

UNAUDITED RESULTS FOR FULL YEAR ENDED 31 DECEMBER 2014
PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS
1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group						
	Fourth Quarter Ended			Financial Year Ended			
	31.12.2014	31.12.2013	+ / (-) %	31.12.2014	31.12.2013	+ / (-) %	
Note	\$'000	\$'000	%	\$'000	\$'000	%	
Continuing operations							
Revenue		6,563	6,854	(4.2)	20,411	28,598	(28.6)
Cost of sales	1	(3,956)	(4,072)	(2.8)	(11,268)	(18,096)	(37.7)
Gross profit		2,607	2,782	(6.3)	9,143	10,502	(12.9)
Other income	2	(47)	747	n.m.	19,618	5,255	n.m.
General and administrative costs		(2,053)	(2,366)	(13.2)	(8,164)	(8,414)	(3.0)
Selling and distribution costs		-	(45)	n.m.	(27)	(185)	(85.4)
Other operating costs	3	(504)	(1,207)	(58.2)	(8,994)	(2,082)	n.m.
Finance costs		(105)	(118)	(11.0)	(519)	(311)	66.9
Share of after tax results of associates and joint ventures	4	286	3,024	(90.5)	1,434	5,242	(72.6)
Profit before taxation from continuing operations		184	2,817	(93.5)	12,491	10,007	24.8
Taxation	5	879	(4)	n.m.	-	(1,210)	n.m.
Profit from continuing operations, net of taxation		1,063	2,813	(62.2)	12,491	8,797	42.0
Discontinued operations							
Loss from discontinued operations, net of taxation		-	(128)	n.m.	(71)	(169)	(58.0)
Net profit after taxation		1,063	2,685		12,420	8,628	
Attributable to:							
Owners of the Company							
Profit from continuing operations, net of taxation		1,063	2,813	(62.2)	12,491	8,797	42.0
Loss from discontinued operations, net of taxation		-	(128)	n.m.	(71)	(169)	(58.0)
Profit for the year attributable to owners of the Company		1,063	2,685		12,420	8,628	

Profit from continuing operations, before taxation included the following:

	Fourth Quarter Ended			Financial Year Ended		
	31.12.2014 \$'000	31.12.2013 \$'000	+/(-) %	31.12.2014 \$'000	31.12.2013 \$'000	+/(-) %
Investment income	171	576	(70.3)	1,785	1,353	31.9
Interest income (included in revenue)	92	168	(45.2)	555	777	(28.6)
Interest on borrowings	(105)	(118)	(11.0)	(519)	(311)	66.9
Depreciation on property, plant and equipment and investment properties	(566)	(566)	-	(2,201)	(2,249)	(2.1)
Allowance made for doubtful debts due from an associate	16	-	n.m.	(2,379)	-	n.m.
Allowance made for doubtful debts due from trade receivables	(23)	-	n.m.	(196)	-	n.m.
Allowance made for doubtful debts due from other receivables	-	(485)	n.m.	-	(485)	n.m.
Allowance written-back/(made) for impairment loss on						
- property, plant and equipment	-	(215)	n.m.	-	(215)	n.m.
- investment properties	344	-	n.m.	(4,314)	-	n.m.
Allowance written-back/(made) for impairment loss on						
-quoted non-current investments	-	-	-	36	-	n.m.
- unquoted non-current investments	(20)	-	-	(20)	-	n.m.
- quoted current investments	(821)	(507)	61.9	(2,085)	(1,382)	50.9
Over/(under) provision of taxation in prior years	490	(200)	n.m.	490	(79)	n.m.
Foreign exchange (loss)/gain	(157)	(51)	n.m.	227	448	n.m.
Gain/(loss) on disposal of investment securities						
- included in gross profit	900	220	n.m.	1,337	1,578	(15.3)
- included in other income	-	(6)	n.m.	-	65	n.m.
Gain on disposal of property, plant and equipment						
- included in other income	-	36	n.m.	21	36	(41.7)
(Loss)/gain on disposal of investment properties						
- included in other income	(156)	15	n.m.	18,415	3,278	n.m.
Gain on disposal of a subsidiary and its related joint venture						
- included in other income	-	483	n.m.	-	483	n.m.

Notes to Group Profit and Loss Statement – Continuing obligations:

1. Cost of sales decreased by \$6.8 million yoy mainly due to lower share trading activities.

2. Other income comprised the following:

	4Q2014	4Q2013	+/(-) %	FY2014	FY2013	+/(-) %
	\$'000	\$'000		\$'000	\$'000	
Interest income	23	36	(36.1)	140	413	(66.1)
Dividend income	106	101	5.0	355	349	1.7
(Loss)/gain on sale of investment securities	-	(6)	n.m.	-	65	n.m.
Gain on disposal of property, plant and equipment	-	36	n.m.	21	36	(41.7)
Gain on disposal of subsidiary and joint venture	-	483	n.m.	-	483	n.m.
(Loss)/gain on disposal of investment properties	(156)	15	n.m.	18,415	3,278	n.m.
Impairment loss written back on non-current investment securities	-	-	n.m.	36	-	n.m.
Other investment income	2	97	(97.9)	92	97	(5.2)
Foreign exchange gain (net)	(157)	(51)	n.m.	227	448	(49.3)
Sundry	135	36	n.m.	332	86	n.m.
	<u>(47)</u>	<u>747</u>		<u>19,618</u>	<u>5,255</u>	

