MYP LTD.
(Company Registration Number: 200509721C)

UNAUDITED QUARTERLY FINANCIAL STATEMENTS FOR THE 4TH QUARTER AND FULL YEAR ENDED 31 MARCH 2019

PART I – INFORMATION REQUIRED FOR ANNOUCEMENTS OF QUARTERLY AND FULL YEAR RESULTS

1(a) An income statement and a statement of other 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

	4Q FY2019	4Q FY2018	Change	Full Year FY2019	Full Year FY2018	Change
	$'000	$'000	%	$'000	$'000	%
Revenue	5,040	6,842	(26.3)	22,753	27,913	(18.5)
Other income (i)	7	15	(53.3)	15	19	(21.1)
Capital gains on disposal of investment property	-	-	-	2,000	-	*nm*
Revaluation gains from investment properties	1,335	3,580	(62.7)	1,335	3,580	(62.7)
Depreciation expense on plant and equipment	(15)	(18)	(16.7)	(68)	(56)	21.4
Staff costs	(269)	(291)	(7.6)	(1,153)	(1,091)	5.7
Direct operating expenses of investment properties	(1,102)	(1,270)	(13.2)	(4,946)	(5,951)	(16.9)
Other expenses	(19)	(219)	(91.3)	(4,113)	(1,047)	292.8
Results from operating activities	**4,977**	**8,639**	**(42.4)**	**15,823**	**23,367**	**(32.3)**
Finance income	407	2	20,250	542	7	7,642.9
Finance costs	(3,352)	(3,490)	(4.0)	(18,315)	(18,866)	(2.9)
Net finance costs (ii)	(2,945)	(3,488)	(15.6)	(17,773)	(18,859)	(5.8)
Profit/(Loss) before taxation	**2,032**	**5,151**	**(60.6)**	**(1,950)**	**4,508**	**(143.3)**
Taxation (iii)	33	(112)	(129.5)	(68)	(486)	(86.0)
Profit/(Loss) for the period/year	**2,065**	**5,039**	**(59.0)**	**(2,018)**	**4,022**	**(150.2)**
Other comprehensive income						
Items that are or may be reclassified subsequently to profit or loss:						
Effective portion of changes in fair value of cash flow hedges	(729)	-	*nm*	(414)	-	*nm*
Net change in fair value of cash flow hedges reclassified to profit or loss	-	1,233	*nm*	-	1,233	*nm*
Total other comprehensive income for the period/year, net of income tax	(729)	1,233	(159.1)	(414)	1,233	(133.6)
Total comprehensive income for the Period/year	**1,336**	**6,272**	**(78.7)**	**(2,432)**	**5,255**	**(146.3)**
Profit/(Loss) for the period/year attributable to:						
Equity holders of the Company	**2,065**	**5,039**	**(59.0)**	**(2,018)**	**4,022**	**(150.2)**
	2,065	**5,039**	**(59.0)**	**(2,018)**	**4,022**	**(150.2)**
Total comprehensive income attributable to:						
Equity holders of the Company	**1,336**	**6,272**	**(78.7)**	**(2,432)**	**5,255**	**(146.3)**
	1,336	**6,272**	**(78.7)**	**(2,432)**	**5,255**	**(146.3)**
Earnings/(Loss) per share, cents						
Basic	0.13	0.32		(0.13)	0.25	
Diluted	0.13	0.32		(0.13)	0.25	

4Q: 4th quarter period ended from 1 January to 31 March
FY: Financial year ended 31 March
nm: not meaningful

Note (i) Other income

	4Q FY2019	4Q FY2018	Full Year FY2019	Full Year FY2018
	$'000	$'000	$'000	$'000
Wage Credit Scheme pay-out	6	15	8	19
Government-paid leave	1	-	7	-
	7	15	15	19

