

**UNAUDITED RESULTS FOR FULL YEAR ENDED 31 DECEMBER 2017****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**

Note	Group					
	Fourth Quarter Ended 31.12.2017		Financial Year Ended 31.12.2017		+/(−) %	
	\$'000	\$'000	\$'000	\$'000	+/(−) %	
Revenue	5,440	2,865	89.9	14,500	11,202	29.4
Cost of sales	1 (1,285)	(853)	50.6	(4,482)	(4,209)	6.5
Gross profit	4,155	2,012	n.m.	10,018	6,993	43.3
Other income	2 (66)	463	n.m.	8,378	10,867	(22.9)
General and administrative costs	3 (1,957)	(1,185)	65.1	(6,696)	(5,513)	21.5
Other operating costs	4 (1,452)	(2,902)	(50.0)	(3,296)	(5,020)	(34.3)
Finance costs		(271)	(356)	(23.9)	(1,282)	(1,366)
Share of after tax results of associates and joint ventures	5 999	171	n.m.	1,036	830	24.8
Profit/(loss) before taxation	1,408	(1,797)	n.m.	8,158	6,791	20.1
Taxation	6 134	680	(80.3)	(751)	(242)	n.m.
Net profit/(loss) after taxation	1,542	(1,117)	n.m.	7,407	6,549	13.1
Attributable to:						
Owners of the Company	1,542	(1,117)	n.m.	7,407	6,549	13.1
Profit/(loss) for the year attributable to owners of the Company	1,542	(1,117)		7,407	6,549	

n.m. denotes not meaningful.

Profit/(loss) before taxation included the following:

	Group					
	Fourth Quarter Ended			Financial Year Ended		
	31.12.2017 \$'000	31.12.2016 \$'000	+/(-) %	31.12.2017 \$'000	31.12.2016 \$'000	+/(-) %
Investment income	231	258	(10.5)	1,086	1,151	(5.6)
Interest income (included in revenue)	144	338	(57.4)	896	1,392	(35.6)
Interest on borrowings	(271)	(356)	(23.9)	(1,282)	(1,366)	(6.1)
Depreciation on property, plant and equipment and investment properties	(522)	(494)	5.7	(2,108)	(2,232)	(5.6)
Allowance written back/(made) for doubtful debts due from an associate	-	7	n.m.	-	(349)	n.m.
Allowance made for doubtful debts due from other receivables	-	(3)	n.m.	-	(20)	n.m.
Allowance written-back for impairment loss on - investment properties	-	605	n.m.	-	605	n.m.
Allowance made for impairment loss on - quoted current investments	(1,077)	(136)	n.m.	(1,150)	(1,881)	(38.9)
- unquoted non-current investments	(372)	(2,770)	(86.6)	(1,344)	(2,770)	(51.5)
- investment properties	(3)	-	n.m.	(802)	-	n.m.
Overprovision (net) of taxation in prior years	507	567	(10.6)	507	567	(10.6)
Foreign exchange (loss)/gain	(540)	(106)	n.m.	(876)	6,095	n.m.
Gain on disposal of an associated company	-	2	n.m.	-	2	n.m.
Gain on disposal of investment securities - included in revenue	2,860	272	n.m.	4,403	1,132	n.m.
Gain on disposal of non-current investments - included in other income	-	-	-	220	-	n.m.
(Loss)/gain on disposal of investment properties - included in other income	(6)	2	n.m.	7,852	2,182	n.m.

Notes to Group Profit and Loss Statement:

1. Cost of sales increased by \$0.3 million year-on-year (“yoY”) mainly due to one-off agency fees incurred on the 20 Midtown property as the property was being leased out this year. Cost of sales increased by \$0.4 million qoq mainly due to \$0.3 million of UK business rates payable on the 20 Midtown property.
2. Other income comprised the following:

	4Q2017 \$'000	4Q2016 \$'000	+/(-) %	FY2017 \$'000	FY2016 \$'000	+/(-) %
Interest income	8	-	n.m.	9	20	(55.0)
Gain on disposal of non-current investments	-	-	-	220	-	n.m.
Gain on disposal of investment properties	(6)	2	n.m.	7,852	2,182	n.m.
Refund of property tax	-	-	-	-	957	n.m.
Allowance written back for impairment loss on investment properties	-	605	n.m.	-	605	n.m.
Other investment income	(136)	(116)	17.2	-	700	n.m.
Foreign exchange gain (net)	-	(106)	n.m.	-	6,095	n.m.
Sundry	68	78	(12.8)	297	308	(3.6)
	<u>(66)</u>	<u>463</u>		<u>8,378</u>	<u>10,867</u>	

3. General and administrative costs increased by \$1.2 million yoy and \$0.8 million qoq mainly due to:
 - a. foreign exchange loss of \$0.9 million yoy and \$0.5 million qoq were classified within general and administrative costs. This foreign exchange arose mainly from the realised exchange loss of \$0.7 million yoy and \$0.6 million qoq from the repayment of capital injection from its investment in joint ventures. Unrealised exchange loss increased by \$0.2 million yoy mainly due to translation of bank loans denominated in Sterling Pounds arising from the strengthening of the Sterling Pounds against Singapore Dollars. Sterling Pound has increased from \$1.80876 as at 31 December 2016 to \$1.817029 as at 31 December 2017.
 - b. Higher staff cost of \$0.2 million yoy and qoq due to an increase in headcount and higher employment costs.

