



## AF GLOBAL LIMITED

Company Registration No.197301118N  
(Incorporated in the Republic of Singapore)

### UNAUDITED FIRST QUARTER FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE PERIOD ENDED 31 MARCH 2018

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

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

#### **CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

		<b>Group</b>		
		<b>01.01.2018 to 31.03.2018 ("1Q18") S\$'000</b>	<b>01.01.2017 to 31.03.2017 ("1Q17") S\$'000</b>	<b>Change %</b>
	Note			
<b>Revenue</b>	1	16,297	14,710	11
Cost of sales	2	(7,810)	(7,162)	9
<b>Gross profit</b>		8,487	7,548	12
Other operating income	3a	30	129	(77)
Marketing expenses		(610)	(552)	11
Administrative expenses	4	(3,237)	(2,895)	12
Other operating expenses	5	(1,627)	(1,290)	26
<b>Operating profit</b>		3,043	2,940	4
Finance costs		(610)	(540)	13
Share of results of associated and joint venture companies	6	1,848	2,571	(28)
<b>Profit before taxation</b>		4,281	4,971	(14)
Taxation	7	(1,135)	(862)	32
<b>Profit for the period</b>		3,146	4,109	(23)
<b>Other comprehensive income/(loss) :</b>				
<u>Items that may be reclassified subsequently to profit or loss</u>				
Foreign currency translation	8	7,234	(4,508)	NM
Fair value (loss)/gain on investment securities		(22)	198	NM
<b>Other comprehensive income/(loss) for the period, net of tax</b>		7,212	(4,310)	NM
<b>Total comprehensive income/(loss) for the period</b>		10,358	(201)	NM
<b>Profit for the period attributable to :</b>				
Shareholders of the Company		1,555	2,842	(45)
Non-controlling interests		1,591	1,267	26
		3,146	4,109	(23)
<b>Total comprehensive income/(loss) for the period attributable to :</b>				
Shareholders of the Company		7,668	(1,266)	NM
Non-controlling interests		2,690	1,065	153
		10,358	(201)	NM

'NM' : Not meaningful.

**Notes to Statement of Comprehensive Income :**

1. Included in revenue were :

	<b>Group</b>		
	<b>1Q18</b> S\$'000	<b>1Q17</b> S\$'000	<b>Change</b> %
Interest income from investment securities	54	40	35
Dividend income from investment securities	73	82	(11)
	127	122	4

2. Cost of sales comprised mainly direct costs, depreciation and overheads in respect of the Group's hospitality and leisure businesses.
3. Profit before taxation is stated after crediting/(charging) :

	<b>Group</b>		
	<b>1Q18</b> S\$'000	<b>1Q17</b> S\$'000	<b>Change</b> %
(a) Other operating income :			
Interest income from fixed deposits	18	21	(14)
Gain on sale of investment securities	-	25	NM
Foreign currency gains	-	83	NM
Others	12	-	NM
	30	129	(77)
(b) Depreciation of property, plant and equipment	(1,745)	(1,694)	3
(c) Amortisation of club memberships	(1)	(1)	-
(d) Loss on sale of investment securities	(17)	-	NM
(e) Property, plant and equipment written off	(5)	(5)	-
(f) Foreign currency losses (*)	(193)	-	NM

\* Foreign currency losses in 1Q18 were mainly attributed to the translation loss in respect of Singapore Dollar denominated inter-company loans as Singapore Dollar had weakened against Sterling Pound.

4. The higher administrative expenses was mainly due to higher staff costs.
5. The higher other operating expenses was mainly due to foreign currency losses and higher overheads.
6. This constitutes mainly our share of profits from joint venture companies in Xuzhou, PRC and Knight Frank group of companies in Singapore.
7. The major components of income tax expense were :

	<b>Group</b>		
	<b>1Q18</b> S\$'000	<b>1Q17</b> S\$'000	<b>Change</b> %
Current tax			
- Current year	925	780	19
- Benefits from previously unrecognised tax losses	(11)	(38)	(71)
- Under provision in respect of prior years	-	5	NM
Deferred tax			
- Origination and reversal of temporary differences	221	115	92
	1,135	862	32

The higher current tax expense was mainly attributed to higher pre-tax profit of Holiday Inn Resort Phuket. The higher deferred tax provision was mainly in respect of undistributed earnings of an overseas company.

