



OXLEY HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 201005612G)

(The "Company")

Unaudited Third Quarter and Nine Months Financial Statements
and Dividend Announcement For the Financial Period Ended
31 March 2019

1(a) **Statement of Comprehensive Income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year**

(The figures have not been audited or reviewed by the auditors)

	Group Third Quarter Ended		% Change Increase/ (Decrease)	Group Nine Months Ended		% Change Increase/ (Decrease)
	31-Mar-19 S\$'000	31-Mar-18 S\$'000		31-Mar-19 S\$'000	31-Mar-18 S\$'000	
Revenue	59,856	238,842	-75%	585,639	955,558	-39%
Cost of Sales	(49,206)	(202,819)	-76%	(473,534)	(797,817)	-41%
Gross Profit	10,650	36,023	-70%	112,105	157,741	-29%
Other Items of Income						
Other Income	5,636	5,202	8%	7,991	5,703	40%
Interest Income	1,808	1,029	76%	5,237	2,385	120%
Other Gains	101,524	33,113	207%	157,909	41,197	283%
Other Items of Expense						
Marketing and Distribution Costs	(5,225)	(1,785)	193%	(20,031)	(5,937)	237%
Administrative Expenses	(13,194)	(12,115)	9%	(27,556)	(36,788)	-25%
Finance Costs	(26,395)	(15,464)	71%	(75,195)	(40,158)	87%
Other Losses	(6,136)	(14,855)	-59%	(16,618)	(29,132)	-43%
Share of Profit / (Loss) From Equity-Accounted Associates and Joint Ventures	4,788	(1,423)	N.M.	847	73,390	-99%
Profit Before Income Tax	73,456	29,725	147%	144,689	168,401	-14%
Income Tax (Expense) / Income	(7,323)	662	N.M.	(25,691)	(23,845)	8%
Profit Net of Tax	66,133	30,387	118%	118,998	144,556	-18%
Other Comprehensive Income:						
Items that will not be reclassified subsequently to profit or loss						
Gain on Revaluation of Properties, Net of Tax	-	1,189	-100%	-	2,816	-100%
	-	1,189	-100%	-	2,816	-100%
Items that may be reclassified subsequently to profit or loss						
Gain / (Loss) on Investments in Securities	899	(2,785)	N.M.	(42,413)	(6,539)	549%
Exchange Gain / (Loss) on Translating Foreign Operations	506	5,067	-90%	(30,838)	25,622	N.M.
Other Comprehensive Income / (Loss)	1,405	2,282	-38%	(73,251)	19,083	N.M.
Total Other Comprehensive Income / (Loss)	1,405	3,471	-60%	(73,251)	21,899	N.M.
Total Comprehensive Income	67,538	33,858	99%	45,747	166,455	-73%
Profit Net of Tax Attributable to:						
-Owners of the Company	67,400	30,562	121%	120,693	147,327	-18%
-Non-Controlling Interests	(1,267)	(175)	624%	(1,695)	(2,771)	-39%
Profit Net of Tax	66,133	30,387	118%	118,998	144,556	-18%
Total Comprehensive Income Attributable to:						
-Owners of the Company	68,742	33,891	103%	47,389	169,174	-72%
-Non-Controlling Interests	(1,204)	(33)	3548%	(1,642)	(2,719)	-40%
Total Comprehensive Income	67,538	33,858	99%	45,747	166,455	-73%

1(a)(i) **Profit Before Income Tax is arrived after crediting / (charging) the following:**

	Group Third Quarter Ended		% Change Increase/ (Decrease)	Group Nine Months Ended		% Change Increase/ (Decrease)
	31-Mar-19 S\$'000	31-Mar-18 S\$'000		31-Mar-19 S\$'000	31-Mar-18 S\$'000	
Rental Income	6,401	3,710	73%	28,503	10,421	174%
Interest Income	1,808	1,029	76%	5,237	2,385	120%
Interest Expenses (including interest expense accounted for in cost of sales)	(29,707)	(16,513)	80%	(79,688)	(47,332)	68%
Gain on Sale of Investment Property	-	-	-	-	500	-100%
Depreciation of Properties, Plant and Equipment	(5,425)	(4,832)	12%	(16,220)	(8,231)	97%
Impairment on Development Properties Loss	-	-	-	-	(462)	-100%
Foreign Exchange Gain, Net	8,676	22,242	-61%	12,679	31,474	-60%
Fair Value Gain on Investment Properties, Net	91,667	10,251	794%	129,030	6,605	1854%
Derecognition of subsidiary	-	-	-	2,993	-	N.M.
Fair Value Gain / (Loss) on Financial Instruments, Net	969	(12,711)	N.M.	2,259	(24,193)	N.M.
Bad debt written-off	(416)	-	N.M.	(700)	-	N.M.
Loss on disposal of Asset Classified as Held for Sale	-	-	N.M.	(1,195)	-	N.M.

