



LOW KENG HUAT (SINGAPORE) LIMITED (Reg. No. 196900209G)

Unaudited Full Year ("FY") Financial Statements For the Period Ended 31 January 2018

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY RESULTS

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

	Note	3 months ended		Increase / (Decrease)	12 months ended		Increase / (Decrease)
		31/01/2018	31/01/2017		31/01/2018	31/01/2017	
		\$'000	\$'000	%	\$'000	\$'000	%
Revenue	1	28,613	10,236	180	72,670	47,044	54
Cost of sales	2	(20,501)	(4,874)	n.m.	(43,571)	(25,201)	73
Gross profit		8,112	5,362	51	29,099	21,843	33
Other income	3	9,518	14,251	(33)	20,460	73,275	(72)
Rental income		327	177	85	976	898	9
Distribution costs		(942)	(809)	16	(2,142)	(1,430)	50
Administrative costs	4	(1,500)	(1,800)	(17)	(7,501)	(12,132)	(38)
Other operating expenses	5	(3,959)	(1,533)	158	(8,253)	(6,813)	21
Finance costs	6	(633)	(1,361)	(53)	(5,415)	(5,796)	(7)
Profit from operations		10,923	14,287	(24)	27,224	69,845	(61)
Share of results of associated companies and joint ventures	7	(1,830)	1,947	n.m.	(2,813)	(2,021)	39
Profit before taxation		9,093	16,234	(44)	24,411	67,824	(64)
Taxation	8	(2,086)	(2,632)	(21)	(3,947)	(4,105)	(4)
Profit after taxation for the period		7,007	13,602	(48)	20,464	63,719	(68)
Attributable to:							
Owners of the parent	9	6,006	6,317	(5)	18,496	55,704	(67)
Non-controlling interests		1,001	7,285	(86)	1,968	8,015	(75)
		7,007	13,602	(48)	20,464	63,719	(68)
Earnings per share (cents)							
- basic		0.81	0.85		2.50	7.54	
- diluted		0.81	0.85		2.50	7.54	

n.m.: Not Meaningful

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

	3 months ended		Increase / (Decrease) %	12 months ended		Increase / (Decrease) %
	31/01/2018 \$'000	31/01/2017 \$'000		31/01/2018 \$'000	31/01/2017 \$'000	
Net profit for the period	7,007	13,602	(48)	20,464	63,719	(68)
Other comprehensive income/(expense) after tax Items that may be reclassified subsequently to profit and loss:						
Fair value gain/(loss) on available-for-sale financial assets recognised directly to equity	921	2,725	(66)	10,237	4,545	125
Fair value (gain)/loss on available-for-sale financial assets recycled to income statement on derecognition	(12)	-	n.m.	(3,242)	-	n.m.
Reclassification of cumulative fair value loss to profit or loss account	2,025	650	n.m.	2,025	650	n.m.
Realisation of reserve upon disposal of subsidiary	-	-	n.m.	-	3,306	(100)
Realisation of reserve upon disposal of joint venture	-	175	(100)	-	175	(100)
Exchange differences on translation of the financial statements of foreign entities (net)	896	579	55	(71)	1,550	n.m.
Other comprehensive income for the period, net of tax	3,830	4,129	(7)	8,949	10,226	(12)
Total comprehensive income for the period	10,837	17,731	(39)	29,413	73,945	(60)
Total comprehensive income attributable to:						
Owners of the parent	9,762	17,223	(43)	27,470	72,375	(62)
Non-controlling interests	1,075	508	112	1,943	1,570	24
Total comprehensive income for the period	10,837	17,731	(39)	29,413	73,945	(60)

n.m.: Not Meaningful

1(a)(ii) Notes to the income statement

- Group revenue increased by \$25.7M to \$72.7M in current year from \$47.0M in previous year. It increased by \$18.4M to \$28.6M in Q4 current year from \$10.2M in Q4 previous year. The increase was mainly due to increased sales in Development segment offset by decreased revenue in Hotel segment. Four office units at Paya Lebar Square ("PLS"), five residential units at Parkland Residences and six freehold landed units at Kismis Residences & Tranquilia @ Kismis ("Kismis") were sold during current year. Lower revenue at Duxton Hotel Perth was due to lower occupancy and room rates in a sluggish market condition and absence of revenue at Duxton Hotel Saigon ("DHS") as it was sold in Q2 previous year.
- Cost of sales increased by \$18.4M to \$43.6M in current year from \$25.2M in previous year. It increased by \$15.6M to \$20.5M in Q4 current year from \$4.9M in Q4 previous year. The increase in cost of sales was mainly due to increased sales in Development segment offset by lower cost of sales in Hotel segment and write back of construction cost for completed construction projects upon finalisation of accounts in Investment segment.
- Other Income decreased by \$52.8M to \$20.5M in current year from \$73.3M in previous year. It decreased by \$4.8M to \$9.5M in Q4 current year from \$14.3M in Q4 previous year. The decrease was mainly due to absence of extraordinary gain of \$58.6M from sales of DHS, Shanghai Xinfeng Realty Development Co.,Ltd ("Xinfeng") and OSC-Duxton (Vietnam) Joint Venture Company Limited ("OSC-Duxton") in previous year. If this extraordinary gain is excluded, other income would have increased by \$5.8M in current year compared to previous year. The increase was mainly due to reversal of impairment of the retail development at Balestier Tower, gains on disposal of long-term quoted equity investment and gains on fair value of short term quoted equity investment offset by lower bank interest income. Balestier Tower retail development was reclassified to Development property from Investment property in Q4 current year.

