

**AF Global Limited**

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

**UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**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.**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Note	<b>Group</b>		Change %
		<b>01.01.2018 to 31.12.2018 ("12M18")</b>	<b>01.01.2017 to 31.12.2017 ("12M17") (Restated)</b>	
		S\$'000	S\$'000	
<b>Continuing operations</b>				
<b>Revenue</b>	1	33,890	35,994	(6)
Cost of sales	2	(16,313)	(17,327)	(6)
<b>Gross profit</b>		17,577	18,667	(6)
Other operating income	3a	1,047	416	152
Marketing expenses		(1,090)	(1,015)	7
Administrative expenses		(8,762)	(8,763)	-
Other operating expenses	4	(7,417)	(5,589)	33
<b>Operating profit</b>		1,355	3,716	(64)
Finance costs	5	(1,860)	(1,576)	18
Share of results of associated and joint venture companies	6	4,340	9,017	(52)
<b>Profit before taxation from continuing operations</b>		3,835	11,157	(66)
Taxation		(2,065)	(2,026)	2
<b>Profit from continuing operations, net of tax</b>		1,770	9,131	(81)
<b>Discontinued operation<sup>1</sup></b>				
Profit from discontinued operation, net of tax	7	1,990	1,726	15
<b>Profit for the year</b>		3,760	10,857	(65)
<b>Other comprehensive income :</b>				
<u>Items that may be reclassified subsequently to profit or loss</u>				
Foreign currency translation	8	(1,743)	972	NM
Fair value (loss)/gain on investment securities	9	(1,104)	51	NM
<u>Item that will not be reclassified to profit or loss</u>				
Surplus on revaluation of property, plant and equipment	10	1,587	43,762	(96)
<b>Other comprehensive income for the year, net of tax</b>		(1,260)	44,785	NM
<b>Total comprehensive income for the year</b>		2,500	55,642	(96)
<b>Profit for the year attributable to :</b>				
Shareholders of the Company				
(Loss)/profit from continuing operations, net of tax		(1,064)	6,228	NM
Profit from discontinued operation, net of tax		1,990	1,726	15
		926	7,954	(88)
Non-controlling interests		2,834	2,903	(2)
		3,760	10,857	(65)
<b>Total comprehensive income for the year attributable to :</b>				
Shareholders of the Company				
Profit from continuing operations, net of tax		1,052	19,069	(94)
(Loss)/profit from discontinued operation, net of tax		(2,802)	26,030	NM
		(1,750)	45,099	NM
Non-controlling interests		4,250	10,543	(60)
		2,500	55,642	(96)

<sup>1</sup> As announced on 17 December 2018, the wholly-owned subsidiary of the Company, L.C. Hotels Pte Ltd, had, on 14 December 2018, entered into a share sale and purchase agreement to sell the entire issued paid-up ordinary shares in the capital of L.C. (London) Ltd ("LCL"). The date of completion is fixed at 11 April 2019, or such earlier date as the buyer and the seller may agree. Hence, LCL is classified as "Discontinued operation" and prior year's comparative figures were restated.

**Note :**

The results for 12M17 were also restated following the adoption of the new financial reporting framework, Singapore Financial Reporting Standards (International) ("SFRS(I)") as detailed in paragraph 5 of this announcement.

'NM' : Not meaningful.

**Notes to Statement of Comprehensive Income :**

1. Included in revenue were :

	<b>Group</b>		
	<b>12M18</b>	<b>12M17</b>	<b>Change</b>
	S\$'000	S\$'000	%
Interest income from :			
- investment securities	248	320	(23)
- advances to an associated company	1	2	(50)
	<u>249</u>	<u>322</u>	<u>(23)</u>
Dividend income from investment securities	<u>73</u>	<u>82</u>	<u>(11)</u>

