

Unaudited Financial Statement for the Year Ended 31 Dec 2018

PART I - Information required for announcements of quarterly (Q1, Q2 & Q3), half year and full year results

1 (a) An income statement for the Group together with a comparative statement for the corresponding period of the immediately preceding financial year

1(a)(i) Consolidated Income Statement for the Year Ended 31 Dec 2018:

	Year Ended 31 Dec		
	2018 S\$'000	2017 S\$'000 Restated	% Change
<b>Revenue</b>			
Hotel operations and management	142,448	147,884	-4%
Rental income from investment properties	19,439	16,351	19%
<b>Total revenue</b>	<b>161,887</b>	<b>164,235</b>	-1%
Other income	731	1,253	-42%
	<b>162,618</b>	<b>165,488</b>	-2%
<b>Costs and expenses</b>			
Staff costs	(48,422)	(47,607)	2%
Depreciation and amortisation	(20,893)	(21,043)	-1%
Hotel operating expenses	(56,725)	(55,394)	2%
<b>Total costs and expenses</b>	<b>(126,040)</b>	<b>(124,044)</b>	2%
<b>Profit from operating activities before fair value adjustment</b>	<b>36,578</b>	<b>41,444</b>	-12%
Fair value gain on investment properties	8,612	9,830	-12%
<b>Profit from operating activities</b>	<b>45,190</b>	<b>51,274</b>	-12%
Finance costs	(2,782)	(5,221)	-47%
Interest income from fixed deposits	4,162	4,877	-15%
Foreign exchange (loss)/gain, net	(5,908)	1,365	n/m
Share of results of associates	(260)	189	n/m
<b>Profit before tax</b>	<b>40,402</b>	<b>52,484</b>	-23%
Income tax expense	(13,054)	(14,266)	-8%
<b>Net profit attributable to owners of the parent</b>	<b>27,348</b>	<b>38,218</b>	-28%

Note

n/m = Not meaningful

1 (a)(ii) Consolidated Statement of Comprehensive Income for the Year Ended 31 Dec 2018

	Year Ended 31 Dec		
	2018 S\$'000	2017 S\$'000 Restated	% Change
<b>Profit net of tax</b>	27,348	38,218	-28%
<b>Other comprehensive income:</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Reduction of development cost accruals for completed hotels in Singapore	6,844	141	4754%
Revaluation surplus/(deficit) of land and hotel buildings - net and net of tax	67,956	(437)	n/m
Net (loss)/gain on fair value changes of financial assets at fair value through other comprehensive income	(1,391)	2,896	n/m
	73,409	2,600	2723%
<b>Items that may be reclassified subsequently to profit or loss</b>			
Foreign currency translation	(34,065)	(13,709)	148%
	(34,065)	(13,709)	148%
<b>Other comprehensive income, net of tax</b>	39,344	(11,109)	n/m
<b>Total comprehensive income</b>	<b>66,692</b>	<b>27,109</b>	146%
<b>Total comprehensive income attributable to:</b>			
Owners of the parent	66,692	27,109	146%
	<b>66,692</b>	<b>27,109</b>	146%

1 (a)(iii) Notes to the Income Statement

Note 1 The foreign currency translation loss for 2018 was principally due to the effects of the depreciation in the Australia and New Zealand dollar exchange rates on translating the net assets of the Australia and New Zealand subsidiaries to Singapore dollar as at 31 Dec 2018 compared to 31 Dec 2017.

