



HOTEL PROPERTIES LIMITED

(REG. NO. 198000348Z)

Full Year Financial Statements and Dividend Announcement

1(a)(i) Income Statement

	GROUP \$'000	
	Year ended Dec 31, 2018	Year ended Dec 31, 2017 (restated) [#]
Revenue	579,473	659,160
Cost of sales	(430,669)	(489,600)
Gross profit	148,804	169,560
Other operating income	15,814	17,874
Administrative expenses	(75,056)	(76,993)
Other operating expenses	(4,298)	(5,397)
Finance costs	(27,479)	(28,665)
Share of results of associates and jointly controlled entities	92,756	133,424
Profit before income tax and fair value changes in investment properties	150,541	209,803
Net fair value gain in investment properties	3,211	12,000
Profit before income tax	153,752	221,803
Income tax expense	(29,066)	(37,815)
Profit after income tax	124,686	183,988
Attributable to:		
Shareholders of the Company	121,323	178,213
Non-controlling interests	3,363	5,775
	124,686	183,988

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

	GROUP \$'000	
	Year ended Dec 31, 2018	Year ended Dec 31, 2017
Investment income*	1,346	3,542
Other income including interest income* ⁽¹⁾	8,541	2,266
Depreciation and amortisation	(62,854)	(57,605)
Net allowance for doubtful trade receivables*	(742)	(130)
Net fair value (loss) gain in held-for-trading investments*	(294)	87
Net fair value gain in investments*	4,041	-
Net foreign exchange gain (loss)*	1,880	(461)
Net adjustment for over (under) provision of tax in respect of prior years	720	(1,728)
Impairment in advances to associates and jointly controlled entities*	-	(3,731)
Gain on deemed disposal of associates*	-	10,843
Net (loss) gain on disposal of property, plant and equipment*	(8)	201
Insurance proceeds*	-	935

Note:

Refer to Statement of Changes in Equity for details.

* Included in other operating income (expenses).

(1) Other income including interest income increased mainly due to a non-recurring income received.

1(a)(iii) Statement of Comprehensive Income

	GROUP	
	\$'000	
	Year ended Dec 31, 2018	Year ended Dec 31, 2017 (restated)
Profit after income tax	124,686	183,988
Other comprehensive income (loss) (net of tax):		
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Remeasurement of defined benefit obligation	226	(463)
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange differences on translating foreign operations	13,081	(26,167)
(Decrease) Increase in other reserves	(58)	22,281
Share of other comprehensive (loss) income of associates and jointly controlled entities	(16,073)	15,080
	(3,050)	11,194
Total comprehensive income	121,862	194,719
Attributable to:		
Shareholders of the Company	118,463	192,003
Non-controlling interests	3,399	2,716
	121,862	194,719