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>12M18</b>	<b>12M17</b>	<b>Change</b>
	S\$'000	S\$'000 <b>(Restated)</b>	%
(a) Other operating income :			
Interest income from fixed deposits	480	383	25
Gain on sale of investment securities	-	26	NM
Gain on sale of interest in a subsidiary company (+)	454	-	NM
Foreign currency gains	91	-	NM
Others	22	7	214
	<u>1,047</u>	<u>416</u>	<u>152</u>
(b) Depreciation of property, plant and equipment	(4,043)	(4,147)	(3)
(c) Amortisation of club memberships	(3)	(3)	-
(d) Loss on sale of investment securities	(20)	-	NM
(e) Allowance for doubtful debts, net	(23)	-	NM
(f) Loss on sale of property, plant and equipment	(5)	-	NM
(g) Property, plant and equipment written off	(26)	(5)	420
(h) Foreign currency losses (^)	-	(401)	NM
(i) Impairment loss on asset held for sale (#)	(762)	(860)	(11)
(j) Impairment loss on investment securities (@)	-	(235)	NM

'NM' : Not meaningful.

- + This was in respect of the sale of 100% equity interest in ZONE X Leisure Pte Ltd ("ZONE X"), which owns and operates family entertainment business, in June 2018.
- ^ The foreign currency losses in 12M17 was mainly attributed to exchange loss on deregistration of a foreign subsidiary company.
- # Impairment loss on asset held for sale was in respect of the Group's apartment unit in London as a result of a decrease in fair value.
- @ Impairment loss on investment securities in 12M17 was in respect of the Group's investment in unquoted equity shares classified under non-current assets.
4. The higher other operating expenses was mainly due to higher legal and professional fees arising from litigation in respect of shareholders dispute for the joint venture company in Xuzhou, PRC.
5. The higher finance costs was mainly due to higher borrowings and financing costs.
6. This constitutes mainly our share of profit or loss of joint venture companies in Xuzhou, PRC and Knight Frank group of companies in Singapore.

**Notes to Statement of Comprehensive Income (cont'd) :**

7. Statement of Comprehensive Income of Discontinued operation is as follows :

	<b>12M18</b>	<b>12M17</b>	<b>Change</b>
	S\$'000	S\$'000	%
<b>Revenue</b>	21,204	19,747	7
Cost of sales	<u>(12,412)</u>	<u>(11,358)</u>	9
<b>Gross profit</b>	8,792	8,389	5
Other operating income	128	4	3,100
Marketing expenses	(1,208)	(1,203)	-
Administrative expenses	(2,871)	(2,802)	2
Other operating expenses <sup>A</sup>	<u>(1,590)</u>	<u>(1,394)</u>	14
<b>Operating profit</b>	3,251	2,994	9
Finance costs	<u>(708)</u>	<u>(618)</u>	15
<b>Profit before taxation</b>	2,543	2,376	7
Taxation	<u>(553)</u>	<u>(650)</u>	(15)
<b>Profit for the year</b>	<u>1,990</u>	<u>1,726</u>	15

Profit before taxation is stated after crediting/(charging) :

Other operating income :

Interest income from fixed deposits	13	4	225
Foreign currency gains <sup>B</sup>	<u>115</u>	<u>-</u>	NM
	<u>128</u>	<u>4</u>	3,100
Depreciation of property, plant and equipment	(2,683)	(2,667)	1
Foreign currency losses <sup>B</sup>	<u>-</u>	<u>(140)</u>	NM

<sup>A</sup> The higher other operating expenses was mainly due to higher overheads.

<sup>B</sup> The foreign currency gains in 12M18 was mainly attributed to the exchange gain arising from repayment of shareholder's loan. The foreign currency losses in 12M17 was mainly due to translation losses arising from Singapore Dollar denominated inter-company loans as Singapore Dollar had weakened against Sterling Pound.

'NM' : Not meaningful.

- 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 loss in 12M18 was mainly attributed to weaker Sterling Pound and Renminbi partially offset by stronger Thai Baht. The translation gain in 12M17 was mainly attributed to stronger Sterling Pound and Thai Baht.
- The fair value loss on investment securities in 12M18 was mainly due to decrease in the fair value of the Group's investment in unquoted equity shares classified under non-current assets as the Group had elected to measure its available-for-sale unquoted equity securities at fair value through other comprehensive income.
- The surplus was in respect of an increase in the fair values of the Group's land and buildings arising from revaluation exercises carried out.