Note:

(1) N.M. = Not Meaningful

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 As At		Company As At	
	31-Mar-19 S\$'000	30-Jun-18 S\$'000 Restated	31-Mar-19 S\$'000	30-Jun-18 S\$'000
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	1,003,681	971,918	2,154	2,816
Investment Properties	1,408,724	1,213,551	-	-
Investments in Subsidiaries	-	-	43,807	40,807
Investments in Associates	219,457	211,652	490	490
Investments in Joint Ventures	47,275	75,176	16,074	16,074
Deferred Tax Assets	1,900	1,530	-	-
Other Receivables	173,572	167,036	1,660,330	1,385,080
Other Assets	701	-	-	-
Investments in Securities	346,208	380,905	334,793	362,330
Total Non-Current Assets	3,201,518	3,021,768	2,057,648	1,807,597
Current Assets				
Asset Classified as Held for Sale	-	118,162	-	-
Inventories	75	52	-	-
Development Properties	2,615,869	2,143,716	-	-
Trade and Other Receivables	346,274	417,293	647,565	722,211
Other Assets	43,092	39,517	4,590	4,839
Cash and Cash Equivalents	269,991	254,980	55,653	30,830
Total Current Assets	3,275,301	2,973,720	707,808	757,880
Total Assets	6,476,819	5,995,488	2,765,456	2,565,477
EQUITY AND LIABILITIES				
Equity				
Share Capital	265,776	242,050	265,776	242,050
Treasury Shares	(3,943)	(2,575)	(3,943)	(2,575)
Retained Earnings	976,111	898,404	227,306	170,505
Foreign Currency Translation Reserve	(6,365)	24,526	-	-
Other Reserves	230,916	273,329	(26,498)	15,915
Equity Attributable to Owners of the Company	1,462,495	1,435,734	462,641	425,895
Non-Controlling Interests	8,850	41,282	-	-
Total Equity	1,471,345	1,477,016	462,641	425,895
Non-Current Liabilities				
Deferred Tax Liabilities	85,659	64,850	-	-
Other Payables	-	-	77,033	-
Other Financial Liabilities	2,848,868	3,213,762	439,382	402,934
Total Non-Current Liabilities	2,934,527	3,278,612	516,415	402,934
Current Liabilities				
Deferred Tax Liabilities on Asset Classified as Held for Sale	-	3,226	-	-
Income Tax Payable	40,790	38,239	-	-
Trade and Other Payables	505,418	475,771	1,558,908	1,545,570
Other Financial Liabilities	1,090,285	246,761	227,492	191,078
Other Liabilities	434,454	475,863	-	-
Total Current Liabilities	2,070,947	1,239,860	1,786,400	1,736,648
Total Liabilities	5,005,474	4,518,472	2,302,815	2,139,582
Total Equity and Liabilities	6,476,819	5,995,488	2,765,456	2,565,477

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

Amount repayable in one year or less, or on demand

As At 31 March 2019		As At 30 June 2018	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
710,877	378,768	142,364	104,000

Amount repayable after one year

As At 31 March 2019		As At 30 June 2018	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
1,936,819	911,770	2,035,767	1,177,995

Total bank borrowings and debt securities above amounted to S\$3,938.2 million (30 June 2018: S\$3,460.1 million).

The total bank borrowings and debt securities above exclude the carrying amounts of derivatives of S\$0.9 million (30 June 2018: S\$0.4 million) classified under other financial liabilities.