8. Foreign currency translation comprised exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency (Singapore Dollar); and the realisation of such exchange differences to profit or loss. The translation gain in 1Q18 was mainly attributed to stronger Sterling Pound and Thai Baht. In 1Q17, the loss was mainly due to weaker Sterling Pound and Renminbi.

'NM' : Not meaningful.

**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	
		31.03.2018 S\$'000	31.12.2017 S\$'000	31.03.2018 S\$'000	31.12.2017 S\$'000
<b>Non-current assets</b>					
Property, plant and equipment		369,627	362,187	-	-
Intangible assets		43	44	-	-
Subsidiary companies		-	-	295,101	299,318
Associated company		1,569	1,569	-	-
Joint venture companies		88,541	86,000	-	-
Investment securities	1	5,000	4,825	-	-
Deferred tax assets		359	348	-	-
		<u>465,139</u>	<u>454,973</u>	<u>295,101</u>	<u>299,318</u>
<b>Current assets</b>					
Asset held for sale		6,672	6,672	-	-
Investment securities	2	3,817	7,538	-	-
Inventories		439	402	-	-
Trade receivables		1,807	1,464	-	-
Other receivables		722	650	232	164
Prepayments		544	617	17	8
Cash and short-term deposits		25,240	24,428	381	932
		<u>39,241</u>	<u>41,771</u>	<u>630</u>	<u>1,104</u>
<b>Current liabilities</b>					
Provision		33	47	-	-
Trade payables		1,899	2,872	-	-
Other payables and accruals		9,102	8,169	962	674
Provision for taxation		1,476	1,040	4	4
Hire purchase creditors		19	19	-	-
Loans and borrowings	2	18,198	12,455	14,500	8,850
Dividend payable	2	-	10,556	-	10,556
		<u>30,727</u>	<u>35,158</u>	<u>15,466</u>	<u>20,084</u>
<b>Net current assets/(liabilities)</b>	3	8,514	6,613	(14,836)	(18,980)
<b>Non-current liabilities</b>					
Provision		36	22	-	-
Amounts due to subsidiary companies		-	-	57,353	56,876
Hire purchase creditors		43	47	-	-
Loans and borrowings		65,348	64,872	-	-
Deferred tax liabilities		39,346	38,298	-	-
		<u>104,773</u>	<u>103,239</u>	<u>57,353</u>	<u>56,876</u>
<b>Net assets</b>		<u>368,880</u>	<u>358,347</u>	<u>222,912</u>	<u>223,462</u>
<b>Equity attributable to shareholders of the Company</b>					
Share capital		209,518	209,518	209,518	209,518
Reserves		93,930	86,087	13,394	13,944
		<u>303,448</u>	<u>295,605</u>	<u>222,912</u>	<u>223,462</u>
Non-controlling interests		65,432	62,742	-	-
<b>Total equity</b>		<u>368,880</u>	<u>358,347</u>	<u>222,912</u>	<u>223,462</u>

**Notes to Statement of Financial Position :**

- The increase in investment securities was due to the effect of adopting Singapore Financial Reporting Standard (International) 9 - Financial Instruments where the Group's unquoted equity securities carried at cost is to be measured at fair value, with the corresponding increase being recognised in opening retained earnings.
- Proceeds from both the sale of quoted debt securities and utilisation of Company's revolving credit facilities had been used for payment of dividend to shareholders of the Company on 16 January 2018.
- The decrease in net current liabilities of the Company was mainly due to the payment of dividend to the shareholders of the Company.