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.**

**STATEMENT OF FINANCIAL POSITION**

	Note	Group		Company	
		31.12.2018 S\$'000	31.12.2017 S\$'000	31.12.2018 S\$'000	31.12.2017 S\$'000
<b>Non-current assets</b>					
Property, plant and equipment	1	226,402	362,187	-	-
Intangible assets		42	44	-	-
Subsidiary companies		-	-	296,530	299,318
Associated company		1,600	1,569	-	-
Joint venture companies		84,295	86,000	-	-
Investment securities	2	3,991	4,825	-	-
Deferred tax assets		294	348	-	-
		<u>316,624</u>	<u>454,973</u>	<u>296,530</u>	<u>299,318</u>
<b>Current assets</b>					
Asset held for sale	3	5,910	6,672	-	-
Investment securities	4	6,281	7,538	-	-
Inventories		259	402	-	-
Trade receivables		709	1,464	-	-
Other receivables		541	650	100	164
Prepayments		320	617	7	8
Amounts due from subsidiary companies		-	-	2,375	-
Cash and short-term deposits		19,511	24,428	194	932
		<u>33,531</u>	<u>41,771</u>	<u>2,676</u>	<u>1,104</u>
Assets of disposal group classified as held for sale	5	140,247	-	-	-
		<u>173,778</u>	<u>41,771</u>	<u>2,676</u>	<u>1,104</u>
<b>Current liabilities</b>					
Provision		-	47	-	-
Trade payables		2,324	2,872	-	-
Other payables and accruals		7,676	8,169	1,186	674
Provision for taxation		757	1,040	5	4
Hire purchase creditors		-	19	-	-
Loans and borrowings	6	48,636	12,455	48,250	8,850
Dividend payable	7	-	10,556	-	10,556
		<u>59,393</u>	<u>35,158</u>	<u>49,441</u>	<u>20,084</u>
Liabilities directly associated with disposal group classified as held for sale	5	44,718	-	-	-
		<u>104,111</u>	<u>35,158</u>	<u>49,441</u>	<u>20,084</u>
<b>Net current assets/(liabilities)</b>	8	69,667	6,613	(46,765)	(18,980)
<b>Non-current liabilities</b>					
Provision		-	22	-	-
Amounts due to subsidiary companies	9	-	-	22,999	56,876
Hire purchase creditors		-	47	-	-
Loans and borrowings	10	-	64,872	-	-
Deferred tax liabilities	11	26,723	38,298	-	-
		<u>26,723</u>	<u>103,239</u>	<u>22,999</u>	<u>56,876</u>
<b>Net assets</b>		<u>359,568</u>	<u>358,347</u>	<u>226,766</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		510	86,087	17,248	13,944
Reserves of disposal group classified as held for sale	5	84,497	-	-	-
		<u>294,525</u>	<u>295,605</u>	<u>226,766</u>	<u>223,462</u>
Non-controlling interests		65,043	62,742	-	-
<b>Total equity</b>		<u>359,568</u>	<u>358,347</u>	<u>226,766</u>	<u>223,462</u>

**Notes to Statement of Financial Position :**

- The significant decrease in property, plant and equipment was mainly due to the reclassification of property, plant and equipment of Discontinued operation to "assets of disposal group classified as held for sale" under current assets.
- The decrease in investment securities (non-current) was mainly due to decrease in the fair value of the Group's investment in unquoted equity securities recognised through other comprehensive income subsequent to the adoption of SFRS(I) 9 - Financial Instruments.
- The decrease in asset held for sale was mainly attributed to impairment loss arising from a decrease in fair value of the Group's apartment unit in London.
- The decrease in investment securities (current) was mainly due to the sale of quoted debt securities.
- In accordance with SFRS(I) 5 - Non-current Assets Held for Sale and Discontinued Operations, the assets, liabilities and reserves of Discontinued operation have been presented separately as follows :