n/m = Not meaningful

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

**Statements of Financial Position as at 31 Dec 2018**

Note	Group			Company		
	31-Dec-18 S\$'000	31-Dec-17 S\$'000 (Restated)	1-Jan-17 S\$'000 (Restated)	31-Dec-18 S\$'000	31-Dec-17 S\$'000 (Restated)	1-Jan-17 S\$'000 (Restated)
<b>Non-current assets</b>						
Property, plant and equipment	1,086,160	1,027,625	1,049,214	280,933	267,942	270,038
Investment properties	273,559	277,820	208,852	-	-	-
Land use rights	1,011	1,092	1,199	-	-	-
Investment in subsidiaries	-	-	-	337,069	329,091	243,006
Investment in associates	7,524	8,879	10,413	10,249	10,867	11,574
Investment securities	13,528	13,624	10,358	13,528	13,624	10,358
Deferred tax assets	2,518	3,078	3,471	-	65	447
Goodwill	1,334	1,411	1,454	-	-	-
Intangible assets	83	85	90	-	-	-
	1,385,717	1,333,614	1,285,051	641,779	621,589	535,423
<b>Current assets</b>						
Inventories	733	834	832	15	16	32
Trade and other receivables	7,062	8,438	8,806	876	1,023	2,013
Land use rights	44	45	45	-	-	-
Prepaid operating expenses	2,926	2,829	2,453	102	86	109
Property held for sale	-	1,240	-	-	-	-
Due from subsidiaries	-	-	-	557	512	753
Short - term deposits	196,132	222,591	297,364	125,774	160,739	193,604
Cash and bank balances	29,265	38,411	45,692	3,479	6,860	8,674
	236,162	274,388	355,192	130,803	169,236	205,185
<b>Current liabilities</b>						
Trade and other payables	13,185	22,468	26,706	407	338	539
Accrued operating expenses	3,764	11,184	10,581	1,096	7,240	8,762
Deferred income	1,003	777	756	-	-	-
Derivatives	-	83	509	-	83	-
Due to subsidiaries	-	-	-	3,318	3,047	2,880
Due to associated companies	33	66	63	33	66	63
Income tax payable	6,045	5,478	12,845	-	-	20
Finance lease obligations	18	18	18	18	18	18
Loans and borrowings	33,918	40,048	8,533	-	35,300	-
	57,966	80,122	60,011	4,872	46,092	12,282
<b>Net current assets</b>	<b>178,196</b>	<b>194,266</b>	<b>295,181</b>	<b>125,931</b>	<b>123,144</b>	<b>192,903</b>
<b>Non-current liabilities</b>						
Derivatives	-	-	318	-	-	318
Finance lease obligations	29	47	65	29	47	65
Loans and borrowings	24,522	60,537	136,594	-	-	38,700
Deferred tax liabilities	159,330	145,346	142,557	7,238	4,597	4,438
<b>Net assets</b>	<b>1,380,032</b>	<b>1,321,950</b>	<b>1,300,698</b>	<b>760,443</b>	<b>740,089</b>	<b>684,805</b>
<b>Equity attributable to owners of the parent</b>						
Issued capital	502,537	455,922	421,997	502,537	455,922	421,997
Fair value reserve	2,168	3,559	663	2,168	3,559	663
Asset revaluation reserve	701,183	626,383	626,679	213,375	198,824	198,590
Translation reserve	(120,633)	(86,568)	(72,859)	-	-	-
Other reserve	1,432	1,432	1,432	-	-	-
Retained earnings	293,345	321,222	322,786	42,363	81,784	63,555
<b>Total equity</b>	<b>1,380,032</b>	<b>1,321,950</b>	<b>1,300,698</b>	<b>760,443</b>	<b>740,089</b>	<b>684,805</b>

**1 (b)(ii) Notes to the Statements of Financial Position**

- Note 1 Property, plant and equipment increased mainly due to valuation surpluses on various hotels during the year offset by the translation effects at lower year end Australia and New Zealand exchange rates.
- Note 2 Both trade and other payables and accrued operating expenses decreased due to payments to building contractors during the year.
- Note 3 The current loan and borrowings for the Company was fully repaid during the year.
- Note 4 Please refer to Note 1 of Item (a)(iii) above.

**1(b)(iii) Aggregate amount of group's borrowings and debts securities**

Amount repayable in one year or less, or on demand

As at 31 Dec 2018		As at 31 Dec 2017	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
33,936	-	40,066	-

Amount repayable after one year

As at 31 Dec 2018		As at 31 Dec 2017	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
24,551	-	60,584	-

**Details of any collateral**

The Group's borrowings are principally secured by land, hotel buildings and investment properties owned by the Company and various subsidiaries.