Details of collaterals

The above bank borrowings are secured by:

- a) First legal mortgages on the relevant property, plant and equipment, investment properties, development properties and investment securities.
- b) Legal assignment of all rights, title and interests in the construction contracts, insurance policies and performance bonds (if any), tenancy agreements and sale and purchase agreements in respect of the proposed developments, property, plant and equipment and investment properties.
- c) Corporate guarantees by the Company.
- d) Corporate guarantees by non-controlling shareholders of non-wholly owned subsidiaries for bank borrowings amounting to S\$52.7 million (30 June 2018: S\$56.0 million).

Note:

The above borrowings do not include advances from non-controlling shareholders of certain subsidiaries of S\$54.5 million as at 31 March 2019 (30 June 2018: S\$58.3 million). These advances, included in trade and other payables, are unsecured and without fixed repayment terms. Some of the advances are subordinated to the bank borrowings.

Unsecured borrowings include medium term notes and retail bonds of S\$1,073.9 million as at 31 March 2019 (30 June 2018: S\$1,074.3 million), due in financial years 2020 to 2022.

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

	Group		Group	
	Third Quarter Ended		Nine Months Ended	
	31-Mar-19 S\$'000	31-Mar-18 S\$'000	31-Mar-19 S\$'000	31-Mar-18 S\$'000
Cash Flows From Operating Activities:				
Profit Before Income Tax	73,456	29,725	144,689	168,401
Adjustments for:				
Depreciation of Property, Plant and Equipment	5,425	4,832	16,220	8,231
Plant and Equipment Written-Off	-	-	-	200
Impairment Loss on Development Properties	-	-	-	462
Bad debt written-off	416	302	700	302
Interest Income	(1,808)	(1,029)	(5,237)	(2,385)
Finance Costs	26,395	15,464	75,195	40,158
Fair Value (Gain) / Loss on Financial Instruments	(969)	12,711	(2,259)	24,193
Fair Value Gain on Investment Properties	(91,667)	(10,251)	(129,030)	(6,605)
Gain on Sale of Investment Properties	-	-	-	(500)
Loss on disposal of Asset Classified as Held for Sale	-	-	1,195	-
Derecognition of subsidiary	-	-	(2,993)	-
Share of (Profit) / Loss From Equity-Accounted Associates and Joint Ventures	(4,788)	1,423	(847)	(73,390)
Net Effect of Exchange Rate Changes	(6,568)	(4,254)	(4,414)	(10,002)
Operating Cash Flows Before Changes in Working Capital	(108)	48,923	93,219	149,065
Inventories	(8)	(130)	(23)	(1,323)
Development Properties	(124,340)	(114,321)	(511,269)	95,969
Trade and Other Receivables	75,695	(5,609)	101,180	33,841
Other Assets	51,069	45,540	(5,479)	6,941
Trade and Other Payables	(18,791)	22,646	30,751	(66,760)
Other Liabilities	58,783	(471)	(32,854)	71,636
Cash Flows Generated From / (Used In) Operations	42,300	(3,422)	(324,475)	289,369
Income Taxes Received / (Paid)	2,978	(29,624)	(431)	(82,127)
Net Cash Flows Generated from / (Used In) Operating Activities	45,278	(33,046)	(324,906)	207,242
Cash Flows From Investing Activities:				
Additions of Property, Plant and Equipment	(47,942)	(1,269)	(48,838)	(34,182)
Additions of Investment Properties	(42,343)	(712,626)	(60,033)	(778,699)
Investments in Securities	-	(18,003)	(14,875)	(284,001)
Investments in Joint Ventures	-	-	-	(3,000)
Investments in Associated Companies	(535)	(5,338)	(4,478)	(5,338)
Dividends from Associates and Joint Ventures	5,284	1,036	30,936	1,629
Advances to Associates	(661)	-	(1,742)	-
Advances from / (to) Joint Ventures	5,035	(138,593)	(58,838)	(138,593)
Proceeds from Asset Classified as Held for Sale	-	-	116,293	-
Proceeds from Sale of Investment Properties	-	-	-	5,600
Other Receivables, Non-current	(1,219)	15,936	(226)	15,936
Interest Income Received	1,808	1,029	5,237	2,385
Net Cash Flows Used In Investing Activities	(80,573)	(857,828)	(36,564)	(1,218,263)
Cash Flows From Financing Activities:				
Proceeds from issuance of new shares, by way of cash	-	79,968	-	79,968
Share issuance cost	-	(1,443)	-	(1,443)
Purchase of Treasury Shares	-	-	(1,368)	-
Placement of Treasury Shares	-	-	-	13,146
Dividends Paid to Equity Owners	-	-	(7,779)	(20,638)
Advances to Non-Controlling Shareholders	(6,783)	(601)	(8,187)	(49,710)
Return of Capital Contribution to Non-Controlling Shareholders	-	-	(725)	-
Increase in Capital Contribution by Non-Controlling Shareholders	-	965	755	1,107
Proceeds from Borrowings	132,401	781,430	971,346	1,421,303
Repayment of Borrowings	(41,934)	(1,763)	(496,586)	(560,180)
Interest Expense Paid	(24,871)	(21,606)	(78,996)	(69,503)
Net Cash Flows Generated from Financing Activities	58,813	836,950	378,460	814,050
Net Increase / (Decrease) in Cash and Cash Equivalents	23,518	(53,924)	16,990	(196,971)
Effects of Exchange Rate Changes on the Balance of Cash Held in Foreign Currencies	(2,009)	145	(1,979)	1,833
Cash and Cash Equivalents at Beginning of Period	248,482	272,186	254,980	413,545
Cash and Cash Equivalents at End of Period	269,991	218,407	269,991	218,407

