

HONG FOK CORPORATION LIMITED

(Co. Reg. No. 196700468N)

Full Year Financial Statement and Dividend Announcement for the Year Ended 31 December 2019

PART I 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.

Full year financial statement on consolidated results for the year ended 31 December 2019.
These figures have not been audited nor reviewed.

	The Group		
	\$'000		%
	2019	2018	Increase/ (Decrease)
Revenue (Note 1)	113,245	131,127	(14)
Other income	178	287	(38)
	113,423	131,414	(14)
Commitment fee on unutilised bank facilities	(1,594)	(1,683)	(5)
Cost of sales of development properties	(20,762)	(33,535)	(38)
Depreciation of property, plant and equipment	(882)	(757)	17
Depreciation of right-of-use asset	(964)	-	NM
Employee benefit expenses	(23,752)	(23,007)	3
Exchange (loss)/gain, net	(480)	643	NM
Gain on revaluation of investment properties	103,190	253,120	(59)
Changes in fair value of other investments at fair value through profit or loss (Note 2)	3,538	(3,466)	NM
Impairment loss on trade receivables, net	(20)	(214)	(91)
(Impairment loss)/Impairment loss written back on other assets	(2)	40	NM
(Loss)/Gain on disposal of investment properties	(18)	76	NM
Maintenance expenses	(10,604)	(9,089)	17
Operating lease expenses	(261)	(1,209)	(78)
Property tax	(6,324)	(5,755)	10
Rental commission	(1,003)	(1,123)	(11)
Other expenses	(4,221)	(5,036)	(16)
	149,264	300,419	(50)
Finance income	1,014	1,508	(33)
Finance expense	(30,496)	(28,321)	8
Net finance expense	(29,482)	(26,813)	10
Profit before tax (Note 3)	119,782	273,606	(56)
Tax expense	(4,561)	(4,664)	(2)
(Under)/Over provision of tax expense in prior years	(435)	13	NM
Profit for the year	114,786	268,955	(57)
Profit attributable to:			
Owners of the Company	112,514	188,921	(40)
Non-controlling interests	2,272	80,034	(97)
Profit for the year	114,786	268,955	(57)
Other comprehensive income, net of tax			
Items that are or may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of foreign subsidiaries	(3,492)	8,719	NM
Exchange differences on monetary items forming part of net investments in foreign subsidiaries	(202)	501	NM
Other comprehensive income for the year, net of tax	(3,694)	9,220	NM
Total comprehensive income for the year	111,092	278,175	(60)
Total comprehensive income attributable to:			
Owners of the Company	111,095	192,439	(42)
Non-controlling interests	(3)	85,736	NM
Total comprehensive income for the year	111,092	278,175	(60)

Notes:

- (1) Included in Revenue is investment income of approximately \$376,000 (2018 : \$39,000).
- (2) Included in Changes in fair value of other investments at fair value through profit or loss is loss on disposal on other investments of approximately \$52,000 (2018 : gain of approximately \$6,000).
- (3) Included in Profit before tax is net profit on sale of development properties of approximately \$9,821,000 (2018 : \$23,240,000) and loss on disposal of property, plant and equipment of approximately \$70,000 (2018 : \$56,000).
- (4) 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.

	The Group		The Company	
	\$'000		\$'000	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Non-current Assets				
Property, plant and equipment	4,009	2,879	-	-
Right-of-use asset	1,448	-	-	-
Subsidiaries	-	-	853,402	855,260
Associate and joint venture	#	#	-	-
Investment properties	3,193,538	3,091,745	-	-
Other assets	214	217	-	-
Other investments	#	700	-	-
Trade and other receivables	5	-	-	-
Pledged bank deposits	9,954	9,303	-	-
Deferred tax assets	970	1,079	-	-
	3,210,138	3,105,923	853,402	855,260
Current Assets				
Other investments	33,628	17,973	-	-
Current tax assets	445	215	-	-
Development properties	181,000	198,941	-	-
Trade and other receivables	4,049	4,945	30	29
Amounts due from subsidiaries	-	-	350,664	385,220
Cash and cash equivalents	40,405	50,229	1,085	888
	259,527	272,303	351,779	386,137
Non-current asset held for sale	-	1,720	-	-
	259,527	274,023	351,779	386,137
Total Assets	3,469,665	3,379,946	1,205,181	1,241,397
Equity Attributable to Owners of the Company				
Share capital	186,688	186,688	186,688	186,688
Treasury shares	(111,183)	(101,050)	(10,133)	-
Reserves	1,917,437	1,810,076	654,405	669,191
	1,992,942	1,895,714	830,960	855,879
Non-controlling interests	622,519	632,751	-	-
Total Equity	2,615,461	2,528,465	830,960	855,879
Non-current Liabilities				
Loans and borrowings	780,887	653,991	99,325	-
Trade and other payables	11,585	11,755	-	-
Lease liabilities	454	-	-	-
Deferred tax liabilities	257	408	-	-
	793,183	666,154	99,325	-
Current Liabilities				
Loans and borrowings	781	122,628	-	119,964
Trade and other payables	49,762	53,316	2,385	2,741
Lease liabilities	1,018	-	-	-
Contract liabilities	80	27	-	-
Amounts due to subsidiaries	-	-	272,511	262,813
Current tax liabilities	9,380	9,356	-	-
	61,021	185,327	274,896	385,518
Total Liabilities	854,204	851,481	374,221	385,518
Total Equity and Liabilities	3,469,665	3,379,946	1,205,181	1,241,397