**1(b)(ii) Aggregate amount of group's borrowings and debt securities.****Amount repayable in one year or less, or on demand**

As at 31.03.2018		As at 31.12.2017	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
13,467	4,750	10,474	2,000

**Amount repayable after one year**

As at 31.03.2018		As at 31.12.2017	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
65,391	-	64,919	-

**Details of any collaterals**

The Group's borrowings which are secured comprised :

1. A term loan of S\$32.7 million and a revolving credit facility of S\$34.0 million secured by :
  - a mortgage on the freehold land and building owned by a company in the Group.
  - a fixed and floating charge over all assets of a company in the Group.
  - a corporate guarantee by the Company.
2. A term loan of S\$2.3 million secured by :
  - a mortgage on the freehold land and buildings owned by a company in the Group.
3. A revolving credit facility of S\$9.8 million secured by :
  - a pledge of shares of a company in the Group.
4. Finance leases of motor vehicle and office equipment for S\$0.1 million.

**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.**

	<b>Group</b>	
	<b>1Q18</b> S\$'000	<b>1Q17</b> S\$'000
<b>Cash flows from operating activities :</b>		
Profit before taxation	4,281	4,971
Adjustments for :		
Depreciation of property, plant and equipment	1,745	1,694
Property, plant and equipment written off	5	5
Loss/(gain) on sale of investment securities	17	(25)
Share of results of associated and joint venture companies	(1,848)	(2,571)
Amortisation of club memberships	1	1
Dividend income from investment securities	(73)	(82)
Interest income	(72)	(61)
Finance costs	610	540
Unrealised foreign exchange differences	167	(59)
<b>Operating profit before reinvestment in working capital</b>	<b>4,833</b>	<b>4,413</b>
(Increase)/decrease in inventories	(21)	66
(Increase)/decrease in receivables and prepayments	(301)	11
Decrease in payables	(196)	(986)
<b>Cash flows generated from operations</b>	<b>4,315</b>	<b>3,504</b>
Interest received	63	25
Interest paid	(594)	(530)
Income taxes paid	(501)	(333)
<b>Net cash flows from operating activities</b>	<b>3,283</b>	<b>2,666</b>
<b>Cash flows from investing activities :</b>		
Dividend received	73	82
Purchase of property, plant and equipment	(1,111)	(227)
Proceeds from sale of investment securities	3,734	1,467
<b>Net cash flows from investing activities</b>	<b>2,696</b>	<b>1,322</b>
<b>Cash flows from financing activities :</b>		
Proceeds from bank loans	5,900	2,900
Repayment of bank loans	(713)	(4,887)
Repayment of advances by an associated company	62	-
Repayment to hire purchase creditors	(4)	(4)
Dividend paid by the Company	(10,556)	-
Dividends paid to a non-controlling interest	-	(1,865)
<b>Net cash flows used in financing activities</b>	<b>(5,311)</b>	<b>(3,856)</b>
Net increase in cash and cash equivalents	668	132
Effects of exchange rate changes on cash and cash equivalents	143	(330)
Cash and cash equivalents at beginning of period	24,379	20,304
<b>Cash and cash equivalents at end of period</b>	<b>25,190</b>	<b>20,106</b>
<b><u>Note to Statement of Cash Flows :</u></b>		
Cash and cash equivalents comprised the following amounts :		
Fixed deposits	14,770	9,702
Cash and bank balances	10,470	10,498
Cash and short-term deposits per Consolidated Statement of Financial Position	25,240	20,200
Less : Fixed deposit pledged	(50)	(94)
<b>Cash and cash equivalents per Consolidated Statement of Cash Flows</b>	<b>25,190</b>	<b>20,106</b>

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.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2018**