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

GROUP	ATTRIBUTABLE TO OWNERS OF THE COMPANY								Non-Controlling Interests S\$'000	TOTAL EQUITY S\$'000
	Share Capital S\$'000	Treasury Shares S\$'000	Retained Earnings S\$'000	Foreign Currency Translation Reserve S\$'000	Assets Revaluation Reserve S\$'000	Fair Value Reserve S\$'000	Other Reserve S\$'000	Total S\$'000		
Current Period:										
Balance as at 1 July 2018	242,050	(2,575)	925,621	(2,691)	257,414	12,286	3,629	1,435,734	41,282	1,477,016
Effect of adoption of Singapore Financial Reporting Standards (International)	-	-	(25,511)	27,217	-	-	-	1,706	-	1,706
Restated balance as at 1 July 2018	242,050	(2,575)	900,110	24,526	257,414	12,286	3,629	1,437,440	41,282	1,478,722
Purchase of Treasury Shares	-	(1,368)	-	-	-	-	-	(1,368)	-	(1,368)
Increase in Capital Contribution by Non-Controlling Interests of Subsidiaries	-	-	-	-	-	-	-	-	755	755
Return of Capital Contribution to Non-Controlling Interests of Subsidiaries	-	-	-	-	-	-	-	-	(725)	(725)
Issue of shares under the Scrip Dividend Scheme	23,726	-	-	-	-	-	-	23,726	-	23,726
Dividends paid	-	-	(31,505)	-	-	-	-	(31,505)	(30,820)	(62,325)
Total Comprehensive Income / (Loss) for the Period	-	-	53,293	(31,334)	-	(43,312)	-	(21,353)	(438)	(21,791)
Balance as at 31 December 2018	265,776	(3,943)	921,898	(6,808)	257,414	(31,026)	3,629	1,406,940	10,054	1,416,994
Issue of shares under the Scrip Dividend Scheme	-	-	-	-	-	-	-	-	-	-
Dividends on ordinary shares	-	-	(13,187)	-	-	-	-	(13,187)	-	(13,187)
Total Comprehensive Income / (Loss) for the Period	-	-	67,400	443	-	899	-	68,742	(1,204)	67,538
Balance as at 31 March 2019	265,776	(3,943)	976,111	(6,365)	257,414	(30,127)	3,629	1,462,495	8,850	1,471,345
Previous Period:										
Balance as at 1 July 2017	163,880	(9,517)	690,347	(27,217)	227,316	-	-	1,044,809	44,072	1,088,881
Effect of adoption of Singapore Financial Reporting Standards (International)	-	-	(27,217)	27,217	-	-	-	-	-	-
Restated balance as at 1 July 2017	163,880	(9,517)	663,130	-	227,316	-	-	1,044,809	44,072	1,088,881
Placement of Treasury Shares	-	9,517	-	-	-	-	3,629	13,146	-	13,146
Dividends on ordinary shares	-	-	(20,638)	-	-	-	-	(20,638)	-	(20,638)
Increase in Capital Contribution by Non-Controlling Interests of Subsidiaries	-	-	-	-	-	-	-	-	142	142
Total Comprehensive Income / (Loss) for the Period	-	-	116,765	20,645	1,627	(3,754)	-	135,283	(2,686)	132,597
Balance as at 31 December 2017	163,880	-	759,257	20,645	228,943	(3,754)	3,629	1,172,600	41,528	1,214,128
Issue of share capital	79,968	-	-	-	-	-	-	79,968	-	79,968
Share Issue Expenses	(1,443)	-	-	-	-	-	-	(1,443)	-	(1,443)
Placement of Treasury Shares	-	-	-	-	-	-	-	-	-	-
Dividends on ordinary shares	-	-	(29,148)	-	-	-	-	(29,148)	-	(29,148)
Increase in Capital Contribution by Non-Controlling Interests of Subsidiaries	-	-	-	-	-	-	-	-	965	965
Total Comprehensive Income / (Loss) for the Period	-	-	30,562	4,925	1,189	(2,785)	-	33,891	(33)	33,858