4. Other operating costs comprised the following:

	4Q2017 \$'000	4Q2016 \$'000	+/- %	FY2017 \$'000	FY2016 \$'000	+/- %
Allowance made for impairment loss on						
- current investment securities	(1,077)	(136)	n.m.	(1,150)	(1,881)	(38.9)
- non-current investment securities	(372)	(2,770)	(86.6)	(1,344)	(2,770)	(51.5)
- investment property	(3)	-	n.m.	(802)	-	n.m.
Allowance (written-back)/made for doubtful debts						
- due from an associate	-	7	n.m.	-	(349)	n.m.
- due from other receivables	-	(3)	n.m.	-	(20)	n.m.
	<u>(1,452)</u>	<u>(2,902)</u>		<u>(3,296)</u>	<u>(5,020)</u>	

- Overall, allowance for impairment loss decreased yoy and qoq on current and non-current investment securities. These relate to investment securities that had suffered a significant or prolonged decline in the market value below the acquisition cost of those investments;
 - Allowance for impairment on investment property was made on the Sheffield property relating to the academic facility development site in Fitzalan Square. From Q3 onwards, Sheffield property was assessed on a site-by-site basis instead of a portfolio basis arising from a change of investment strategies relating to the sites in Sheffield property. Notwithstanding impairment to this site, the other 2 sites in Sheffield property have unrecognised revaluation gains and contingent gains relating to the redevelopment of the former post office building (refer to 2016 Annual Report Note 31 for more information on Contingent Asset) which are greater than the impairment provision on an overall assessment basis.
5. Share of results of associates and joint ventures increased by \$0.2 million yoy and \$0.8 qoq mainly due to:
- a. share of profits of \$0.4 million yoy and qoq from one of its associated companies, Hong Property Investments Pte Ltd ("Hong Property"). The profits came from the disposal of one medical unit at Lucky Plaza;
 - b. Share of profits of \$0.1 million yoy and \$0.2 million qoq from one of its associated companies, Riverwalk Pte Ltd;
 - c. Share of loss of \$0.3 million yoy and share of profits of \$0.3 million qoq from one of its associates companies, Clan Kilmuir (Jersey) Limited. The share of loss included \$0.2 million attributed to depreciation of the investment property held by Clan Kilmuir.
6. The effective tax rate for FY2017 was 9.2% (2016: 3.6%). The taxation charge for the Group for FY2017 was lower than that arrived at by applying the statutory tax rate of 17% to the profit before taxation mainly due to certain gains being capital in nature, absence of tax effect on share of results of associates and joint ventures, offset by certain non-deductible expenses and losses incurred by foreign subsidiaries which are not available for set off against profits of local subsidiaries. The taxation charge for 4Q2017 and 4Q2016 were credit balance mainly due to reversal of tax no longer required to be provided.

Statement of Comprehensive Income

Note	Fourth Quarter Ended			Financial Year Ended		
	31.12.2017 \$'000	31.12.2016 \$'000	+/(−) %	31.12.2017 \$'000	31.12.2016 \$'000	+/(−) %
Net profit after taxation	1,542	(1,117)	n.m.	7,407	6,549	13.1
<u>Other comprehensive (loss)/income:</u>						
Items that may be reclassified subsequently to profit or loss:						
Net (loss)/gain on available-for-sale investments (net of tax)	1	(566)	669	n.m.	1,232	1,151
Exchange difference arising from						
- consolidation	2	523	70	n.m.	806	(4,602)
- revaluation of net investment in foreign operation	2	(49)	70	n.m.	77	(8,369)
Revaluation gain realised by an associate to income statement					(201)	-
Other comprehensive gain/(loss), net of tax		(92)	809		1,914	(11,820)
Total comprehensive gain/(loss) for the period	1,450	(308)		9,321	(5,271)	
Total comprehensive gain/(loss) for the period attributable to:						
Owner of the Company	1,450	(308)	n.m.	9,321	(5,271)	n.m.
Non-controlling Interests	-	-	-	-	-	-
	1,450	(308)		9,321	(5,271)	