Note (ii) Net finance costs

	4Q FY2019	4Q FY2018	Full Year FY2019	Full Year FY2018
	$'000	$'000	$'000	$'000
Finance income				
Interest income on deposits with banks	407	2	542	7
Finance costs				
Net change in fair value of cash flow hedges reclassified from equity	-	-	-	(1,233)
Ineffective portion of changes in fair value of cash flow hedges	1,111	1,193	-	411
Amortisation of transaction costs related to bank borrowings	(182)	(182)	(728)	(728)
Interest expense on bank borrowings - secured	(4,281)	(4,501)	(17,587)	(17,316)
	(3,352)	(3,490)	(18,315)	(18,866)
Net finance costs	(2,945)	(3,488)	(17,773)	(18,859)

Note (iii) Taxation

The income tax expense on the results of the Group for the financial period/year varies from the amount of income tax determined by applying the Singapore standard rate of income tax to profit/(loss) before taxation, due to the following factors:

	4Q FY2019	4Q FY2018	Full Year FY2019	Full Year FY2018
Income tax recognised in profit or loss	$'000	$'000	$'000	$'000
Income tax (credit)/expense				
- current period/year	26	113	137	541
- prior period/year	(59)	(1)	(69)	(55)
	(33)	112	68	486

	4Q FY2019	4Q FY2018	Full Year FY2019	Full Year FY2018
	$'000	$'000	$'000	$'000
Reconciliation of effective tax:				
Profit/(Loss) for the period/year	2,065	5,039	(2,018)	4,022
Total income tax (credit)/expense	(33)	112	68	486
Profit/(Loss) before taxation	2,032	5,151	(1,950)	4,508
Tax using the Singapore tax rate of 17% (2018: 17%)	345	875	(332)	766
Singapore statutory stepped income exemption	(7)	(17)	(38)	(74)
Non-deductible expenses	(6)	(109)	1,156	457
Non-taxable income	(309)	(608)	(649)	(608)
Utilisation of unrecognised deferred tax assets	-	(28)	-	-
Over provision in prior period/year	(59)	(1)	(69)	(55)
Others	3	-	-	-
	(33)	112	68	486

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

	Group		Company	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	$'000	$'000	$'000	$'000
Non-current assets				
Plant and equipment	3,219	3,258	1*	1*
Investments in subsidiaries	-	-	345,686	345,686
Investment properties	834,330	1,077,510	-	-
	837,549	1,080,768	345,687	345,687
Current assets				
Trade and other receivables	1,058	1,539	387	671
Time deposits	50,000	-	-	-
Cash and cash equivalents	47,553	20,344	41	353
	98,611	21,883	428	1,024
Total assets	**936,160**	**1,102,651**	**346,115**	**346,711**
Equity				
Share capital	255,318	255,318	262,106	262,106
Other reserves	46,263	46,677	(456)	(456)
Retained earnings	51,341	53,359	2,574	3,157
Total equity	352,922	355,354	264,224	264,807
Non-current liabilities				
Other payables	1,360	2,015	-	-
Bank borrowings - secured	362,016	361,288	-	-
Derivative financial liabilities	1,544	1,130	-	-
	364,920	364,433	-	-
Current liabilities				
Trade and other payables	3,642	4,069	4,528	4,539
Bank borrowings - secured	92,146	220,146	-	-
Amount owing to a shareholder	122,386	158,090	77,361	77,364
Current tax liabilities	144	559	2	1
	218,318	382,864	81,891	81,904
Total liabilities	583,238	747,297	81,891	81,904
Total equity and liabilities	**936,160**	**1,102,651**	**346,115**	**346,711**

** Amount less than $1,000*

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

Amount repayable in one year or less, or on demand

As at 31.03.2019		As at 31.03.2018	
Secured	Unsecured	Secured	Unsecured
92,146,000	122,386,000	220,146,000	158,090,000

Amount repayable after one year

As at 31.03.2019		As at 31.03.2018	
Secured	Unsecured	Secured	Unsecured
362,016,000	-	361,288,000	-

Details of any collateral: The secured bank loans of the Group are secured over investment properties with carrying amount of $821,400,000 (31.03.2018: of $1,064,700,000).