3. Other operating costs comprised the following:

	4Q2014	4Q2013	+/(-) %	FY2014	FY2013	+/(-) %
	\$'000	\$'000		\$'000	\$'000	
Allowance written-back/(made) for impairment loss on						
- non-current investment securities	(20)	-	n.m.	(20)	-	n.m.
- current investment securities	(821)	(507)	61.9	(2,085)	(1,382)	50.9
- property, plant and equipment	-	(215)	n.m.	-	(215)	n.m.
- investment properties	344	-	n.m.	(4,314)	-	n.m.
Allowance made for doubtful debts						
- due from other receivables	-	(485)	n.m.	-	(485)	n.m.
- due from an associate	16	-	n.m.	(2,379)	-	n.m.
- due from trade receivables	(23)	-	n.m.	(196)	-	n.m.
	<u>(504)</u>	<u>(1,207)</u>		<u>(8,994)</u>	<u>(2,082)</u>	

- Higher allowance for impairment loss on investment securities of \$0.7 million yoy and \$0.3 million qoq was due to decreases in fair value of certain available-for-sale investments held by the Group, which resulted in increase in the amount of investment securities which have suffered a significant or prolonged decline in the market value below the acquisition cost of those investments;
 - Allowance for impairment loss on property, plant and equipment was made in Q4 2013 for a service office in UK as there were plans to reposition this service office to long-lease office in FY2014;
 - Allowance made for impairment loss on investment properties of \$4.3 million was due to decline in value of certain UK properties arising from external and internal valuation exercises carried out during the year. An amount of \$0.3 million allowance was written back due to overprovision made in 3Q2014;
 - Impairment loss on other receivables of \$0.5 million was made in 4Q2013 following an assessment to determine collectability of the debt;
 - Arising from an external valuation exercise carried out on the commercial property held by an associate, an impairment of a receivable of \$2.4 million due from the associate was provided;
 - An impairment of \$0.2 million due from trade receivables was also made following assessment exercises to determine collectability of these debts.
4. Share of tax results of associates and joint ventures decreased by \$3.8 million yoy and \$2.7 million qoq mainly due to a reduction in share of results from one of its associates, Hong Property Investments Pte Ltd (“Hong”). In FY2013, the share of results of Hong of \$3.4 million arose from completion of 9 medical suites of which 7 were completed in 4Q 2013.

5. Effective tax rate for FY2014 was Nil% for the year. The taxation charge for the Group was lower than that arrived at by applying the statutory tax rate of 17% to the profit before taxation mainly due to certain income being capital in nature, absence of tax effect on the share of results of associates and utilization of Group tax relief for Singapore subsidiaries. These were offset by certain non-deductible expenses. For 4Q2014, the taxation was a credit arising mainly from reversal of deferred tax provided on the deferred rental income and utilisation of Group tax relief for Singapore subsidiaries. The deferred tax relating to deferred rental income was reversed as a subsidiary company elected FRS 17 leases concession on the tax treatment of operating lease in 2014 whereby taxation on rental income is on effective rental method instead of actual receipts basis.

Statement of Comprehensive Income

	Group					
	Fourth Quarter Ended			Financial Year Ended		
	31.12.2014	31.12.2013	+ / (-)	31.12.2014	31.12.2013	+ / (-)
	\$'000	\$'000	%	\$'000	\$'000	%
Net profit after taxation	1,063	2,685	(60.4)	12,420	8,628	43.9
Other comprehensive (loss)/income:						
Items that may be reclassified subsequently to profit or loss:						
Net (loss)/gain on available-for-sale investments (net of tax)	(1,294)	(1,299)	(0.4)	(511)	2,288	n.m.
Exchange difference arising from						
- consolidation	46	144	(68.1)	(365)	94	n.m.
- revaluation of net investment in foreign operation	82	209	(60.8)	99	573	(82.7)
- reclassification on disposal of a subsidiary	-	-		3,548	-	
Revaluation gain realised by an associate to income statement	-	-	n.m.	(106)	(157)	(32.5)
Other comprehensive (loss)/gain, net of tax	<u>(1,166)</u>	<u>(946)</u>		<u>2,665</u>	<u>2,798</u>	
Total comprehensive (loss)/gain for the period	<u>(103)</u>	<u>1,739</u>		<u>15,085</u>	<u>11,426</u>	
Total comprehensive (loss)/gain for the period attributable to:						
Owner of the Company	(103)	1,739	n.m.	15,085	11,426	32.0
Non-controlling Interests	-	-	-	-	-	-
	<u>(103)</u>	<u>1,739</u>		<u>15,085</u>	<u>11,426</u>	

Net gains on available-for-sale investments (net of tax) remain comparable for 4Q2014 and 4Q2013. Net gain in FY2013 was mainly due to increase in fair value of the available-for-sale investments arising from favourable market conditions. The net loss in FY2014 was mainly due to realisation of the fair value gain arising from the distribution of US\$0.6 million from a fund held by the Group and some net decrease in fair value of the available for sale investments arising from unfavourable market conditions on certain shares held by the Group.

The currency translation reserve of \$3.5 million relating to Phratra Sdn Bhd was being reclassified, arising from the disposal of this subsidiary in 1Q2014.

