
UNAUDITED RESULTS FOR FULL YEAR ENDED 31 DECEMBER 2012

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

- 1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group					
	Fourth Quarter Ended			Financial Year Ended		
	31.12.2012	31.12.2011	+ / (-)	31.12.2012	31.12.2011	+ / (-)
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue	5,808	4,029	44.2	26,378	28,119	(6.2)
Cost of sales	(3,673)	(1,715)	n.m.	(12,408)	(13,106)	(5.3)
Gross profit	2,135	2,314	(7.7)	13,970	15,013	(6.9)
Other income	1,744	1,006	73.4	6,256	4,830	29.5
General and administrative costs	(2,607)	(3,299)	(21.0)	(9,623)	(9,598)	0.3
Selling and distribution costs	(59)	(40)	47.5	(211)	(184)	14.7
Other operating (costs)/income	(10,811)	(687)	n.m.	(13,314)	(5,400)	n.m.
Finance costs	(107)	(182)	(41.2)	(402)	(640)	(37.2)
Share of after tax results of associates and unincorporated joint venture	10,342	(207)	n.m.	9,646	(1,063)	n.m.
Profit/(loss) before taxation	637	(1,095)	n.m.	6,322	2,958	n.m.
Taxation	1,782	121	n.m.	729	(806)	n.m.
Net profit after taxation	2,419	(974)	n.m.	7,051	2,152	n.m.
Net profit/(loss) after taxation attributable to:						
Owner of the Company	2,419	(974)	n.m.	7,051	2,152	n.m.
Minority Interests	-	-		-	-	-
	<u>2,419</u>	<u>(974)</u>		<u>7,051</u>	<u>2,152</u>	

n.m. denotes not meaningful.

Profit/(loss) before taxation included the following:

	Group					
	Fourth Quarter Ended			Financial Year Ended		
	31.12.2012	31.12.2011	+/(-) %	31.12.2012	31.12.2011	+/(-) %
	\$'000	\$'000		\$'000	\$'000	
Investment income	130	146	(11.0)	5,703	4,087	39.5
Other income including interest income (included in revenue)	2,455	1,955	25.6	9,676	8,542	13.3
Interest on borrowings	(107)	(183)	(41.5)	(402)	(640)	(37.2)
Depreciation on property, plant and equipment and investment properties	(428)	(491)	(12.8)	(1,670)	(1,714)	(2.6)
Investment properties written off	-	-	-	(342)	-	n.m.
Bad debts written off	-	(3)	(100.0)	-	(3)	(100.0)
Allowance made for doubtful debts from - trade and other receivables	-	-	-	-	14	(100.0)
Allowance written-back/(made) for impairment loss on - investment properties	435	-	n.m.	(1,439)	-	n.m.
- non-current investments	(1)	(51)	(98.0)	(37)	(100)	(63.0)
- current investments	(1)	(636)	(99.8)	(252)	(5,314)	(95.3)
Under provision of taxation in prior years	(1)	(2)	(50.0)	(1)	(2)	(50.0)
Foreign exchange loss	(220)	(300)	(26.7)	(750)	(477)	57.2
Gain on disposal of investment securities - included in gross profit	356	(38)	n.m.	969	1,993	(51.4)
- included in other income	17	747	(97.7)	24	1,353	(98.2)
Gain on disposal of property, plant and equipment	117	4	n.m.	191	4	n.m.
Gain on disposal of investment properties	-	-	-	3,853	2,574	49.7
Reversal of interest receivable on loan due from an associate	(11,244)	-	n.m.	(11,244)	-	n.m.

Note:

1. Revenue decreased by \$1.8 million or 6.2% year on year ("yoy"), from \$28.1 million in financial year ended 31 December 2011 ("FY2011") to \$26.3 million in financial year ended 31 December 2012 ("FY2012").

This was mainly attributed to:

- a. decrease of \$1.9 million in proceeds from sale of investment securities (FY2012: \$11 million; FY2011: \$12.9 million);
- b. reduction of \$1.5 million from rental income (FY2012: \$5.4 million; FY2011: \$6.9million), mainly due to absence of rental income from Paya Lebar property, which is presently undergoing re-development.

Decline was mitigated by an increase of \$1.6 million in dividend income (FY2012: \$5.7 million; FY2011: \$4.1 million) mainly due to a US\$3.8 million (FY2011: US\$3 million) distribution by a fund in which the Group has a 17.82% interest.

Increase of \$1.8 million in revenue in fourth quarter ended 31 December 2012 ("4Q2012") over that in the same quarter in 2011 ("4Q2011") was mainly contributed by higher proceeds from sale of investments (4Q2012: \$3.3 million; 4Q2011: \$1.2 million), partially offset by a reduction of \$0.3 million in rental income (4Q2012: \$1.3 million; 4Q2011: \$1.6 million).

2. Cost of sales decreased by \$0.7 million or 5.3% yoy due to lower share trading activity. Higher share trading activity in 4Q2012 however contributed to an increase of \$1.9 million in cost of sales quarter on quarter ("qoq").