Balance as at 31 March 2018	242,405	-	760,671	25,570	230,132	(6,539)	3,629	1,255,868	42,460	1,298,328
COMPANY	Share Capital S\$'000	Treasury Shares S\$'000	Retained Earnings S\$'000	Fair Value Reserve S\$'000	Other Reserve S\$'000	TOTAL EQUITY S\$'000				
Current Period:										
Balance as at 1 July 2018	242,050	(2,575)	170,505	12,286	3,629	425,895				
Effect of adoption of Singapore Financial Reporting Standards (International)	-	-	-	-	-	-				
Purchase of Treasury Shares	-	(1,368)	-	-	-	(1,368)				
Issue of shares under the Scrip Dividend Scheme	23,726	-	-	-	-	23,726				
Dividends on ordinary shares	-	-	(31,505)	-	-	(31,505)				
Total Comprehensive Income for the Period	-	-	109,835	(43,312)	-	66,523				
Balance as at 31 December 2018	265,776	(3,943)	248,835	(31,026)	3,629	483,271				
Issue of shares under the Scrip Dividend Scheme	-	-	-	-	-	-				
Dividends on ordinary shares	-	-	(13,187)	-	-	(13,187)				
Total Comprehensive (Loss) / Income for the Period	-	-	(8,342)	899	-	(7,443)				
Balance as at 31 March 2019	265,776	(3,943)	227,306	(30,127)	3,629	462,641				
Previous Period:										
Balance as at 1 July 2017	163,880	(9,517)	264,059	-	-	418,422				
Placement of Treasury Shares	-	9,517	-	-	3,629	13,146				
Dividends on ordinary shares	-	-	(20,638)	-	-	(20,638)				
Effect of adoption of Singapore Financial Reporting Standards (International)	-	-	-	-	-	-				
Total Comprehensive loss for the Period	-	-	(18,620)	(3,754)	-	(22,374)				
Balance as at 31 December 2017	163,880	-	224,801	(3,754)	3,629	388,556				
Issue of share capital	79,968	-	-	-	-	79,968				
Share Issue Expenses	(1,443)	-	-	-	-	(1,443)				
Dividends on ordinary shares	-	-	(29,148)	-	-	(29,148)				
Total Comprehensive (Loss) / Income for the Period	-	-	(12,311)	(2,785)	-	(15,096)				
Balance as at 31 March 2018	242,405	-	183,342	(6,539)	3,629	422,837				

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.

There had been no changes in the Company's issued share capital since 31 December 2018 (4,130,276,305 ordinary shares).

The Company had no outstanding convertibles and no subsidiary holdings as at 31 March 2019 and 31 March 2018.

As at 31 March 2019, the Company held 9,300,000 treasury shares, constituting 0.23% of the total number of ordinary shares outstanding. As at 31 March 2018, the Company did not hold any treasury shares.

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

	As At 31 Mar 2019	As At 30 June 2018
No. of issued shares excluding treasury shares	4,120,976,305	4,042,750,338

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on

There were no sales, transfers, cancellation and/or use of treasury shares by the Company for the current financial period ended 31 March 2019.

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

There were no sales, transfers, cancellation and/or use of subsidiary holdings for the current financial period ended 31 March 2019.