	<b>31.12.2018</b> S\$'000
<b>Assets of disposal group classified as held for sale</b>	
Property, plant and equipment	134,132
Inventories	62
Trade receivables	637
Other receivables	21
Prepayments	277
Cash and short-term deposits	5,118
	<b>140,247</b>
<b>Liabilities directly associated with disposal group classified as held for sale</b>	
Trade payables	347
Other payables and accruals	2,465
Provision for taxation	172
Loans and borrowings (current)*	1,692
Loans and borrowings (non-current)*	27,638
Deferred tax liabilities	12,404
	<b>44,718</b>
<b>Reserves of disposal group classified as held for sale</b>	
Foreign currency translation reserve	(2,725)
Asset revaluation reserve	87,222
	<b>84,497</b>

\* Secured by a mortgage on the freehold land and building owned by Discontinued operation and a fixed and floating charge over all assets of Discontinued operation.

- Apart from term loan of Discontinued operation (current) that had been reclassified to "Liabilities directly associated with disposal group classified as held for sale" under current liabilities as disclosed in Note 5 above, the increase in loans and borrowings of the Group and the Company was mainly attributed to the reclassification of revolving credit facility (secured by the same collaterals as stated in Note 5 above) of Discontinued operation from non-current liabilities and the drawdown of revolving credit facilities of the Company. The revolving credit facility of Discontinued operation was assumed by the Company following the restructuring of bank borrowings of Discontinued operation.
- Dividend payable to shareholders of the Company was paid on 16 January 2018 with proceeds from the sale of quoted debt securities and utilisation of the Company's revolving credit facilities.
- The increase in net current liabilities of the Company was mainly attributed to the reclassification of revolving credit facility of Discontinued operation and the drawdown of revolving credit facilities of the Company as mentioned in Note 6 above.
- The decrease in amounts due to subsidiary companies was mainly due to movements of inter-company loans arising from the restructuring of bank borrowings of Discontinued operation.
- Term loan of Discontinued operation (non-current) had been reclassified to "Liabilities directly associated with disposal group classified as held for sale" under current liabilities as disclosed in Note 5 above. The revolving credit facility of Discontinued operation assumed by the Company as mentioned in Note 6 above had been reclassified to "Loans and borrowings" under current liabilities.
- The significant decrease in deferred tax liabilities was mainly due to the reclassification of deferred tax liabilities of Discontinued operation to "Liabilities directly associated with disposal group classified as held for sale" under current liabilities.

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

As at 31.12.2018		As at 31.12.2017	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
44,386	4,250	10,474	2,000

**Amount repayable after one year**

As at 31.12.2018		As at 31.12.2017	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	-	64,919	-

**Details of any collaterals**

The Group's borrowings which are secured comprised :

1. A revolving credit facility of S\$34.0 million secured by :
  - a mortgage on the freehold land and building owned by Discontinued operation.
  - a fixed and floating charge over all assets of Discontinued operation.
2. A term loan of S\$0.4 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\$10.0 million secured by :
  - a pledge of shares of a company in the Group.