3. Other income comprised the following:

	4Q2012	4Q2011	+ /(-)	FY2012	FY2011	+ /(-)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Interest income	137	146	(9)	450	460	(10)
Dividend income	106	79	27	324	299	25
Gain on sale of investment securities	17	747	(730)	24	1,353	(1,329)
Gain on disposal of plant and equipment	117	4	113	191	4	187
Gain on disposal of investment properties	-	-	-	3,853	2,574	1,279
Other investment income	1,342	-	1,342	1,342	-	1,342
Sundry	25	30	(5)	72	140	(68)
	<u>1,744</u>	<u>1,006</u>		<u>6,256</u>	<u>4,830</u>	

Other investment income of \$1.3 million in FY2012 and 4Q2012 related to receipt of carried interest payment from an investment classified as available-for-sale.

4. General and administrative costs included the following:

	4Q2012	4Q2011	+ /(-)	FY2012	FY2011	+ /(-)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
General and administrative costs	(2,607)	(3,299)	(692)	(9,623)	(9,598)	25
Included in general and administrative costs:						
Depreciation of property, plant and equipment	(104)	(129)	(25)	(416)	(493)	(77)
Directors fees	(87)	(74)	13	(325)	(300)	25
Legal and professional fees	(287)	(244)	43	(804)	(843)	(39)
Foreign exchange loss	(220)	(300)	(80)	(750)	(477)	273
Salaries, CPF and bonuses	<u>(1,210)</u>	<u>(1,050)</u>	160	<u>(4,299)</u>	<u>(4,152)</u>	147

Foreign exchange loss in FY2012 and 4Q2012 was mainly due to unrealized loss on translation of net monetary assets denominated in Sterling Pound.

5. Other operating income/(costs) comprised the following:

	4Q2012	4Q2011	+ /(-)	FY2012	FY2011	+ /(-)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Allowance written-back/(made) for impairment loss on						
- non-current investment securities	(1)	(51)	(50)	(37)	(100)	(63)
- current investment securities	(1)	(636)	(635)	(252)	(5,314)	(5,062)
- investment properties	435	-	(435)	(1,439)	-	1,439
Allowance made for doubtful debts						
receivable from associate	-	-	-	-	14	14
Reversal of interest receivable from						
an associate	(11,244)	-	11,244	(11,244)	-	11,244
Investment property written off	-	-	-	(342)	-	342
	<u>(10,811)</u>	<u>(687)</u>		<u>(13,314)</u>	<u>(5,400)</u>	

Higher impairment loss in FY2011 and 4Q2011 was due to the unfavourable market conditions, resulting in a significant or prolonged decline in the market value of investment securities below their acquisition cost.

Net impairment allowance of \$1.9 million on certain UK investment properties was made in 3Q2012, arising from a decline in the value of these properties following a valuation exercise carried out in 3Q2012. This was partially offset by a reversal of \$0.4 million in impairment allowance on a property in Malaysia whose valuation indicated a higher market value.

Investment property of \$0.3 million relating to certain equipment at the Paya Lebar property, which is undergoing re-development, was written off in 3Q2012 and FY2012.

Reversal of interest receivable from an associate was made in 4Q2012 and FY2012 following an exercise to determine the appropriate interest rate for the loan extended from the Group to this associate. Accordingly, share of results in associates has increased correspondingly, arising from a reduction of interest payable on the same amount.

6. Finance cost decreased by \$0.2 million yoy and \$0.07 million qoq mainly due to repayment of interest bearing loans during the year and lower average loan balances in FY2012 compared to FY2011.
7. Taxation for FY2012 and 4Q2012 became a credit due to the reversal of interest receivable from an associate, for which deferred tax of \$1.9m was previously provided. Effective tax rates for FY2012 and 4Q2012, excluding this reversal of deferred tax amount, and for FY2011 and 4Q 2011, were higher than that arrived at by applying the statutory tax rate of 17% to the profit before taxation mainly because certain expenses are not deductible for tax purposes and also losses incurred by foreign subsidiaries are not available for set off against profits of local subsidiaries.

Statement of Comprehensive Income

	Group					
	Fourth Quarter Ended			Financial Year Ended		
	31.12.2012 \$'000	31.12.2011 \$'000	+ / (-) %	31.12.2012 \$'000	31.12.2011 \$'000	+ / (-) %
Net profit/ (loss) after taxation	2,419	(974)	n.m.	7,051	2,152	n.m.
<u>Other comprehensive income/(loss):</u>						
Net gain/(loss) on available-for-sale investments (net of tax)	562	1,654	(66.0)	2,331	(1,747)	n.m.
Exchange difference arising from						
- consolidation	(46)	21	n.m.	(80)	(110)	(27.3)
- revaluation of net investment in foreign operation	(67)	(4)	n.m.	(364)	(259)	40.5
Revaluation gain realised by an associate to income statement	-	-	n.m.	(360)	(215)	67.4
Other comprehensive gain/(loss), net of tax	449	1,671	n.m.	1,527	(2,331)	n.m.
Total comprehensive gain/(loss) for the period	2,868	697	n.m.	8,578	(179)	n.m.
Total comprehensive gain/(loss) for the period attributable to:						
Owner of the Company	2,868	697	n.m.	8,578	(179)	n.m.
Minority Interests	-	-	-	-	-	-
	<u>2,868</u>	<u>697</u>		<u>8,578</u>	<u>(179)</u>	