1(a)(ii) Notes to the income statement

- 4 Administrative costs decreased by \$4.6M to \$7.5M in current year from \$12.1M in previous year. It decreased by \$0.3M to \$1.5M in Q4 current year from \$1.8M in Q4 previous year. The decrease was mainly due to the absence of profit share for managing directors and lower professional fees. The service contracts of managing directors have been amended, at the request of the managing directors and approved by Remuneration Committee, to exclude profit share entitlement with effect from Q1FY2018.
- 5 Other operating expenses increased by \$1.5M to \$8.3M in current year from \$6.8M in previous year. It increased by \$2.5M to \$4.0M in Q4 current year from \$1.5M in Q4 previous year. The increase was due to exchange loss in relation to USD fixed deposit as the USD weakened against SGD and impairment loss on quoted equity investment offset by absence of provision for impairment loss on development project at Balestier Tower.
- 6 Finance cost decreased by \$0.4M to \$5.4M in current year from \$5.8M in previous year. It decreased by \$0.8M to \$0.6M in Q4 current year from \$1.4M in Q4 previous year. The decrease in finance cost was mainly due to write back of imputed interest due to longer repayment period offset by higher bank interest due to higher bank loan.
- 7 Share of loss of associated companies and joint ventures increased by \$0.8M to \$2.8M in current year from \$2.0M in previous year. In Q4 current year, share of results of associated companies and joint ventures was a loss of \$2.4M compared to profit of \$1.9M in Q4 previous year. The loss in Q4 current year was due to the absence of depreciation written back due to reclassification of Investment Property to Property Held for Sale at AXA Tower in Q4 previous year. There is no significant change in the profit performance at Westgate Tower. The occupancy of AXA Tower and Westgate Tower are about 87% and 98.7% as at 22 March 2018.
- 8 The basis of tax computation is set out below:

	3 months ended		Increase (Decrease) %	12 months ended		Increase (Decrease) %
	31/01/2018	31/01/2017		31/01/2018	31/01/2017	
	\$'000	\$'000		\$'000	\$'000	
Income tax expense:						
- current	(2,627)	(2,896)	(9)	(3,922)	(3,471)	13
- foreign tax	541	264	105	(25)	(634)	(96)
	<u>(2,086)</u>	<u>(2,632)</u>	(21)	<u>(3,947)</u>	<u>(4,105)</u>	(4)
n.m.: Not Meaningful						

There is no significant difference in taxation.

- 9 Net profit attributable to shareholders decreased by \$37.2M to \$18.5M in current year from \$55.7M in previous year. It decreased by \$0.3M to \$6.0M in Q4 current year from \$6.3M in Q4 previous year. The decrease was mainly due to absence of extraordinary gain of \$58.6M from the sales of DHS, Xinfeng and OSC-Duxton in Q4 previous year. Excluding this extraordinary gain, net profit attributable to shareholders would have increased by \$21.4M in current year compared to previous year. It would have increased by \$8.4M in Q4 current year compared to Q4 previous year. The increase was mainly due to increased sales in Development segment and increased profits at Investment segment offset by lower profits at Hotel segment.