**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>12M18</b>	<b>12M17</b>
	S\$'000	(Restated) S\$'000
<b>Cash flows from operating activities :</b>		
Profit before taxation from continuing operations	3,835	11,157
Profit before taxation from discontinued operation	2,543	2,376
Profit before taxation, total	6,378	13,533
Adjustments for :		
Depreciation of property, plant and equipment	6,726	6,814
Loss on sale of property, plant and equipment	5	-
Property, plant and equipment written off	26	5
Loss/(gain) on sale of investment securities	20	(26)
Gain on sale of interest in a subsidiary company	(454)	-
Share of results of associated and joint venture companies	(4,340)	(9,017)
Amortisation of club memberships	3	3
Dividend income from investment securities	(73)	(82)
Interest income	(742)	(709)
Finance costs	2,568	2,194
Impairment loss on asset held for sale	762	860
Impairment loss on investment securities	-	235
Unrealised foreign exchange differences	(138)	536
<b>Operating profit before reinvestment in working capital</b>	<b>10,741</b>	<b>14,346</b>
(Increase)/decrease in inventories	(71)	73
(Increase)/decrease in receivables and prepayments	(99)	499
Increase in payables	2,002	138
<b>Cash flows generated from operations</b>	<b>12,573</b>	<b>15,056</b>
Interest received	759	761
Interest paid	(2,545)	(2,260)
Income taxes paid	(2,482)	(2,080)
<b>Net cash flows from operating activities</b>	<b>8,305</b>	<b>11,477</b>
<b>Cash flows from investing activities :</b>		
Dividends received	4,473	2,797
Proceeds from sale of property, plant and equipment	3	13
Purchase of property, plant and equipment	(3,830)	(2,303)
Purchase of investment securities	(2,996)	(5,007)
Proceeds from sale of investment securities	4,231	1,968
Proceeds from sale of interest in a subsidiary company	728	-
Proceeds from capital reduction of a joint venture company	-	5,531
<b>Net cash flows generated from investing activities</b>	<b>2,609</b>	<b>2,999</b>
<b>Cash flows from financing activities :</b>		
Proceeds from bank loans	9,150	5,650
Repayment of bank loans	(7,426)	(12,761)
Repayment of advances by an associated company	62	-
Fixed deposit discharged by a bank	-	94
Fixed deposit pledged with a bank	-	(49)
Repayment to hire purchase creditors	(10)	(18)
Dividend paid by the Company	(10,556)	-
Dividends paid to a non-controlling interest	(1,949)	(2,940)
<b>Net cash flows used in financing activities</b>	<b>(10,729)</b>	<b>(10,024)</b>
Net increase in cash and cash equivalents	185	4,452
Effects of exchange rate changes on cash and cash equivalents	16	(377)
Cash and cash equivalents at beginning of year	24,379	20,304
<b>Cash and cash equivalents at end of year</b>	<b>24,580</b>	<b>24,379</b>
<b>Note to Statement of Cash Flows :</b>		
Cash and cash equivalents comprised the following amounts :		
<b>Continuing operations</b>		
Fixed deposits	10,850	11,351
Cash and bank balances	8,661	13,077
Cash and short-term deposits per Consolidated Statement of Financial Position	19,511	24,428
<b>Discontinued operation</b>		
Cash and bank balances	5,118	-
	24,629	24,428
Less : Fixed deposit pledged	(49)	(49)
<b>Cash and cash equivalents per Consolidated Statement of Cash Flows</b>	<b>24,580</b>	<b>24,379</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 OF THE GROUP**