Notes to Statement of Comprehensive Income

- 1) Net gains on available-for-sale investments (net of tax) in FY2017 was mainly due to recognition of fair value losses as impairment losses for those investment securities that suffered a significant or prolonged decline in market value below the acquisition cost of those investments, increases in fair value of the available-for-sale investments arising from favourable market conditions on certain shares held by the Group, offset by realisation of fair value gains on disposal of available-for-sale investments. In 4Q2017, the decrease was mainly due to realisation of fair value gains on disposal of available-for-sale investments offset by increases in fair value of the available-for-sale investments on certain shares held by the Group and recognition of fair value losses as impairment losses for those investment securities that suffered a significant or prolonged decline in market value below the acquisition cost of those investments.
- 2) Exchange differences arising from the consolidation of \$0.8 million in FY2017 and revaluation of net investment in foreign operation of \$0.1 million in FY2017 were mainly due to favourable foreign exchange impact arising from the translation of Sterling Pound against Singapore Dollars for those UK net investments and assets and the realisation of currency translation reserve relating to the repayment of capital injection from its investment in joint ventures. In 4Q2017, exchange differences arising from the consolidation of \$0.5 million was mainly due to the realisation of currency translation reserve relating to the repayment of capital injection from its investment in joint ventures.

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.

Note	Group		Company	
	31.12.2017 \$'000	31.12.2016 \$'000	31.12.2017 \$'000	31.12.2016 \$'000
Non-current assets				
Property, plant and equipment	4,452	4,672	-	-
Investment properties	112,040	120,254	-	-
Investment in subsidiaries	2	-	170,464	169,687
Investment in joint ventures	3	3,106	7,311	-
Investment in associates	4	27,812	26,550	746
Investment securities	5	23,212	20,780	-
Other receivables		5,582	5,362	-
Amounts due from associates	6	-	2,000	-
	176,204	186,929	171,210	170,433
Current assets				
Tax recoverable	2	-	-	-
Trade receivables	494	595	-	-
Prepayments and deposits	225	223	53	53
Other receivables	7	3,228	13,519	6
Amounts due from subsidiaries	8	-	6,694	8,674
Amounts due from associates	9	6,465	7,355	-
Investment securities	10	24,773	28,872	-
Cash and bank balances	11	50,683	36,866	3,959
	85,870	87,430	10,712	1,381
Current liabilities				
Trade payables	(424)	(683)	-	-
Other payables	12	(2,192)	(1,924)	(369)
Accrued operating expenses	13	(2,224)	(1,944)	(248)
Amounts due to associates		(542)	(563)	(361)
Bank loans (secured)	14	(53,177)	(57,705)	(381)
Tax payable	15	(2,012)	(1,419)	-
	(60,571)	(64,238)	(978)	(930)
Net current assets	25,299	23,192	9,734	9,178
Non-current liabilities				
Bank loans (secured)	14	-	(11,212)	-
Deferred tax liabilities		(3,970)	(4,034)	-
Other payables		(392)	(456)	-
	(4,362)	(15,702)	-	-
Net assets	197,141	194,419	180,944	179,611

	Group		Company	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
	\$'000	\$'000	\$'000	\$'000
Equity attributable to owner of the Company				
Share capital	172,154	172,154	172,154	172,154
Treasury shares	(165)	(98)	(165)	(98)
Capital reserve	1,001	1,202	-	-
Revenue reserve	38,467	37,592	8,955	7,555
Fair value reserve	7,558	6,326	-	-
Currency translation reserve	(21,874)	(22,757)	-	-
	197,141	194,419	180,944	179,611
Non-controlling interests	-	-	-	-
Share capital and reserves	197,141	194,419	180,944	179,611

Notes to Statement of Financial Position:

1. Investment properties decreased by \$8.2 million mainly due to:
 - a. disposal of 3 UK residential properties in London, 1 UK commercial property in Manchester and 1 residential property in Singapore;
 - b. impairment of investment property in the academic facility site in Sheffield site of \$0.8 million; and
 - c. depreciation of the investment properties in this period.
2. Investment in subsidiaries increased by \$0.8 million arising from a reversal of impairment made on the cost of investment in a subsidiary further to an assessment made on the carrying values of all the subsidiaries.
3. Investment in joint ventures decreased by \$4.2 million mainly due to repayment of capital injection of \$4.9 million and \$0.6 million from translation gain. During the year, the joint ventures refinanced the bank loans with a higher loan-to-value and the increased loans were used to repay the shareholders. The strengthening of the Sterling Pound against Singapore Dollar resulted in an increase in the investment in joint ventures.
4. Investment in associates increased by \$1.3 million mainly due to share of results of \$1.0 million and a \$0.5 million injection of additional investment in an UK associated company, Clan Kilmuir (Jersey) Limited during the year. The increase was offset by a \$0.2 million payment of dividend received from one associated company.
5. Non-current investment securities increased by \$2.4 million mainly due to additions of \$2.6 million made during the period, fair value change of the available-for-sale investments of \$1.6 million offset by impairment of \$1.3 million and disposal of \$0.5 million during the period.
6. Amounts due from associates decreased by \$2.0 million due to repayment made by the associate during the year.
7. Other receivables decreased by \$10.2 million mainly due to receipt of \$9.6 million due from a joint venture partner, DR Trust.
8. Amounts due from subsidiaries reduced by \$2.0 million mainly due to payment from subsidiaries.
9. Amounts due from associates reduced by \$0.9 million mainly due to payment made during the year.

