supply of housing and office space in the Netherlands. In addition, the delay or revocation of permits for such projects may free up construction resources, which could potentially result in more competitive quotes by contractors for construction projects.

Company Outlook

Property Development

Underscoring the Dongguan property development front, the Star of East River and Emerald of the Orient projects have achieved stellar residential sales results, thereby substantially de-risking both projects. Dongguan is one of the 11 cities that is benefiting from the PRC government initiative to develop the Greater Bay Area. The Group is hence upbeat on the Dongguan residential market and has further increased its Dongguan property development exposure in 2019 with the acquisition of The Pinnacle, Chang'an and the Skyline Garden, Wanjiang (formerly known as Wanjiang Victory Land) projects. Both projects are expected to be launched for pre-sales in the course of 2020. Handover of the Star of East River project is expected to continue in 2020 and 2021 while the rest of the Group's Dongguan projects are expected to be handed over from 2021 onwards.

The Group signed a cooperation agreement in December 2019 with, among others, subsidiaries of the renowned developer, Hong Kong listed Sunac China Holdings Limited, in relation to an ongoing predominantly residential development project in Dongguan, comprising approximately 86,000 sqm of saleable residential GFA. In addition to taking a 30% equity interest, the Group will also be extending a property financing loan to finance the development project. Completion of the acquisition of the 30% equity interest in the project by the Group is subject to certain conditions precedent, which are expected to be satisfied within 1H2020. The project commenced pre-sale in December 2019 and results have been good. The Group continues to look out for good property development opportunities in Dongguan. Similar to the Sunac deal, this may be by way of an equity participation in, and financing of, property development projects, which will serve to balance out the Group's risk exposure to such property development projects.

In Chengdu, the Group's Millennium Waterfront project has handed over 864 residential units at Plot D of the Chengdu Millennium Waterfront project in 4Q2019. Pre-sales of the SOHO units at the adjacent Plot F are progressing well and the development is on track to be completed around late 2020/early 2021. The Group continues to evaluate its options for Plot E, the last development plot of the Chengdu Millennium Waterfront project.

This quarter also marks the Group's entry into the Australian property development market. The Group led a consortium of investors to partner up with Australia's ICD Property to redevelop the iconic 125-year old City Tattersalls Club ("Club") in Sydney. Besides holding an equity stake of 39.9% in the project development trust which will undertake the renovation of the Club's premises and develop the airspace above into a hotel and residential apartments in return for a development fee calculated based on the gross proceeds from the sale of the residential apartments less certain agreed deductions, the Group will also provide a A\$370 million construction financing facility to fund the project. The project has received the approval for its Stage 1 concept development application and construction of the project is expected to start in 2022, assuming a successful Stage 2 development application process during the year. The acquisition by the Group of the 39.9% equity stake in the project development trust was completed on 15 January 2020.

The building permit to increase the net lettable floor area of the Group's Dreeftoren Amsterdam office property by approximately 74% has become irrevocable. However, the Group has encountered an objection from a neighbouring property owner to the proposed development of an adjacent new 312-unit residential tower on the carpark site of the Dreeftoren office. The Group is working with the local municipality to resolve the objection. As construction costs in the Netherlands remain high, the Group will closely monitor the construction market and only

commence construction if it is able to secure a construction contract at a reasonable contract price.

Property Holding

Income from the Group's European property portfolio increased by 4.7% in FY2019 to S\$62.8 million (FY2018: S\$60.0 million), mainly bolstered by the contributions from the delivery of the newly developed Oliphant and Munthof Amsterdam offices, and the Hampton by Hilton Utrecht Centraal Station hotel. The Group expects further growth of its European recurrent income base with the expected delivery of the Crowne Plaza Utrecht Centraal Station hotel in 2Q2020 and the Dreeftoren Amsterdam office as well as the Puccini Milan youth hostel in due course.

The sale by the Group of the newly developed and 98% leased Oliphant Amsterdam office to its 33%-owned associated company, FSMC, was completed on 27 November 2019. The disposal has generated a profit of S\$53.3 million while allowing the Group to retain a meaningful stake for future capital appreciation and recurrent income.

Property Financing

The PRC property financing ("PRC PF") business has achieved a record average loan book of RMB2.2 billion for FY2019, which is a 40% increase over the previous year's average of RMB1.6 billion. The PRC PF loan book stood at approximately RMB2.4 billion as at 31 December 2019. While the credit market remains tight in Australia, the Group remains committed to expanding its Australia property financing portfolio and/or participating in property development or holding opportunities for prime real estate properties.