1(b)(i) Statements of Financial Position

	GROUP \$'000			COMPANY \$'000		
	Dec 31, 2018	Dec 31, 2017	Jan 1, 2017	Dec 31, 2018	Dec 31, 2017	Jan 1, 2017
		Restated	Restated		Restated	Restated
ASSETS						
Current assets:						
Cash and bank balances	118,284	211,803	117,179	51,296	144,540	18,187
Held-for-trading investments ⁽¹⁾	24,103	-	806	-	-	-
Trade and other receivables ⁽²⁾	40,210	67,825	111,387	2,692	3,488	2,353
Amount due from associates and jointly controlled entities ⁽³⁾	118,200	199,138	194,382	5,217	5,511	5,511
Amount due from subsidiaries	-	-	-	779,013	994,483	902,429
Inventories	9,612	9,515	9,422	178	202	184
Completed properties held for sale ⁽⁴⁾	10,505	42,305	144,984	-	-	-
Total current assets	320,914	530,586	578,160	838,396	1,148,224	928,664
Non-current assets:						
Associates and jointly controlled entities ⁽³⁾	519,166	641,024	594,953	-	-	-
Subsidiaries	-	-	-	528,985	475,364	450,860
Investments ⁽⁵⁾	128,163	93,353	57,025	-	-	-
Property, plant and equipment	1,446,067	1,372,067	1,245,447	224,396	226,359	228,565
Investment properties	705,570	702,359	686,348	-	-	-
Derivative financial instruments	16,245	12,963	12,489	16,245	12,963	12,489
Deferred tax assets	3,391	3,367	4,236	-	-	-
Intangible assets	15,410	15,697	6,160	-	-	-
Total non-current assets	2,834,012	2,840,830	2,606,658	769,626	714,686	691,914
Total assets	3,154,926	3,371,416	3,184,818	1,608,022	1,862,910	1,620,578
LIABILITIES AND EQUITY						
Current liabilities:						
Short-term borrowings ⁽⁶⁾	95,663	194,991	282,220	49,986	74,993	24,992
Trade and other payables	150,186	135,365	126,829	29,736	29,666	24,604
Amount due to subsidiaries	-	-	-	44,456	44,456	44,456
Income tax payable	18,736	29,045	17,511	14	-	-
Total current liabilities	264,585	359,401	426,560	124,192	149,115	94,052
Non-current liabilities:						
Advances from subsidiaries	-	-	-	93,031	157,298	22,980
Long-term borrowings ⁽⁶⁾	616,743	809,188	710,087	332,706	499,244	455,503
Deferred tax liabilities	17,330	18,084	15,221	767	855	1,004
Total non-current liabilities	634,073	827,272	725,308	426,504	657,397	479,487
Share capital and reserves:						
Share capital	722,593	721,143	719,693	722,593	721,143	719,693
Reserves	1,278,765	1,219,639	1,078,150	185,980	186,502	178,999
Equity attributable to shareholders of the Company	2,001,358	1,940,782	1,797,843	908,573	907,645	898,692
Perpetual capital securities	148,753	148,753	148,347	148,753	148,753	148,347
	2,150,111	2,089,535	1,946,190	1,057,326	1,056,398	1,047,039
Non-controlling interests	106,157	95,208	86,760	-	-	-
Total equity	2,256,268	2,184,743	2,032,950	1,057,326	1,056,398	1,047,039
Total liabilities and equity	3,154,926	3,371,416	3,184,818	1,608,022	1,862,910	1,620,578

Note:

- (1) Acquisition of held-for-trading investments during the year.
- (2) Trade and other receivables decreased mainly due to collection during the year.
- (3) Associates and jointly controlled entities decreased mainly due to repayment and dividends received.
- (4) Completed properties held for sale decreased mainly due to sales during the year.
- (5) Investments increased mainly due to acquisition during the year.
- (6) Borrowings decreased mainly due to repayment during the year.

1(b)(ii) Aggregate Amount of Group's Borrowings and Debt Securities**Amount repayable in one year or less, or on demand**

As at Dec 31, 2018		As at Dec 31, 2017	
Secured	Unsecured	Secured	Unsecured
\$45,677,000	\$49,986,000	\$119,998,000	\$74,993,000

Amount repayable after one year

As at Dec 31, 2018		As at Dec 31, 2017	
Secured	Unsecured	Secured	Unsecured
\$416,341,000	\$200,402,000	\$458,296,000	\$350,892,000

Details of any collateral

The above are secured by legal mortgages on properties of the Company and some subsidiaries, fixed and floating charges on assets of the Company and some subsidiaries and pledge of shares of certain subsidiaries.