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

	Note	Group		Company	
		31.12.2014	31.12.2013	31.12.2014	31.12.2013
		\$'000	\$'000	\$'000	\$'000
Non-current assets					
Property, plant and equipment		5,282	5,730	-	-
Investment properties	1	100,467	87,429	-	-
Investment in subsidiaries	2	-	-	171,439	173,328
Investment in joint ventures	3	8,142	4,015	-	-
Investment in associates	4	16,521	14,986	746	746
Investment securities	5	15,791	14,464	-	-
Other receivables	6	4,366	3,025	-	-
Amounts due from associates	7	2,000	3,705	-	-
		152,569	133,354	172,185	174,074
Current assets					
Inventories		-	4	-	-
Properties classified as held for sale	8	-	1,038	-	-
Trade receivables	9	771	271	-	-
Prepayments and deposits		247	296	57	59
Other receivables	10	2,780	10,044	7	-
Amounts due from subsidiaries		-	-	200	-
Amounts due from associates		8,987	8,853	-	-
Investment securities		37,479	37,222	-	-
Cash and bank balances		52,156	52,524	8,897	8,337
		102,420	110,252	9,161	8,396
Assets of disposal group classified as held for sale	11	-	3,177	-	3,099
		102,420	113,429	9,161	11,495
Current liabilities					
Trade payables		(578)	(585)	-	-
Other payables	12	(2,329)	(5,357)	(315)	(3,597)
Accrued operating expenses	13	(2,476)	(1,633)	(168)	(172)
Amounts due to associates		(546)	(517)	(354)	(335)
Bank loans (secured)	14	(31,259)	(28,990)	-	-
Tax payable		(2,108)	(1,846)	(5)	-
		(39,296)	(38,928)	(842)	(4,104)
Liabilities directly associated with disposal group classified as held for sale	11	-	(40)	-	-
		(39,296)	(38,968)	(842)	(4,104)
Net current assets		63,124	74,461	8,319	7,391
Non-current liabilities					
Deferred tax liabilities		(4,726)	(5,130)	-	-
Other payables		(480)	(748)	-	-
		(5,206)	(5,878)	-	-
Net assets		210,487	201,937	180,504	181,465

	Group		Company	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
	\$'000	\$'000	\$'000	\$'000
Equity attributable to owner of the Company				
Share capital	172,154	172,154	172,154	172,154
Capital reserve	1,202	1,308	-	-
Revenue reserve	38,312	32,427	8,350	9,311
Fair value reserve	10,361	10,872	-	-
Currency translation reserve	(11,542)	(14,824)	-	-
	210,487	201,937	180,504	181,465
Non-controlling interests	-	-	-	-
Share capital and reserves	210,487	201,937	180,504	181,465

Note:

1. Investment properties increased by \$13 million mainly due to:
 - a. Acquisition of 1 commercial property in London,
 - b. disposal of 1 Singapore property in Rivergate, 1 apartment unit and 4 commercial properties in London,
 - c. impairment loss of \$4.3 million relating to 2 UK investment properties outside London.
2. Investment in subsidiaries decreased by \$1.9 million arising from an impairment made on the cost of investment in a subsidiary further to an assessment made on the carrying values of all the subsidiaries.
3. Increase in investment in joint ventures increased by \$4.1 million mainly due to investment of \$5.3 million in Neo Bankside Retail LLP, offset by a refund of \$0.9 million being excess investment from Neo Pav E Investments LLP during the year.
4. Increase in investment in associates by \$1.5 million was mainly due to share of profits in associates for the year.
5. Increase in non-current investment securities by \$1.3 million was mainly due to a net investment of approximately \$1.3 million in a fund.
6. Increase in non-current other receivables by \$1.3 million was mainly due to increase in deferred rental income of \$1.2 million during the year. Deferred rental income relates to lease income that remains to be amortised over the lease term on a straight line basis.
7. Decrease in non-current amounts due from associates was mainly due to allowance for doubtful debts provided during the year.
8. The properties classified as held for sale in as at 31 December 2013 was sold during the year.
9. Increase in trade receivables by \$0.5 million was mainly due to increase in rental receivables.
10. Decrease in current other receivables was mainly due to repayment of loans from the UK joint ventures.
11. Assets of disposal group classified as held for sale and liabilities directly associated with disposal group classified as held for sale reflected the total assets and total liabilities of the proposed disposal of a subsidiary, which was sold during the year.

12. Decrease in current other payables of \$3 million at the Group and \$3.3 million at Company was mainly due to deposit received of approximately \$3.3 million from the then proposed disposal of a subsidiary in 2014.
13. Increase in accrued operating expenses by \$0.8 million was mainly due to accrual of property tax payable arising and agency fees payable.
14. Increase in bank loans by \$2.2 million was mainly due to an increase in draw down of loans of approximately \$27.9 million offset by a payment of loan of \$25.6 million during the year.

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

Amount repayable in one year or less, or on demand

	31.12.2014		31.12.2013	
	Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
Short term bank loans	31,259	-	28,990	-
	<u>31,259</u>	<u>-</u>	<u>28,990</u>	<u>-</u>

The Group has sufficient resources to repay the short-term bank loans.

Amount repayable after one year

	31.12.2014		31.12.2013	
	Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
Long term bank loans	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Details of any collateral

Short term bank loans comprised:

- a) An amount of \$9.9 million (2013: \$19.8 million) secured by a pledge of \$15 million (2013: \$13.3 million) on a subsidiary's fixed deposits and a corporate guarantee from the Company (2013: \$6.66 million).
- b) An amount of \$10.3 million (2013: Nil) secured by a legal charge over a subsidiary's investment property and assignment of tenancy agreement in respect of the property.
- c) An amount of \$2.9 million (2013: \$1.1 million) secured by a deed of guarantee and indemnity for \$4 million (2013: \$4 million) from a subsidiary.
- d) An amount of \$8.15 million (2013: \$8.1 million) secured by a pledge of \$4 million (2013: \$4 million) on a subsidiary's fixed deposits.

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.