10. Current investment securities decreased by \$4.1 million mainly due to disposals and fair value change of available-for-sale investments during the period.
11. Increase in the Company's cash and bank balances by \$2.6 million was mainly due to receipt of \$2.0 million repayment received from one of its subsidiaries. Increase in the Group's cash and bank balances by \$13.8 million was mainly due to disposal of current investment securities during the year.
12. Increase in other payables by \$0.3 million was mainly due to increase in tenancy deposit.
13. Increase in accruals by \$0.3 million was mainly due to increase in accruals for payroll of \$0.2 million due to realignment of timing for bonus payout within the Group.
14. Current bank loans decreased by \$4.5 million mainly due to repayment of bank loans of \$19 million offset by reclassification of \$11.2 million from non-current bank loans to current and an additional drawn-down of \$3.2 million bank loans during the year.
15. Tax payable increased by \$0.6 million mainly due to provision for tax on certain chargeable income.

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

Amount repayable in one year or less, or on demand

	31.12.2017		31.12.2016	
	Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
Short term bank loans	53,177	-	57,705	-
	<u>53,177</u>	<u>-</u>	<u>57,705</u>	<u>-</u>

Amount repayable after one year

	31.12.2017		31.12.2016	
	Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
Long term bank loans	-	-	11,212	-
	<u>-</u>	<u>-</u>	<u>11,212</u>	<u>-</u>

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

Details of any collateral

Short term bank loans comprised:

- a) An amount of \$18.2 million (2016: \$24.1 million) secured by a pledge of \$15 million (2016: \$15 million) on a subsidiary's fixed deposits and a corporate guarantee from the Company.
- b) An amount of \$15.1 million (2016: \$25.3 million) secured by a legal charge over a subsidiary's investment property and assignment of tenancy agreement in respect of the property.
- c) An amount of \$1.8 million (2016: \$2.9 million) secured by a deed of guarantee and indemnity of \$4 million (2016: \$4 million) from a subsidiary.
- d) An amount of \$3.6 million (2016: \$5.4 million) secured by a pledge of \$4 million (2016: \$4 million) on a subsidiary's fixed deposits.
- e) An amount of \$14.5 million (2016: 11.2 million classified under Long term bank loan) is secured by a legal charge over a subsidiary's investment property.

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 31.12.2017 \$'000	31.12.2016 \$'000	Financial Year Ended 31.12.2017 \$'000	31.12.2016 \$'000
Cash flows from operating activities:				
Profit/(loss) before taxation	1,408	(1,797)	8,158	6,791
Adjustments for:				
Interest income	(152)	(338)	(905)	(1,412)
Interest expense	271	356	1,282	1,366
Dividend income from investment securities	(231)	(258)	(1,086)	(1,151)
Depreciation of property, plant and equipment and investment properties	522	494	2,108	2,232
Share of results of associates and joint ventures	(999)	(171)	(1,036)	(830)
Allowance (written back)/made for doubtful debts due from an associate	-	(7)	-	349
Allowance (written-back)/made for impairment loss on				
- investment properties	3	(605)	802	(605)
- non-current investment securities	372	2,770	1,344	2,770
- current investment securities	1,077	136	1,150	1,881
- other receivables	-	3	-	20
Gain on disposal of non-current investments	-	-	(220)	-
Loss/(gain) on disposal of investment properties	6	(2)	(7,852)	(2,182)
Unrealised exchange differences	(252)	18	156	(907)
	617	2,396	(4,257)	1,531
Operating cash flows before changes in working capital				
Decrease/(increase) in receivables and current investments	2,025	599	3,901	8,322
(Decrease)/increase in payables	5,984	754	2,952	(730)
	(51)	(842)	211	129
	5,933	(88)	3,163	(601)
	7,958	511	7,064	7,721
Cash flows from operations				
Interest received	549	599	1,118	922
Interest paid	(306)	(356)	(1,282)	(1,366)
Dividend income from investment securities	231	258	1,086	1,151
Income taxes paid	36	(4)	(129)	(219)
	510	497	793	488
Net cash flows from operating activities carried forward				
	8,468	1,008	7,857	8,209