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

	Group		Note	Company	
	31/01/2018 \$'000	31/1/2017 \$'000		31/01/2018 \$'000	31/1/2017 \$'000
ASSETS					
Non-current assets					
Investment properties	274,331	309,999	1	18,414	18,613
Property, plant and equipment	231,613	137,191	1	5,176	5,521
Subsidiaries	-	-		492,857	288,256
Joint ventures	91,745	91,104	2	95,804	92,536
Associated companies	53,155	50,826	3	56	56
Long-term quoted equity investments	50,810	51,701	4	1,730	1,433
Other investment	32,000	32,000	15	-	-
Other receivables	235	-		-	-
Deferred tax assets	-	332		-	-
	<u>733,889</u>	<u>673,153</u>		<u>614,037</u>	<u>406,415</u>
Current assets					
Cash and cash equivalents	134,070	250,574	5	80,482	140,045
Fixed deposits	5,350	16,221	5	-	75,310
Short-term quoted equity investments	5,949	5,097	6	-	-
Trade and other receivables	23,343	90,255	7	2,774	14,068
Inventories	379	420		-	-
Work in progress	-	-		-	709
Properties held for sale	-	7,932	14	-	-
Development properties	254,943	107,454	8	-	-
	<u>424,034</u>	<u>477,953</u>		<u>83,256</u>	<u>230,132</u>
Total assets	<u>1,157,923</u>	<u>1,151,106</u>		<u>697,293</u>	<u>636,547</u>
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital	161,863	161,863		161,863	161,863
Capital reserves	(2,005)	(2,005)		-	-
Fair value reserves	16,843	7,764	9	975	713
Retained profits	486,185	497,239		425,630	396,200
Exchange fluctuation account	1,929	2,034		-	-
	<u>664,815</u>	<u>666,895</u>		<u>588,468</u>	<u>558,776</u>
Non-controlling interests	32,989	27,363	12	-	-
Total equity	<u>697,804</u>	<u>694,258</u>		<u>588,468</u>	<u>558,776</u>
LIABILITIES					
Non-current liabilities					
Bank borrowings	246,995	353,084	11	-	-
Amount owing to non-controlling shareholders of subsidiaries	53,310	58,157	10	-	-
Deferred tax liabilities	2,458	2,163		-	-
	<u>302,763</u>	<u>413,404</u>		<u>-</u>	<u>-</u>
Current liabilities					
Trade and other payables	24,604	31,624	13	12,017	21,171
Amount owing to subsidiaries	-	-		74,777	55,855
Joint ventures	434	470	2	197	197
Amount owing to non-controlling shareholders of subsidiaries (non-trade)	434	440	10	-	-
Provisions	46	77		-	-
Provision for directors' fee	245	245		245	245
Provision for taxation	5,504	3,388		1,589	303
Bank borrowings	126,089	7,200	11	20,000	-
	<u>157,356</u>	<u>43,444</u>		<u>108,825</u>	<u>77,771</u>
Total liabilities	<u>460,119</u>	<u>456,848</u>		<u>108,825</u>	<u>77,771</u>
Total equity and liabilities	<u>1,157,923</u>	<u>1,151,106</u>		<u>697,293</u>	<u>636,547</u>

Notes to the balance sheets

- 1 The net book value of Investment Properties decreased by \$35.7M to \$274.3M as at 31 January 2018 from \$310.0M as at 31 January 2017. The decrease was mainly due to reclassification of Balestier Tower retail development to Development Property. The net book value of Property, Plant and Equipment increased by \$94.4M to \$231.6M as at 31 January 2018 from \$137.2M as at 31 January 2017. The increase was mainly due to higher development cost of serviced apartment at Balestier Tower and Perumal offset by depreciation.
- 2 Joint ventures increased by \$0.7M to \$91.3M as at 31 January 2018 from \$90.6M as at 31 January 2017. The increase was mainly due to exchange gain on joint ventures in Malaysia as Malaysian ringgit strengthen against Singapore dollar in Q4 current year.
- 3 Associated companies increased by \$2.4M to \$53.2M as at 31 January 2018 from \$50.8M as at 31 January 2017. The increase was mainly due to additional advances made to associate companies in Malaysia and exchange gain as Malaysian ringgit strengthen against Singapore in Q4 current year.
- 4 Long-term quoted equity investments decreased by \$0.9M to \$50.8M as at 31 January 2018 from \$51.7M as at 31 January 2017. The decrease was mainly due to disposal of quoted shares offset by increase in the fair value of the majority of long-term quoted shares.
- 5 Cash and cash equivalents and fixed deposits decreased by \$127.4M to \$139.4M as at 31 January 2018 from \$266.8M as at 31 January 2017 mainly due to funding of development projects at Perumal and Kismis.
- 6 Short-term quoted equity investments increased by \$0.8M to \$5.9M as at 31 January 2018 from \$5.1M as at 31 January 2017 due to increase in fair value of short-term quoted equity investments.
- 7 Trade and other receivables decreased by \$67.0M to \$23.3M as at 31 January 2018 from \$90.3M as at 31 January 2017 mainly due to sales proceeds received from Parkland Residences, OSC-Duxton and Xinfeng in China offset with progressive sales recognition of project at Kismis.
- 8 Development properties increased by \$147.4M to \$254.9M as at 31 January 2018 from \$107.5M as at 31 January 2017 mainly due to increased construction activity at Perumal and Kismis. Sales at Kismis were launched in Q4 current year and 15 units were sold as at 22 March 2018.
- 9 Fair value reserves increased by \$9.0M to \$16.8M as at 31 January 2018 from \$7.8M as at 31 January 2017 due to increase in fair value for long-term quoted equity investments.
- 10 Total amount owing to non-controlling shareholders of subsidiaries decreased by \$4.9M to \$53.7M as at 31 January 2018 from \$58.6M as at 31 January 2017 mainly due to reclassification of imputed interest portion of the refinanced loan to capital reserve at PLS.
- 11 Bank borrowings increased by \$12.8M to \$373.1M as at 31 January 2018 from \$360.3M as at 31 January 2017 due to additional drawdown of bank loan to fund development projects at Perumal and Kismis. Gearing was 0.35 as at 31 January 2018 compared to 0.14 as at 31 January 2017.
- 12 Non-controlling interests increased by \$5.6M to \$33.0M as at 31 January 2018 from \$27.4M as at 31 January 2017 mainly due to additional capital reserve of imputed interest on refinanced loan at PLS and increase in share of profit offset by dividend paid to non-controlling shareholders.
- 13 Trade and other payables decreased by \$7.0M to \$24.6M as at 31 January 2018 from \$31.6M as at 31 January 2017. The decrease was mainly due to write back of construction and development project accruals upon finalisation of accounts and payment of FY2017 director's profit sharing offset with increase in booking fee from Kismis.
- 14 The Group has no property held for sale as at 22 March 2018. The remaining units from previous year at PLS and Parkland Residences are 100% sold as at 31 January 2018.
- 15 The amount of \$32.0M is part of the 20% equity investment in AXA Tower. It is invested in the form of junior bonds which are expected to mature in year 2025 with a coupon rate of not more than 10% per annum repayable semi-annually.