**1(c) A cash flow statement for the Group, together with a comparative statement for the corresponding period of the immediately preceding financial year**

**Statement of Cash Flow for the Year Ended 31 Dec 2018:**

	Notes	Year Ended 31 Dec	
		2018 S\$'000	2017 S\$'000
<b>Operating activities</b>			
Profit before tax		40,402	52,484
<b>Adjustments for :-</b>			
Depreciation of property, plant and equipment		20,848	21,043
Fair value gain on investment properties		(8,612)	(9,830)
Amortisation of land use rights		45	46
Dividend income from investment securities		(522)	(439)
Net gain on disposal of property, plant and equipment		(83)	(3)
Net gain on disposal of investment securities		-	(55)
Impairment loss on investment in an associated company		618	707
Fair value gain on derivatives		(83)	(744)
Bad debt written-off		-	210
Finance costs		2,782	5,221
Interest income		(4,162)	(4,877)
Foreign exchange loss/(gain), net		5,908	(1,365)
Share of results of associates		260	(189)
<b>Operating cash flows before changes in working capital</b>		57,401	62,209
Decrease/(increase) in inventories		49	(13)
Decrease in trade and other receivables		1,026	118
Increase in prepaid operating expenses		(274)	(400)
Decrease in trade and other payables		(3,308)	(3,795)
(Decrease)/increase in accrued operating expenses		(3,981)	814
<b>Cash flows generated from operations</b>		50,913	58,933
Interest received		4,162	4,877
Finance costs		(2,782)	(5,221)
Tax paid		(9,900)	(16,802)
<b>Net cash flows generated from operating activities</b>		<b>42,393</b>	<b>41,787</b>
<b>Investing activities</b>			
Dividend income from investment securities		522	439
Dividend income from associated companies		460	582
Proceeds from disposal of property, plant and equipment		194	73
Proceeds from disposal of investment securities		1,207	272
Purchase of property, plant and equipment		(17,902)	(6,239)
Purchase of investment securities		(2,502)	(587)
Purchase of investment properties		(146)	(67,064)
<b>Net cash flows used in investing activities</b>		<b>(18,167)</b>	<b>(72,524)</b>
<b>Financing activities</b>			
Cash dividends paid on ordinary shares		(8,610)	(5,857)
Proceeds from loans and borrowings		-	29,438
Repayments of loans and borrowings		(39,884)	(71,510)
Repayment of obligations under finance lease		(18)	(18)
<b>Net cash flows used in financing activities</b>		<b>(48,512)</b>	<b>(47,947)</b>
Decrease in cash and cash equivalents		(24,286)	(78,684)
Effect of exchange rate changes on cash and cash equivalents		(11,319)	(3,370)
Cash and cash equivalents at beginning of year		261,002	343,056
<b>Cash and cash equivalents at end of year</b>		<b>225,397</b>	<b>261,002</b>

1(d)(i) A statement for the issuer and the 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.