	Group			
	Fourth Quarter Ended		Financial Year Ended	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
	\$'000	\$'000	\$'000	\$'000
Net cash flows from operating activities brought forward	8,468	1,008	7,857	8,209
Cash flows from investing activities:				
Increase in other investments	-	(458)	(2,650)	(977)
Net (increase)/decrease in non-current other receivables	-	(100)	-	1,953
Decrease in other receivables	-	-	9,528	-
Dividends received from associate	200	-	200	2,535
Increase in investment in associate	(486)	-	(486)	(12,718)
Decrease in amounts due from associates	2,781	237	3,015	1,249
Decrease in amounts due from joint ventures	4,640	-	4,927	-
Proceeds from disposal of investment properties	43	145	14,338	4,139
Proceeds from disposal of property, plant and equipment	4	24	141	24
Proceeds from disposal of non-current investment securities	-	-	470	-
Addition to investment properties	(25)	(580)	(878)	(30,375)
Purchase of property, plant and equipment	(1)	(50)	(207)	(169)
Net cash flows from/(used in) investing activities	7,156	(782)	28,398	(34,339)
Cash flows from financing activities:				
Proceeds from bank loans	13	(386)	3,162	29,664
Repayments of bank loans	(2,085)	-	(19,013)	-
Purchase of treasury shares	-	-	(67)	(98)
Dividends paid on ordinary shares	-	-	(6,532)	(6,535)
Net cash flows (used in)/from financing activities	(2,072)	(386)	(22,450)	23,031
Net increase/(decrease) in cash and cash equivalents	13,552	(160)	13,805	(3,099)
Cash and cash equivalents at beginning of the period	18,134	18,024	17,866	21,309
Effects of exchange rate changes on cash and cash equivalents	(3)	2	12	(344)
Cash and cash equivalents at end of the period	31,683	17,866	31,683	17,866

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	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
	\$'000	\$'000	\$'000	\$'000
Cash and bank balances:	50,683	36,866	50,683	36,866
Less: cash and bank balances pledged	(19,000)	(19,000)	(19,000)	(19,000)
Cash and cash equivalents at end of the period	31,683	17,866	31,683	17,866

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 Owners of the Company								
	Share capital \$'000	Treasury shares \$'000	Capital reserve ** \$'000	Revenue reserve \$'000	Fair value reserve \$'000	Currency translation reserve \$'000	Non-controlling interests \$'000	
Group								
Balance at 1.1.2017	172,154	(98)	1,202	37,592	6,326	(22,757)	-	194,419
Total comprehensive gain/(loss) for the period	-	-	-	3,221	2,420	(4,194)	-	1,447
Balance at 31.3.2017	172,154	(98)	1,202	40,813	8,746	(26,951)	-	195,866
Purchase of treasury shares	-	(67)	-	-	-	-	-	(67)
Total comprehensive gain/(loss) for the period	-	-	-	1,375	(437)	2,201	-	3,139
Dividends paid	-	-	-	(6,532)	-	-	-	(6,532)
Balance at 30.6.2017	172,154	(165)	1,202	35,656	8,309	(24,750)	-	192,406
Total comprehensive (loss)/gain for the period	-	-	(201)	1,269	(185)	2,402	-	3,285
Balance at 30.9.2017	172,154	(165)	1,001	36,925	8,124	(22,348)	-	195,691
Total comprehensive gain/(loss) for the period	-	-	-	1,542	(566)	474	-	1,450
Balance at 31.12.2017	172,154	(165)	1,001	38,467	7,558	(21,874)	-	197,141
Balance at 1.1.2016	172,154	-	1,202	37,578	5,175	(9,786)	-	206,323
Total comprehensive gain/(loss) for the period	-	-	-	2,785	(142)	(5,060)	-	(2,417)
Balance at 31.3.2016	172,154	-	1,202	40,363	5,033	(14,846)	-	203,906
Total comprehensive gain/(loss) for the period	-	-	-	3,326	(31)	(4,459)	-	(1,164)
Dividends paid	-	-	-	(6,535)	-	-	-	(6,535)
Balance at 30.6.2016	172,154	-	1,202	37,154	5,002	(19,305)	-	196,207
Purchase of treasury shares	-	(98)	-	-	-	-	-	(98)
Total comprehensive (loss)/gain for the period	-	-	-	1,555	655	(3,592)	-	(1,382)
Balance at 30.9.2016	172,154	(98)	1,202	38,709	5,657	(22,897)	-	194,727
Total comprehensive (loss)/gain for the period	-	-	-	(1,117)	669	140	-	(308)
Balance at 31.12.2016	172,154	(98)	1,202	37,592	6,326	(22,757)	-	194,419