1(c) Consolidated Statement of Cash Flows

	Year ended Dec 31, 2018 \$'000	Year ended Dec 31, 2017 \$'000
Cash flows from operating activities:		
Profit before income tax and share of results of associates and jointly controlled entities	60,996	88,379
Adjustments for:		
Amortisation of intangible assets	307	341
Depreciation expense	62,547	57,264
Share-based payment expense	1,167	2,296
Impairment in advances to associates and jointly controlled entities	-	3,731
Net fair value gain in investment properties	(3,211)	(12,000)
Net fair value loss (gain) in held-for-trading investments	294	(87)
Net fair value gain in investments	(4,041)	-
Net loss (gain) on disposal of property, plant and equipment	8	(201)
Gain on deemed disposal of associates	-	(10,843)
Finance costs	27,479	28,665
Interest income	(1,552)	(1,116)
Dividend income	(1,346)	(3,542)
Profit before working capital changes	142,648	152,887
Trade and other payables	16,111	7,465
Completed properties held for sale	32,045	102,834
Receivables and prepayments	27,742	41,934
Held-for-trading investments	(24,397)	893
Inventories	42	(23)
Cash generated from operations	194,191	305,990
Dividend received	1,346	3,542
Income tax paid	(40,312)	(25,734)
Net cash from operating activities	155,225	283,798
Cash flows from (used in) investing activities:		
Acquisition of additional interests in associates (see Note A below)	-	(30,649)
Additional property, plant and equipment	(123,840)	(153,642)
Additional investments	(30,967)	(14,045)
Additional investment properties	-	(4,011)
Additional intangible asset	-	(83)
Net repayment from associates and jointly controlled entities	280,559	68,239
Proceeds from disposal of investments	180	-
Proceeds from disposal of property, plant and equipment	783	1,019
Net cash from (used in) investing activities	126,715	(133,172)
Cash flows used in financing activities:		
Interest received	1,552	1,116
Finance costs paid	(28,597)	(27,909)
Dividend paid	(52,079)	(41,635)
Distribution to perpetual capital securities holders	(6,975)	(8,072)
Non-controlling shareholders	6,518	8,326
Additional borrowings	216,985	228,125
Repayment of borrowings	(514,431)	(211,795)
Increase in deposits under pledge to bank	-	(687)
Redemption of perpetual capital securities	-	(150,000)
Net proceeds from issue of perpetual capital securities	-	148,753
Net cash used in financing activities	(377,027)	(53,778)
Net (decrease) increase in cash and cash equivalents	(95,087)	96,848
Cash and cash equivalents at beginning of year	207,597	113,371
Effect of exchange rate changes on cash balances held in foreign currencies	1,482	(2,622)
Cash and cash equivalents at end of year	113,992	207,597

1(c) Consolidated Statement of Cash Flows (cont'd)

	Year ended Dec 31, 2018 \$'000	Year ended Dec 31, 2017 \$'000
Note A : Summary of cash outflow arising from acquisition of additional interests in associates		
Current assets	-	7,062
Current liabilities	-	(5,937)
Net current assets	-	1,125
Other non-current assets	-	66,367
Other non-current liabilities	-	(16,155)
	-	51,337
Net investment in associates	-	(13,954)
Gain on deemed disposal	-	(10,843)
Goodwill	-	9,409
Purchase consideration	-	35,949
Cash of associates acquired	-	(5,300)
Cash outflow arising from acquisition of additional interests in associates	-	30,649

Cash and cash equivalents at end of year

The cash and cash equivalents as at Dec 31, 2018, for the purposes of Consolidated Statement of Cash Flows, comprise of cash and bank balances less deposits under pledge to banks of \$4,292,000.

1(d)(i) Statement of Changes in Equity

	Share capital \$'000	Retained profits \$'000	Other reserves* \$'000	Shareholders' equity \$'000	Perpetual capital securities \$'000	Subtotal \$'000	Non-controlling interests \$'000	Total equity \$'000
GROUP								
Balance as at Jan 1, 2017	719,693	959,967	113,569	1,793,229	148,347	1,941,576	86,760	2,028,336
Restatement [#]	-	6,658	(2,044)	4,614	-	4,614	-	4,614
Effect of adoption of SFRS(I) 1	-	132,167	(132,167)	-	-	-	-	-
Balance as at Jan 1, 2017, as restated	719,693	1,098,792	(20,642)	1,797,843	148,347	1,946,190	86,760	2,032,950
Total comprehensive income (loss) for the year								
Profit for the year (restated)	-	178,213	-	178,213	-	178,213	5,775	183,988
Other comprehensive income (loss) for the year (restated)	-	(444)	14,234	13,790	-	13,790	(3,059)	10,731
Total	-	177,769	14,234	192,003	-	192,003	2,716	194,719
Transactions with owners, recognised directly in equity								
Recognition of share-based payments	-	-	2,296	2,296	-	2,296	-	2,296
Dividends	-	(41,635)	-	(41,635)	-	(41,635)	-	(41,635)
Net movement during the year	-	-	-	-	-	-	5,732	5,732
Issue of shares	1,450	-	(1,450)	-	-	-	-	-
Total	1,450	(41,635)	846	(39,339)	-	(39,339)	5,732	(33,607)
Reclassification	-	(1,653)	-	(1,653)	(148,347)	(150,000)	-	(150,000)
Issue of perpetual capital securities	-	-	-	-	148,753	148,753	-	148,753
Distribution to perpetual capital securities holders	-	(8,072)	-	(8,072)	-	(8,072)	-	(8,072)
Balance as at Dec 31, 2017	721,143	1,225,201	(5,562)	1,940,782	148,753	2,089,535	95,208	2,184,743
Effect of adoption of SFRS(I) 1 and 9	-	9,106	(9,106)	-	-	-	-	-
Balance as at Jan 1, 2018, as restated	721,143	1,234,307	(14,668)	1,940,782	148,753	2,089,535	95,208	2,184,743
Total comprehensive income (loss) for the year								
Profit for the year	-	121,323	-	121,323	-	121,323	3,363	124,686
Other comprehensive income (loss) for the year	-	216	(3,076)	(2,860)	-	(2,860)	36	(2,824)
Total	-	121,539	(3,076)	118,463	-	118,463	3,399	121,862
Transactions with owners, recognised directly in equity								
Recognition of share-based payments	-	-	1,167	1,167	-	1,167	-	1,167
Dividends	-	(52,079)	-	(52,079)	-	(52,079)	-	(52,079)
Net movement during the year	-	-	-	-	-	-	7,550	7,550
Issue of shares	1,450	-	(1,450)	-	-	-	-	-
Total	1,450	(52,079)	(283)	(50,912)	-	(50,912)	7,550	(43,362)
Distribution to perpetual capital securities holders	-	(6,975)	-	(6,975)	-	(6,975)	-	(6,975)
Balance as at Dec 31, 2018	722,593	1,296,792	(18,027)	2,001,358	148,753	2,150,111	106,157	2,256,268