With the continuing development of the 2019-nCoV situation, it is too early to ascertain the full financial impact to the Group. Nonetheless, the Group anticipates some impact on parts of its operations, and is keeping a watchful eye on the situation as it further evolves. The Group's immediate priority is to ensure the health and safety of its customers and staff at all its properties and will continue to put in place appropriate measures to address this. The Group will provide updates on material developments if any as soon as practicable.

Backed by a strong balance sheet and substantial unutilised committed credit facilities, the Group is ready to expand its footprint in the regions that the Group has an existing exposure as well as other established regions that may offer good opportunities.

11. If a decision regarding dividend has been made:—

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes.

The Company had paid the following tax exempt (one-tier) interim ordinary dividend to ordinary shareholders.

Name of Dividend	Interim Tax-exempt (One-tier) Ordinary Dividend
Date of Payment	13 September 2019
Dividend Type	Cash
Dividend Amount	1.1 Singapore cent per ordinary share

The Directors are pleased to recommend a final tax-exempt (one-tier) dividend in respect of the financial year ended 31 December 2019 of 1.6 Singapore cents per ordinary share for approval by the ordinary shareholders at the forthcoming Annual General Meeting of the Company.

Name of Dividend	Final Tax-exempt (One-tier) Ordinary Dividend
Dividend Type	Cash
Dividend Amount	1.6 Singapore cents per ordinary share

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Yes.

Name of Dividend	Interim Tax-exempt (One-tier) Ordinary Dividend
Date of Payment	24 September 2018
Dividend Type	Cash
Dividend Amount	1.0 Singapore cent per ordinary share

Name of Dividend	Final Tax-exempt (One-tier) Ordinary Dividend
Date of Payment	6 May 2019
Dividend Type	Cash
Dividend Amount	1.3 Singapore cents per ordinary share

(c) Date payable

Subject to ordinary shareholders' approval at the forthcoming Annual General Meeting of the Company, the proposed final tax-exempt (one tier) dividend for the year ended 31 December 2019 will be payable on 8 May 2020.

(d) Record date

5pm on 23 April 2020.

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

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 does not have a shareholders' general mandate for IPTs.

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.

Information about reportable segments

	Property development \$'000	Property investment \$'000	Property financing \$'000	Hotel operations \$'000	Total reportable segments \$'000	Unallocated \$'000	Total \$'000
2019							
Segment revenue	159,976	9,450	87,425	65,668	322,519	12,243	334,762
Elimination of inter-segment revenue	-	-	-	(4,987)	(4,987)	(10,611)	(15,598)
External revenue	159,976	9,450	87,425	60,681	317,532	1,632	319,164
Profit/(loss) from operating activities	91,417	14,633	73,736	(47,229)	132,557	(10,448)	122,107
Finance income	15,711	2,683	486	3,248	22,128	1,670	23,798
Finance costs	(12,032)	(1,077)	(13)	(6,882)	(20,004)	(2,924)	(22,928)
Net finance income/(costs)	3,679	1,606	473	(3,634)	2,124	(1,254)	870
Share of after-tax profit/(loss) of associates and joint ventures	65,461	18,342	358	(12,931)	71,230	(8)	71,222
Segment profit/(loss) before income tax	160,556	34,581	74,567	(63,794)	205,910	(11,711)	194,199
<N1>							
2018							
Segment revenue	139,336	13,734	82,340	42,513	277,923	10,100	288,023
Elimination of inter-segment revenue	-	(2)	-	(560)	(562)	(10,100)	(10,662)
External revenue	139,336	13,732	82,340	41,953	277,361	-	277,361
Profit/(loss) from operating activities	54,378	36,849	75,194	(20,873)	145,548	(13,732)	131,816
Finance income	9,772	5,206	2,015	8	17,001	131	17,132
Finance costs	(2,208)	(6,630)	-	-	(8,838)	(1,064)	(9,902)
Net finance income/(costs)	7,564	(1,424)	2,015	8	8,163	(933)	7,230
Share of after-tax profit/(loss) of associates and joint ventures	(231)	10,847	180	(5,294)	5,502	-	5,502
Segment profit/(loss) before income tax	61,711	46,272	77,389	(26,159)	159,213	(14,665)	144,548
<N1>							

<N1> The hotel operations segment includes an impairment charge of S\$46.2 million (FY2018: S\$14.1 million), depreciation charge of S\$9.0 million (FY2018: S\$5.8 million), hotel pre-opening expenses incurred of S\$0.9 million (FY2018: nil) and hotel base stocks written off of S\$0.5 million (FY2018: nil).