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

	Share capital \$'000	Treasury shares \$'000	Revenue reserve \$'000	Total equity \$'000
Company				
Balance at 1.1.2017	172,154	(98)	7,555	179,611
Total comprehensive loss for the period	-	-	(206)	(206)
Balance at 31.3.2017	172,154	(98)	7,349	179,405
Purchase of treasury shares	-	(67)	-	(67)
Total comprehensive loss for the period	-	-	(301)	(301)
Dividends paid	-	-	(6,532)	(6,532)
Balance at 30.6.2017	172,154	(165)	516	172,505
Total comprehensive gain for the period	-	-	2,880	2,880
Balance at 30.9.2017	172,154	(165)	3,396	175,385
Total comprehensive gain for the period	-	-	5,559	5,559
Balance at 31.12.2017	172,154	(165)	8,955	180,944
Balance at 1.1.2016	172,154	-	10,451	182,605
Total comprehensive loss for the period	-	-	(162)	(162)
Balance at 31.3.2016	172,154	-	10,289	182,443
Total comprehensive loss for the period	-	-	(285)	(285)
Dividends paid	-	-	(6,535)	(6,535)
Balance at 30.6.2016	172,154	-	3,469	175,623
Total comprehensive loss for the period	-	(98)	(205)	(303)
Balance at 30.9.2016	172,154	(98)	3,264	175,320
Total comprehensive gain for the period	-	-	4,291	4,291
Balance at 31.12.2016	172,154	(98)	7,555	179,611

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

(a) 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.

(b)

	31/12/2017 \$'000	31/12/2016 \$'000
Share capital	172,154	172,154
Total number of issued shares	31/12/2017 '000	31/12/2016 '000
Total number of treasury shares	653,504	653,504
Total number of subsidiary holdings	(546)	(330)
Total number of issued shares excluding treasury shares and subsidiary holdings	-	-
	652,958	653,174

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.

	31/12/2017 '000	31/12/2016 '000
Total number of issued shares	653,504	653,504
Total number of treasury shares	(546)	(330)
Total number of issued shares excluding treasury shares	652,958	653,174

As at 31 December 2017 and 31 December 2016, there were no outstanding convertibles.

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 shares buy-backs during the current quarter.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable.

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

The figures 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.

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 2016.

- 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 standards that are mandatory for the financial periods beginning on 1 January 2017:-

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
<i>Amendments to FRS 7: Disclosure Initiative Statements</i>	1 January 2017
<i>Amendments to FRS 12: Recognition of Deferred Tax Assets for Unrealised Losses</i>	1 January 2017
The adoption of the revised FRS did not have any material financial impact on the financial statements of the Group and the Company for the year ended 31 December 2017.	

- 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		
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
Earnings per ordinary share after deducting any provision for preference dividends:				
(i) Based on the weighted average number of ordinary shares in issue (cents)	0.24	(0.17)	1.13	1.00
(ii) On a fully diluted basis (cents)	0.24	(0.17)	1.13	1.00

- 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
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
Net asset value per ordinary share (cents)	30.19	29.77	27.71	27.50

Note: dividend of 1 cent was paid in Q2 2017.

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

	4Q2017 \$'000	4Q2016 \$'000	+/(-) %	FY2017 \$'000	FY2016 \$'000	+/(-) %
Rental	2,206	1,996	10.5	8,117	7,527	7.8
Investments	3,234	869	n.m.	6,383	3,675	73.7
Corporate and Others	-	-	-	-	-	-
	5,440	2,865		14,500	11,202	

Increase in revenue for rental segment by \$0.6 million yoy and \$0.2 million qoq takes into account:-

- increase in rental income from 20 Midtown property in London by \$0.5 million yoy and \$0.3 million qoq as the property had completed asset enhancement work in 2016 and was leased out in 2017;
- increase in rental income from Herbill Hill by \$0.4 million yoy arising from the acquisition of the property in May 2016;
- decrease in rental income of \$0.2 million yoy and \$0.1 million qoq from 3 residential properties in UK and 1 residential property in Singapore as lower rental incomes were received subsequent to their disposal in 2017.

Increase in revenue for investments segment by \$2.7 million yoy and \$2.4 million qoq takes into account:

- Increase in net gains from sale of investment securities by \$3.3 million yoy and \$2.6 million qoq mainly due to increase in share trading activities;
- Decrease in dividend income by \$0.1 million yoy;
- Decrease in interest income by \$0.5 million yoy and \$0.2 million qoq mainly absence of interest income from DR Trust subsequent to the receipt of loan in 2Q2017.