Net loss on available-for-sale investments (net of tax) in FY2011 of \$1.7 million was mainly due to decrease in fair value of the available-for-sale investments arising from unfavourable market conditions in the first three quarters. Improved market conditions in Q4 2011, and in 2012 and Q4 2012 resulted in a net gain of available-for-sale investments (net of tax) of \$1.6 million in Q4 2011, \$2.3 million in FY2012 and \$0.6 million in Q4 2012. The net gains were mainly due to increases in fair value gain of the available-for-sale investments.

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.

	Group		Company	
	31.12.2012 \$'000	31.12.2011 \$'000	31.12.2012 \$'000	31.12.2011 \$'000
Non-current assets				
Property, plant and equipment	6,003	6,044	-	-
Investment properties	89,331	80,890	-	-
Investment in subsidiaries	-	-	164,904	149,904
Investment in associates	9,838	166	746	746
Investment securities	10,899	7,594	-	-
Other receivables	1	12,296	-	-
Amounts due from associates	3,640	16,871	-	-
	<u>119,712</u>	<u>123,861</u>	<u>165,650</u>	<u>150,650</u>
Current assets				
Inventories	5	66	-	-
Properties classified as held for sale	1,451	3,573	-	-
Trade receivables	970	748	-	-
Prepayments and deposits	554	545	59	66
Other receivables	9,266	5,734	17	18
Amounts due from subsidiaries	-	-	12,940	6,440
Amounts due from associates	15,181	15,503	-	-
Investment securities	29,341	24,435	-	-
Cash and bank balances	51,827	47,161	12,366	23,880
	<u>108,595</u>	<u>97,765</u>	<u>25,382</u>	<u>30,404</u>
Current liabilities				
Trade payables	(661)	(840)	-	-
Other payables	(3,010)	(2,085)	(271)	(283)
Accrued operating expenses	(1,781)	(1,577)	(127)	(188)
Amounts due to associates	(520)	(608)	(327)	(350)
Bank overdraft (secured)	-	(1,545)	-	-
Bank loans (secured)	(19,160)	(13,161)	-	-
Tax payable	(2,021)	(1,049)	(7)	(11)
	<u>(27,153)</u>	<u>(20,865)</u>	<u>(732)</u>	<u>(832)</u>
Net current assets	81,442	76,900	24,650	29,572
Non-current liabilities				
Deferred tax liabilities	(3,777)	(5,299)	-	-
Other payables	(331)	(458)	-	-
	<u>(4,108)</u>	<u>(5,757)</u>	<u>-</u>	<u>-</u>
Net assets	<u>197,046</u>	<u>195,004</u>	<u>190,300</u>	<u>180,222</u>

	Group		Company	
	31.12.2012	31.12.2011	31.12.2012	31.12.2011
	\$'000	\$'000	\$'000	\$'000
Equity attributable to owner of the Company				
Share capital	172,154	172,154	172,154	172,154
Capital reserve	1,465	1,825	-	-
Revenue reserve	30,334	29,818	18,146	8,068
Fair value reserve	8,584	6,252	-	-
Currency translation reserve	(15,491)	(15,045)	-	-
	197,046	195,004	190,300	180,222
Non-controlling interests	-	-	-	-
Share capital and reserves	197,046	195,004	190,300	180,222

Note:

- Investment properties increased by \$8.4 million mainly due to costs incurred in the re-development of investment property at Paya Lebar.
- Increase in investment in associates by \$9.7 million related to share of associates' results.
- Increase in non-current investment securities was mainly due to a purchase of a \$2 million convertible debt instrument.
- Decrease in non-current amounts due from associates by \$13.2 million was mainly due to repayment of loans from associates.
- Decrease in non-current other receivables by \$12.2 million was mainly due to a reversal of interest receivable on loan due from an associate amounting to \$11.2 million.
- Increase in trade receivables by \$0.2 million was mainly due to increase in GST receivables.
- The properties classified as held for sale in 2011 was sold during the year. In 2012, one property was classified as held for sale and completion is expected by January 2013.
- Increase in current other receivables by \$3.5 million was due to additional loans given to UK joint ventures.
- Increase in current investment securities by \$4.9 million was mainly due to purchases of and fair value change of available-for-sale investments.
- Increase in cash and bank balances by \$4.7 million was mainly due to repayment of loans from associates, partially offset by dividend payment during the year.
- Increase in other payables of \$0.9 million was mainly due to outstanding payments for construction costs incurred for the re-development of the Paya Lebar property.
- Increase in accrued operating expenses was mainly due to accrual of property tax during the year.
- Reduction of bank overdraft by \$1.5 million was due to settlement of an outstanding bank overdraft during the year.