Amount less than \$1,000

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

Amount repayable in one year or less, or on demand

As at 31.12.2019		As at 31.12.2018	
Secured	Unsecured	Secured	Unsecured
\$781,000	-	\$2,664,000	\$119,964,000

Amount repayable after one year

As at 31.12.2019		As at 31.12.2018	
Secured	Unsecured	Secured	Unsecured
\$642,347,000	\$138,540,000	\$617,193,000	\$36,798,000

Details of any collaterals

The borrowings by the subsidiaries are generally secured by the Group's certain investment properties and certain development properties and are guaranteed by the Company and/or its subsidiaries.

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	
	\$'000	
	2019	2018
Cash Flows from Operating Activities		
Profit before tax	119,782	273,606
Adjustments for:		
Depreciation of property, plant and equipment	882	757
Depreciation of right-of-use asset	964	-
Loss/(Gain) on disposal of investment properties	18	(76)
Gain on revaluation of investment properties	(103,190)	(253,120)
Loss on disposal of property, plant and equipment	70	56
Impairment loss on trade receivables, net	20	214
Impairment loss/(Impairment loss written back) on other assets	2	(40)
Changes in fair value of other investments at fair value through profit or loss	(3,538)	3,466
Finance income	(1,014)	(1,508)
Finance expense	30,496	28,321
	44,492	51,676
Changes in working capital:		
Development properties	17,942	37,541
Trade and other receivables	1,242	(962)
Trade and other payables	(3,268)	(4,869)
Contract liabilities	53	(167)
Cash generated from operations	60,461	83,219
Tax paid	(5,292)	(1,731)
Tax refund	44	-
Net Cash from Operating Activities	55,213	81,488
Cash Flows from Investing Activities		
Capital expenditure on investment properties	(2,409)	(14,212)
Decrease/(Increase) in restricted cash	30	(160)
Proceeds from disposal of investment properties	1,702	1,626
Proceeds from disposal of property, plant and equipment	189	241
Proceeds from disposal of other investments	23,488	21,490
Purchase of property, plant and equipment	(2,277)	(1,739)
Purchase of other investments	(35,247)	(41,337)
Interest received	1,000	1,530
Net Cash used in Investing Activities	(13,524)	(32,561)
Cash Flows from Financing Activities		
Increase in pledged bank deposits	(694)	(1,672)
Interest paid	(25,633)	(25,844)
Dividend paid	(8,890)	(6,930)
Payment of lease liabilities and finance lease liabilities	(950)	(20)
Payment of transaction costs on loans and borrowings	(905)	(180)
Repayments of loans and borrowings	(138,134)	(203,906)
Proceeds from loans and borrowings	139,200	188,200
Payment of acquisition of interests in subsidiaries	(5,060)	-
Purchase of treasury shares	(10,133)	-
Net Cash used in Financing Activities	(51,199)	(50,352)
Net Decrease in Cash and Cash Equivalents	(9,510)	(1,425)
Cash and cash equivalents at beginning of the year	50,058	50,625
Effect of exchange rate fluctuations on cash and cash equivalents held	(284)	858
Cash and Cash Equivalents at end of the year	40,264	50,058
Cash and Cash Equivalents at 31 December is represented by:		
Cash at banks and in hand	17,948	9,183
Deposits	32,411	50,349
Cash and cash equivalents	50,359	59,532
Less: Pledged bank deposits (non-current)	(9,954)	(9,303)
Cash and cash equivalents (current)	40,405	50,229
Less: Restricted cash	(141)	(171)
	40,264	50,058

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.