1(d) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group

	Note	4Q FY2019	4Q FY2018	Full Year FY2019	Full Year FY2018
		$'000	$'000	$'000	$'000
Cash flows from operating activities					
Profit/(Loss) after tax		2,065	5,039	(2,018)	4,022
Adjustments for:					
Depreciation expense on plant and equipment		15	18	68	56
Plant and equipment written off		-	-	41	-
Capital gains on disposal of investment		-	-	(2,000)	-
Finance income		(407)	(2)	(542)	(7)
Finance costs		3,352	3,490	18,315	18,866
Revaluation gain on investment properties		(1,335)	(3,580)	(1,335)	(3,580)
Income tax (credit)/expense		(33)	112	68	486
Operating cash flows before working capital		**3,657**	**5,077**	**12,597**	**19,843**
Changes in working capital					
Trade and other receivables		(218)	235	608	(278)
Trade and other payables		613	245	(638)	(909)
Cash generated from operations		**4,052**	**5,557**	**12,567**	**18,656**
Tax refund/(paid)		47	-	(483)	(311)
Net cash generated from operating activities		**4,099**	**5,557**	**12,084**	**18,345**
Cash flows from investing activities					
Purchase of plant and equipment		(2)	(3)	(70)	(74)
Proceeds from disposal of investment property		-	-	247,000	-
Capital expenditure on investment property		-	-	(485)	-
Placement of bank deposits		(50,000)	-	(50,000)	-
Interest income received		280	3	415	7
Net cash (used in)/generated from investing activities		**(49,722)**	**-**	**196,860**	**(67)**
Cash flows from financing activities					
(Decrease)/increase in amount owing to a shareholder		(2,773)	1,597	(35,704)	6,223
Changes in debt service reserve		(3)	(218)	(505)	(367)
Repayment of bank borrowings		-	-	(128,000)	-
Interest paid		(4,729)	(4,349)	(18,031)	(17,105)
Net cash used in financing activities		**(7,505)**	**(2,970)**	**(182,240)**	**(11,249)**
Change in cash and cash equivalents		**(53,128)**	**2,587**	**26,704**	**7,029**
Cash and cash equivalents at the beginning of the period/year		97,491	15,072	17,659	10,630
Cash and cash equivalents at the end of the period/year	1	**44,363**	**17,659**	**44,363**	**17,659**

Note to consolidated statement of cash flows

(1) For the purpose of the consolidated statement of cash flows, the group's cash and cash equivalents comprise the following:

	4Q FY2019	4Q FY2018	Full Year FY2019	Full Year FY2018
	$'000	$'000	$'000	$'000
Cash and cash equivalents in the statement of financial position	47,553	20,344	47,553	20,344
Debt service reserve	(3,190)	(2,685)	(3,190)	(2,685)
Cash and cash equivalents in the statement of cash flows	**44,363**	**17,659**	**44,363**	**17,659**

Debt service reserve represents bank balances maintained for the purpose of a bank loan obtained by a subsidiary.

1(e) Statements (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.

Group

Consolidated Statement of Changes in Equity for 4th Quarter and Financial Year Ended 31 March 2019

	Share capital	Capital reserve	Hedging reserve	Retained earnings	Total equity
	$'000	$'000	$'000	$'000	$'000
At 1 April 2017	**255,318**	**46,677**	**(1,233)**	**49,337**	**350,099**
Loss for the period	-	-	-	(1,901)	(1,901)
Other comprehensive income					
Changes in fair value of cash flow hedges transferred to profit or loss	-	-	1,233	-	1,233
Total comprehensive income	-	-	1,233	(1,901)	(668)
At 30 June 2017	**255,318**	**46,677**	**-**	**47,436**	**349,431**
Profit for the period, representing total comprehensive income	-	-	-	489	489
At 30 September 2017	**255,318**	**46,677**	**-**	**47,925**	**349,920**
Profit for the period, representing total comprehensive income	-	-	-	395	395
At 31 December 2017	**255,318**	**46,677**	**-**	**48,320**	**350,315**
Profit for the period, representing total comprehensive income	-	-	-	5,039	5,039
At 31 March 2018	**255,318**	**46,677**	**-**	**53,359**	**355,354**