	Group			
	Fourth Quarter Ended		Financial Year Ended	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities:				
Profit before taxation from continuing operations	184	2,817	12,491	10,007
Loss before taxation from discontinued operations	-	(129)	(71)	(170)
Adjustments for:				
Interest income	(114)	(204)	(694)	(1,191)
Interest expense	105	118	519	311
Dividend income from investment securities	(277)	(677)	(2,140)	(1,702)
Depreciation of property, plant and equipment and investment properties	566	566	2,201	2,249
Share of results of associates and joint ventures	(286)	(3,024)	(1,434)	(5,242)
Allowance made for doubtful debts due from an associate	(16)	-	2,379	-
Allowance made for doubtful debts due from trade receivables	23	-	196	-
Allowance made for doubtful debts due from other receivables	-	485	-	485
Allowance (written-back)/made for impairment loss on				
- property, plant and equipment	-	215	-	215
- investment properties	(344)	(99)	4,314	(99)
- non current investment securities (net)	20	-	(16)	-
- current investment securities	821	507	2,085	1,382
Loss/(gain) on disposal of subsidiaries and a related joint venture	-	(483)	61	(483)
Gain on disposal of investment properties	156	(15)	(18,415)	(3,278)
Gain on disposal of property, plant and equipment	-	(36)	(21)	(36)
Unrealised exchange differences	1,153	(277)	5	(1,135)
	1,807	(2,924)	(10,960)	(8,524)
Operating cash flows before changes in working capital	1,991	(236)	1,460	1,313
Increase in receivables and current investments	(2,396)	(2,790)	(5,478)	(5,215)
Decrease in inventories	-	11	4	1
Increase in payables	2,620	907	657	330
	224	(1,872)	(4,817)	(4,884)
Cash flows generated from/(used in) operations	2,215	(2,108)	(3,357)	(3,571)
Interest received	(62)	75	443	788
Interest paid	(105)	(118)	(519)	(311)
Dividend income from investment securities	277	677	2,140	1,702
Income taxes paid	(37)	18	(139)	(726)
	73	652	1,925	1,453
Net cash flows generated from/(used in) operating activities carried forward	2,288	(1,456)	(1,432)	(2,118)

	Group			
	Fourth Quarter Ended		Financial Year Ended	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
	\$'000	\$'000	\$'000	\$'000
Net cash flows generated from/(used in) operating activities brought forward	2,288	(1,456)	(1,432)	(2,118)
Cash flows from investing activities:				
Increase in other investments	(1,276)	(7,795)	(1,276)	(7,827)
Deposit from proposed disposal of subsidiary	-	3,322	-	3,322
Increase in investment in joint venture	(1)	(3,970)	(4,355)	(3,970)
Decrease/(increase) in amounts due from associates	244	5,439	(657)	6,361
Net cash inflows on disposal of a subsidiary	-	-	3,185	-
Proceeds from disposal of investment properties	(276)	215	39,884	5,062
Proceeds from disposal of property, plant and equipment	26	39	60	39
(Increase)/decrease in amounts due from joint ventures	(174)	-	7,995	-
Addition to investment properties	(38,217)	(143)	(39,567)	(3,287)
Purchase of property, plant and equipment	(2)	(313)	(3)	(368)
Net cash flows (used in)/generated from investing activities	(39,676)	(3,206)	5,266	(668)
Cash flows from financing activities:				
Increase in bank loans	22,008	12,730	27,865	12,730
Repayments of bank loans	(10,203)	-	(25,597)	(2,900)
Increase in pledged fixed deposits	-	-	(1,660)	-
Dividends paid on ordinary shares	-	-	(6,535)	(6,535)
Net cash flows generated from/(used in) financing activities	11,805	12,730	(5,927)	3,295
Net (decrease)/increase in cash and cash equivalents	(25,583)	8,068	(2,093)	509
Cash and cash equivalents at beginning of the period	58,717	27,058	35,197	34,487
Effects of exchange rate changes on cash and cash equivalents	22	71	52	201
Cash and cash equivalents at end of the period	33,156	35,197	33,156	35,197

For purposes of presenting consolidated cash flow statements, the consolidated cash and cash equivalents comprise the following:

	Group		Group	
	Fourth Quarter Ended		Financial Year Ended	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
	\$'000	\$'000	\$'000	\$'000
Cash and bank balances:				
- continuing operations	52,156	52,524	52,156	52,524
- discontinued operations	-	13	-	13
Less: cash and bank balances pledged	(19,000)	(17,340)	(19,000)	(17,340)
Cash and cash equivalents at end of the period	33,156	35,197	33,156	35,197

Effect of disposal of discontinued operation

On 23 December 2013, the Company announced that the Group had entered into a sale and purchase agreement with two interested persons in relation to the proposed disposal of a wholly-owned subsidiary, Phratra Sdn Bhd ("Phratra"). The sale was completed on 17 February 2014 and Phratra ceased to be a subsidiary of the Group.