	-----Attributable to shareholders of the Company-----						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	Revenue reserve S\$'000	Reserves of disposal group classified as held for sale S\$'000	Total 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	-	29,301	-	29,301	-	-	(29,301)	-	-	-	-
- Effect of adopting SFRS(I) 9	-	-	-	-	-	-	175	-	175	-	175
<b>- as restated</b>	<b>209,518</b>	<b>135,986</b>	<b>30</b>	<b>657</b>	<b>135,219</b>	<b>80</b>	<b>(49,724)</b>	<b>-</b>	<b>86,262</b>	<b>62,742</b>	<b>358,522</b>
Profit for the year	-	-	-	-	-	-	926	-	926	2,834	3,760
Other comprehensive income for the year, net of tax	-	(2,676)	-	(3,150)	1,578	(1,104)	-	-	(2,676)	1,416	(1,260)
Total comprehensive income for the year	-	(2,676)	-	(3,150)	1,578	(1,104)	926	-	(1,750)	4,250	2,500
<u>Others</u>											
Dividends paid to a non-controlling interest	-	-	-	-	-	-	-	-	-	(1,949)	(1,949)
Increase in net assets of a joint venture company	-	-	-	-	-	-	495	-	495	-	495
Reserves of disposal group classified as held for sale	-	(84,497)	-	2,725	(87,222)	-	-	84,497	-	-	-
Total others	-	(84,497)	-	2,725	(87,222)	-	495	84,497	495	(1,949)	(1,454)
<b>As at 31 December 2018</b>	<b>209,518</b>	<b>48,813</b>	<b>30</b>	<b>232</b>	<b>49,575</b>	<b>(1,024)</b>	<b>(48,303)</b>	<b>84,497</b>	<b>85,007</b>	<b>65,043</b>	<b>359,568</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>-</b>	<b>51,383</b>	<b>55,139</b>	<b>316,040</b>
Profit for the year	-	-	-	-	-	-	7,954	-	7,954	2,903	10,857
Other comprehensive income for the year, net of tax	-	37,145	-	657	36,437	51	-	-	37,145	7,640	44,785
Total comprehensive income for the year	-	37,145	-	657	36,437	51	7,954	-	45,099	10,543	55,642
<u>Contributions by and distributions to shareholders of the Company</u>											
Dividend payable	-	-	-	-	-	-	(10,556)	-	(10,556)	-	(10,556)
Total contributions by and distributions to shareholders of the Company	-	-	-	-	-	-	(10,556)	-	(10,556)	-	(10,556)
<u>Others</u>											
Dividends paid to a non-controlling interest	-	-	-	-	-	-	-	-	-	(2,940)	(2,940)
Increase in net assets of a joint venture company	-	-	-	-	-	-	186	-	186	-	186
Share of reserves of a joint venture company	-	(25)	-	-	-	(25)	-	-	(25)	-	(25)
Total others	-	(25)	-	-	-	(25)	186	-	161	(2,940)	(2,779)
<b>As at 31 December 2017</b>	<b>209,518</b>	<b>135,986</b>	<b>30</b>	<b>657</b>	<b>135,219</b>	<b>80</b>	<b>(49,899)</b>	<b>-</b>	<b>86,087</b>	<b>62,742</b>	<b>358,347</b>



**STATEMENT OF CHANGES IN EQUITY OF THE COMPANY**

	Share capital S\$'000	Revenue reserve S\$'000	Total equity S\$'000
<b><u>2018</u></b>			
<b>As at 1 January 2018</b>	<b>209,518</b>	<b>13,944</b>	<b>223,462</b>
Profit for the year, representing total comprehensive income for the year	-	3,304	3,304
<b>As at 31 December 2018</b>	<b>209,518</b>	<b>17,248</b>	<b>226,766</b>
<b><u>2017</u></b>			
<b>As at 1 January 2017</b>	<b>209,518</b>	<b>24,352</b>	<b>233,870</b>
Profit for the year, representing total comprehensive income for the year	-	148	148
<u>Contributions by and distributions to shareholders of the Company</u>			
Dividend payable	-	(10,556)	(10,556)
Total contributions by and distributions to shareholders of the Company	-	(10,556)	(10,556)
<b>As at 31 December 2017</b>	<b>209,518</b>	<b>13,944</b>	<b>223,462</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 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 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 year. The Company's issued and fully paid-up shares as at 31 December 2018 comprised 1,055,639,464 (31 December 2017 : 1,055,639,464) ordinary shares with voting rights.

The Company has no treasury shares, subsidiary holdings or outstanding convertibles as at 31 December 2018 and 31 December 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>31.12.2018</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 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 on 1 January 2017 to opening retained earnings. After the date of transition, any gain or loss on disposal of any foreign operations will exclude translation differences that arose before the date of transition. In this respect, gains from translation differences that arose before the date of transition of S\$379,000 that were realised in 12M17, had been excluded. Consequently, comparative figures in the consolidated statements of comprehensive income, cash flows and changes in equity were restated.

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 upon adoption 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/(loss) per ordinary share of the Group after deducting any provision for preference dividends :-	Group Year Ended	
	31.12.2018	31.12.2017 (Restated)
<b><u>Continuing operations</u></b>		
(i) Based on weighted average number of ordinary shares in issue	(0.10) cent	0.59 cent
(ii) On a fully diluted basis	(0.10) cent	0.59 cent
<b><u>Discontinued operation</u></b>		
(i) Based on weighted average number of ordinary shares in issue	0.19 cent	0.16 cent
(ii) On a fully diluted basis	0.19 cent	0.16 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 year under review of 1,055,639,464 shares (31 December 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 December 2018 and 31 December 2017.