	Share capital	Capital reserve	Hedging reserve	Retained earnings	Total equity
	$'000	$'000	$'000	$'000	$'000
At 1 April 2018	**255,318**	**46,677**	**-**	**53,359**	**355,354**
Profit for the period	-	-	-	98	98
Other comprehensive income					
Effective portion of changes in fair value of cash flow hedges	-	-	138	-	138
Total comprehensive income for the period	-	-	138	98	236
At 30 June 2018	**255,318**	**46,677**	**138**	**53,457**	**355,590**
Loss for the period	-	-	-	(2,109)	(2,109)
Other comprehensive income					
Effective portion of changes in fair value of cash flow hedges	-	-	231	-	231
Total comprehensive income for the period	-	-	231	(2,109)	(1,878)
At 30 September 2018	**255,318**	**46,677**	**369**	**51,348**	**353,712**
Loss for the period	-	-	-	(2,072)	(2,072)
Other comprehensive income					
Effective portion of changes in fair value of cash flow hedges	-	-	(54)	-	(54)
Total comprehensive income for the period	-	-	(54)	(2,072)	(2,126)
At 31 December 2018	**255,318**	**46,677**	**315**	**49,276**	**351,586**
Profit for the period	-	-	-	2,065	2,065
Other comprehensive income					
Effective portion of changes in fair value of cash flow hedges	-	-	(729)	-	(729)
Total comprehensive income for the period	-	-	(729)	2,065	1,336
At 31 March 2019	**255,318**	**46,677**	**(414)**	**51,341**	**352,922**

Company

Statement of Changes in Equity for 4th Quarter and Financial Year Ended 31 March 2019

	Share capital	Capital reserve	Retained earnings	Total equity
	$'000	$'000	$'000	$'000
At 1 April 2017	**262,106**	**(456)**	**3,801**	**265,451**
Loss for the period, representing total comprehensive income	-	-	(156)	(156)
At 30 June 2017	**262,106**	**(456)**	**3,645**	**265,295**
Loss for the period, representing total comprehensive income	-	-	(210)	(210)
At 30 September 2017	**262,106**	**(456)**	**3,435**	**265,085**
Loss for the period, representing total comprehensive income	-	-	(142)	(142)
At 31 December 2017	**262,106**	**(456)**	**3,293**	**264,943**
Loss for the period, representing total comprehensive income	-	-	(136)	(136)
At 31 March 2018	**262,106**	**(456)**	**3,157**	**264,807**

	Share capital	Capital reserve	Retained earnings	Total equity
	$'000	$'000	$'000	$'000
At 1 April 2018	**262,106**	**(456)**	**3,157**	**264,807**
Loss for the period, representing total comprehensive income	-	-	(119)	(119)
At 30 June 2018	**262,106**	**(456)**	**3,038**	**264,688**
Loss for the period, representing total comprehensive income	-	-	(162)	(162)
At 30 September 2018	**262,106**	**(456)**	**2,876**	**264,526**
Loss for the period, representing total comprehensive income	-	-	(163)	(163)
At 31 December 2018	**262,106**	**(456)**	**2,713**	**264,363**
Loss for the period, representing total comprehensive income	-	-	(139)	(139)
At 31 March 2019	**262,106**	**(456)**	**2,574**	**264,224**

1(f) 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.

	4Q FY2019	4Q FY2018	Full Year FY2019	Full Year FY2018
	'000	'000	'000	'000
Ordinary shares in issue:				
At beginning and end of the financial period/year	1,592,469	1,592,469	1,592,469	1,592,469

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

	As at 31.03.2019	As at 31.03.2018
Total number of issued shares (excluding treasury shares)		
At beginning and end of year	1,592,469,212	1,592,469,212

There were no shares held as treasury shares as at 31 March 2019 and 31 March 2018.

1(h) 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 Company's auditors.

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

Not applicable.