**Statements of Changes in Equity for the Year Ended 31 Dec 2018**

Group	Share Capital \$'000	Fair Value Reserve \$'000	Asset Revaluation Reserve \$'000	Translation Reserve \$'000	Other Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
<b>Opening balance at 1 Jan 2018</b>	455,922	3,559	626,383	(86,568)	1,432	325,819	1,326,547
<b>Effects of adopting SFRS (I)1 *</b>	-	-	-	-	-	(4,597)	(4,597)
<b>Opening balance at 1 Jan 2018 (Restated)</b>	455,922	3,559	626,383	(86,568)	1,432	321,222	1,321,950
Profit net of tax	-	-	-	-	-	27,348	27,348
<b>Other comprehensive income for the period:</b>							
Net loss on fair value changes of financial assets at fair value through other comprehensive income	-	(1,391)	-	-	-	-	(1,391)
Reduction of development cost accruals for completed hotels in Singapore	-	-	6,844	-	-	-	6,844
Net surplus on revaluation of hotels assets, net of tax	-	-	67,956	-	-	-	67,956
Foreign currency translation	-	-	-	(34,065)	-	-	(34,065)
Total comprehensive income for the period	-	(1,391)	74,800	(34,065)	-	27,348	66,692
<b>Distributions to owners:</b>							
Scrip dividends	46,615	-	-	-	-	(46,615)	-
Cash dividends	-	-	-	-	-	(8,610)	(8,610)
Total distributions to owners:	46,615	-	-	-	-	(55,225)	(8,610)
<b>Closing balance at 31 Dec 2018 (Restated)</b>	<b>502,537</b>	<b>2,168</b>	<b>701,183</b>	<b>(120,633)</b>	<b>1,432</b>	<b>293,345</b>	<b>1,380,032</b>
<b>Opening balance at 1 Jan 2017</b>	421,997	663	626,679	(72,859)	1,432	327,224	1,305,136
<b>Effects of adopting SFRS (I)1 *</b>	-	-	-	-	-	(4,438)	(4,438)
<b>Opening balance at 1 Jan 2017 (Restated)</b>	421,997	663	626,679	(72,859)	1,432	322,786	1,300,698
Profit net of tax	-	-	-	-	-	38,218	38,218
<b>Other comprehensive income for the period:</b>							
Net gain on fair value changes of financial assets at fair value through other comprehensive income	-	2,896	-	-	-	-	2,896
Net deficit on revaluation of hotel assets	-	-	(437)	-	-	-	(437)
Reduction of development cost accruals for completed hotels in Singapore	-	-	141	-	-	-	141
Foreign currency translation	-	-	-	(13,709)	-	-	(13,709)
Total comprehensive income for the period	-	2,896	(296)	(13,709)	-	38,218	27,109
<b>Distributions to owners:</b>							
Scrip dividends	33,925	-	-	-	-	(33,925)	-
Cash dividends	-	-	-	-	-	(5,857)	(5,857)
Total distributions to owners:	33,925	-	-	-	-	(39,782)	(5,857)
<b>Closing balance at 31 Dec 2017 (Restated)</b>	<b>455,922</b>	<b>3,559</b>	<b>626,383</b>	<b>(86,568)</b>	<b>1,432</b>	<b>321,222</b>	<b>1,321,950</b>

\* Please refer to explanatory note in Item 4 (a) below.

**Company**

	Share Capital \$'000	Fair Value Reserve \$'000	Asset Revaluation Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
Opening balance at 1 Jan 2018	455,922	3,559	198,824	86,381	744,686
Effects of adopting SFRS (I)1 *	-	-	-	(4,597)	(4,597)
Opening balance at 1 Jan 2018 (Restated)	455,922	3,559	198,824	81,784	740,089
Profit net of tax	-	-	-	15,804	15,804

**Other comprehensive  
income for the period:**

Net gain on fair value changes of financial assets at fair value through other comprehensive income	-	(1,391)	-	-	(1,391)
Reduction of development cost accruals for completed hotel	-	-	2,725	-	2,725
Net surplus on revaluation of hotels assets, net of tax	-	-	11,826	-	11,826

Total comprehensive income for the period	-	(1,391)	14,551	15,804	28,964
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**Distributions to owners:**

Scrip dividends	46,615	-	-	(46,615)	-
Cash dividends	-	-	-	(8,610)	(8,610)
Total distributions to owners:	46,615	-	-	(55,225)	(8,610)

<b>Closing balance at 31 Dec 2018 (Restated)</b>	<b>502,537</b>	<b>2,168</b>	<b>213,375</b>	<b>42,363</b>	<b>760,443</b>
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Opening balance at 1 Jan 2017	421,997	663	198,590	67,993	689,243
Effects of adopting SFRS (I)1 *	-	-	-	(4,438)	(4,438)
Opening balance at 1 Jan 2017 (Restated)	421,997	663	198,590	63,555	684,805

Profit net of tax	-	-	-	58,011	58,011
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**Other comprehensive  
income for the period:**