	\$'000							
	Attributable to Owners of the Company						Non-Controlling Interests	Total Equity
	Share Capital	Capital and Other Reserves	Treasury Shares	Translation Reserves	Retained Profit	Total		
The Group								
At 1 January 2018	186,688	2,470	(101,050)	(14,439)	1,636,724	1,710,393	539,373	2,249,766
Total comprehensive income for the year								
Profit for the year	-	-	-	-	188,921	188,921	80,034	268,955
Other comprehensive income								
Exchange differences on translation of financial statements of foreign subsidiaries	-	2	-	3,015	-	3,017	5,702	8,719
Exchange differences on monetary items forming part of net investments in foreign subsidiaries	-	-	-	501	-	501	-	501
Total other comprehensive income, net of tax	-	2	-	3,516	-	3,518	5,702	9,220
Total comprehensive income for the year	-	2	-	3,516	188,921	192,439	85,736	278,175
Transactions with Owners, recorded directly in Equity								
Contributions by and Distributions to Owners								
Modification of bonds issued by a subsidiary	-	(188)	-	-	-	(188)	7,642	7,454
Dividend paid	-	-	-	-	(6,930)	(6,930)	-	(6,930)
Total Contributions by and Distributions to Owners	-	(188)	-	-	(6,930)	(7,118)	7,642	524
Total transactions with Owners	-	(188)	-	-	(6,930)	(7,118)	7,642	524
At 31 December 2018	186,688	2,284	(101,050)	(10,923)	1,818,715	1,895,714	632,751	2,528,465
At 1 January 2019, as previously reported	186,688	2,284	(101,050)	(10,923)	1,818,715	1,895,714	632,751	2,528,465
Adjustment on initial application of SFRS(I) 16	-	-	-	-	(6)	(6)	(7)	(13)
Adjusted balance at 1 January 2019	186,688	2,284	(101,050)	(10,923)	1,818,709	1,895,708	632,744	2,528,452
Total comprehensive income for the year								
Profit for the year	-	-	-	-	112,514	112,514	2,272	114,786
Other comprehensive income								
Exchange differences on translation of financial statements of foreign subsidiaries	-	1	-	(1,218)	-	(1,217)	(2,275)	(3,492)
Exchange differences on monetary items forming part of net investments in foreign subsidiaries	-	-	-	(202)	-	(202)	-	(202)
Total other comprehensive income, net of tax	-	1	-	(1,420)	-	(1,419)	(2,275)	(3,694)
Total comprehensive income for the year	-	1	-	(1,420)	112,514	111,095	(3)	111,092
Transactions with Owners, recorded directly in Equity								
Distributions to Owners								
Own shares acquired	-	-	(10,133)	-	-	(10,133)	-	(10,133)
Dividend paid	-	-	-	-	(8,890)	(8,890)	-	(8,890)
Total distributions to Owners	-	-	(10,133)	-	(8,890)	(19,023)	-	(19,023)
Changes in ownership interests in subsidiaries								
Acquisition of additional interest in subsidiaries	-	(293)	-	-	5,455	5,162	(10,222)	(5,060)
Total changes in ownership interests in subsidiaries	-	(293)	-	-	5,455	5,162	(10,222)	(5,060)
Total transactions with Owners	-	(293)	(10,133)	-	(3,435)	(13,861)	(10,222)	(24,083)
At 31 December 2019	186,688	1,992	(111,183)	(12,343)	1,927,788	1,992,942	622,519	2,615,461

\$'000								
Attributable to Owners of the Company						Non-Controlling Interests	Total Equity	
Share Capital	Capital and Other Reserves	Treasury Shares	Translation Reserves	Retained Profit	Total			
The Company								
At 1 January 2018	186,688	-	-	-	678,654	865,342	-	865,342
Loss and total comprehensive income for the year	-	-	-	-	(757)	(757)	-	(757)
Transactions with Owners, recorded directly in Equity								
Distributions to Owners								
Dividend paid	-	-	-	-	(8,706)	(8,706)	-	(8,706)
Total transactions with Owners	-	-	-	-	(8,706)	(8,706)	-	(8,706)
At 31 December 2018	186,688	-	-	-	669,191	855,879	-	855,879
At 1 January 2019								
At 1 January 2019	186,688	-	-	-	669,191	855,879	-	855,879
Loss and total comprehensive income for the year	-	-	-	-	(3,587)	(3,587)	-	(3,587)
Transactions with Owners, recorded directly in Equity								
Distributions to Owners								
Own shares acquired	-	-	(10,133)	-	-	(10,133)	-	(10,133)
Dividend paid	-	-	-	-	(11,199)	(11,199)	-	(11,199)
Total transactions with Owners	-	-	(10,133)	-	(11,199)	(21,332)	-	(21,332)
At 31 December 2019	186,688	-	(10,133)	-	654,405	830,960	-	830,960