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

In December 2017, the Accounting Standards Council (ASC) issued the Singapore Financial Reporting Standards (International) ("SFRS(I)"). SFRS(I) comprises standards and interpretations that are equivalent to International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board ("IASB") at 31 December 2017 that are applicable for annual period beginning on 1 January 2018. Singapore-incorporated companies that have issued, or are in the process of issuing, equity or debt instruments for trading in a public market in Singapore, will apply SFRS(I) with effect from annual periods beginning on or after 1 January 2018.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as that of the audited financial statements for the year ended 31 March 2018, except for the adoption of new/revised SFRS(I) applicable for the financial period beginning 1 January 2018 as follows:

SFRS(I) 1 First-time Adoption of Singapore Financial Reporting Standards (International)
SFRS(I) 9 Financial Instruments
SFRS(I) 15 Revenue from Contracts with Customers

SFRS(I) 1 First-time Adoption of Singapore Financial Reporting Standards (International)
SFRS(I) 1 generally requires that the Group applies SFRS(I) on a retrospective basis, as if such accounting policy had always been applied. If there are changes to accounting policies arising from new or amended standards effective in 2018, restatement of comparatives may be required because SFRS(I) 1 requires both the opening balance sheet and comparative information to be prepared using the most current accounting policies. SFRS(I) 1 provides mandatory exceptions and optional exemptions from retrospective application, but these are often different from those specific transition provisions in individual FRSs applied to the FRS financial statements. The Group has not elected the optional exemptions in SFRS(I) 1 and thus there are no significant adjustments arising on transition to the new framework. The application of the mandatory exceptions in SFRS(I) 1 has no significant impact on the Group's consolidated financial statements.

SFRS(I) 9 Financial Instruments
SFRS(I) 9 contains new requirements for classification and measurement of financial instruments, a new expected credit loss model for calculating impairment of financial assets, and new general hedge accounting requirements.

The Group has completed its assessment of the impact of SFRS(I) 9 on the Group's financial statements. Overall, there is no significant change to the measurement basis arising from adoption the new classification and measurement model and expected impairment loss model on all of its financial assets measured at amortised cost or fair value through other comprehensive income, lease receivable and financial guarantee. Loans and receivables continue to be accounted for using amortised cost model under SFRS(I) 9. For financial assets and liabilities currently held at fair value, the Group will continue to measure these assets and liabilities at fair value under SFRS(I) 9.

The Group holds derivative financial instruments to hedge its interest rate exposures. Such interest rate derivatives are classified as cash flow hedges. The Group has performed a detailed analysis under SFRS(I) 9 which resulted in changes to the accounting policies relating to the new hedge accounting requirements. For FY2019, the cash flow hedge is considered to be effective based on the effective/ineffectiveness testing. Hence, the effective portion has been recorded in other comprehensive income and presented in the hedging reserve in equity.

SFRS(I) 15 Revenue from Contracts with Customers
SFRS(I) 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It also establishes principle to report useful information about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. It also introduces new cost guidance which requires certain costs of obtaining and fulfilling contracts to be recognised as separate assets when specified criteria are met.

The application of SFRS(I) 15 has no significant impact on the Group's consolidated financial statements since the Group's main stream of revenue is rental income from investment properties that is recognised in profit or loss on a straight-line basis over the term of the lease which reflects the consideration to which the Group expects to be entitled to under the operating leases with third parties. Moreover, there is unlikely to be any significant financing component arising from the operating leases entered with third parties since the rental is settled as and when they fall due.

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.

Please refer to Item 4 above.

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.