Net gain on fair value changes of financial assets at fair value through other comprehensive income	-	2,896	-	-	2,896
Reduction of development cost accruals for completed hotel	-	-	234	-	234

Total comprehensive income for the period	-	2,896	234	58,011	61,141
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**Distributions to owners:**

Scrip dividends	33,925	-	-	(33,925)	-
Cash dividends	-	-	-	(5,857)	(5,857)
Total distributions to owners:	33,925	-	-	(39,782)	(5,857)

<b>Closing balance at 31 Dec 2017 (Restated)</b>	<b>455,922</b>	<b>3,559</b>	<b>198,824</b>	<b>81,784</b>	<b>740,089</b>
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\* Please refer to explanatory note in Item 4 (a) below.

- 1(d)(ii) **Details of any changes in the company's share capital arising from right 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 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 an increase in the number of issued shares in the capital of the Company due to the issuance of scrip dividends in the third quarter of 2018 of 36,220,386 new ordinary shares. The number of issued shares in the capital of the Company stood at 726,535,377 shares as at 31 Dec 2018.

The Company does not have any treasury shares as at 31 Dec 2018. There was no sale, transfer, disposal, cancellation and/or use of treasury shares for the period ended 31 Dec 2018.

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

The figures have not been audited or reviewed.

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

N.A.

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).

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 December 2017 except for the adoption of the 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

a) Application of SFRS(I) (1)

Under the transition requirements of SFRS(I)1 First-time Adoption of Singapore Financial Reporting Standards (international), the date of transition is on 1 January 2017 and accordingly the statement of financial position has been restated from 1 January 2017.

On transition to SFRS(I), the Group recognised deferred tax liabilities of \$4,438,622 arising from unremitted foreign-sourced interest income with the corresponding entry recognised in opening retained earnings as at 1 January 2017.

The effects of adopting SFRS(I)(1) are as follow:

(Decrease)/increase in:

**Consolidated balance sheet**

	<b>Group and Company</b>	
	<b>31-Dec-17</b>	<b>1-Jan-17</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Deferred tax liabilities	4,597	4,438
Retained earnings	(4,597)	(4,438)

**Consolidated income statement**

	<b>Group</b>
	<b>Year ended</b>
	<b>31 Dec 2017</b>
Increase in:	
Income tax expense	159

b) Application of SFRS(I) (9)

SFRS(I)(9) introduces new requirements for classification and measurement of financial assets, impairment of financial assets and hedge accounting. The Group does not expect a significant change to the measurement basis arising from adopting the new classification and measurement model under SFRS(I) (9) on the Group's financial statements.

SFRS(I)(9) requires the Group to record expected credit losses on all its loans and trade receivables. The Group adopts the simplified approach and does not have a significant impact on the Group's financial statements.

c) Application of SFRS(I) (15)

SFRS(I)(15) establishes a five-step model to account for revenue arising from contracts with customers. Under this standard, 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 of SFRS(I)(15) does not have a material impact on the Group's 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**

Please refer to item 4 above.

6. **Earnings per ordinary share of the Group for the current 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 based on net profit attributable to owners of the parent:  
(a) based on the weighted average number of shares  
(b) on a fully diluted basis

Year Ended 31 Dec	
2018	2017 Restated
3.88 cents	5.66 cents
3.88 cents	5.66 cents

7. **Net asset value (for the issuer and Group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year**

Net asset value backing per ordinary share based on issued share capital at the end of the period reported on:

Group	
31-Dec-18	31-Dec-17 Restated
S\$ 1.90	S\$ 1.92

Company	
31-Dec-18	31-Dec-17 Restated
S\$ 1.05	S\$ 1.07

8. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss 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. It must also discuss any material factors that affected the cashflow, working capital, assets or liabilities of the Group during the current financial period reported on**

#### A) Group Revenue Commentary

The Group's revenue decreased in 2018 mainly due to the effects of translating Australia and New Zealand revenue at lower average exchange rates compared to last year. Without the weaker foreign currency translation effect, the Group's revenue for the year ended 31 December 2018 was in fact above last year.