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

	31/01/2018		31/1/2017	
	Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
Amount repayable in one year or less, or on demand	118,889	7,200	7,200	-
Amount repayable after one year	246,995	-	353,084	-
	<u>365,884</u>	<u>7,200</u>	<u>360,284</u>	<u>-</u>

Details of any collateral

Borrowings are secured by the mortgages on the borrowing subsidiaries' development and investment properties and assignment of all rights and benefits with respect to the development and investment properties mortgaged.

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

	12 months ended	
	31/01/2018	31/01/2017
	\$'000	\$'000
Net cash generated from financing activities		
Cash Flow from Operating Activities		
Profit before taxation	24,411	67,824
Adjustments for:		
Share of results of associated companies and joint ventures	2,813	2,021
Depreciation of:		
-investment properties	2,973	2,973
-property, plant and equipment	2,059	3,004
Impairment loss on property, plant and equipment	-	3,338
Impairment loss on investment property	(6,913)	1,113
Gain on disposal of:		
-a subsidiary	-	(55,538)
-property, plant and equipment	(13)	(15)
-joint venture	-	(3,105)
Impairment loss on:		
-quoted investment	2,025	650
-property, plant and equipment	15	-
Fair value gain recycled from fair value reserve to consolidated income statement on derecognition of available-for-sale financial assets	(3,241)	-
Fair value gain on financial assets at fair value through profit or loss	(852)	(333)
Provisions:		
-for the year	-	18
Interest expense	5,415	5,796
Interest income	(7,114)	(9,290)
Operating profit before working capital changes	21,578	18,456
Inventories	42,352	39
Development properties	(139,557)	(9,990)
Receivables	70,015	43,244
Payables	(6,635)	(22,814)
Cash (used in)/generated from operations	(12,247)	28,935
Interest paid	(5,338)	(5,958)
Income tax paid	(533)	(10,879)
Net cash (used in)/generated from operating activities	(18,118)	12,098
Amount carried forward	(18,118)	12,098

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

	12 months ended	
	31/01/2018	31/01/2017
	\$'000	\$'000
Amount brought forward	(18,118)	12,098
Cash Flows from Investing Activities		
Acquisition of property, plant and equipment	(96,162)	(1,213)
Acquisition of investment property	(2,630)	(801)
Acquisition of quoted investments	(844)	(12,383)
Interest received	7,114	9,290
Fixed deposit with maturity more than three months	(29)	383
Net proceeds from sale of joint venture	-	3,583
Advances and loans (made to)/from joint ventures and associated companies	(4,666)	(4,619)
Capital return from joint ventures in liquidation	210	-
Dividends from joint ventures	(422)	-
Repayment of loans from joint ventures	63	-
Proceeds from disposal of quoted equity investments	12,091	-
Net proceeds from sale of subsidiary (Note A)	-	55,538
Proceeds from disposal of property, plant and equipment	(741)	16,093
Net cash (used in)/generated from investing activities	(86,016)	65,871
Cash Flow from Financing Activities		
Dividends paid to shareholders of the Company	(29,553)	(29,552)
Dividends paid to minority shareholder of a subsidiary	(1,960)	(21,454)
Proceeds from bank borrowings	71,500	26,949
Repayment of bank borrowings	(58,700)	(7,740)
Loans from non-controlling shareholders of a subsidiary	796	1,679
Fixed deposit pledged	10,900	(11,480)
Net cash used in financing activities	(7,017)	(41,598)
Net (decrease)/increase in cash and cash equivalents	(111,151)	36,371
Cash and cash equivalents at beginning of year	250,574	213,877
Exchange differences on translation of cash and cash equivalent at beginning of year	(5,354)	326
Cash and cash equivalents at end of year	134,069	250,574