Basic and diluted earnings/(loss) per share was based on loss attributable to ordinary shareholders, and a weighted average number of ordinary shares outstanding, calculated as follows:

	4Q FY2019	4Q FY2018	Full Year FY2019	Full Year FY2018
	S$'000	S$'000	S$'000	S$'000
Profit/(loss) for the period/year attributable to:				
Equity holders of the Company	2,065	5,039	(2,018)	4,022

Weighted average number of ordinary shares and earnings/(loss) per share:-

	4Q FY2019	4Q FY2018	Full Year FY2019	Full Year FY2018
Weighted average number of ordinary shares during the quarter/year ('000)	1,592,469	1,592,469	1,592,469	1,592,469
Basic earnings/(loss) per share (cents)	0.13	0.32	(0.13)	0.25
Diluted earnings/(loss) per share (cents)	0.13	0.32	(0.13)	0.25

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 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
	Cents	Cents	Cents	Cents
Net asset value per ordinary share based on issued share capital as at the end of the period / year reported on	22.2	22.3	16.6	16.6

8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business.

REVENUE
Group's revenue for 4QFY2019 and full year FY2019 decreased by (26.3%) and (18.5%). This is mainly due to lower occupancy rates and the absence of income from one investment property, MYP Plaza at 135 Cecil Street, Singapore which was divested in July 2018.

OTHER INCOME
Decrease in other income in 4QFY2019 and full year FY2019 mainly due to lower pay-out from the Wage Credit Scheme.

CAPITAL GAINS
Capital gains of $2.0 million arose from the disposal of investment property which represents the difference between sale price of $247.0 million and carrying amount at market valuation of $245.0 million.

REVALUATION GAINS FROM INVESTMENT PROPERTIES
At reporting date on 31 March 2019, the Group revalued its investment properties at fair value. The net change in fair value of approximately $1.3 million represents revaluation gains.

EXPENSES

	4Q FY2019	4Q FY2018	Change	Full Year FY2019	Full Year FY2018	Change
	$'000	$'000	%	$'000	$'000	%
Depreciation	15	18	(16.7)	68	56	21.4
Staff costs	269	291	(7.6)	1,153	1,091	5.7
Direct operating expenses of Investment properties	1,102	1,270	(13.2)	4,946	5,951	(16.9)
Other expenses	19	219	(91.3)	4,113	1,047	292.8
Net finance costs	2,945	3,488	(15.6)	17,773	18,859	(5.8)
Taxation	(33)	112	(129.5)	68	486	(86.0)
Total	**4,317**	**5,398**	**(20.0)**	**28,121**	**27,490**	**2.3**

Decrease in depreciation for 4QFY2019 is due to plant and equipment written off while the increase for full year FY2019 is mainly due to new addition of plant and equipment during the year.

Decrease in staff costs for 4QFY2019 is mainly due to lower headcount compared to 4QFY2018 while the higher costs for full year FY2019 is mainly due to increase in headcount as well as salary increments.

Decrease in direct operating expenses for 4Q and full year FY2019 is mainly due to the disposal of an investment property in 2QFY2019.

Other expenses for 4QFY2019 were lower compared to 4QFY2018 mainly due to lower legal and professional fees incurred in relation to investment properties. As for full year FY2019, the increase is mainly due to non-recurring expenses which include commission fee, legal and professional fees incurred in respect of the disposal of investment property, rental expense for management office as well as write-off of certain plant and equipment.

Net finance costs for 4QFY2019 is 15.6% lower compared to 4QFY2018 mainly due to the change in fair value of cash flow hedges, decrease in interest expense on bank borrowings following the repayment of a bank loan as well as higher interest income earned on deposits placed with banks and financial institution.

Net finance costs for full year FY2019 decreased by 5.8% compared to FY2018 due to the absence of ineffective portion of changes in fair value of cash flow hedges, higher interest income earned on deposits placed with banks and financial institution.

Tax credit in 4QFY2019 was due to tax refund. Lower tax expense for full year FY2019 is resulted from decrease in estimated chargeable income compared to FY2018.

RESULTS FROM OPERATING ACTIVITIES
The Group's operating profits decreased significantly in 4QFY2019 and full year FY2019 respectively. This is mainly due to the absence of rent income from an investment property which was divested in 2QFY2019.

PROFIT/(LOSS) FOR THE PERIOD/YEAR
In 4QFY2019, the Group recorded a net profit of $2.1 million and for full year FY2019 a net loss of ($2.0 million). Reasons are mentioned in the preceding paragraphs.