14. Increase in bank loans was mainly due to an increase in draw down of loans during the year.
15. Increase in tax payable was mainly due to an increase in chargeable income for some subsidiaries.
16. Decrease in deferred tax liabilities was mainly due to reversal of accrued interest income due from an associate.

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

Amount repayable in one year or less, or on demand

	31.12.2012		31.12.2011	
	Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
Bank overdrafts	-	-	1,545	-
Short term bank loans	19,160	-	7,981	-
Long term bank loans	-	-	5,180	-
	19,160	-	14,706	-

The Group has sufficient resources to repay the short-term bank loans.

Amount repayable after one year

	31.12.2012		31.12.2011	
	Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
Long term bank loans	-	-	-	-

Details of any collateral

Short term bank loans comprised:

- a) An amount of \$15.1 million (2011: \$6.8 million) secured by a pledge of \$13.3 million (2011: \$13.3 million) on a subsidiary's fixed deposits and a corporate guarantee for \$6.66 million (2011: \$6.66 million) from the Company.
- b) An amount of \$1.1 million (2011: \$1.1 million) secured by a deed of guarantee and indemnity for \$4 million (2011: \$4 million) from a subsidiary.
- c) An amount of \$2.9 million drawn down from a short term loan facility obtained in 2012. The facility is secured by a pledge of \$4 million on a subsidiary's fixed deposits.

Long term bank loans of \$5.2 million in 2011 were secured by a fixed charge over subsidiaries' investment properties. Bank overdrafts were secured by a corporate guarantee for \$15 million from the Company.

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.

	Group			
	Fourth Quarter Ended		Financial Year Ended	
	31.12.2012	31.12.2011	31.12.2012	31.12.2011
	\$'000	\$'000	\$'000	\$'000
Cash flow from operating activities:				
Profit/(loss) before taxation	637	(1,095)	6,322	2,958
Adjustments for:				
Interest income	(849)	(1,230)	(3,871)	(4,172)
Interest expense	107	183	402	640
Depreciation of property, plant and equipment and investment properties	428	491	1,670	1,714
Share of results of associates and unincorporated joint venture	(10,342)	207	(9,646)	1,063
Investment property written off	-	-	342	-
Allowance (written-back)/made for impairment loss on	-	-	-	-
- investment properties	(435)	-	1,439	-
- non current investment securities	1	51	37	100
- current investment securities	1	636	252	5,314
Gain on disposal of investment properties	-	-	(3,853)	(2,574)
(Gain)/loss on disposal of property, plant and equipment	(117)	4	(191)	4
Reversal of interest receivable from an associate	11,244	-	11,244	-
	38	342	(2,175)	2,089
Operating income/(loss) before reinvestment in working capital	675	(753)	4,147	5,047
Decrease/(increase) in receivables and current investments	1,219	(4,863)	580	(4,599)
Decrease/(increase) in inventories	24	(44)	61	(48)
Increase/(decrease) in payables	2,020	1,792	824	(1,530)
	3,263	(3,115)	1,465	(6,177)
Cash generated from/(used in) operations	3,938	(3,868)	5,612	(1,130)
Interest received	972	186	1,549	961
Interest paid	(107)	(183)	(402)	(640)
Income taxes paid	(74)	(338)	(155)	(1,722)
	791	(335)	992	(1,401)
Net cash generated from/(used in) operating activities carried forward	4,729	(4,203)	6,604	(2,531)

	Group			
	Fourth Quarter Ended		Financial Year Ended	
	31.12.2012	31.12.2011	31.12.2012	31.12.2011
	\$'000	\$'000	\$'000	\$'000
Net cash generated from/(used in) operating activities brought forward	4,729	(4,203)	6,604	(2,531)
Cash flow from investing activities:				
(Increase)/decrease in other investments	(368)	(538)	(3,067)	1,563
Decrease in amounts due from associates	13,583	2,417	13,593	2,349
Proceeds from disposal of investment properties	314	-	7,061	4,492
Proceeds from disposal of property, plant and equipment	122	-	196	-
Increase in other receivables	(26)	-	(3,389)	-
Addition to investment properties	(5,795)	(2,723)	(13,759)	(4,188)
Purchase of property, plant and equipment	2	(28)	(398)	(346)
Net cash generated from/(used in) investing activities	7,832	(872)	237	3,870
Cash flow from financing activities:				
Proceeds from bank loans	(77)	-	11,179	-
Repayments in bank loans	2	445	(5,180)	(2,127)
Dividends paid	-	-	(6,535)	(81,688)
Increase in pledged fixed deposits	-	-	(4,000)	-
Net cash (used in)/generated from financing activities	(75)	445	(4,536)	(83,815)
Net increase/(decrease) in cash and cash equivalents	12,486	(4,630)	2,305	(82,476)
Cash and cash equivalents at beginning of the period	21,764	37,057	32,276	114,950
Effects of exchange rate changes on cash and cash equivalents	237	(151)	(94)	(198)
Cash and cash equivalents at end of the period	34,487	32,276	34,487	32,276

For purposes of presenting consolidated cash flow statements, the consolidated cash and cash equivalents comprise the following:

	Group		Group	
	Fourth Quarter Ended		Financial Year Ended	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
	\$'000	\$'000	\$'000	\$'000
Cash and bank balances	51,827	47,161	51,827	47,161
Less: cash and bank balances pledged	(17,340)	(13,340)	(17,340)	(13,340)
Less: bank overdraft (secured)	-	(1,545)	-	(1,545)
Cash and cash equivalents at end of the period	34,487	32,276	34,487	32,276

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

----- Attributable to owner of the Company -----

	Share capital \$'000	Capital reserve ** \$'000	Revenue reserve \$'000	Fair value reserve \$'000	Currency translation reserve \$'000	Minority interests \$'000	Total equity \$'000
Group							
Balance at 1.1.2012	172,154	1,825	29,818	6,252	(15,045)	-	195,004
Total comprehensive gain/(loss) for the period	-	(182)	1,555	6,730	(98)	-	8,005
Balance at 31.3.2012	172,154	1,643	31,373	12,982	(15,143)	-	203,009
Total comprehensive gain/(loss) for the period	-	(178)	1,075	(881)	(231)	-	(215)
Dividends paid	-	-	(6,535)	-	-	-	(6,535)
Balance at 30.6.2012	172,154	1,465	25,913	12,101	(15,374)	-	196,259
Total comprehensive gain/(loss) for the period	-	-	2,002	(4,080)	(3)	-	(2,081)
Balance at 30.9.2012	172,154	1,465	27,915	8,021	(15,377)	-	194,178
Total comprehensive gain/(loss) for the period	-	-	2,419	563	(114)	-	2,868
Balance at 31.12.2012	172,154	1,465	30,334	8,584	(15,491)	-	197,046
Balance at 1.1.2011	172,154	2,040	109,355	7,999	(14,677)	-	276,871
Total comprehensive gain/(loss) for the period	-	-	433	(996)	(101)	-	(664)
Balance at 31.3.2011	172,154	2,040	109,788	7,003	(14,778)	-	276,207
Total comprehensive gain/(loss) for the period	-	-	306	(1,991)	(219)	-	(1,904)
Dividends paid	-	-	(65,350)	-	-	-	(65,350)
Balance at 30.6.2011	172,154	2,040	44,744	5,012	(14,997)	-	208,953
Total comprehensive gain/(loss) for the period	-	(215)	2,386	(414)	(65)	-	1,692
Dividends paid	-	-	(16,338)	-	-	-	(16,338)
Balance at 30.9.2011	172,154	1,825	30,792	4,598	(15,062)	-	194,307
Total comprehensive gain/(loss) for the period	-	-	(974)	1,654	17	-	697
Balance at 31.12.2011	172,154	1,825	29,818	6,252	(15,045)	-	195,004

** Capital reserve relates to unrealised revaluation gain pertaining to certain properties purchased from an associate.

Company	Share capital \$'000	Revenue reserve \$'000	Total equity \$'000
Balance at 1.1.2012	172,154	8,068	180,222
Total comprehensive loss for the period	-	(162)	(162)
Balance at 31.3.2012	172,154	7,906	180,060
Total comprehensive loss for the period	-	(227)	(227)
Dividends paid	-	(6,535)	(6,535)
Balance at 30.6.2012	172,154	1,144	173,298
Total comprehensive gain for the period	-	2,240	2,240
Balance at 30.9.2012	172,154	3,384	175,538
Total comprehensive gain for the period	-	14,762	14,762
Balance at 31.12.2012	172,154	18,146	190,300
Balance at 1.1.2011	172,154	25,686	197,840
Total comprehensive loss for the period	-	(200)	(200)
Balance at 31.3.2011	172,154	25,486	197,640
Total comprehensive gain for the period	-	57,219	57,219
Dividends paid	-	(65,350)	(65,350)
Balance at 30.6.2011	172,154	17,355	189,509
Total comprehensive gain for the period	-	2,799	2,799
Dividends paid	-	(16,338)	(16,338)
Balance at 30.9.2011	172,154	3,816	175,970
Total comprehensive gain for the period	-	4,252	4,252
Balance at 31.12.2011	172,154	8,068	180,222

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.

No option has been granted under the Hwa Hong Corporation Limited (2001) Share Option Scheme since its adoption on 29 May 2001. At the 58th Annual General Meeting held on 27 April 2011, the shareholders of the Company approved the extension of the Scheme for another ten years from 29 May 2011 to 28 May 2021.

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.

Since 31 December 2011, there has been no change to the total number of 653,504,000 issued ordinary shares of the Company.

As at 31 December 2011 and 31 December 2012, the Company's share capital was \$172,153,626 with 653,504,000 ordinary shares issued and fully paid.

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.

Not applicable.

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

The figures have not been audited nor reviewed by the auditors.

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

Not applicable.

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

Except as disclosed below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those of the most recently audited consolidated financial statements for the financial year ended 31 December 2011.