#### Increase in Singapore Revenue

The increase in the Singapore turnover was mainly due to higher room occupancy by Hotel Chancellor @ Orchard and Hotel Grand Central compared to 2017.

#### Decrease in New Zealand Revenue

The decrease in the New Zealand revenue was mainly due to the effects of translating higher New Zealand revenue at lower average exchange rates compared to last year. However, in New Zealand dollar terms, the revenue actually increased in 2018 mainly due to the improved performance of the investment properties sub segment partly offset by lower hotel revenue.

The increase in the New Zealand investment properties' revenue was mainly due to the full year contribution to revenue from the PWC Centre, Christchurch and Fonterra House, Hamilton which were purchased last year.

The New Zealand hotels' revenue decreased mainly due to weaker performance of the James Cook Hotel Grand Chancellor Wellington due to a major refurbishment project which commenced in Q3 2018.

#### Decrease in Australia Revenue

Despite the Australia hotels and investment property performing marginally better than last year, the Australia revenue decreased during the year mainly due to the effects of translating higher Australia revenue at lower average exchange rates compared to last year.

#### Stable China Revenue

The China revenue was flat during the year compared to last year.

#### Increase in Malaysia Revenue

The Malaysia turnover increased marginally during the year mainly due to higher room occupancy rates and higher Ringgit average exchange rates.



## **B) Group Profit Commentary**

### **i) General**

The decrease in the Group's net profit in 2018 was mainly due to the following factors:

1. Lower Group revenue for 2018 compared to last year
2. Payment of the special remuneration of \$3 million to 3 directors in Q3 2018 in conjunction with the Company's 50th anniversary this year. The payment of the special remuneration was approved in the Company's last AGM.
3. A foreign exchange loss of \$5.9 million reported for 2018 compared to a gain of \$1.4 million last year. This foreign exchange loss arose principally due to the translation of Australia and New Zealand dollar fixed deposits held by the Company

### **ii) Geographical Segments**

#### **Increase in Singapore Earnings**

The increase in Singapore earnings was mainly due to higher revenues reported by the Singapore hotels coupled with interest expense savings during the year.

#### **Decrease in Australia Earnings**

The major factors contributing to the decrease in Australia earnings are as follows:-

- a. Lower hotel operation profit due to higher overhead expenses.
- b. The Flinders Street building recorded a lower fair value gain during the year compared to 2017.
- c. Lower interest income earned during the year.

#### **Increase in New Zealand Earnings**

The segment results for New Zealand increased over last year mainly due to the full year revenue contribution from the two new office buildings which were bought in 2017 and higher fair value gains on investment properties during the year.

The increase was offset by weaker performances of the New Zealand hotels during the year.

#### **Increase in Malaysia Earnings**

The increase in the Malaysia earnings was mainly due to higher interest income earned during the year.

#### **Decrease in China Earnings**

The decrease in the China earnings was mainly due to lower interest income and higher wage costs during the year

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

Nil

**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**

Barring further weakening in the Australia and New Zealand exchange rates, the overall outlook for the Group's Australia hotels is expected to be stable in 2019. In New Zealand, the Group's Wellington hotel is expected to perform weaker than this year due to a major refurbishment project which commenced in Q3 2018. In Singapore, the Group's hotels are expected to operate in a competitive market due to the increases in hotel room supply in recent years.

11. (a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on ?

Name of Dividend	Final - Ordinary
Dividend Type	Cash
Dividend Amount per Share (in cents)	4.0 cents per ordinary share , one - tier

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend	Final - Ordinary
Dividend Type	Scrip at option of shareholder
Dividend Amount per Share (in cents)	5.0 cents per ordinary share , one - tier

Name of Dividend	Final - Special
Dividend Type	Scrip at option of shareholder
Dividend Amount per Share (in cents)	3.0 cents per ordinary share , one - tier

(c) Date payable

To be advised

(d) Book closure date

To be advised

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

N.A.