Profit before tax

	4Q2017 \$'000	4Q2016 \$'000	+/(-) %	FY2017 \$'000	FY2016 \$'000	+/(-) %
Rental	248	1,358	(81.7)	8,569	5,439	57.5
Investments	2,422	(2,243)	n.m.	3,780	(1,463)	n.m.
Corporate and Others	(504)	(477)	5.7	(2,052)	(1,987)	3.3
	2,166	(1,362)		10,297	1,989	
Unallocated items	(758)	(435)	74.3	(2,139)	4,802	n.m.
	1,408	(1,797)		8,158	6,791	

Rental segment refers to rental of residential, commercial properties and warehouse. Profit before taxation for Rental segment increased by \$3.1 million yoy and decreased by \$1.1 million qoq takes into account:-

- increase in gain from disposal of investment properties by \$5.7 million yoy;
- absence of reversal of impairment loss on an investment property of \$0.6 million yoy and qoq;
- allowance made for impairment loss on investment property of \$0.8 million yoy;
- property tax refund of \$1 million in 2Q2016 following a mutually amicable settlement with Comptroller of income tax;
- decrease in allowance made for impairment loss on doubtful debts due from an associate of \$0.3 million yoy. The allowance of \$0.3 million was made in 1Q2016 following the disposal of the commercial property held by the associate;
- decrease in recognition of other investment income of \$0.7 million yoy. The other investment income came from the development of Sheffield post office site;
- profits of results from 20 Midtown property by \$0.2 million yoy and qoq as the property was revenue generating subsequent to completion of asset enhancement work in 2016;
- profits of \$0.2 million from Herbill Hill yoy and loss of \$0.2 million qoq subsequent to acquisition in May 2016;
- higher cost of sales of \$0.3 million yoy and \$0.4 million qoq.

Investment segment refers to investment holding. The profit before taxation for Investment segment improved from a loss position to a profit position by \$5.2 million yoy and \$4.7 million qoq takes into account:-

- increase in gain on disposal of investment securities of \$3.3 million yoy and \$2.6 million qoq;
- gain on disposal of non-current investment securities of \$0.2 million yoy;
- net decrease in impairment loss on quoted current and unquoted non-current investment of \$2.2 million yoy and \$1.5 million qoq. Impairment loss on available-for-sale investments are made when the investment securities suffer a significant or prolonged decline in the market value below the acquisition cost of those investments;
- decrease in dividend income by \$0.1 million yoy;
- increase in share of profits of the associates of \$0.2 million yoy and \$0.8 million qoq;
- decrease in interest income by \$0.5 million yoy and \$0.2 million qoq.

Corporate segment refers to the provision of management, administrative and support services to related companies and investment holding.

Unallocated items refer to items such as finance costs and certain foreign exchange differences which are managed on a Group basis and were not allocated to the segments. The losses yoy and qoq were mainly due to unfavourable foreign exchange impact arising from the translation of Sterling Pound against Singapore Dollar.

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

Not applicable.

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

The first phase of Brexit negotiations had been completed and a likely transition period was agreed by all parties. A possible soft Brexit could boost investor confidence for investments in UK. The Group will take into account both hard and soft Brexit outcomes when assessing investment proposals in the UK. .

All UK commercial properties are fully let and refurbishment of the remaining residential units in Hornton Street are ongoing. Other residential units are fully let.

In Singapore, end-buyer sentiment in the residential market is improving and an option for purchase of a RiverGate apartment has been exercised. We expect to record a gain of approximately \$1.3 million upon successful completion. Although competition for residential development sites has been aggressive, the Group will continue to pursue projects which meet our investment criteria. Our commercial and industrial properties are fully let.

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	Special Dividend
Dividend Type	Cash	Cash
Dividend Amount per Share (in cents)	1 cent, (one-tier) tax exempt	0.1 cent, (one-tier) tax exempt
Tax Rate	Not applicable	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 cent, (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 18 May 2018.

(d) Books closure date

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed on 4 May 2018 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 3 May 2018 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: rental of residential, commercial properties and warehouse
- investment: investment holding
- corporate and others: 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.

Unallocated items such as cash at bank, bank overdrafts, bank loans, provision for tax, deferred taxation, finance costs and certain foreign exchange differences are managed on a Company and Group basis and were not allocated to the segments.

FY2017	Rental	Investments	Corporate & Others	Note	Eliminations	Total
	\$'000	\$'000	\$'000			\$'000
Income Statement						
Revenue						
- external	8,117	6,383	-		-	14,500
- inter-segment	-	5,200	8,100	A	(13,300)	-
Total revenue	<u>8,117</u>	<u>11,583</u>	<u>8,100</u>			<u>14,500</u>
Interest income (in other income)	1	-	8		-	9
Depreciation of property plant and equipment and investment properties	(1,912)	(40)	(156)		-	(2,108)
Gain on disposal of investment properties	7,852	-	-		-	7,852
Allowance made for impairment loss on current investment securities	-	(1,150)	-		-	(1,150)
Allowance made for impairment loss on non-current investment securities	-	(1,344)	-		-	(1,344)
Impairment loss on investment properties	(802)	-	-		-	(802)
Share of results from associates and unincorporated joint venture	-	1,036	-		-	1,036
Profit/(loss) before taxation	<u>8,569</u>	<u>3,780</u>	<u>(2,052)</u>	B	<u>(2,139)</u>	<u>8,158</u>
Balance Sheet						
Investment in joint ventures	-	3,106	-		-	3,106
Investment in associates	-	27,812	-		-	27,812
Additions to non-current assets	1,017	60	7	C	-	1,084
Segment assets	<u>141,953</u>	<u>111,553</u>	<u>183,232</u>	D	<u>(174,664)</u>	<u>262,074</u>
Segment liabilities	<u>(54,820)</u>	<u>(28,381)</u>	<u>(3,239)</u>	E	<u>21,507</u>	<u>(64,933)</u>