The results of discontinued operation (till date of disposal) are provided below:

	Group			
	Fourth Quarter Ended		Twelve Months Ended	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
	\$'000	\$'000	\$'000	\$'000
Revenue	-	-	-	16
Other income	-	99	-	100
Expenses	-	(28)	(10)	(86)
Operating income/(loss) before taxation	-	71	(10)	30
Loss recognised on remeasurement to fair value less costs to sell	-	(200)	-	(200)
Loss before tax from discontinued operation	-	(129)	(10)	(170)
Taxation	-	1	-	1
Operating loss after taxation	-	(128)	(10)	(169)
Loss on disposal of discontinued operation, net of tax	-	-	(61)	-
Loss from discontinued operation, net of taxation	-	(128)	(71)	(169)

Cash flows of discontinued operation (till date of disposal) are provided below:

	31.12.2014	31.12.2013	31.12.2014	31.12.2013
	\$'000	\$'000	\$'000	\$'000
Operating cashflows	-	(12)	(11)	(89)
Investing cashflows	-	-	-	1
Net cash outflows	-	(12)	(11)	(88)

The net assets and cashflows of discontinued operation disposed of as at 17 February 2014 are provided below:

Investment properties		3,251
Prepayment and deposits		4
Cash and bank balances		2
Other payables		(9)
Accrued operating expenses		(26)
Identifiable net assets disposed of		3,222
Reclassification of currency translation		3,548
Loss recognised in FY2013 on remeasurement to fair value less costs to sell		(200)
		6,570
Loss on disposal of subsidiary		(61)
Proceeds from disposal of subsidiary		6,509
Less: cash and cash equivalents in disposed subsidiary		(2)
		6,507
Comprise:		
Deposits received in FY2013		3,322
Balance received in the current year		3,185
		6,507

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

	----- Attributable to Owners of the Company -----						
	Share capital \$'000	Capital reserve ** \$'000	Revenue reserve \$'000	Fair value reserve \$'000	Currency translation reserve \$'000	Non-controlling interests \$'000	Total equity \$'000
Group							
Balance at 1.1.2014	172,154	1,308	32,427	10,872	(14,824)	-	201,937
Total comprehensive (loss)/gain for the period	-	(106)	2,360	32	4,196	-	6,482
Balance at 31.3.2014	172,154	1,202	34,787	10,904	(10,628)	-	208,419
Total comprehensive gain for the period	-	-	5,030	4,480	91	-	9,601
Dividends paid	-	-	(6,535)	-	-	-	(6,535)
Balance at 30.6.2014	172,154	1,202	33,282	15,384	(10,537)	-	211,485
Total comprehensive gain/(loss) for the period	-	-	3,967	(3,729)	(1,133)	-	(895)
Balance at 30.9.2014	172,154	1,202	37,249	11,655	(11,670)	-	210,590
Total comprehensive gain/(loss) for the period	-	-	1,063	(1,294)	128	-	(103)
Balance at 31.12.2014	172,154	1,202	38,312	10,361	(11,542)	-	210,487
Balance at 1.1.2013	172,154	1,465	30,334	8,584	(15,491)	-	197,046
Total comprehensive (loss)/gain for the period	-	(157)	1,843	1,500	(757)	-	2,429
Balance at 31.3.2013	172,154	1,308	32,177	10,084	(16,248)	-	199,475
Total comprehensive gain for the period	-	-	1,816	524	370	-	2,710
Dividends paid	-	-	(6,535)	-	-	-	(6,535)
Balance at 30.6.2013	172,154	1,308	27,458	10,608	(15,878)	-	195,650
Total comprehensive gain for the period	-	-	2,284	1,563	701	-	4,548
Balance at 30.9.2013	172,154	1,308	29,742	12,171	(15,177)	-	200,198
Total comprehensive gain/(loss) for the period	-	-	2,685	(1,299)	353	-	1,739
Balance at 31.12.2013	172,154	1,308	32,427	10,872	(14,824)	-	201,937

**Capital reserve relates to unrealised revaluation gain pertaining to certain properties purchased from an associate.

Company	Share capital \$'000	Revenue reserve \$'000	Total equity \$'000
Balance at 1.1.2014	172,154	9,311	181,465
Total comprehensive gain for the period	-	3,626	3,626
Balance at 31.3.2014	172,154	12,937	185,091
Total comprehensive loss for the period	-	(293)	(293)
Dividends paid	-	(6,535)	(6,535)
Balance at 30.6.2014	172,154	6,109	178,263
Total comprehensive loss for the period	-	(1,287)	(1,287)
Balance at 30.9.2014	172,154	4,822	176,976
Total comprehensive gain for the period	-	3,528	3,528
Balance at 31.12.2014	172,154	8,350	180,504
Balance at 1.1.2013	172,154	18,146	190,300
Total comprehensive loss for the period	-	(215)	(215)
Balance at 31.3.2013	172,154	17,931	190,085
Total comprehensive loss for the period	-	(276)	(276)
Dividends paid	-	(6,535)	(6,535)
Balance at 30.6.2013	172,154	11,120	183,274
Total comprehensive loss for the period	-	(204)	(204)
Balance at 30.9.2013	172,154	10,916	183,070
Total comprehensive loss for the period	-	(1,605)	(1,605)
Balance at 31.12.2013	172,154	9,311	181,465

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.

No option has been granted under the Hwa Hong Corporation Limited (2001) Share Option Scheme since its adoption on 29 May 2001. At the 58th Annual General Meeting held on 27 April 2011, the shareholders of the Company approved the extension of the Scheme for another ten years from 29 May 2011 to 28 May 2021.

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.

Since 31 December 2013, there has been no change to the total number of 653,504,000 issued ordinary shares of the Company.

Total number of issued shares excluding treasury shares, as at 31 December 2014 was 653,504,000 (31 December 2013: 653,504,000). As at 31 December 2014 and 31 December 2013, there were no treasury shares held.

As at 31 December 2014 and 31 December 2013, there were no outstanding convertibles.

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

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

The figures have not been audited nor reviewed by the 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 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those of the most recently audited consolidated financial statements for the financial year ended 31 December 2013.