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediate preceding financial year.

Total number of issued shares
Less: Number of treasury shares
Total number of issued shares excluding treasury shares

The Company	
31.12.2019	31.12.2018
870,612,140	870,612,140
(11,496,200)	-
859,115,940	870,612,140

The Company has made purchases of 11,496,200 ordinary shares in the capital of the Company and held them as treasury shares during the year 2019.

As at 31 December 2019, the number of treasury shares held by the Company was 11,496,200 (31 December 2018 : Nil).

The Company did not have any subsidiary holdings, outstanding options and convertibles 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.

Total number of issued shares excluding treasury shares

The Company	
31.12.2019	31.12.2018
859,115,940	870,612,140

- 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.**

At 1 January 2019
Own shares acquired
At 31 December 2019

The Company
No of Shares
-
11,496,200
11,496,200

- 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 ("NA").

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 Company's auditors.

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

NA.

- 3A. **Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**

- (a) **Updates on the efforts taken to resolve each outstanding audit issue.**

NA.

- (b) **Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

NA.

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, the Group and the Company have applied the same accounting policies and methods of computation in the financial statements for the current reporting year compared with the Group's and the Company's 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 has applied the same accounting policies and methods of computation in the financial statements for the current reporting year as that of the audited financial statements for the year ended 31 December 2018, except for SFRS(I) 16 *Leases* which is applicable for the financial year beginning 1 January 2019.

SFRS(I) 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

The Group has applied SFRS(I) 16 using the modified retrospective approach. Therefore, the cumulative effect of adopting SFRS(I) 16 is recognised as an adjustment to the opening balance of retained earnings at 1 January 2019, with no restatement of comparative information.

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:

- (a) Based on the weighted average number of ordinary shares on issue; and
- (b) On a fully diluted basis (detailing any adjustments made to the earnings)

The Group	
2019	2018
16.42 cts	27.26 cts
16.42 cts	27.26 cts

The basic and diluted earnings per ordinary share of the Group were calculated based on the consolidated profit attributable to ordinary shareholders for the year of approximately \$112,514,000 (2018 : \$188,921,000) and the weighted average number of ordinary shares outstanding of 685,141,961 (2018 : 693,022,508) which excludes treasury shares held by the Company and also ordinary shares held by an investee.

There are no potential dilutive ordinary shares in existence as at 31 December 2019 and 31 December 2018.

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.

Net asset value per ordinary share based on the total number of issued shares excluding treasury shares and excluding ordinary shares held by an investee

Number of shares

The Group		The Company	
31.12.2019	31.12.2018	31.12.2019	31.12.2018
292 cts	274 cts	97 cts	98 cts
681,526,308	693,022,508	859,115,940	870,612,140

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

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

The Group posted a revenue of approximately \$113 million for 2019 as compared to approximately \$131 million in 2018. The decrease was mainly due to lower contribution from sales of its development properties although revenue from its investment properties and dividend income have increased.

The Group's other income decreased mainly due to the absence of compensation income from its properties and less processing and attendance fees from its investment properties.

With the recognition of sales revenue from its development properties, the Group recorded the amount of cost of sales for these units. In 2018, the Group also reversed any accrued development costs no longer required for units sold in prior years.

The increase in depreciation expense arose from additions to property, plant and equipment during the year.

The depreciation of right-of-use asset in 2019 was a result of the adoption of SFRS(I) 16 effective from 1 January 2019.

The net exchange loss for 2019 was mainly due to the strengthening of the Singapore dollar on its investments in securities and cash and cash equivalents denominated in United States dollar and Hong Kong dollar.

The Group recorded a lower gain as compared to 2018 on revaluation of its investment properties based on independent external valuations as at 31 December 2019.