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 and the Company have adopted the following new and revised FRSs that are mandatory for financial periods beginning on 1 July 2011 and 1 January 2012:-

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
Amendments to FRS 107 Disclosures – Transfers of Financial Assets	1 July 2011
Amendments to FRS 12 Deferred Tax : Recovery of Underlying Assets	1 January 2012

The adoption of the revised FRS did not result in any substantial change to the Group's and Company's accounting policies or have any significant financial impact on the financial statements.

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.

	GROUP			
	Fourth Quarter Ended		Financial Year Ended	
	31.12.2012	31.12.2011	31.12.2012	31.12.2011
Earnings/(Loss) per ordinary share after deducting any provision for preference dividends:				
(i) Based on the weighted average number of ordinary shares in issue (cents)	0.37	(0.15)	1.08	0.33
(ii) On a fully diluted basis (cents)	0.37	(0.15)	1.08	0.33

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

(a) current financial period reported on; and

(b) immediately preceding financial year.

	GROUP		COMPANY	
	As at	As at	As at	As at
	31.12.2012	31.12.2011	31.12.2012	31.12.2011
Net asset value per ordinary share (cents)	30.15	29.84	29.12	27.58

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.

Revenue

	4Q2012 \$'000	4Q2011 \$'000	+ / (-) %	FY2012 \$'000	FY2011 \$'000	+ / (-) %
Rental and Investments ("RI")	2,466	2,897	(14.9)	15,386	16,941	(9.2)
Trading and Investments ("Trading")	3,342	1,132	n.m.	10,992	11,178	(1.7)
Corporate and Others	-	-	-	-	-	-
	<u>5,808</u>	<u>4,029</u>		<u>26,378</u>	<u>28,119</u>	

FY2012 vs FY2011

Decrease in revenue from RI segment by \$1.6 million yoy was mainly due to decrease in the following:

- Rental income by \$1.5 million (FY2012: \$5.4 million; FY2011: \$6.9 million) mainly due to absence of rental income from Paya Lebar property;
- Interest income by \$0.1 million (FY2012: \$3.4 million; FY2011: \$3.5 million);
- Proceeds from sale of investment securities by \$1.6 million (FY2012: 0.8 million; FY2011: \$2.4 million) due to lower trading activity in FY2012.

The above decreases were offset by increase in dividend income of \$1.7 million (FY2012: \$5.7 million; FY2011: \$4 million) due to distribution by a fund in which the Group has a 17.82% interest.

Decrease in revenue from Trading segment by \$0.2 million yoy was mainly due to reduction of \$0.3 million (FY2012: \$10.2 million; FY2011: \$10.5 million) in proceeds from sale of investment securities.

4Q2012 vs 4Q2011

Decrease in revenue from RI segment by \$0.4 million qoq was mainly due to decrease in the following:

- Rental income by \$0.3 million (4Q2012: \$1.3 million; 4Q2011: \$1.6 million);
- Interest income by \$0.2 million (4Q2012: \$0.7 million; 4Q2011: \$0.9 million)

Increase in Trading segment by \$2.2 million qoq was mainly due to increase in proceeds from sale of investment securities (4Q2012: \$3.2 million; 4Q2011: \$1 million) arising from the higher share trading activity in 4Q2012.

Profit before taxation

	4Q2012 \$'000	4Q2011 \$'000	+ / (-) %	FY2012 \$'000	FY2011 \$'000	+ / (-) %
Rental and Investments ("RI")	770	33	n.m.	8,046	7,598	5.9
Trading and Investments ("Trading")	349	(605)	n.m.	217	(2,467)	n.m.
Corporate and Others	(482)	(523)	(7.8)	(1,941)	(2,173)	(10.7)
	<u>637</u>	<u>(1,095)</u>		<u>6,322</u>	<u>2,958</u>	

Rental and Investments ("RI")	4Q2012 \$'000	4Q2011 \$'000	+ / (-) \$'000	FY2012 \$'000	FY2011 \$'000	+ / (-) \$'000
Revenue	2,466	2,897	(431)	15,386	16,941	(1,555)
Cost of sales	(648)	(615)	(33)	(2,351)	(2,920)	569
Gross profit	1,818	2,281	(463)	13,035	14,021	(986)
Other income	1,168	861	307	5,185	4,289	896
General and administrative costs	(1,641)	(2,554)	913	(6,315)	(6,328)	13
Other operating costs	(10,809)	(177)	(10,632)	(13,137)	(2,703)	(10,434)
Finance costs	(108)	(170)	62	(382)	(595)	213
Share of after tax results of associates and unincorporated joint venture	10,342	(208)	10,550	9,660	(1,086)	10,746
Profit before taxation	770	33	737	8,046	7,598	448

The increase in profit before taxation for RI segment in FY2012 and 4Q2012 was mainly due to the increase in share of results from associates, partially offset by an increase in other operating costs. Included in other operating cost was an amount of \$11.2 million relating to reversal of interest receivable due from an associate following an exercise to determine the appropriate interest rate for the loan extended from the Group to this associate, and the reduction was reflected as an increase in the share of associates' results.