* Includes asset revaluation reserve, exchange fluctuation reserve, hedge reserve, option reserve and other capital reserve.

[#] Certain restatements have been made to the prior year's reported figures as a result of prior period adjustments of the Group's jointly controlled entities.

1(d)(i) Statement of Changes in Equity (cont'd)

	Share capital \$'000	Retained profits \$'000	Other reserves** \$'000	Share-holders' equity \$'000	Perpetual capital securities \$'000	Total equity \$'000
COMPANY						
Balance as at Jan 1, 2017	719,693	58,423	120,576	898,692	148,347	1,047,039
Effect of adoption of SFRS(I) 1	-	110,785	(110,785)	-	-	-
Balance as at Jan 1, 2017, as restated	719,693	169,208	9,791	898,692	148,347	1,047,039
Total comprehensive income for the year						
Profit for the year	-	57,134	-	57,134	-	57,134
Other comprehensive income for the year	-	-	883	883	-	883
Total	-	57,134	883	58,017	-	58,017
Transactions with owners, recognised directly in equity						
Recognition of share-based payments	-	-	2,296	2,296	-	2,296
Dividends	-	(41,635)	-	(41,635)	-	(41,635)
Issue of shares	1,450	-	(1,450)	-	-	-
Total	1,450	(41,635)	846	(39,339)	-	(39,339)
Reclassification	-	(1,653)	-	(1,653)	(148,347)	(150,000)
Issue of perpetual capital securities	-	-	-	-	148,753	148,753
Distribution to perpetual capital securities holders	-	(8,072)	-	(8,072)	-	(8,072)
Balance as at Dec 31, 2017	721,143	174,982	11,520	907,645	148,753	1,056,398
Total comprehensive income for the year						
Profit for the year	-	58,745	-	58,745	-	58,745
Other comprehensive income for the year	-	-	70	70	-	70
Total	-	58,745	70	58,815	-	58,815
Transactions with owners, recognised directly in equity						
Recognition of share-based payments	-	-	1,167	1,167	-	1,167
Dividends	-	(52,079)	-	(52,079)	-	(52,079)
Issue of shares	1,450	-	(1,450)	-	-	-
Total	1,450	(52,079)	(283)	(50,912)	-	(50,912)
Distribution to perpetual capital securities holders	-	(6,975)	-	(6,975)	-	(6,975)
Balance as at Dec 31, 2018	722,593	174,673	11,307	908,573	148,753	1,057,326

** Includes asset revaluation reserve, hedge reserve and option reserve.

1(d)(ii) Details of Any Changes in Company's Issued Share Capital

The Company did not issue any new shares since the end of the previous period reported on.