OTHER COMPREHENSIVE INCOME
In 4QFY2019 and full year 2019, other comprehensive income decreased by (159.1%) and (133.6%) respectively, mainly due to the absence of net change in fair value of approximately ($1.2 million) reclassified to profit and loss, offset by effective portion of changes in fair value of cash flow hedges.

GROUP'S STATEMENT OF FINANCIAL POSITION

Plant and equipment increased marginally from last financial year ended 31 March 2018, due mainly to purchase of new plant and equipment, partly offset by plant and equipment written off and depreciation charge for the year.

The decrease in investment properties due to divestment of a property at 135 Cecil Street, offset by revaluation gains on investment properties as at financial year ended 31 March 2019.

Trade and other receivables have decreased compared to balances as at 31 March 2018, mainly due to lower accrued income and prepaid operating expenses.

Time deposits were placed with banks and financial institution to generate interest income during the financial year ended 31 March 2019. No such item in FY2018.

Other reserves of the Group and Company comprise the following balances:-

	Group		Company	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	$'000	$'000	$'000	$'000
Capital reserve	46,677	46,677	(456)	(456)
Hedging reserve	(414)	–	–	–
	46,263	46,677	(456)	(456)

Hedging reserve of the Group represents effective portion of the change in fair value of cash flow hedges as at 31 March 2019.

Decrease in retained earnings is due to net loss incurred in the current year reported on.

Non-current other payables comprise security deposits collected from tenants which are refundable after one year from 31 March 2019. The decrease is mainly attributable to the disposal of an investment property in 2QFY2019.

Non-current bank borrowings as at 31 March 2019 have increased due to amortisation of transaction costs.

Derivative financial liabilities represent the fair value of interest rate swap contracts entered by the Group to manage its exposure to interest rate movements on its floating rate interest-bearing borrowings by swapping the interest expense on its borrowings from floating rates to fixed rates. As at 31 March 2019, the Group has interest rate swap contracts with a total notional amount of $182.0 million (31.03.2018: $91.0 million) which mature in December 2021. Under the contracts, the Group pays fixed interest rates ranging from 1.95% to 2.25% (FY2018: 2.23% - 2.25%) per annum and receives interest at one-month Singapore Dollar SOR.

Trade and other payables of the Group have decreased mainly due to decrease in accrued operating expenses, lower amount of security deposits collected from tenants which are refundable within one year from 31 March 2019, partly offset by advance rent income collected from new tenant.

Decrease in current bank borrowings is due to repayment made in 2QFY2019 of $128.0 million following the divestment of an investment property. The balance of $92.1 million was due for repayment within 12 months from 31 March 2019. However, it was subsequently renewed and extended for five years till March 2024.

Amount owing to a shareholder is unsecured, non-interest bearing and has no fixed repayment terms. The decrease is mainly due to partial repayments made in FY2019.

Decrease in current tax liabilities is mainly due to payment of income tax, offset by tax provision made for FY2019.

As at 31 March 2019, the Group has a negative working capital of approximately ($119.7 million) mainly due to amount owing to a shareholder and bank borrowings included as current liabilities. Notwithstanding this, the shareholder undertakes to provide financial support to the Group to enable it to continue its operations and to meet its financial obligations as and when due.

COMPANY'S STATEMENT OF FINANCIAL POSITION

As at 31 March 2019, investments in subsidiaries remained the same as the last financial year ended 31 March 2018, at approximately $345.7 million, representing costs of investments in the three subsidiaries of the Company.

Decrease in trade and other receivables is mainly due to lower amount of accrued income.

Decrease in cash and cash equivalents of the Company is mainly due to payments made for operating expenses in FY2019.

Retained earnings have decreased due to net loss incurred in the current year reported on.

Trade and other payables comprised mainly amounts owing to subsidiaries and accrued operating expenses. The marginal decrease is due to lower amount of accrued operating expenses. Amounts owing to subsidiaries remained unchanged at $4.0 million as at 31 March 2019 as compared to last year. These amounts are non-trade in nature, non-interest bearing and have no fixed repayment terms.