Trading segment has turned around from loss before taxation in FY2011 and 4Q2011 to profit before taxation in FY2012 and 4Q2012 mainly due to lower allowance for impairment loss on investment securities made in FY2012 (FY2012: \$0.2 million; FY2011: \$2.7 million) and the quarter (4Q2012: nil; 4Q2011: \$0.5 million).

Loss before taxation of Corporate and Others segment was mainly contributed by salaries, bonus, accrual of directors' fees, legal and professional fees and depreciation of property, plant and equipment. Decrease in loss before taxation for Corporate and Others segment by \$0.2 million yoy and \$0.04 million qoq were mainly due to lower staff costs and depreciation of property, plant and equipment.

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.

Temporary Occupation Permit for the Paya Lebar is expected to be obtained for the redevelopment in February 2013. Negotiations for the lease of the Paya Lebar building, renamed as OneTen Paya Lebar, are still on-going.

The sale of one property in Singapore (RiverGate) was completed in January 2013 and the gain of \$1.8m will be recognised in Q1 2013.

Whilst the residential and non-service commercial properties continued to perform well in the UK, the service office activities in the locations outside London continue to face challenges. Weaknesses in the western economies are expected to remain and Singapore's growth outlook is likely to be affected. Returns from our equity portfolio will likewise be influenced by the continuing uncertainties.

11. Dividend

(a) Current Financial Period Reported On

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

Name of Dividend	Final Ordinary Dividend
Dividend Type	Cash
Dividend Amount per Share (in cents)	1 cent, (one-tier) tax exempt
Tax Rate	Not applicable

(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	Final Ordinary Dividend
Dividend Type	Cash
Dividend Amount per Share (in cents)	1 cents, (one-tier) tax exempt
Tax Rate	Not applicable

(c) Date payable

The proposed final dividend, if approved at the forthcoming Annual General Meeting of the Company, will be paid on 23 May 2013.

(d) Books closure date

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed on 10 May 2013 for the preparation of dividend warrants. Duly completed registrable transfers received by the Company's Share Registrars, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623 up to 5.00 p.m. on 9 May 2013 will be registered before entitlements to the dividend are determined. In respect of shares in securities accounts with The Central Depository (Pte) Limited ("CDP"), the said dividend will be paid by the Company to CDP which will in turn distribute the dividend entitlements to holders of shares in accordance with its practice.

(e) Interim dividend declared and paid for the current reporting period

Not applicable.

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

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.

The Group has 3 reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services and are managed separately because they require different strategies.

The following summary describes the operations in each of the Group's reportable segments:

- rental and investment: rental of residential, commercial properties and warehouse as well as investment holdings.
- insurance: general insurance as well as investment holding (discontinued).
- trading and investment: trading of chemicals and packing and trading of edible oils as well as investment holding.

For purposes of monitoring segment performance and allocating resources between segments, the chief operating decision maker monitors performance based on segment profit before income tax. Segment profit is measured as management believes that such segment transactions are determined on an arm's length basis.

There are no asymmetrical allocations to reportable segments.

FY2012	RI \$'000	Trading \$'000	Corporate & Others \$'000	Note	Eliminations \$'000	Total \$'000
<u>Income Statement</u>						
Revenue						
- external	15,386	10,992	-		-	26,378
- inter-segment	1,688	-	18,756		(20,444)	-
Total revenue	<u>17,074</u>	<u>10,992</u>	<u>18,756</u>	A		<u>26,378</u>
Interest income	87	274	89		-	450
Depreciation of property plant and equipment and investment properties	(1,540)	(3)	(127)		-	(1,670)
Gain on sale of investment securities (included in other income)	20	-	4		-	24
Gain on disposal of investment properties	3,853	-	-		-	3,853
Reversal of interest receivable on loan due from an associate	(11,244)	-	-		-	(11,244)
Allowance for impairment on non- current investment securities	(37)	-	-		-	(37)
Allowance for impairment on current investment securities	(77)	(175)	-		-	(252)
Allowance made for impairment loss on investment properties (net)	(1,439)	-	-		-	(1,439)
Investment property written off	(342)	-	-		-	(342)
Other non-cash income/(expenses)	2	118	76	B	-	196
Share of results from associates and unincorporated joint venture	9,660	-	(14)		-	9,646
Taxation	736	(7)	-		-	729
Profit/(loss) before taxation	<u>6,084</u>	<u>(75)</u>	<u>16,679</u>	A	(16,366)	<u>6,322</u>
<u>Balance Sheet</u>						
Segment assets	237,688	15,467	194,877	C	(229,740)	218,292
Interest in unincorporated joint venture	177	-	-		-	177
Investment in associates	9,084	-	754		-	9,838
Total assets						<u>228,307</u>
Segment liabilities	<u>(77,405)</u>	<u>(15,455)</u>	<u>(977)</u>	D	62,576	<u>(31,261)</u>
Capital expenditure	<u>14,153</u>	-	<u>4</u>		-	<u>14,157</u>