**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	
	31.12.2018	31.12.2017	31.12.2018	31.12.2017
Net asset <sup>(1)</sup> value per ordinary share <sup>(2)</sup> attributable to shareholders of the Company	S\$0.28	S\$0.28	S\$0.21	S\$0.21

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

<sup>(2)</sup> Based on total number of shares (excluding treasury shares which have no voting rights) as at the end of the financial year.

**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.**

**Continuing operations**

**Revenue**

Revenue of the Group for 12M18 of S\$33.9 million was S\$2.1 million lower than 12M17.

**Hotel and Serviced Residence**

Revenue of S\$32.3 million was S\$0.6 million lower than 12M17.

The revenue of Holiday Inn Resort Phuket ("HIRP") was lower mainly because of lower room revenue arising from lower occupancies and lower revenue from food and beverage partially offset by stronger Thai Baht.

The lower revenue of Cityview Apartments and Commercial Centre ("CV") was mainly because of weaker Vietnamese Dong. The revenue of Somerset Vientiane ("SV") was comparable with 12M17.

#### Leisure and Others

The revenue of S\$1.6 million was S\$1.5 million lower than 12M17. The lower revenue was mainly because the Company had disposed of its 100% equity interest in ZONE X which owned and operated the family entertainment business, in June 2018.

#### Property

No revenue was recorded for both 12M18 and 12M17.

#### **Profit Before Tax**

The Group's pre-tax profit of S\$3.8 million was S\$7.4 million lower than 12M17.

#### Hotel and Serviced Residence

This sector's pre-tax profit of S\$5.1 million was S\$0.1 million lower than 12M17.

The lower pre-tax profit of HIRP was mainly attributed to lower revenue.

CV's pre-tax profit was comparable with 12M17. The lower revenue was fully offset by higher interest income from fixed deposits. The higher pre-tax profit of SV was mainly because of lower overheads.

#### Leisure and Others

This sector's pre-tax loss of S\$2.3 million was S\$0.5 million higher than 12M17.

The Group's family entertainment business broke even in 12M18 compared to pre-tax profit of S\$0.3 million in 12M17. ZONE X which operated the family entertainment business was disposed in June 2018.

Excluding an impairment loss in 12M17 of S\$0.2 million in respect of investment in unquoted equity shares, corporate office's pre-tax loss of S\$2.3 million was S\$0.4 million higher than 12M17. One-off gain on the sale of ZONE X was fully offset by higher interest expense and staff costs as well as lower interest income from investment securities.

#### Property

This sector's pre-tax profit of S\$1.0 million was S\$6.8 million lower than 12M17. It was mainly attributed to the higher legal and professional fees incurred on litigation in respect of shareholders dispute for the joint venture company in Xuzhou, PRC and the share of loss from this joint venture compared to share of profit in 12M17. The residential project in Xuzhou had reached its tail end and the number of apartment units handed over to buyers was significantly lower than 12M17. Our share of profits of Knight Frank group of companies was higher mainly because of higher commission and fee income earned, along with a share of higher profit of its associated company.

#### **Discontinued operation**

#### Hotel and Serviced Residence

The higher revenue of Crowne Plaza London Kensington ("CPLK") was mainly attributed to higher occupancies and average room rate. Its higher pre-tax profit was mainly attributed to higher revenue and exchange gain arising from repayment of shareholder's loan. It was translation losses in 12M17 in respect of Singapore Dollar denominated inter-company loans as Singapore Dollar had weakened against Sterling Pound.

**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 announced disposal of the Crowne Plaza London Kensington hotel is scheduled to complete by mid-April 2019 and this will allow the Group to realise an estimated gain on disposal of approximately S\$14 million.

Our hospitality assets are expected to provide stable income to the Group. We have agreed with our Thai partner on the Holiday Inn Resort Phuket hotel refurbishment program and will maintain a cautiously optimistic outlook in Thailand tourism market ahead of the 2019 general election there.