The Group has unused bank facilities of \$279.1M as of 31 January 2018.

The Group generated a net decrease of \$111.2M cash flow during 12 months current year compared to net increase of \$36.4M during 12 months previous year. The net decrease in cash and cash equivalents was due to net cash used in operating activities of \$18.1M, net cash used in investing activities of \$86M and net cash used in financing activities of \$7.0M.

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

Note A:

The Group disposed of its subsidiaries DHS and Xinfeng during current year. The carrying value of assets disposed of and liabilities discharged were as follows:

	31 Jan 2018	31 Jan 2017
	\$'000	\$'000
Property, plant and equipment	-	17,070
Deferred tax assets	-	198
Inventory	-	71
Trade receivables	-	1,132
Other receivables	-	1,538
Deferred expenses	-	147
Cash and bank balances	-	1,151
Trade payables	-	(733)
Other payables	-	(461)
Provision for taxation	-	(199)
Provision for severance pay	-	(245)
Net assets disposed	-	19,669
Gain on disposal	-	55,538
Proceeds received	-	75,207
Less:		
Cash balance in subsidiary disposed	-	(1,151)
Cash outflow to settle amount owing by subsidiary	-	(14,608)
Cash outflow on expenses relating to disposal of subsidiary	-	(2,265)
Exchange difference	-	(1,645)
Net cash inflow on disposal	-	55,538

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 year

	Share capital \$'000	Reserves \$'000	Retained profits \$'000	Total \$'000			
The Company							
Balance at 1/2/2017	161,863	713	396,200	558,776			
Total comprehensive income and loss for the period	-	262	58,983	59,245			
Transaction with owners -							
Dividends paid in respect of financial year ended 31 January 2017	-	-	(29,552)	(29,552)			
				-			
Balance at 31/1/2018	161,863	975	425,631	588,469			
Balance at 1/2/2016	161,863	622	333,236	495,721			
Total comprehensive income and loss for the period	-	91	92,517	92,608			
Transaction with owners -				-			
Dividends paid in respect of financial year ended 31 January 2016	-	-	(29,553)	(29,553)			
Balance at 31/1/2017	161,863	713	396,200	558,776			
The Group							
	Share capital \$'000	Reserves \$'000	Retained profits \$'000	Exchange fluctuation account \$'000	Sub-total \$'000	Non- controlling interests \$'000	Total \$'000
Balance at 1/2/2017	161,863	5,759	497,239	2,034	666,895	27,363	694,258
Total comprehensive income and loss for the period	-	9,079	18,496	(105)	27,470	1,943	29,413
Transaction with owners -							
Dividends paid in respect of financial year ended 31 January 2017	-	-	(29,552)	-	(29,552)	(1,960)	(31,512)
Transaction with owners -							
Reserves arising from non-interest bearing loans from non-controlling shareholders	-	-	2	-	2	5,643	5,645
Balance at 31/1/2018	161,863	14,838	486,185	1,929	664,815	32,989	697,804
Balance at 1/2/2016	161,863	564	467,606	(2,475)	627,558	47,366	674,924
Total comprehensive income and loss for the period	-	5,195	59,185	7,995	72,375	1,570	73,945
Transaction with owners -							
Dividends paid in respect of financial year ended 31 January 2016	-	-	(29,552)	-	(29,552)	(21,454)	(51,006)
Transaction with owners -							
Realisation of reserve upon disposal of a subsidiary	-	-	-	(3,306)	(3,306)	-	(3,306)
Realisation of reserve upon disposal of a joint venture	-	-	-	(175)	(175)	-	(175)
Reserves arising from non-interest bearing loans from non-controlling shareholders	-	-	-	(5)	(5)	(119)	(124)
Balance at 31/1/2017	161,863	5,759	497,239	2,034	666,895	27,363	694,258

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

There was no change in the company's share capital as at 31 January 2018 compared to 31 January 2017.