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

The figures have not been audited or reviewed by auditors.

3 Where the figures have been audited or reviewed, the auditor' 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 same accounting policies and methods of computation in the FY2018 audited annual financial statements have been applied for the current reporting period, except as disclosed in Section 5 below.

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 Singapore Accounting Standards Council has introduced a new Singapore financial reporting framework that is identical to the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The new framework is referred to as "Singapore Financial Reporting Standards (International)" ("SFRS(I)") hereinafter.

As required by the listing requirements of the Singapore Exchange, the Group has adopted SFRS(I) on 1 July 2018 and has issued its first set of financial information prepared under SFRS(I) for the period ended 30 September 2018.

In adopting SFRS(I), the Group is required to apply all of the specific transition requirements in SFRS(I) 1 First-time Adoption of Singapore Financial Reporting Standards (International). The Group will also concurrently apply SFRS(I) 9 Financial Instruments.

(a) Application of SFRS(I) 1 First-time Adoption of Singapore Financial Reporting Standards (International)

The Group is required to retrospectively apply all SFRS(I) effective at the end of the first SFRS(I) reporting period (financial year ending 30 June 2019), subject to the mandatory exceptions and optional exemptions under SFRS(I) 1. The Group has elected the relevant optional exemptions and the exemptions resulting in adjustments to the Group's financial statements are as follows:

Cumulative translation differences

The Group has elected to set the cumulative translation differences for all foreign operations to be zero as at the date of transition to SFRS(I) on 1 July 2017. As a result, foreign currency translation reserve and retained earnings as at 1 July 2017 increased and reduced by \$27.2 million respectively.

(b) Adoption of SFRS(I) 9 Financial Instruments

The Group and the Company have elected to apply SFRS(I) 9 for unquoted investment on 1 July 2018. The Group and the Company have assessed the business models that are applicable on 1 July 2018 to financial assets so as to classify them into the appropriate categories under SFRS(I) 9. The Group has elected to recognise changes in the fair value of its unquoted equity investments through Other Comprehensive Income, which were previously stated at cost, except for an unquoted equity investment whose underlying asset was sold shortly after 30 June 2018.

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

The effects of the adoption of the above standards on the results and the financial position of the Group are as follows:

Group	As at 1-Jul-17			As at 30-Jun-18		As at 1-Jul-18
	As previously reported S\$'000	Effects S\$'000	As restated S\$'000	As previously reported S\$'000	Effects S\$'000	As restated S\$'000
<u>Effect on Statements of Financial Position</u>						
Retained Earnings	690,347	(27,217)	663,130	925,621	(25,511)	900,110
Foreign Currency Translation Reserve	(27,217)	27,217	-	(2,691)	27,217	24,526
Total Assets		NA		5,995,488	1,706	5,997,194

NA- Not Applicable

(c) Borrowing Costs Relating to Development Properties

In March 2019, the IFRS Interpretations Committee (IFRSIC) issued an update on the decisions reached by the IFRSIC and concluded its views that borrowing costs relating to development properties where revenue is recognised over time should not be capitalised and instead, be expensed when incurred. The Group's accounting policy currently capitalises borrowing costs relating to its development properties under construction, which is the practice adopted by the property development companies in Singapore. Following the conclusion of the agenda decision by IFRSIC, management is assessing the impact of this accounting policy on its 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

Earnings per ordinary share for the period is computed based on profit, net of tax, attributable to owners of the parent:-

	Group			
	Third Quarter Ended		Nine Months Ended	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Earning per ordinary share				
(a) Based on the weighted average number of ordinary shares in issue	1.64 cents	0.78 cents	2.97 cents	3.79 cents
Weighted average number of ordinary shares in issue (excluding treasury shares)	4,120,976,305	3,900,361,449	4,069,068,574	3,882,567,836
(b) On a fully diluted basis				
Weighted average number of ordinary shares in issue (excluding treasury shares)	4,120,976,305	3,900,361,449	4,069,068,574	3,882,567,836

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

(a) current financial period reported on; and

(b) immediately preceding financial year.