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

The Group and the Company have adopted the following new and revised FRSs standards that are mandatory for the financial periods beginning on 1 January 2014:-

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
Revised FRS 27 Separate Financial Statements	1 January 2014
Revised FRS 28 Investments in Associates and Joint Ventures	1 January 2014
FRS 110 Consolidated Financial Statements	1 January 2014
FRS 111 Joint Arrangements	1 January 2014
FRS 112 Disclosure of Interests in Other Entities	1 January 2014
Amendments to FRS 32 Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to FRS 36 Recoverable Amount Disclosures for Non-financial Assets	1 January 2014

The adoption of the revised FRS did not have any material financial impact on the financial statements of the Group and the Company for the year ended 31 December 2014.

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

	GROUP			
	Fourth Quarter Ended		Financial Year Ended	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
<u>Continuing operations</u>				
Earnings per ordinary share from continuing operations after deducting any provision for preference dividends:				
(i) Based on the weighted average number of ordinary shares in issue (cents)	0.16	0.43	1.91	1.35
(ii) On a fully diluted basis (cents)	0.16	0.43	1.91	1.35
<u>Discontinued operation</u>				
Loss per ordinary share from discontinued operations after deducting any provision for preference dividends:				
(i) Based on the weighted average number of ordinary shares in issue (cents)	-	(0.02)	(0.01)	(0.03)
(ii) On a fully diluted basis (cents)	-	(0.02)	(0.01)	(0.03)

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	
	As at 31.12.2014	As at 31.12.2013	As at 31.12.2014	As at 31.12.2013
Net asset value per ordinary share (cents)	32.21	30.90	27.62	27.77

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Revenue

	4Q2014 \$'000	4Q2013 \$'000	+/(-) %	FY2014 \$'000	FY2013 \$'000	+/(-) %
Rental	1,858	2,416	(23.1)	7,243	9,045	(19.9)
Investments	4,705	4,352	8.1	13,158	19,142	(31.3)
Corporate and Others	-	86	n.m.	10	411	(97.6)
	<u>6,563</u>	<u>6,854</u>		<u>20,411</u>	<u>28,598</u>	

Decrease in revenue for rental segment by \$1.8 million yoy and \$0.6 million qoq were mainly due to:-

- decrease in rental income from certain UK commercial and service office properties by \$2.7 million yoy and \$0.7 million qoq mainly due to absence of rental income of \$1.7 million yoy and \$0.5 million qoq as four of its office buildings located in London were disposed and a reduction of \$1 million yoy and \$0.2 million qoq rental income arising from the repositioning of 2 service offices to long-lease offices;
- increase in rental income from the Paya Lebar property by \$0.7 million yoy subsequent to its completion in re-development in February 2013.

Decrease in revenue for investments segment by \$6.0 million yoy was mainly due to:-

- decrease in proceeds from sale of investment securities by \$6.2 million yoy mainly due to decrease in share trading activities;
- decrease in interest income by \$0.2 million yoy;
- increase in dividend income by \$0.4 million yoy mainly due to a US\$0.6 million distribution from a fund held by the Group in 2014 compared to US\$0.3 million in 2013.

Profit before tax from continuing operations

	4Q2014 \$'000	4Q2013 \$'000	+/(-) %	FY2014 \$'000	FY2013 \$'000	+/(-) %
Rental	403	234	72.2	12,528	4,764	n.m.
Investments	353	3,224	(89.1)	2,117	6,890	(69.3)
Corporate and Others	(500)	(482)	3.7	(1,885)	(1,977)	(4.7)
	<u>256</u>	<u>2,976</u>		<u>12,760</u>	<u>9,677</u>	
Unallocated items	(72)	(159)	(54.7)	(269)	330	n.m.
	<u>184</u>	<u>2,817</u>		<u>12,491</u>	<u>10,007</u>	

Rental segment refers to rental of residential, commercial properties and warehouse. Profit before taxation for Rental segment increased by \$7.8 million yoy mainly due to:-

- increase in gain from disposal of investment property by \$15.1 million yoy;
- an impairment of a receivable of \$2.4 million yoy due from an associate arising from an external valuation exercise carried out on the commercial property held by the associate;
- allowance made for impairment loss on doubtful debts due from trade receivables of \$0.2 million yoy following assessment exercises to determine collectability of these debts;
- allowance made for impairment loss on investment properties of \$4.3 million yoy on 2 UK properties outside of London, arising from external and internal valuation exercises carried out in 4Q2014.

Investment segment refers to investment holding and profit before taxation for Investment segment decreased by \$4.8 million yoy and decreased by \$2.9 million qoq mainly due to:-

- decrease in gain on disposal of investments of investment securities of \$0.2 million yoy and an increase of \$0.7 million qoq;
- increase in impairment loss on quoted current investments of \$0.7 million yoy and \$0.3 million qoq arising from unfavourable market conditions which resulted in increase in the amount of investment securities which have suffered a significant or prolonged decline in the market value below the acquisition cost of those investments;
- increase in dividend income by \$0.4 million yoy and decrease by \$0.4 million qoq mainly due to a US\$0.6 million distribution in FY2014 made by a fund held by the Group compared to a US\$0.3 million distribution made in FY2013. Dividend income decreased \$0.4 million qoq mainly due to a US\$0.3 million distribution made in 4Q2013;
- decrease in share of profits of the associates of \$3.8 million yoy and \$2.7 million qoq;
- decrease in interest income by \$0.2 million yoy.

Corporate segment refers to the provision of management, administrative and support services to related companies and investment holding, as well as trading of edible oil products. The loss before tax of the Corporate segment yoy and qoq remained relatively the same and were mainly contributed by salaries, bonuses, accruals of director fees and trading of edible oil products.