Amount owing to a shareholder mainly comprises payments made on behalf of the Group. This amount is unsecured, non-interest bearing and has no fixed repayment terms.

GROUP'S STATEMENT OF CASH FLOWS

4QFY2019 vs 4QFY2018

Change in cash and cash equivalents for 4QFY2019 represents a net cash outflow of approximately ($53.1 million), mainly contributed by:

- Decrease in net cash generated from operating activities mainly due to lower revenue following the disposal of an investment property in 2QFY2019;
- Increase in net cash used in investing activities mainly due to placement of bank deposits offset by interest income received; and
- Increase in net cash used in financing activities mainly due to partial repayment of amount owing to a shareholder and increase in interest paid.

Full Year FY2019 vs FY2018

Change in cash and cash equivalents for the full year FY2019 represents a net cash inflow of approximately $26.7 million is mainly resulted from the following factors:

- Decrease in net cash generated from operating activities mainly due to lower revenue following the disposal of an investment property in 2QFY2019;
- Increase in net cash generated from investing activities mainly contributed by proceeds from disposal of an investment property, offset by placement of bank deposits; and
- Increase in net cash used in financing activities mainly due to partial repayment of amount owing to a shareholder, top-up payment of debt service reserve, repayment of bank borrowings as well as payments of interest on bank borrowings.

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

The Group did not make any forecast or prospect statement to shareholders.

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

The Group is closely monitoring external factors that might impact the performance of the Group, such as the softening of the office rental market and the fluctuation of bank interest rates.

The Group continues to explore strategic investments into value assets with the potential to generate attractive returns.

11 Dividends

(a) Current Financial Period Reported On
Any dividend declared for the current financial period reported on? No.

(b) Corresponding Period of the Immediately Preceding Financial Year
Any dividend declared for the corresponding period of the immediately preceding financial year? None

(c) Tax on dividend
Whether the dividend is before tax, net of tax or tax exempt? Not applicable.

(d) Date payable
Not applicable.

(e) Books closure date
Not applicable.

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

Given the Group's investment strategy of keeping a strong balance sheet with sufficient resources for future investment purposes for long-term and sustainable growth, the Board is not recommending any dividend for this financial year ended 31 March 2019.

13 Interested person transactions (IPT)

The Group has not obtained a general mandate from shareholders for IPTs.

PART II – ADDITIONAL INFORMATION

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

(a) Operating segments

No segment information by operating segment has been presented as the Group operates only the business of property investment in FY2019.

(b) Geographical segments

No segment information by geographical location has been presented as the Group's activities are primarily carried out in Singapore.

(c) Information about major customers

Rental income of approximately $11.4 million (2018: $13.3 million) is derived from 2 external tenants (2018: 3).

For the purpose of this disclosure, a major customer is defined as one in which revenue from transactions with a single customer amounts to 5 per cent (FY2018: 5 per cent) or more of the Group's revenue.

(d) Breakdown of revenue and operating profits

	Group	FY2019 $'000	FY2018 $'000	Change %
(a)	Sales reported for first half year	12,232	13,957	(12.4)
(b)	Operating (loss)/profit after taxation reported for first half year	(2,011)	(1,412)	42.4
(c)	Sales reported for second half year	10,521	13,956	(24.6)
(d)	Operating profit/(loss) after taxation reported for second half year	(7)	5,434	(100.1)

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

See comments under paragraph 8.

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

Not applicable.

17. 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).

Pursuant to Rule704(13) of the Listing Rules, the Company confirms that there were no persons occupying managerial position in the Company or any of its subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

18. Confirmation pursuant to Rule 720(1) of the SGX Listing Rules.

The Company hereby confirms that it has procured undertakings from all its Directors and Executive Officers under Rule 720(1) of the SGX Listing Rules.

BY ORDER OF THE BOARD
Jonathan Tahir
Executive Chairman

24 May 2019