We will continue to seek asset enhancement opportunities, potential acquisitions and divestments for our portfolio of hospitality assets.

In China, the dispute with the local partner is in court proceedings and we have obtained an interim asset-freeze order from the local court to protect our interests. We will update by further announcement whenever there is material development.

In Singapore, the residential market is expected to remain slow as buyers are cautious. The office and hotel segments are expected to do well, supported by limited supply and improved outlook. Knight Frank Singapore agency business is expected to remain stable.

**11 Dividend.**

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

Any dividend declared for the current financial period reported on?

Name of Dividend	:	Special	Final
Dividend Type	:	Cash	Cash
Dividend per share	:	0.75 cent per ordinary share	0.50 cent per ordinary share
Tax Rate	:	Tax exempt (one-tier)	Tax exempt (one-tier)

**(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.**

To be announced at a later date.

**(d) Books closure date.**

To 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.**

Not applicable.

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

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

	Continuing operations				Discontinued operation	Consolidated
	Hotel and Serviced Residence	Leisure and Others	Property	Subtotal	Hotel and Serviced Residence	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>BUSINESS SEGMENTS</b>						
<b>12M18</b>						
<b>Segment revenue</b>						
Total segment sales	32,342	6,842	-	39,184	21,204	60,388
Inter-segment sales	-	(5,294)	-	(5,294)	-	(5,294)
Revenue	32,342	1,548	-	33,890	21,204	55,094
Segment results	5,160	(553)	(3,252)	1,355	3,251	4,606
Finance costs	(97)	(1,763)	-	(1,860)	(708)	(2,568)
Share of results of associated and joint venture companies	-	93	4,247	4,340	-	4,340
Profit/(loss) before taxation	5,063	(2,223)	995	3,835	2,543	6,378
Taxation	(1,997)	(56)	(12)	(2,065)	(553)	(2,618)
Profit/(loss) for the year	3,066	(2,279)	983	1,770	1,990	3,760
<b>12M17 (Restated)</b>						
<b>Segment revenue</b>						
Total segment sales	32,864	5,468	-	38,332	19,747	58,079
Inter-segment sales	-	(2,338)	-	(2,338)	-	(2,338)
Revenue	32,864	3,130	-	35,994	19,747	55,741
Segment results	5,346	(476)	(1,154)	3,716	2,994	6,710
Finance costs	(179)	(1,397)	-	(1,576)	(618)	(2,194)
Share of results of associated and joint venture companies	-	(4)	9,021	9,017	-	9,017
Profit/(loss) before taxation	5,167	(1,877)	7,867	11,157	2,376	13,533
Taxation	(1,901)	(25)	(100)	(2,026)	(650)	(2,676)
Profit/(loss) for the year	3,266	(1,902)	7,767	9,131	1,726	10,857

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

The factors leading to material changes in contributions to revenue and earnings by the business segments have been explained in paragraph 8 above.

**15 A breakdown of sales.**

	Group		
	12M18	12M17 (Restated)	Change
	S\$'000	S\$'000	%
<b>Continuing operations</b>			
Sales reported for first half year	19,362	18,581	4
Operating profit after taxation before deducting non-controlling interests reported for first half year	4,676	5,475	(15)
Sales reported for second half year	14,528	17,413	(17)
Operating (loss)/profit after taxation before deducting non-controlling interests reported for second half year	(2,906)	3,656	NM
<b>Discontinued operation</b>			
Sales reported for first half year	9,702	9,071	7
Operating profit after taxation before deducting non-controlling interests reported for first half year	488	500	(2)
Sales reported for second half year	11,502	10,676	8
Operating profit after taxation before deducting non-controlling interests reported for second half year	1,502	1,226	23
'NM' : Not meaningful.			

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

	Company	
	Year Ended 31.12.2018	Year Ended 31.12.2017
	S\$'000	S\$'000
Ordinary	13,195	10,556
Preference	-	-
Total	13,195	10,556

**17 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.

**18 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

The Company confirms that, to the best of its knowledge, belief and information, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a director or the chief executive officer or substantial shareholder of the Company.

**19 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**

20 February 2019