There were no outstanding executives' share options granted as at 31 January 2018 and 31 January 2017.

There was no treasury share held or issued as at 31 January 2018 and 31 January 2017.

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

	As at 31-01-2018	As at 31-01-2017
Number of issued shares excluding treasury shares	738,816,000	738,816,000

- 1(d)(iv) 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.**

There were no sales, transfers, disposal, cancellation and / or use of treasury shares as at 31 January 2018.

- 2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Review Engagements 2400 (Engagements to Review Financial Statements), or an equivalent standard)**

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)**

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**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as compared with those used in the audited financial statements for the year ended 31 January 2018.

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

The Group has adopted all the new and revised Financial Reporting Standards ("FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 February 2017. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group's and Company's accounting policies and has no material effect on the amounts reported for the current period or prior years.

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

	3 months ended		12 months ended	
	31/1/2018	31/1/2017	31/1/2018	31/1/2017
Earnings per ordinary share for the period based on net profit attributable to shareholders of the Company:				
(i) Based on weighted average number of ordinary shares in issue	0.81 cents	0.85 cents	2.50 cents	7.54 cents
(ii) On a fully diluted basis	0.81 cents	0.85 cents	2.50 cents	7.54 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

	Group		Company	
	31/1/2018	31/1/2017	31/1/2018	31/1/2017
Net asset value per ordinary share	90 cents	90 cents	80 cents	76 cents
Net tangible assets backing per ordinary share	90 cents	90 cents	80 cents	76 cents

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, 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 cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Development

Development revenue increased by \$30.3M to \$32.1M in current year from \$1.8M in previous year. Development revenue was \$19.2M in Q4 current year. There was no development revenue in Q4 previous year. The increase was due to sales from Parkland Residences, PLS, and Kismis during current year.

Net profit before tax and non-controlling interests for development segment increased by \$2.0M to \$10.1M in current year from \$8.1M in previous year. It increased by \$0.5M to \$8.4M in Q4 current year from \$7.9M in Q4 previous year. The decrease was due to the absence of extraordinary gain of \$8.7M from disposal of Xinfeng and OSC-Duxton in previous year. Excluding this extraordinary gain, the net profit would have increased by \$10.7M in current year. It would have increased by \$9.2M in Q4 current year. Kismis, a freehold landed development at Upper Bukit Timah consisting of 31 units conventional landed and 7 units cluster landed is 89% completed as of 31 January 2018. The sales launch was in Q4 FY2018 and 15 units have been sold as at 22 March 2018. Planning and design of Perumal mixed use residential / commercial development has started and the project is targeted to complete by Q2 FY2023. In Q4 current year, the retail development at Balestier Tower was reclassified as development property and the corresponding impairment loss of \$6.9M was written back. Balestier Tower is targeted to obtain TOP by Q2 FY2020

The Group has entered into a Sale & Purchase Agreement on 14 February 2018 ("SPA") with the owners of Cairnhill Mansion for its enbloc acquisition for a total purchase consideration of \$362.0M. Cairnhill Mansion is a freehold development with approximately 43,103 square feet and 156,400 square feet of land and gross floor area respectively. Cairnhill Mansion will be redeveloped into a high rise residential condominium of approximately 200 units. Deposit of \$18.1M has been paid pending completion of the enbloc acquisition. Completion of the enbloc acquisition is subject to satisfaction of conditions precedent as set out in the SPA including amongst others, the Vendors obtaining sale order approving the collective sale of the Development in accordance with the Land Titles (Strata) Act. The Purchase Consideration was arrived at on a "willing-buyer" and "willing-seller" basis after taking into consideration various commercial factors, including without limitation the location and potential of the development and prevailing market conditions.

Investments

There was no significant change in Investment revenue in current year compared to previous year.

Net profit before tax and non-controlling interests for investment segment increased by \$6.8M to \$12.9M in current year from \$6.2M in previous year. It incurred a loss of \$0.6M in Q4 current year compared to a profit of \$4.2M in Q4 previous year. The increase in current year was mainly due to gain on disposal of long term equity investment, dividend on long term equity investment and write back of construction cost for completed projects upon finalisation of accounts offset with increase in unrealised translation loss on USD deposit as the USD weakened against SGD. The decrease in Q4 current year was mainly due to reversal of depreciation of the investment property which was reclassified as property held for sale at AXA Tower in previous year. Westgate Tower achieved occupancy of 98.7% as at 22 March 2018. AXA Tower sold 6 units during current year and achieved occupancy of approximately 87% as at 22 March 2018. PLS retail mall is 99.7% occupied as at 22 March 2018.