	-----Attributable to shareholders of the Company-----						Accumulated losses S\$'000	Total reserves S\$'000	Non-controlling interests	Total equity
	Share capital S\$'000	Capital and other reserves S\$'000	Legal reserve S\$'000	Foreign currency translation reserve S\$'000	Asset revaluation reserve S\$'000	Other reserves S\$'000			S\$'000	S\$'000
<b>2018</b>										
<b>As at 1 January 2018</b>										
- as previously reported	209,518	106,685	30	(28,644)	135,219	80	(20,598)	86,087	62,742	358,347
- Effect of adopting SFRS(I) 1	-	28,922	-	28,922	-	-	(28,922)	-	-	-
- Effect of adopting SFRS(I) 9	-	-	-	-	-	-	175	175	-	175
<b>- as restated</b>	<b>209,518</b>	<b>135,607</b>	<b>30</b>	<b>278</b>	<b>135,219</b>	<b>80</b>	<b>(49,345)</b>	<b>86,262</b>	<b>62,742</b>	<b>358,522</b>
Profit for the period	-	-	-	-	-	-	1,555	1,555	1,591	3,146
Other comprehensive income/(loss) for the period, net of tax	-	6,113	-	6,135	-	(22)	-	6,113	1,099	7,212
Total comprehensive income/(loss) for the period	-	6,113	-	6,135	-	(22)	1,555	7,668	2,690	10,358
<b>As at 31 March 2018</b>	<b>209,518</b>	<b>141,720</b>	<b>30</b>	<b>6,413</b>	<b>135,219</b>	<b>58</b>	<b>(47,790)</b>	<b>93,930</b>	<b>65,432</b>	<b>368,880</b>
<b>2017</b>										
<b>As at 1 January 2017</b>										
- as previously reported	209,518	69,944	30	(28,922)	98,782	54	(18,561)	51,383	55,139	316,040
- Effect of adopting SFRS(I) 1	-	28,922	-	28,922	-	-	(28,922)	-	-	-
<b>- as restated</b>	<b>209,518</b>	<b>98,866</b>	<b>30</b>	<b>-</b>	<b>98,782</b>	<b>54</b>	<b>(47,483)</b>	<b>51,383</b>	<b>55,139</b>	<b>316,040</b>
Profit for the period	-	-	-	-	-	-	2,842	2,842	1,267	4,109
Other comprehensive (loss)/income for the period, net of tax	-	(4,108)	-	(4,306)	-	198	-	(4,108)	(202)	(4,310)
Total comprehensive (loss)/income for the period	-	(4,108)	-	(4,306)	-	198	2,842	(1,266)	1,065	(201)
<u>Others</u>										
Dividends paid to a non-controlling interest	-	-	-	-	-	-	-	-	(1,865)	(1,865)
Total others	-	-	-	-	-	-	-	-	(1,865)	(1,865)
<b>As at 31 March 2017</b>	<b>209,518</b>	<b>94,758</b>	<b>30</b>	<b>(4,306)</b>	<b>98,782</b>	<b>252</b>	<b>(44,641)</b>	<b>50,117</b>	<b>54,339</b>	<b>313,974</b>

**STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2018**

	Share capital S\$'000	Revenue reserve S\$'000	Total equity S\$'000
<b>2018</b>			
<b>As at 1 January 2018</b>	<b>209,518</b>	<b>13,944</b>	<b>223,462</b>
Total comprehensive loss for the period	-	(550)	(550)
<b>As at 31 March 2018</b>	<b>209,518</b>	<b>13,394</b>	<b>222,912</b>
<b>2017</b>			
<b>As at 1 January 2017</b>	<b>209,518</b>	<b>24,352</b>	<b>233,870</b>
Total comprehensive loss for the period	-	(329)	(329)
<b>As at 31 March 2017</b>	<b>209,518</b>	<b>24,023</b>	<b>233,541</b>

- 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.**

There was no change in the Company's share capital since the end of the previous period reported on up to the end of the current financial period. The Company's issued and fully paid-up shares as at 31 March 2018 comprised 1,055,639,464 (31 March 2017 : 1,055,639,464) ordinary shares with voting rights.