As at Dec 31, 2018, the number of outstanding share options under the Company's Share Option Scheme was 14,225,000 (as at Dec 31, 2017: 14,225,000), and the number of outstanding performance shares under the Company's Performance Share Plan was 703,800 (as at Dec 31, 2017: 1,055,700).

1(d)(iii) Total Number of Issued Shares

	Dec 31, 2018	Dec 31, 2017
Total number of issued shares excluding treasury shares	520,786,451	520,434,551

1(d)(iv) Statement Showing All Sales, Transfers, Cancellation and/or Use of Treasury Shares

Not applicable. There is no treasury share as at the end of the current financial year reported on.

1(d)(v) Statement Showing All Sales, Transfers, Cancellation and/or Use of Subsidiary Holdings

Not applicable. There is no subsidiary holdings as at the end of the current financial year reported on.

2. Audit Statement

The figures have not been audited or reviewed.

3. Auditors' Report

Not applicable.

4. Changes in Accounting Policies

The Group and Company have followed the same accounting policies and methods of computation as in the most recently audited annual financial statements except as explained in paragraph 5 below.

5. Reasons for and Effect of Changes in Accounting Policies

The Group has adopted the new financial reporting framework - Singapore Financial Reporting Standards (International) ("SFRS(I)") that are mandatory for financial years beginning on or after January 1, 2018.

The adoption of SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)* has no significant impact to the Group, other than the reclassification of the credit balance of \$221,479,000 in the asset revaluation reserve as at January 1, 2017 (date of transition) to retained earnings, and the reset of cumulative foreign currency translation reserve to nil at the date of transition by reclassifying the debit balance of \$89,312,000 in the foreign currency translation reserve at that date to retained earnings.

The Group has also adopted SFRS(I) 9 *Financial Instruments* and SFRS(I) 15 *Revenue from Contracts with Customers* that are effective for annual periods beginning on or after January 1, 2018 and are relevant to the Group's operations. The adoption of SFRS(I) 9 has resulted in a change in the Group's accounting policy on available-for-sale investments. The Group has designated certain investments as financial assets at fair value through profit or loss and an amount of \$13,560,000 was reclassified from other reserves to retained earnings as at January 1, 2018. The adoption of SFRS(I) 15 has no significant impact to the Group.

6. Earnings Per Ordinary Share

	Year ended Dec 31, 2018	Year ended Dec 31, 2017 (restated)
Based on the weighted average number of ordinary shares in issue	21.96 cents	32.69 cents
On a fully diluted basis	21.90 cents	32.62 cents

Earnings per ordinary share is calculated based on net profit attributable to ordinary shareholders after deducting provision for distribution to perpetual capital securities holders.

7. Net Asset Value

	Dec 31, 2018	Dec 31, 2017 (restated)
GROUP	\$3.84	\$3.73
COMPANY	\$1.74	\$1.74

Net asset value per ordinary share is calculated based on net assets excluding perpetual capital securities that is attributable to the ordinary shareholders divided by the number of issued shares of the Company.

8. Review of Performance

For the year ended December 31, 2018, the Group recorded a Revenue of \$579.5 million compared to \$659.2 million last year. The decrease was mainly attributable to lower contribution from the property division as the remaining completed condominium units at Tomlinson Heights development were fully sold earlier this year resulting in a corresponding decrease in cash generated from operations. This was partially offset by better performance by the Group's hotels in Singapore and contributions from new subsidiaries, Hard Rock Hotel Penang and The Boathouse, Phuket.

The Group's share of results of associates and jointly controlled entities decreased from \$133.4 million to \$92.8 million for the year under review mainly due to lower profits from the Burlington Gate development in London. Nevertheless, the Group received dividends and repayments from associates and jointly controlled entities during the year under review generating net cash inflow of \$280.6 million compared to \$68.2 million for previous year.

Group profit, before income tax and fair value changes in investment properties for the year ended December 31, 2018, was \$150.5 million compared to \$209.8 million last year. After accounting for fair value changes, income tax and non-controlling interests, Group net profit attributable to shareholders for the year ended December 31, 2018, was \$121.3 million compared to \$178.2 million last year.