	Group As At		Company As At	
	31-Mar-19	30-Jun-18	31-Mar-19	30-Jun-18
Net asset value per ordinary share based on total number of issued shares (excluding treasury shares)	35.49 cents	35.51 cents	11.23 cents	10.53 cents
Number of shares in issue (excluding treasury shares)	4,120,976,305	4,042,750,338	4,120,976,305	4,042,750,338

- 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.**

Profit or Loss Review

Revenue

Group revenues for 3Q2019 and Year-to-date ("YTD") 2019 declined by 75% and 39% to \$59.9 million and \$585.6 million respectively, compared with 3Q2018 and YTD2018, mainly due to lower revenue contribution from the project in the United Kingdom.

Gross profit margin

Gross profit margins for 3Q2019 and YTD2019 were 3 percentage points higher than 3Q2018 and YTD2018, mainly due to higher margin on the new Singapore properties while margin on the United Kingdom project in YTD2019 was comparable with the margin in YTD2018.

Other Gains

Other gains for 3Q2019 increased to \$101.5 million compared with \$33.1 million in 3Q2018 mainly due to fair value gain on the commercial building at 30 Raffles Place, formerly known as Chevron House.

Other gains for YTD2019 increased to \$157.9 million compared with \$41.2 million in YTD2018, mainly due to the fair value gain of investment properties in Dublin and Singapore.

Marketing and Distribution Costs

In 3Q2019 and YTD2019, marketing and distribution costs increased to \$5.2 million and \$20.0 million respectively mainly attributable to higher expenses incurred for the advertising of the projects in Singapore and overseas, show flat expenses and sales commission for the project in Ireland, in addition to sales and marketing expenses incurred by the hotels at Stevens Road which commenced operations in the middle of 2Q2018.

Administrative Expenses

Administrative expense for 3Q2019 increased by \$1.1 million or 8.9% compared with 3Q2018 mainly due to higher general expenses partially offset by lower accrual of payroll related cost. However, administrative expense for YTD2019 was lower than YTD2018 by \$9.2 million or 25.1% mainly attributable to lower accrual of payroll related expenses.

Finance Costs

Finance costs increased to \$26.4 million in 3Q2019 and \$75.2 million in YTD2019, mainly due to (i) increase in amount of bank loans to support the Group's acquisitions of properties and for advances extended to joint ventures, and (ii) higher interest rates, in line with the interest rate hikes by the US Federal Reserve over the last 12 months.

8 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business (continued):**

Other Losses

The decreases in other losses in 3Q2019 and YTD2019 were mainly due to the absence of loss on valuation of derivatives including foreign currency and interest rate contracts.

Share of Results from Equity-Accounted Associates and Joint Ventures

In 3Q2019, the increase in share of results from equity-accounted associates and joint ventures was mainly due to contribution from Galliard Group Limited and The Bridge project in Cambodia as compared to 3Q2018.

Share of results from equity-accounted associates and joint ventures for YTD2019 was lower than YTD2018 mainly due to lower contribution from The Bridge project in YTD2019.

Profit Before Income Tax

The profits for 3Q2019 and YTD2019 were \$73.5 million and \$144.7 million respectively, were due to the reasons stated above.

Income Tax (Expense) / Income

The effective tax rate for 3Q2019 of 10.0% arose from corporate taxes on the underlying results, offset by a writeback of over-provision of tax from prior year.

Statement of Financial Position Review

Net asset and gearing

As at 31 March 2019, the shareholders' fund of \$1,462.5 million represented an increase of 1.9% or \$26.8 million from 30 June 2018, mainly due to the fair value adjustments on the investment properties. The net asset value per share of the Group was higher than that in the prior year, mainly due to the fair value adjustments on the investment properties.

The Group's gearing ratio as at 31 March 2019 was 2.49, higher than 2.17 as of 30 June 2018, attributable to the increase in the bank borrowings to support the acquisition of Singapore development properties, additions to property, plant & equipment and investment properties, and advances to joint ventures.

Non-current Assets

The increase in non-current assets of \$179.8 million or 5.9% as at 31 March 2019 over 30 June 2018 was mainly due to increase in investment properties in Singapore and Dublin.

Current Assets

The increase in current assets of \$301.6 million or 10.1% as at 31 March 2019 over 30 June 2018 was mainly due to increase in development properties in Singapore, partially offset by the sale of asset classified as held for sale.