The Company has no treasury shares, subsidiary holdings or outstanding convertibles as at 31 March 2018 and 31 March 2017.

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

	<b>31.03.2018</b>	<b>31.12.2017</b>
Total number of ordinary shares excluding treasury shares	1,055,639,464	1,055,639,464

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

Not applicable.

- 1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings 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 in this announcement have not been audited or reviewed by the Company's auditor.

- 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 paragraph 5 below, the financial statements have been prepared based on the accounting policies and methods of computation consistent with those adopted in the most recent audited financial statements for the year ended 31 December 2017.

The adoption of other Singapore Financial Reporting Standards (International) ("SFRS(I)") and Interpretations of SFRS(I) relevant to the Group's operations which are effective for annual periods beginning on 1 January 2018 does not have a material impact on the financial statements.

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

The Group has adopted SFRS(I) on 1 January 2018. Accordingly, the Group has elected the following relevant optional exemption provided in SFRS(I) 1 - First-time Adoption of SFRS(I) and has adopted SFRS(I) 9 - Financial Instruments and SFRS(I) 15 - Revenue from Contracts with Customers.

(i) SFRS(I) 1 - First-time Adoption of SFRS(I)

The Group has elected the option to deem the cumulative translation differences for foreign operations to be zero and has reclassified the amount in foreign currency translation reserve at the date of transition to opening retained earnings.

It has been determined that the revaluation model better reflects the business model under which the Group's freehold and leasehold land and buildings are held. Hence, the Group will continue to measure these assets under the revaluation model.

(ii) SFRS(I) 9 - Financial Instruments

The Group has elected to measure its currently held available-for-sale unquoted equity securities at fair value through other comprehensive income. The difference between the carrying amount and the fair value has been recognised in the opening retained earnings. In assessing for impairment losses on financial assets, the Group has adopted the simplified approach and record lifetime expected losses on all its trade receivables. The adoption of expected loss model does not have a material impact on the financial statements.

(iii) SFRS(I) 15 - Revenue from Contracts with Customers

Under this standard, the revenue is recognised at an amount that reflects the consideration which an entity expects to be entitled in exchange for transferring goods or services to a customer. The adoption does not have a material impact on the financial statements.

The adoption of SFRS(I) does not have an impact on the opening SFRS(I) statement of financial position.

**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.**

Earnings per ordinary share of the Group after deducting any provision for preference dividends :-	Group Quarter Ended	
	31.03.2018	31.03.2017
(a) Based on weighted average number of ordinary shares in issue	0.15 cent	0.27 cent
(b) On a fully diluted basis	0.15 cent	0.27 cent

Basic earnings per ordinary share is computed based on the weighted average number of ordinary shares (excluding treasury shares which have no voting rights) in issue during the quarter under review of 1,055,639,464 shares (31 March 2017 : 1,055,639,464 shares).

Fully diluted earnings per ordinary share is computed based on the weighted average number of ordinary shares in issue after adjusting for the dilutive effect on the exercise of all outstanding convertibles. There were no outstanding convertibles as at 31 March 2018 and 31 March 2017.



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**Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the :-**

- (a) current financial period reported on; and  
(b) immediately preceding financial year.**

	Group		Company	
	31.03.2018	31.12.2017	31.03.2018	31.12.2017
Net asset <sup>(1)</sup> value per ordinary share <sup>(2)</sup> attributable to shareholders of the Company	S\$0.29	S\$0.28	S\$0.21	S\$0.21

(1) Net asset is defined as total equity less non-controlling interests and intangible assets.

(2) Based on total number of shares (excluding treasury shares which have no voting rights) as at the end of the financial period.

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**

Revenue of the Group for 1Q18 of S\$16.3 million was S\$1.6 million higher than 1Q17.

Hotel and Serviced Residence

Revenue of S\$15.6 million was S\$1.7 million higher than 1Q17.