Part II - Additional Information Required for the Full Year Announcement  
(This part is not applicable to Q1, Q2, Q3 and Half Year Results)

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

The Group operates in five geographical areas namely:

- Singapore
- Malaysia
- Australia
- New Zealand
- China

Inter-segment pricing is on an arm's length basis.

	Singapore S\$'000	* Malaysia S\$'000	Australia S\$'000	New Zealand S\$'000	** China S\$'000	Elimination S\$'000	Group S\$'000
<b>FY 2018</b>							
<b>Revenue</b>	34,841	304	92,324	32,834	1,584	-	<b>161,887</b>
<b>Segment results</b>	5,605	(328)	23,543	16,493	(123)	-	45,190
Finance costs	(110)	-	-	(2,672)	-	-	(2,782)
Interest income from fixed deposits	2,205	670	998	276	13	-	4,162
Share of results of associates	-	(260)	-	-	-	-	(260)
Income tax expense	-	-	-	-	-	-	(13,054)
Unallocated foreign exchange loss	-	-	-	-	-	-	(5,908)
Profit for the year attributable to owners of the Company							<b>27,348</b>

	Singapore S\$'000	* Malaysia S\$'000	Australia S\$'000	New Zealand S\$'000	** China S\$'000	Elimination S\$'000	Group S\$'000
<b>FY 2017</b>							
<b>Revenue</b>	32,931	259	96,334	33,128	1,583	-	<b>164,235</b>
<b>Segment results</b>	7,873	(364)	30,061	13,797	(93)	-	51,274
Finance costs	(3,009)	-	-	(2,212)	-	-	(5,221)
Interest income from fixed deposits	2,608	625	1,446	168	30	-	4,877
Share of results of associates	-	189	-	-	-	-	189
Income tax expense	-	-	-	-	-	-	(14,266)
Unallocated foreign exchange loss	-	-	-	-	-	-	1,365
Profit for the year attributable to owners of the Company							<b>38,218</b>

\* The Kedah hotel makes up the Malaysia segment.

\*\* The hotel in Sihui, Guangdong province makes up the China segment.

Business Segments

The Group operates predominantly in two main business segments, namely hotel operations and commercial property investments.

	Revenue	
	2018 S\$'000	2017 S\$'000 Restated
Hotel operations	142,448	147,884
Commercial property investments	19,439	16,351
<b>Total</b>	<b>161,887</b>	<b>164,235</b>

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.

N.A.

15. **A breakdown of revenue**

	Group		
	S\$'000		Change (%)
	Latest year to 31/12/2018	Previous year to 31/12/2017	
Revenue reported for the first half year	78,984	76,361	3%
Operating profit after tax before deducting minority interests reported for first half year	13,476	14,051	-4%
Revenue reported for the second half year	82,903	87,874	-6%
Operating profit after tax before deducting minority interests reported for second half year	13,872	24,167	-43%

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

Total annual dividend, net of tax

	Latest Full Year	Previous Full Year
	S\$'000	S\$'000
Scrip dividend	46,615	33,925
Cash dividend	8,610	5,857
<b>Total</b>	<b>55,225</b>	<b>39,782</b>

17. **Interested Person Transactions**

The Company does not have a shareholders' mandate 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)**

Name	Age	Family relationship with any director and /or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held if any, during the year
Tan Hwa Lian	56	Daughter of Tan Eng Teong, niece of Tan Teck Lin and Tan Eng How	Executive Director - Overseeing the day to day operations of the Group hotels - 26/8/2003	No change
Hellen Tan Hwa Lam	55	Daughter of Tan Eng Teong, sister of Tan Hwa Lian, niece of Tan Teck Lin and Tan Eng How	Financial Controller - Overseeing and administering the entire accounting and finance functions of the Company - 1982	No change
Michelle Tan Hwa Imm	52	Daughter of Tan Teck Lin, cousin of Tan Hwa Lian, niece of Tan Eng Teong and Tan Eng How	Executive Director of the associated company, Grand Central Enterprises Bhd - 31/05/2001	No change

**BY ORDER OF THE BOARD**

Lim Bee Lian Eliza  
Secretary  
1 Mar 2019