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.

Property development

Revenue from the property development segment increased by S\$20.6 million or 14.8%, from S\$139.3 million in FY2018 to S\$160.0 million in FY2019. Pre-tax profit increased by S\$98.9 million or 160.2%, from S\$61.7 million in FY2018 to S\$160.6 million in FY2019.

The disposal of the Group's interest in the subsidiary owning the Oliphant property has contributed total net profit of S\$53.3 million in FY2019, of which S\$35.5 million is recorded under other gains in the profit and loss account and S\$17.8 million is recorded under share of after-tax profit of associates. The first time profit recognition from the handover of six residential blocks by the 30%-owned Star of East River project has also contributed an attributable share of profit of S\$43.8 million for the Group in FY2019. Pre-tax profit for the segment further increased due to the higher number of residential units in the Millennium Waterfront project being handed over in FY2019 partially offset by the lower number of commercial units and car park lots handed over.

Property investment

Revenue from the property investment segment decreased by S\$4.3 million or 31.2%, from S\$13.7 million in FY2018 to S\$9.5 million in FY2019. This is mainly attributable to the effect of deconsolidation of NLP1 during the year.

Pre-tax profit from this segment decreased by S\$11.7 million or 25.3%, from S\$46.3 million in FY2018 to S\$34.6 million in FY2019. The decrease was due mainly to the absence of fair value gains on other investments in FY2019 (FY2018: S\$12.8 million), effect of deconsolidation of NLP1 which led to a reduction in pre-tax profit of S\$5.1 million and loss on deconsolidation of NLP1 of S\$0.6 million. This is partially offset by the higher share of net fair value gain of S\$6.2 million recognised from investment properties held by the associates.

Property financing

Revenue from property financing increased by S\$5.1 million or 6.2%, from S\$82.3 million in FY2018 to S\$87.4 million in FY2019. Pre-tax profit from this segment has a slight decrease of S\$2.8 million or 3.6%, from S\$77.4 million in FY2018 to S\$74.6 million in FY2019.

The lower interest income from structured deposits had impacted the segment results negatively for the year. This is due mainly to the deployment of funds to the property development segment to fund the Sky Garden, Wanjiang project and The Pinnacle, Chang'an project.

Hotel operations

Revenue from the hotel operations segment increased by S\$18.7 million or 44.6%, from S\$42.0 million in FY2018 to S\$60.7 million in FY2019. The significant increase was due mainly to the additional contribution from Bilderberg Bellevue Hotel Dresden acquired in late March 2019 and the Hampton by Hilton Utrecht Centraal Station hotel which commenced operations in June 2019.

Pre-tax loss from this segment has increased by S\$37.6 million or 143.9% from S\$26.1 million in FY2018 to S\$63.8 million in FY2019. The segment results were negatively impacted by the higher impairment losses of S\$32.1 million attributable to Crowne Plaza Chengdu Wenjiang and the adjoining hotspring.

16. A breakdown of revenue as follows:-

Group	FY2019	FY2018	Increase/ (Decrease) %
	S\$'000	S\$'000	
(a) Revenue reported for first half year	124,775	91,916	35.7
(b) Operating profit after tax before deducting non-controlling interests reported for first half year	38,955	29,389	32.5
(c) Revenue reported for second half year	194,389	185,445	4.8
(d) Operating profit after tax before deducting non-controlling interests reported for second half year	126,621	88,861	42.5

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:-

	FY2019 (S\$'000)	FY2018 (S\$'000)
Interim	8,749	6,489
Final	12,726	10,335
Total	21,475	16,824

The final tax-exempt (one-tier) ordinary dividend for the year ended 31 December 2019 of 1.6 Singapore cents per ordinary share is subject to the approval of ordinary shareholders at the forthcoming Annual General Meeting and the final dividend amount is based on the number of issued ordinary shares as at the record date. The total amount for FY2019 is hence subject to adjustments according to the number of ordinary shares existing as at the record date.

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

The Company confirms that there is no person occupying a managerial position in the Company who is related to a director, chief executive officer or substantial shareholder of the Company.

19. Confirmation that the issuer has procured undertakings from all of its directors and executive officers (in the format set out in Appendix 7.7) under rule 720(1)

The Company confirms that it has procured undertakings from all of its directors and executive officers in the format set out in Appendix 7.7 under Rule 720 (1) of the Listing Manual.

BY ORDER OF THE BOARD

Neo Teck Pheng
Group Chief Executive Officer and Executive Director
 12 February 2020