The revenues of both Holiday Inn Resort Phuket ("HIRP") and Crowne Plaza London Kensington ("CPLK") were higher mainly because of higher occupancy and average room rates. Stronger Thai Baht and Sterling Pound had also contributed to the increase.

The revenues of both Somerset Vientiane ("SV") and Cityview Apartments and Commercial Centre ("CV") were comparable with 1Q17.

Leisure and Others

Revenue of S\$0.7 million was S\$0.1 million lower than 1Q17 mainly because of lower revenue from the Group's family entertainment business.

Property

No revenue was recorded in 1Q18. Dividend income from investment securities of S\$0.1 million recorded in 1Q17 had been reclassified to Leisure and Others segment.

**Profit Before Tax**

The Group's pre-tax profit of S\$4.3 million was S\$0.7 million lower than 1Q17.

Hotel and Serviced Residence

This sector's pre-tax profit of S\$3.2 million was S\$0.5 million higher than 1Q17.

The pre-tax profit of HIRP was higher mainly because of higher revenue. Despite higher revenue, CPLK incurred a pre-tax loss in 1Q18 mainly because of translation loss arising from Singapore Dollar denominated inter-company loans as Singapore Dollar had weakened against Sterling Pound. Its pre-tax profit in 1Q17 was mainly attributed to translation gain arising from the said inter-company loans.

The pre-tax profits of both SV and CV were comparable with 1Q17.

Leisure and Others

Excluding corporate office, this sector incurred a small loss compared to pre-tax profit of S\$0.1 million recorded in 1Q17. It was mainly attributed to lower revenue of the Group's family entertainment business.

Corporate office's pre-tax loss of S\$0.7 million was S\$0.3 million higher than 1Q17 mainly because of higher staff costs.

Property

This sector's pre-tax profit of S\$1.8 million was S\$0.8 million lower than 1Q17. Our share of profit from the joint venture company in Xuzhou, PRC, was significantly lower mainly because fewer apartment units were handed over to buyers in 1Q18. Over 98% of the total apartment units had been recognised in the previous financial years. Our share of profit from Knight Frank group of companies was higher mainly because of higher commission and fee income.

**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 global economic outlook in 2018 is expected to be positive. Our hospitality assets are expected to provide stable income to the Group. We will continue to focus on improving the value of our hospitality assets with sustainable growth strategies.

In China, our Xuzhou Gulou Square project commenced the sale of office units with a soft launch and the take-up rate is within our expectation. The retail podium marketing and leasing plan is progressing steadily.

In Thailand, the growth in Phuket tourists arrivals continue with a positive trajectory and should provide a strong base for hotel demand. The Group is finalising with a 5-star hotel operator to manage a luxurious resort hotel at its Rawai site.

In Singapore, the property market was active with enbloc sales and we expect this activity to continue in the coming quarter. The Knight Frank Singapore business is expected to remain stable.

**11 Dividend.**

**(a) Current Financial Period Reported On.**

Any dividend declared for the current financial period reported on?

None.

**(b) Corresponding Period of the Immediately Preceding Financial Year.**

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

None.

**(c) Date payable.**

Not applicable.

**(d) Books closure date.**

Not applicable.

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

No dividend has been declared or recommended for the current financial period reported on.

**13 Confirmation pursuant to Rule 920(1)(a)(ii) of the Listing Manual.**

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

**14 Confirmation by the Board pursuant to Rule 705(5) of the Listing Manual.**

The Directors of the Company hereby confirm to the best of their knowledge that nothing has come to the attention of the Board of Directors which may render the Unaudited Financial Statements for the First Quarter ended 31 March 2018 to be false or misleading in any material respect.

On behalf of the Board of Directors

Koh Wee Seng  
Chairman

Chay Yue Kai  
Director

**15 Confirmation pursuant to Rule 720(1) of the Listing Manual.**

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

**BY ORDER OF THE BOARD**

**Lim Swee Ann**  
**Company Secretary**

7 May 2018