Unallocated items refer to items such as finance costs and certain foreign exchange differences which are managed on a Group basis and were not allocated to the segments. The profit turnaround from \$0.3 million to a loss of \$0.3 million yoy mainly due to a unfavourable foreign exchange impact arising from the translation of Sterling Pound against Singapore Dollar on the Group's net investment in United Kingdom and the higher finance costs \$0.2 million incurred yoy.

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

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The geopolitical and economic uncertainties around the world continue to pose challenges to our business environment.

The Singapore residential property market is expected to face further downward pressure in rentals and capital values. This may restrict further disposal of our residential properties in the current financial year. This may also affect the magnitude of any gains that we may achieve on the disposal of our residential properties.

Overall our residential and commercial properties in Singapore and UK continue to provide recurrent income for the Group.

The Group is in advanced negotiations with a potential tenant to enter into a long term lease for its site located in Sheffield, UK, and intends to begin redevelopment works once we have entered into heads of terms/a letter of intent with the said tenant.

The uncertain outlook in the world economy is expected to remain and returns from equity investments will correspondingly be influenced by the uncertainties.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes.

Name of Dividend	Final Ordinary Dividend	Special Dividend
Dividend Type	Cash	Cash
Dividend Amount per Share (in cents)	1 cent, (one-tier) tax exempt	0.15 cent, (one-tier) tax exempt
Tax Rate	Not applicable	Not applicable

(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	Final Ordinary Dividend
Dividend Type	Cash
Dividend Amount per Share (in cents)	1 cents, (one-tier) tax exempt
Tax Rate	Not applicable

(c) Date payable

The proposed final dividend, if approved at the forthcoming Annual General Meeting of the Company, will be paid on 22 May 2015.

(d) Books closure date

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed on 8 May 2015 for the preparation of dividend warrants. Duly completed registrable transfers received by the Company's Share Registrars, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623 up to 5.00 p.m. on 7 May 2015 will be registered before entitlements to the dividend are determined. In respect of shares in securities accounts with The Central Depository (Pte) Limited ("CDP"), the said dividend will be paid by the Company to CDP which will in turn distribute the dividend entitlements to holders of shares in accordance with its practice.

(e) Interim dividend declared and paid for the current reporting period

Not applicable.

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

Not applicable.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

The Group has 3 reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services and are managed separately because they require different strategies.

The following summary describes the operations in each of the Group's reportable segments:

- rental: rental of residential, commercial properties and warehouse
- investment: investment holding
- corporate and others: trading of chemicals and packing and trading of edible oils as well as investment holding.

For purposes of monitoring segment performance and allocating resources between segments, the chief operating decision maker monitors performance based on segment profit before income tax. Segment profit is measured as management believes that such segment transactions are determined on an arm's length basis.

There are no asymmetrical allocations to reportable segments.

Unallocated items such as cash at bank, bank loans, provision for tax, deferred taxation, finance costs and certain foreign exchange differences are managed on a Company and Group basis and were not allocated to the segments.

FY2014	Rental \$'000	Investments \$'000	Corporate & Others \$'000	Discontinued operations \$'000	Note	Eliminations \$'000	Total \$'000
<u>Income Statement</u>							
Revenue							
- external	7,244	13,157	10	-		-	20,411
- inter-segment	-	3,800	4,852	-	B	(8,652)	-
Total revenue	<u>7,244</u>	<u>16,957</u>	<u>4,862</u>				<u>20,411</u>
Interest income (in other income)	3	29	108	-		-	140
Depreciation of property plant and equipment and investment properties	(2,014)	(54)	(133)	-		-	(2,201)
Gain on disposal of investment properties	18,415	-	-	-		-	18,415
Allowance for impairment loss on investment properties	(4,314)	-	-	-		-	(4,314)
Allowance written back for impairment loss on unquoted non-current investments	-	36	-	-		-	36
Allowance made for impairment loss on non-current investment securities	-	(20)	-	-		-	(20)
Allowance made for impairment loss on current investment securities	-	(2,085)	-	-		-	(2,085)
Allowance made for impairment loss on amount due from associate	(2,379)	-	-	-		-	(2,379)
Allowance made for doubtful debts due from trade receivables	(196)	-	-	-		-	(196)
Gain on disposal of property, plant and equipment	-	-	21	-		-	21
Share of results of associates and joint ventures	-	1,434	-	-		-	1,434
Profit/(loss) before taxation	<u>12,528</u>	<u>2,117</u>	<u>(1,885)</u>	<u>(71)</u>	C	<u>(198)</u>	<u>12,491</u>
<u>Balance Sheet</u>							
Investment in joint ventures	-	8,142	-	-		-	8,142
Investment in associates	-	16,521	-	-		-	16,521
Additions to non-current assets	39,567	-	3	-	D	-	39,570
Segment assets	<u>117,441</u>	<u>168,585</u>	<u>176,944</u>	-	E	<u>(207,981)</u>	<u>254,989</u>
Segment liabilities	<u>(62,087)</u>	<u>(1,958)</u>	<u>(3,029)</u>	-	F	<u>22,572</u>	<u>(44,502)</u>