The changes in fair value of other investments at fair value through profit or loss was mainly due to more favourable market valuations of its investments at fair value as at 31 December 2019.

The decrease in impairment loss on trade receivables in 2019 was mainly due to lower provision of impairment loss and the recovery of compensation income from its properties.

The increase in maintenance expenses was mainly due to ad hoc maintenance works on its investment properties.

The decrease in operating lease expenses for 2019 was due to the Group recognising its existing operating lease arrangements as right-of-use asset with corresponding lease liabilities under SFRS(I) 16.

The decrease in other expenses in 2019 was mainly due to lower legal fees incurred.

The decrease in finance income for 2019 was mainly due to lower interest income from its investments.

The increase in finance expense for 2019 was mainly due to higher interest rates and higher amortisation of imputed interest on unsecured bonds.

Overall, the Group posted a profit of approximately \$115 million in 2019 as compared to approximately \$269 million in 2018.

Consequently, the Group's profit attributable to Owners of the Company was approximately \$113 million as compared to \$189 million in 2018.

The increase in the Group's property, plant and equipment was mainly due to the purchase of furniture and fittings for the residential units of its development properties.

The right-of-use asset mainly relates to the leases of office units and warehouse for the Group in Hong Kong.

The increase in other investments was mainly due to the purchase of marketable securities and valuation of its other investments at fair value as at 31 December 2019.

The non-current asset held for sale in 2018 was disposed of in February 2019.

The decrease in trade and other receivables was mainly due to deposits paid in 2018 for improvement works to its residential units that have been carried out during 2019.

The Group increased its non-current loans and borrowings by drawing down its secured loans to redeem its \$120 million 4.75% unsecured fixed rate notes on its due date, 22 March 2019 and for its purchase of other investments. Subsequently, on 28 March 2019, the Company issued \$100 million 4.2% unsecured fixed rate notes from its \$600 million Multicurrency Debt Issuance Programme to repay these unsecured loans.

The decrease in the Group's current loans and borrowings was mainly due to the redemption of its \$120 million unsecured fixed rate notes on its due date.

The lease liabilities as at 31 December 2019 were due to the adoption of SFRS(I) 16 effective from 1 January 2019.

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

NA.

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 operating environment continues to remain challenging with the continuing trade frictions, geo-political tensions and recent COVID-19 outbreak. The duration of the COVID-19 presence will affect the performance of the hotel and tourism industry accordingly. With travel restrictions of visitors from other countries, namely China and Korea, YOTEL Singapore Orchard Road will experience negative pick-up to a certain extent. The travel restrictions applicable to visitors to Singapore may also affect the sales of our residential units of Concourse Skyline. Notwithstanding these, the Group is expected to recognise revenue from the sales of its residential units of Concourse Skyline and the contribution from its investment properties is expected to remain positive.

11. If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

Yes.

(b)(i) Amount per share cents

First and final 1-tier tax exempt dividend of 1.0 cent per share.

(ii) Previous corresponding period cents

First and final 1-tier tax exempt dividend of 1.0 cent per share and special dividend of 0.3 cent per share.

- (c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Tax exempt dividend.

- (d) **The date the dividend is payable.**

The proposed dividend, if approved at the forthcoming Annual General Meeting, will be paid at a date to be announced.

- (e) **The date on which Registrable Transfers received by the Company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.**

The books closure date will be announced at a later date.

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

NA.

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

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

NA.

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

The Company has procured the undertakings from all its directors and executive officers.

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

16. **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.**

	\$'000				
Business Segments	Property Investment	Property Development and Construction	Property Management	Other Operations	Total
2019					
External revenue	74,389	36,379	2,101	376	113,245
Inter-segment revenue	583	2,260	1,212	2,300	6,355
Reportable segment revenue	74,972	38,639	3,313	2,676	119,600
Reportable segment profit/(loss) before tax	115,684	8,340	(279)	(3,963)	119,782
Tax expense					(4,996)
Profit for the year					114,786
2018					
External revenue	65,377	63,799	1,911	40	131,127
Inter-segment revenue	429	5,215	2,113	1,788	9,545
Reportable segment revenue	65,806	69,014	4,024	1,828	140,672
Reportable segment profit/(loss) before tax	261,491	22,445	(169)	(10,161)	273,606
Tax expense					(4,651)
Profit for the year					268,955

17. **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 paragraph 8 above.