9. Variance from Previous Forecast or Prospect Statement

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 Group's hotels and resorts portfolio, which expanded over the recent years with acquisitions in London, Penang, Phuket, Langkawi and the latest in Tuscany, continues to provide a stable recurring income base. However, trading conditions remain challenging with rising competition and labour costs in various jurisdictions. The global economic environment also remains uncertain with Brexit and the ongoing trade tension between US and China.

In London, the Group will continue to market the remaining apartment units in the Burlington Gate and Holland Park Villas. Development of the other two sites located at Paddington and Southbank are also ongoing.

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

The Board of Directors has recommended a first and final one-tier tax exempt cash dividend of 4 cents per ordinary share, and a one-tier tax exempt special dividend of 6 cents per ordinary share, in respect of the current financial year reported on. Payment of the said dividend is subject to the approval of shareholders at the forthcoming Annual General Meeting.

(b) Corresponding Period of the Immediately Preceding Financial Year

The Company declared a first and final one-tier tax exempt cash dividend of 4 cents per ordinary share, and a one-tier tax exempt special dividend of 6 cents per ordinary share in respect of the immediately preceding financial year.

(c) Date payable

Will be announced at a later date.

(d) Books closure date

Notice will be given at a later date of the date of closure of the transfer books and register of members.

12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision

Not applicable.

13. Interested Person Transactions ("IPT")

The Group has not obtained a general mandate from shareholders for IPTs.

14. Segmental Revenue and Results

Information by business segment

Year ended December 31, 2018

	Hotels \$'000	Properties \$'000	Others \$'000	Elimination \$'000	Consolidated \$'000
REVENUE					
External sales	506,830	72,637	6		579,473
Inter-segment sales		421		(421)	-
Total revenue	506,830	73,058	6	(421)	579,473
RESULTS					
Earnings before interest and tax	64,659	14,384	4,669		83,712
Finance costs					(27,479)
Interest income					1,552
Share of results of associates and jointly controlled entities	(1,493)	94,818	(569)		92,756
Profit before fair value changes					150,541
Fair value changes in investment properties		3,211			3,211
Profit before income tax					153,752
Income tax expense					(29,066)
Non-controlling interests					(3,363)
Profit attributable to shareholders of the Company					121,323

14. Segmental Revenue and Results (cont'd)

Year ended December 31, 2017

	Hotels \$'000	Properties \$'000	Others \$'000	Elimination \$'000	Consolidated \$'000
		(restated)			(restated)
REVENUE					
External sales	488,958	170,196	6		659,160
Inter-segment sales		411		(411)	-
Total revenue	488,958	170,607	6	(411)	659,160
RESULTS					
Earnings before interest and tax	73,646	27,332	2,950		103,928
Finance costs					(28,665)
Interest income					1,116
Share of results of associates and jointly controlled entities	3,167	131,329	(1,072)		133,424
Profit before fair value changes					209,803
Fair value changes in investment properties		12,000			12,000
Profit before income tax					221,803
Income tax expense					(37,815)
Non-controlling interests					(5,775)
Profit attributable to shareholders of the Company					178,213

15. Review of Performance by Business Segments

Please refer to item 8 above.

16. Breakdown of Sales and Operating Profit

	Latest Financial Year \$'000 Group	Previous Financial Year \$'000 Group (restated)	% increase/(decrease) Group
(a) Sales reported for first half year	310,565	334,999	(7.29)
(b) Operating profit after tax before deducting non-controlling interests reported for first half year**	97,574	37,308	161.54
(c) Sales reported for second half year	268,908	324,161	(17.04)
(d) Operating profit after tax before deducting non-controlling interests reported for second half year**	23,901	134,680	(82.25)

** excludes net fair value gain in investment properties.

17. Breakdown of Total Annual Dividend

	Latest Full Year (\$'000)	Previous Full Year (\$'000)
Ordinary	52,079	52,079
Preference	-	-
Total:	52,079	52,079

The dividend amounts for the latest full year are estimated based on the number of issued shares as at December 31, 2018. The actual dividend payment can only be determined on books closure date.

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) of the Listing Manual

There are currently no persons occupying managerial positions in the Company or any of its principal subsidiaries who are relatives of a director or chief executive officer or substantial shareholder of the Company.

19. Confirmation pursuant to 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).

BY ORDER OF THE BOARD

Lo Swee Oi
Company Secretary
February 26, 2019