Hotel and F&B business

Revenue for hotel segment decreased by \$4.1M to \$23.3M in current year from \$27.3M in previous year. It decreased by \$1.2M to \$5.1M in Q4 current year from \$6.4M in Q4 previous year. The decrease was mainly due to sale of DHS in previous year and lower room rates and lower occupancy in Duxton Hotel Perth.

Net profit before tax and non-controlling interests for hotel segment decreased by \$49.8M to \$1.4M in current year from \$51.1M in previous year. It decreased by \$3.8M to \$0.1M in Q4 current year from \$3.9M in Q4 previous year. The decrease in current year was mainly due to the absence of extraordinary gain on sale of DHS in previous year and the lower profit performance at Duxton Hotel Perth. The decrease in Q4 current year was mainly due to unrealised exchange gain is USD fixed deposit in Q4 previous year. The Group has appointed The Ascott Limited ("Ascott") to manage the serviced residences at Balestier Road and Perumal Road. Citadines Balestier Singapore is a 166-unit serviced residence while Iyf Farrer Park Singapore is a 240-unit serviced residence. Both serviced residence are slated to open in 2021.

Net profit attributable to shareholders

Net profit attributable to shareholders decreased by \$37.2M to \$18.5M in current year from \$55.7M in previous year. It decreased by \$0.3M to \$6.0M in Q4 current year from \$6.3M in Q4 previous year. The decrease was mainly due to absence of extraordinary gain of \$58.6M from the sales of DHS, Xinfeng and OSC-Duxton in Q4 previous year. Excluding this extraordinary gain, net profit attributable to shareholders would have increased by \$21.4M in current year compared to previous year. It would have increased by \$8.4M in Q4 current year compared to Q4 previous year. The increase was mainly due to increased sales in Development segment and increased profits at Investment segment offset by lower profits at Hotel segment.

Balance Sheet

Group shareholders' funds decreased by \$2.1M to \$664.8M as at 31 January 2018 from \$666.9M as at 31 January 2017. Cash and cash equivalents and fixed deposits decreased by \$127.4M to \$139.4M as at 31 January 2018 from \$266.8M as at 31 January 2017 mainly due to funding of development projects at Perumal and Kismis. Bank borrowings increased by \$12.8M to \$373.1M as at 31 January 2018 from \$360.3M as at 31 January 2017 due to additional drawdown of bank loan to fund development projects at Perumal and Kismis. Gearing was 0.35 as at 31 January 2018 compared to 0.14 as at 31 January 2017.

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 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 residential property market has turned around as prices of residential properties rose quarter-to-quarter by 0.7% in December 2017 after 15 consecutive quarters of decline. Recent enbloc transactions have also led to increased property activity and high bidding prices. The Group will continue to be selective in land bidding and investment projects. The Group will strive to maintain rental rates for renewals amid the softening rental market.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared/recommended for the current financial period reported on? Yes

Name of Dividend : First & Final Dividend
Dividend Type : Cash
Dividend Amount : 2.0 cents per ordinary share
Tax Rate : Tax exempt (One-Tier tax)

Name of Dividend : Special Dividend
Dividend Type : Nil
Dividend Amount : Nil
Tax Rate : Tax exempt (One-Tier tax)

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend : First & Final Dividend
Dividend Type : Cash
Dividend Amount : 3.0 cents per ordinary share
Tax Rate : Tax exempt (One-Tier tax)

Name of Dividend : Special Dividend
Dividend Type : Cash
Dividend Amount : 1.0 cents per ordinary share
Tax Rate : Tax exempt (One-Tier tax)

(c) Date payable

Subject to shareholders' approval at the Annual General meeting to be held on 31 May 2018, the proposed first and final dividend will be paid on 21 June 2018.

(d) Books closure date

The Share Transfer Books and the Register of Members of the Company will be closed on 12 June 2018 after 5.00 p.m. for the purpose of determining shareholders' entitlement to the first and final dividend and the special dividend.

Duly completed registrable transfers received by the Company's Share Registrar, KCK CorpServe Pte. Ltd., 333 North Bridge Road #08-00, KH KEA Buildings, Singapore 188721 up to 5.00 p.m. on 12 June 2018 will be registered to determine shareholders' entitlements to the said proposed first and final dividend and the special dividend. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 12 June 2018 will be entitled to the abovementioned proposed first and final dividend and the special dividend.