18. **A breakdown of sales as follows:**

- (a) Sales reported for first half year
 (b) Profit/loss after tax before deducting non-controlling interests reported for first half year
 (c) Sales reported for second half year
 (d) Profit/loss after tax before deducting non-controlling interests reported for second half year

The Group		
\$'000		%
2019	2018	Increase/ (Decrease)
47,235	48,613	(3)
6,625	3,937	68
66,010	82,514	(20)
108,161	265,018	(59)

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

- (a) Ordinary
 (b) Preference
 (c) Total

The Company	
\$'000	
2019	2018
11,199	8,706
-	-
11,199	8,706

20. **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.**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Mr Cheong Pin Chuan	70	Brother of Mr Cheong Sim Eng, who is a Director and Substantial Shareholder of the Company. Brother of Mr Cheong Kim Pong, who is a Substantial Shareholder of the Company. Brother of Mdm Cheong Hooi Kheng, who is a Director of the Company.	Joint Chief Executive Officer with effect from 8 March 2019. Is responsible for the Group's overall operations and management with greater emphasis in Hong Kong.	Relinquished as Joint Chairman on 1 March 2019 and re-designated from Joint Managing Director to Joint Chief Executive Officer with effect from 8 March 2019.
Mr Cheong Sim Eng	59	Brother of Mr Cheong Pin Chuan, who is a Director and Substantial Shareholder of the Company. Brother of Mr Cheong Kim Pong, who is a Substantial Shareholder of the Company. Brother of Mdm Cheong Hooi Kheng, who is a Director of the Company.	Joint Chief Executive Officer with effect from 8 March 2019. Is responsible for the Group's overall operations and management with greater emphasis in Singapore.	Relinquished as Joint Chairman on 1 March 2019 and re-designated from Joint Managing Director to Joint Chief Executive Officer with effect from 8 March 2019.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Mdm Cheong Hooi Kheng	66	<p>Sister of Mr Cheong Pin Chuan and Mr Cheong Sim Eng, who are Directors and Substantial Shareholders of the Company.</p> <p>Sister of Mr Cheong Kim Pong, who is a Substantial Shareholder of the Company.</p>	<p>Chief Operating Officer with effect from 31 January 2014 and Executive Director with effect from 1 March 1989.</p> <p>Is principally involved in the Group's development of properties. She also oversees the project management in relation to the development and construction of properties, the leasing and marketing of the Group's real estate properties and major financial affairs of the Group in Singapore.</p>	NA.
Mdm Cheong Puay Kheng	65	<p>Sister of Mr Cheong Pin Chuan and Mr Cheong Sim Eng, who are Directors and Substantial Shareholders of the Company.</p> <p>Sister of Mr Cheong Kim Pong, who is a Substantial Shareholder of the Company.</p> <p>Sister of Mdm Cheong Hooi Kheng, who is a Director of the Company.</p>	<p>Vice President (Administration & Personnel) with effect from 1 June 2014.</p> <p>Her job responsibilities essentially cover the planning, organisation and control of office administration and personnel management of the Group.</p>	NA.
Mr Cheong Tze Hong, Marc	47	<p>Son of Mr Cheong Pin Chuan, who is a Director and Substantial Shareholder of the Company.</p> <p>Nephew of Mr Cheong Sim Eng, who is a Director and Substantial Shareholder of the Company.</p> <p>Nephew of Mr Cheong Kim Pong, who is a Substantial Shareholder of the Company.</p> <p>Nephew of Mdm Cheong Hooi Kheng, who is a Director of the Company.</p>	<p>Director - Finance Division of Hong Fok Land International Limited with effect from 27 November 2018.</p> <p>Oversees all financial aspects of the business in Hong Kong.</p>	NA.
Mr Cheong Tze Hian, Howard	45	<p>Son of Mr Cheong Pin Chuan, who is a Director and Substantial Shareholder of the Company.</p> <p>Nephew of Mr Cheong Sim Eng, who is a Director and Substantial Shareholder of the Company.</p> <p>Nephew of Mr Cheong Kim Pong, who is a Substantial Shareholder of the Company.</p> <p>Nephew of Mdm Cheong Hooi Kheng, who is a Director of the Company.</p>	<p>Director - Project Development of Hong Fok Land International Limited with effect from 27 November 2018.</p> <p>Oversees all aspects of project development for the properties in Hong Kong.</p>	NA.

BY ORDER OF THE BOARD

Lo Swee Oi
Koh Chay Tiang
Company Secretaries
28 February 2020