Non-Current Liabilities

The decrease in non-current liabilities of \$344.1 million or 10.5% as at 31 March 2019 over 30 June 2018 was mainly due to reclassification of bank loans and retail bond from non-current liabilities to current liabilities, partially offset by new loans to support new development projects.

Current Liabilities

The increase in current liabilities of \$831.1 million or 67.0% as at 31 March 2019 over 30 June 2018 was mainly due to reclassification of bank loans and retail bond from non-current liabilities to current liabilities as the loans are due for repayment in less than 12 months, partially offset by repayment of bank loans.

8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business (continued):

Cash Flow Review

Net cash flow from operating activities of \$45.3 million for 3Q 2019 was generated mainly from improvement in Group's working capital upon completion and sale of development properties in the United Kingdom and Cambodia. Deficit in net cash flow from operating activities during YTD 2019 was mainly due to increase in development properties.

Net cashflows used in investing activities for 3Q2019 and YTD 2019 were more muted than prior periods primarily due to the acquisition of the investment property at 30 Raffles Place in previous year.

The cash inflows generated from financing activities for 3Q2019 and YTD2019 were \$58.8 million and \$378.5 million respectively, mainly due to the increase in net bank borrowings to support the Group's activities.

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

The Company has not previously disclosed any forecast / prospect statements.

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.

Uncertainty clouds the global economy as US announced an increase of tariffs to 25% on US\$200 billion worth of Chinese goods from 10 May 2019 and a sharper than expected slowdown in China. Singapore's manufacturing output dropped 4.8% in the month of March 2019 compared with the previous year. The US economy is sending mixed signals while outlook for economic growth in Europe is gloomier due to Brexit, unrests in France and changing regulations that held back car production, particularly in Germany.

Sentiments for new home purchases in Singapore are muted due to the lingering effect of the cooling measures introduced in July 2018 and the increased supply in the residential market has weighed down on prices. In London, property prices are affected by uncertainties over Brexit though Dublin in Ireland is enjoying positive spillover effects from Brexit. In other parts of Asia, property expenditure is likely to be impacted by the China economy and their capital controls as the Chinese are significant investors in Asia property markets.

The Group's hotels on Stevens Road are expected to benefit from the healthy tourist arrivals in Singapore. After growing 6.2% to 18.5 million in tourist arrivals and 1% to \$27.1 billion in tourism receipts in Year 2018, the Singapore Tourism Board (STB) forecasts tourist arrivals to reach 18.7 million to 19.2 million in Year 2019, an increase of 1 to 4% while tourism receipts to increase by 1 to 3%.

Due to the conflicting signals from the US business activities, inflation rate and labor market, US Federal Reserve will keep the US benchmark interest rates unchanged in the range of 2.25-2.50% which will decelerate the Group's increase in interest cost.

As at early May 2019, the Group's total sales secured for its development portfolio amounted to \$7.0 billion, of which approximately \$2.4 billion and \$4.7 billion were attributable to the projects in Singapore and overseas respectively.

	Sales Secured (S\$m)	Recognised Billings (S\$m)	Future Progress Billings (S\$m)
Singapore	2,379	345	2,034
Overseas	4,652	3,008	1,644
Total *	<u>7,031</u>	<u>3,353</u>	<u>3,678</u>

* Includes unbilled contract value of joint ventures and associates

Lastly, the sale of property at 30 Raffles Place will help to improve the cashflow of the Group and reduce the Group's borrowings.

11 If a decision regarding dividend has been made:-

(a) Whether an interim (final) ordinary dividend has been declared (recommended)

None.

(b) (i) Amount per share

Not applicable.

(ii) Previous corresponding period

None.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country whether the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable.

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

No dividend has been declared/ recommended for the third quarter ended 31 March 2019.

13 Interested Person Transactions

There were no transactions under the general mandate from shareholders for interested person transactions during 3Q2019.

14 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 of the Listing Manual) under Rule 720(1) of the Listing Manual.

15 CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

We, Ching Chiat Kwong and Low See Ching, being Directors of the Company, do hereby confirm, on behalf of the Board of Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board which may render the unaudited financial statements for the third quarter ended 31 March 2019 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Ching Chiat Kwong
Executive Chairman and CEO
Date: 13 May 2019

Low See Ching
Deputy CEO
Date: 13 May 2019