FY2013	Corporate & Discontinued				Note	Eliminations	Total
	Rental	Investments	Others	operations			
	\$'000	\$'000	\$'000	\$'000		\$'000	\$'000
<u>Income Statement</u>							
Revenue							
- external	9,045	19,142	411	16	A	(16)	28,598
- inter-segment	-	3,000	100	-	B	(3,100)	-
Total revenue	<u>9,045</u>	<u>22,142</u>	<u>511</u>				<u>28,598</u>
Interest income (in other income)	1	369	43	1	A	(1)	413
Depreciation of property plant and equipment and investment properties	(2,068)	(51)	(130)	-		-	(2,249)
Gain on sale of investment securities (included in other income)	-	65	-	-		-	65
Gain on disposal of investment properties	3,278	-	-	-		-	3,278
Gain on disposal of a subsidiary and its related joint venture	483	-	-	-		-	483
Impairment loss on other receivables	(485)	-	-	-		-	(485)
Allowance for impairment loss on current investment securities	-	(1,382)	-	-		-	(1,382)
Allowance written back for impairment loss on investment properties	-	-	-	99	A	(99)	-
Allowance made for impairment loss on property, plant and equipment	(215)	-	-	-		-	(215)
Gain on disposal of property, plant and equipment	25	11	-	-		-	36
Share of results of associates and joint ventures	-	5,242	-	-		-	5,242
Profit/(loss) before taxation	<u>4,764</u>	<u>6,890</u>	<u>(1,977)</u>	<u>(169)</u>	C	499	<u>10,007</u>
<u>Balance Sheet</u>							
Investment in joint ventures	-	4,015	-	-		-	4,015
Investment in associates	-	14,986	-	-		-	14,986
Additions to non-current assets	3,516	71	68	-	D	-	3,655
Segment assets	<u>104,515</u>	<u>137,513</u>	<u>181,425</u>	<u>3,177</u>	E	(179,847)	<u>246,783</u>
Segment liabilities	<u>(55,866)</u>	<u>(1,586)</u>	<u>(6,069)</u>	<u>(40)</u>	F	18,715	<u>(44,846)</u>

A. Amounts relating to Phratra have been excluded on consolidation as they are presented separately in the income statement within one line item, "loss from discontinued operation, net of taxation".

B. Inter-segment revenues are eliminated on consolidation.

C. The following items are added/(deducted from) segment profit to arrive at "profit before tax from continuing operations" presented in the consolidated income statement:

	FY2014	FY2013
	\$'000	\$'000
Segment results of discontinued operations	71	169
Finance costs	(519)	(311)
Unallocated expenses	250	641
	<u>(198)</u>	<u>499</u>

D. Additions to non-current assets consist of additions to property, plant and equipment and investment properties.

E. The following items are added to/(deducted from) segment assets to arrive at total assets reported in the consolidated balance sheet:

	FY2014 \$'000	FY2013 \$'000
Cash and bank balances	52,156	52,524
Inter-segment assets	(260,137)	(232,371)
	(207,981)	(179,847)

F. The following items are added to/(deducted from) segment liabilities to arrive at total liabilities reported in the consolidated balance sheet:

	FY2014 \$'000	FY2013 \$'000
Bank loans	31,259	28,990
Tax payable	2,108	1,846
Deferred tax liabilities	4,726	5,130
Inter- segment liabilities	(60,665)	(54,681)
Total liabilities	(22,572)	(18,715)

Geographical information:

	FY2014		FY2013	
	Revenue \$'000	Non-current assets \$'000	Revenue \$'000	Non-current assets \$'000
Singapore	18,194	96,604	23,988	90,360
United Kingdom	2,217	55,965	4,610	42,994
Others	-	-	15,755	-
Discontinued operation	-	-	(15,755)	-
	20,411	152,569	28,598	133,354

In presenting information on the basis of geographical segments, segment revenue and non-current assets are based on geographical location of customers and assets respectively.

Information about a major customer

Revenue of \$4.4 million (2013: \$3.7 million) was derived from a single external customer. This revenue was derived in Singapore and relates to rental income.

14. 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 Section 8 of this announcement.

15. A breakdown of sales.

	GROUP		
	FY2014 \$'000	FY2013 \$'000	+/(–) %
(a) Revenue reported for first half year			
- continuing operations	9,511	16,876	(43.6)
- discontinued operation	-	16	n.m.
	<u>9,511</u>	<u>16,892</u>	
(b) Operating profit after tax before deducting minority interests reported for first half year			
- continuing operations	7,461	3,677	n.m.
- discontinued operation	(71)	(18)	n.m.
	<u>7,390</u>	<u>3,659</u>	
(c) Revenue reported for second half year			
- continuing operations	10,900	11,722	(7)
- discontinued operation	-	-	
	<u>10,900</u>	<u>11,722</u>	
(d) Operating profit after tax before deducting minority interests reported for second half year			
- continuing operations	5,030	5,120	(1.8)
- discontinued operation	-	(151)	n.m.
	<u>5,030</u>	<u>4,969</u>	

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

	GROUP	
	FY2014 \$'000	FY2013 \$'000
Ordinary	6,535	6,535
Preference	-	-
Total	<u>6,535</u>	<u>6,535</u>

17. Interested Person Transactions

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Hong Leong Investment Holdings Pte. Ltd. Group – Interest charged on shareholder loan to Hong Property Investment Pte Ltd	\$150,808	Not applicable*
Goh Kian Hwee - Professional fee for services rendered by a firm and an associated firm related to a director	\$55,292	Not applicable*
Guan Meng Kuan - Purchase consideration received from a director for the acquisition of a 40% interest in a subsidiary - Purchase consideration received from an associate of Mr Guan for the acquisition of a 60% interest in a subsidiary	\$2,621,400	Not applicable*
	\$3,887,220	Not applicable*

* There is no subsisting shareholders' mandate for interested person transactions pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

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

Please refer to the Group's other Announcement dated 4 February 2015.

Submitted by

Lee Soo Wei
Chief Financial Officer
4 February 2015