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

Not applicable

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Not applicable

14. Confirmation that the issuer has procured undertakings from all its Directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual

The Company confirms that it 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.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

15. 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

	3 months ended		Increase / (Decrease) %	12 months ended		Increase / (Decrease) %
	31/1/2018 \$'M	31/1/2017 \$'M		31/1/2018 \$'M	31/1/2017 \$'M	
Revenue						
Construction*	-	-	n.m.	-	0.6	(100)
Development	19.2	-	n.m.	32.1	1.8	n.m.
Investment	4.3	3.8	13	17.3	17.3	-
Hotels	5.1	6.4	(20)	23.3	27.3	(15)
Total	28.6	10.2	180	72.7	47.0	55
Profit before tax and non-controlling interests						
Construction*	-	0.2	(100)	-	2.4	(100)
Development	8.4	7.9	6	10.1	8.1	25
Investment	0.6	4.2	(86)	12.9	6.2	108
Hotels	0.1	3.9	(97)	1.4	51.1	(97)
Total	9.1	16.2	(44)	24.4	67.8	(64)
Non-controlling interests	(1.0)	(7.3)	(86)	(2.0)	(8.0)	(75)
Taxation	(2.1)	(2.6)	(19)	(3.9)	(4.1)	(5)
Net profit attributable to shareholder	6.0	6.3	(5)	18.5	55.7	(67)

* With effect from Q1FY2018, construction business is included in investment segment as the construction division provides construction service for internal property development and investment project.

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments

The Group's construction business has been focussed on non-third party development projects since 2015.

The Group's development projects Parkland Residences, a DBSS development and Paya Lebar Square, a commercial development, obtained TOP on 29 October 2014 and 3 November 2014 respectively. Both projects were 100% sold as at 31 January 2018. Kismis Residences, a freehold landed development at Upper Bukit Timah consisting of 31 units conventional landed and 7 units cluster landed is 89% completed as of 31 January 2018. It sold 15 units as at 22 Mar 2018 and is targeted to obtain TOP in Q2 FY2019. Balestier Tower is 21% complete as at 31 January 2018 and is targeted to obtain TOP by Q2 2020.

On 18 January 2017, the Company was awarded the land tender at Perumal Road for residential with commercial at first storey development. Planning and design of the Perumal development has started and the project is targeted to complete by Q2 FY2023.

The Group has one hotel, viz. Duxton Hotel Perth in Australia. Duxton Hotel Saigon was disposed in Q2 previous year for a consideration of US\$ 49.0M which included repayment of shareholder loan of US\$ 10.6M. The Group has appointed Ascott to manage the serviced residences at Balestier Tower and Perumal. Citadines Balestier Singapore is a 166-unit serviced residence while lyf Farrer Park Singapore is a 240-unit serviced residence. Both serviced residence are slated to open in 2021.

The Group's main investments are investment properties in Singapore and Malaysia as well as some quoted equity investments. Key investment properties include PLS Retail Mall and Westgate Tower. They achieved occupancy of 99.7% and 98.7% respectively as at 22 March 2018.

Please refer to paragraph 8 above on changes in turnover and profit.

17. A breakdown of sales

	12 months ended		Increase / (Decrease) %
	31/01/2018 \$'000	31/1/2017 \$'000	
Sales reported for first half year	30,576	24,406	25
Operating profit after tax before deducting non-controlling interests reported for first half year	6,483	46,740	(86)
Sales reported for second half year	42,094	22,638	86
Operating profit after tax before deducting non-controlling interests reported for second half year	13,981	16,979	(18)

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

	Latest Full Year	Previous Full Year
	\$'000	\$'000
Ordinary one-tier dividend	14,776	22,164
Special one-tier dividend	-	7,388
	<u>14,776</u>	<u>29,552</u>

19 Interested parties transactions

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
Consistent Records Sdn Bhd	Bina Meganmas Sdn Bhd : S\$557,588.09 Loan Binakawa Sdn Bhd: S\$1,682,680.34 Loan	N/A

Pursuant to Chapter 9 of the SGX-ST Listing Manual, the above interested person transactions are either below the relevant materiality threshold or exempted from shareholders' approval.

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

	Name	Age	Family Relationship with any Director, CEO 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
1.	Low Poh Kok	45	Brother of Low Poh Kuan. Nephew of Tan Sri Dato' Low Keng Huat and Low Keng Boon @ Lau Boon Sen. Cousin of Dato' Marco Low Peng Kiat.	Manager, Property Development with effect from 3/1/2005.	Nil
2.	Low Chin Han	37	Son of Low Keng Boon @ Lau Boon Sen. Nephew of Tan Sri Dato' Low Keng Huat. Cousin of Dato' Marco Low Peng Kiat and Low Poh Kuan.	Director of Duxton Hotel Perth with effect from 1/11/2011. Appointed as Director – Hospitality with effect from March 2014	Nil

BY ORDER OF THE BOARD

Low Keng Boon @ Lau Boon Sen
Joint Managing Director

Dato' Marco Low Peng Kiat
Joint Managing Director

29 March 2018