FY2016	Rental \$'000	Investments \$'000	Corporate & Others \$'000	Note	Eliminations \$'000	Total \$'000
<u>Income Statement</u>						
Revenue						
- external	7,527	3,675	-		-	11,202
- inter-segment	-	3,535	5,000	A	(8,535)	-
Total revenue	<u>7,527</u>	<u>7,210</u>	<u>5,000</u>			<u>11,202</u>
Interest income (in other income)	1	-	19		-	20
Depreciation of property plant and equipment and investment properties	(2,038)	(37)	(157)		-	(2,232)
Gain on disposal of investment properties	2,182	-	-		-	2,182
Allowance made for impairment loss on current investment securities	-	(1,881)	-		-	(1,881)
Allowance made for impairment loss on non-current investment securities	-	(2,770)	-		-	(2,770)
Allowance made for impairment loss on amount due from associate	(349)	-	-		-	(349)
Allowance written back for impairment loss on investment properties	605	-	-		-	605
Allowance made for doubtful debts due from other receivables	(20)	-	-		-	(20)
Share of results from associates and unincorporated joint venture	-	830	-		-	830
Profit/(loss) before taxation	<u>5,439</u>	<u>(1,463)</u>	<u>(1,987)</u>	B	<u>4,802</u>	<u>6,791</u>
<u>Balance Sheet</u>						
Investment in joint ventures	-	7,311	-		-	7,311
Investment in associates	-	26,550	-		-	26,550
Additions to non-current assets	30,377	1	167	C	-	30,545
Segment assets	<u>143,615</u>	<u>124,084</u>	<u>184,238</u>	D	<u>(177,578)</u>	<u>274,359</u>
Segment liabilities	<u>(55,353)</u>	<u>(20,503)</u>	<u>(3,002)</u>	E	<u>(1,082)</u>	<u>(79,940)</u>

A. Inter-segment revenues are eliminated on consolidation.

B. The following items are (deducted from)/added to segment profit to arrive at "profit before taxation" presented in the consolidated income statement:

	FY2017 \$'000	FY2016 \$'000
Finance costs	(1,282)	(1,366)
Unallocated (expenses)/income	<u>(857)</u>	<u>6,168</u>
	<u>(2,139)</u>	<u>4,802</u>

C. Additions to non-current assets consist of additions to property, plant and equipment and investment properties.

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

	FY2017 \$'000	FY2016 \$'000
Cash and bank balances	50,683	36,866
Inter-segment assets	<u>(225,347)</u>	<u>(214,444)</u>
	<u>(174,664)</u>	<u>(177,578)</u>

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

	FY2017 \$'000	FY2016 \$'000
Bank loans	53,177	68,917
Tax payable	2,012	1,419
Deferred tax liabilities	3,970	4,034
Inter- segment liabilities	(80,666)	(73,288)
	<hr/>	<hr/>
	(21,507)	1,082
	<hr/>	<hr/>

Geographical information:

	FY2017 Revenue \$'000	Non-current assets \$'000	FY2016 Revenue \$'000	Non-current assets \$'000
Singapore	11,528	103,277	8,885	109,004
United Kingdom	2,972	72,927	2,317	77,925
	<hr/>	<hr/>	<hr/>	<hr/>
	14,500	176,204	11,202	186,929

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.

Information about a major customer

Revenue of \$4.4 million (2016: \$4.4 million) was derived from a single external customer. This revenue was derived in Singapore and relates to rental income.

- 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		
	FY2017 \$'000	FY2016 \$'000	+/(-) %
(a) Revenue reported for first half year	5,959	5,255	13.4
(b) Operating profit after tax before deducting minority interests reported for first half year	4,596	6,111	(24.8)
(c) Revenue reported for second half year	8,541	5,947	43.6
(d) Operating profit after tax before deducting minority interests reported for second half year	2,811	438	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	
	FY2017 \$'000	FY2016 \$'000
Ordinary	6,532	6,535
Preference	–	–
Total	6,532	6,535

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	\$144,305	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 2 February 2018.

19. UNDERTAKINGS CONFIRMATION

The Company hereby confirms that the undertakings as required in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual has been procured from all its Directors and Executive Officers.

Submitted by

Lee Soo Wei
Chief Financial Officer
2 February 2018