FY2011	RI \$'000	Trading \$'000	Corporate & Others \$'000	Note	Eliminations \$'000	Total \$'000
<u>Income Statement</u>						
Revenue						
- external	16,941	11,178	-		-	28,119
- inter-segment	487	-	65,934	A	(66,421)	-
Total revenue	<u>17,428</u>	<u>11,178</u>	<u>65,934</u>			<u>28,119</u>
Interest income	4,069	214	136	A	(380)	4,039
Interest expense	(980)	(45)	-	A	385	(640)
Depreciation of property, plant and equipment and investment properties	(1,476)	(38)	(200)		-	(1,714)
Gain on sale of investment securities (included in other income)	1,353	-	-		-	1,353
Gain on disposal of investment properties	2,574	-	-		-	2,574
Allowance for doubtful receivables (associates)	14	-	-		-	14
Allowance for impairment on non- current investment securities	(100)	-	-		-	(100)
impairment on current investment securities	(2,617)	(2,697)	-		-	(5,314)
Allowance written- back for impairment on investment properties	-	-	-		-	-
Allowance for impairment on subsidiary	-	-	(3,190)	A	3,190	-
Other non-cash income/(expenses)	-	-	-		-	-
Share of results from associates and unincorporated joint venture	(1,086)	-	23		-	(1,063)
Taxation	(424)	-	(12)		(370)	(806)
Profit/(loss) before taxation	<u>6,088</u>	<u>(2,879)</u>	<u>67,321</u>	A	<u>(67,572)</u>	<u>2,958</u>
<u>Balance Sheet</u>						
Segment assets	236,682	10,023	230,394	C	(255,807)	221,292
Interest in unincorporated joint venture	168	-	-		-	168
Investment in associates	(603)	-	769		-	166
Total assets						<u>221,626</u>
Segment liabilities	<u>(74,005)</u>	<u>(10,041)</u>	<u>(1,070)</u>	D	58,494	<u>(26,622)</u>
Capital expenditure	<u>4,773</u>	<u>39</u>	<u>8</u>		-	<u>4,820</u>

- A. Inter-segment revenue, interest income, interest expense are eliminated and allowance for impairment on subsidiary are reversed on consolidation.
- B. Other non-cash expenses consist of allowance for doubtful receivables and profit/ (loss) on sale of property, plant and equipment.
- C. The following items are added to/(deducted from) segment assets to arrive at total assets reported in the consolidated balance sheet:

	FY2012 \$'000	FY2011 \$'000
<u>Assets</u>		
Segment assets	448,032	477,099
Investment in associates	9,838	166
Interest in unincorporated joint venture	177	168
Inter-segment elimination	(229,740)	(255,807)
Total assets	228,307	221,626

- D. The following items are added to/(deducted from) segment liabilities to arrive at total liabilities reported in the consolidated balance sheet:

	FY2012 \$'000	FY2011 \$'000
<u>Liabilities</u>		
Segment liabilities	93,837	85,116
Inter-segment elimination	(62,576)	(58,494)
Total liabilities	31,261	26,622

Geographical information:

	FY2012		FY2011	
	Revenue \$'000	Non-current assets \$'000	Revenue \$'000	Non-current assets \$'000
Singapore	19,708	73,112	22,007	75,895
United Kingdom	6,628	42,996	4,889	45,003
Others	42	3,304	39	2,963
	26,378	119,412	28,119	123,861

In presenting information on the basis of geographical segments, segment revenue and non-current assets are based on geographical location of customers and assets respectively.

There has been no transaction with a single external customer that amount to 10% of the Group revenue.

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.

Please refer to Section 8 of this announcement.

15. A breakdown of sales.

	GROUP		
	FY2012 \$'000	FY2011 \$'000	+/(–) %
(a) Revenue reported for first half year	11,115	14,916	(25.5)
(b) Operating profit after tax before deducting minority interests reported for first half year	2,630	740	n.m.
(c) Revenue reported for second half year	15,263	13,203	15.6
(d) Operating profit after tax before deducting minority interests reported for second half year	4,421	1,412	n.m.

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

	GROUP	
	FY2012 \$'000	FY2011 \$'000
Ordinary	6,535	81,688
Preference	–	–
Total	6,535	81,688

17. Interested Person Transactions

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$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 \$100,000)
Hong Leong Investment Holdings Pte. Ltd. Group – Interest charged on shareholder loan to Hong Property Investment Pte Ltd	\$278,930	Not applicable*
Ong Hian Eng - Interest charge on convertible debt instruments issued by a company in which the above director has a substantial interest - Proceeds from sale of motor vehicle - Purchase consideration paid for convertible debt issued by a company in which the above director has a substantial interest - Expenses paid on behalf by a company in which the director has a substantial interest	<div style="text-align: center;">\$274,835</div> <div style="text-align: center;">\$118,000</div> <div style="text-align: center;">\$2,000,000</div> <div style="text-align: center;">\$26,052</div>	Not applicable*

* There is no subsisting shareholders' mandate for interested person transactions pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

- 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 prescribed format. If there are no such persons, the issuer must make an appropriate negative statement.**

Please refer to the Group's other Announcement dated 31 January 2013.

Submitted by

Lee Soo Wei
Chief Financial Officer
31 January 2013