



**Financial statements
and related announcement
Second quarter ended 30 June 2019**

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REVIEW OF PERFORMANCE OF THE GROUP

Results for the Second Quarter

For the quarter ended 30 June 2019, Group's revenues rose 18% to S\$29.3 million, largely on the strength of a 22% increase in corporate service revenues at Boardroom Limited ("Boardroom"), a large part of which resulted from the inclusion of Malaysian assets acquired in the latter part of 2018. Net profits for the quarter amounted to S\$0.3 million (2Q18: S\$2.4 million), while total comprehensive income fell to a loss of S\$2.0 million (2Q18: profit of S\$4.9 million).

In May 2019, the Group made a general offer for the minority holdings in Boardroom. At the end of the exercise, our stake has risen from 80.72% to 91.23%, and Boardroom has been successfully delisted. The takeover exercise increased costs for both our Company and for Boardroom, but going forward, there will be cost savings as a result of the privatisation.

Boardroom's net earnings for the period declined to S\$2.4 million (2Q18: S\$3.6 million), reflecting the impact of ongoing integration costs in Malaysia following last year's acquisition of Symphony House's corporate service businesses, higher depreciation and interest charges, higher staff costs and costs related to the delisting.

In Singapore, Allium Healthcare ("Allium") recorded an operating loss of S\$1.2 million, largely as a result of pre-opening costs for the Allium Care Suites at Venus Drive. The opening was affected by construction delays and we now expect to take in residents in the fourth quarter.

Our Australian associate, Opal Aged Care Group ("Opal"), contributed net earnings of S\$1.4 million (2Q18: S\$2.7 million). A significant part of the difference resulted from a reclassification of the fair value loss from an interest rate swap, from cash flow hedge reserve in the balance sheet to the profit and loss statement. There is thus a corresponding gain of S\$1.1 million in our Group's other comprehensive income. Without this item, Opal's results were slightly ahead of budget for the quarter, during which three new homes were opened and one closed, with a net increase of 196 beds to Opal's portfolio of over 7,000 beds.

As noted in our annual report, the residential aged care sector in Australia is being closely reviewed by a Royal Commission appointed by the Australian government. The Royal Commission's initial recommendations are expected to be released in October, with a final report due in April 2020.

Other associates recorded a loss of S\$0.7 million. Most of this related to the reduction in deferred management fees accruals due to a slow down in the overall retirement housing sector as well as a fair value loss on undeveloped land in Habitat Assets Pte Ltd ("Habitat").

Investment income was relatively weak for the quarter at S\$0.7 million (2Q18: S\$1.4 million). The Group's listed investment portfolio remains cautiously positioned. Some of the Group's private equity valuations were revalued upwards over the quarter, but the S\$1.8 million increase was more than offset by a continued decline in the market price of Eastern & Oriental Bhd ("E&O") following its announcement of a rights issue. Overall, there was a fair value revaluation loss of S\$0.9 million in other comprehensive income, along with a S\$2.6 million foreign exchange translation loss which relates to the Group's substantial investments in Australia in particular.

The Group's net asset value declined to S\$414.9 million (S\$1.277 per share) from S\$433.6 million (S\$1.335 per share) at the end of 2018. This includes the effect of the payment of S\$6.5 million in dividends.

The Group was in a net current liability position at the end of the quarter. This came about because one of our long-term secured loans was maturing within the next 12 months, and additional loans were drawn down to finance the general offer for Boardroom. Discussions are underway to term out these loans over three years. The Group's net gearing increased to 26.2%.

REVIEW OF PERFORMANCE OF THE GROUP (CONT'D)

Results for Six Months

For the six months to June, the Group's revenues rose 26% to S\$56.4 million, mostly contributed by Boardroom. Net profits rose by 26% to S\$3.3 million, while total comprehensive income amounted to a loss of S\$4.7 million (1H18: profit of S\$4.4 million). The loss in other comprehensive income was mostly because the 29% decline in E&O's share price and the decline in the Australian dollar relative to the Singapore dollar, offset only partly by an increase in the valuation of certain private equity funds.

Boardroom's half year result net profits amounted to S\$2.8 million (1H18: S\$5.5 million), while EBITDA increased to S\$9.5 million (1H18: S\$8.6 million). Operating costs increased following the merger of Boardroom's Malaysian operations with those of Symphony House late in 2018, but there has also been an increase in depreciation and interest costs.

Allium's pre-opening operating losses for the half year totaled S\$2.2 million, while Opal's contribution for the half year amounted to S\$4.5 million (inclusive of the interest rate swap adjustment noted in the 2Q report above). Our other associates contributed a net loss of S\$1.3 million, mostly resulting from Habitat.

Investment income for the half year totaled S\$5.1 million (1H18: S\$1.9 million).

VARIANCE BETWEEN PREVIOUS PROSPECT STATEMENT AND ACTUAL RESULTS

None

COMMENTARY ON PROSPECTS

Boardroom's revenues will be affected in the second half by weaker levels of corporate activity in Singapore, Malaysia and Hong Kong, and by the final phases of integration and office relocation costs in Malaysia. We expect this to be offset by more robust returns from its Australian operations which have continued to gain market share.

Opal is also expected to operate profitably in a more uncertain environment, with higher expenses resulting in part from the introduction of more industry standards and rising wage costs. The ongoing Royal Commission into Aged Care Quality and Safety is also expected to lead to changes in government policy and funding, and these may have a significant impact on Opal's profitability in the short to medium term. For the longer term, we are optimistic that these changes will lead to a more robust and consolidated industry that will deliver a higher level of care to elderly Australians.

Allium will continue to register losses ahead of the opening of Allium Care Suites in Venus Drive, Singapore, and we expect it to remain loss-making through the first year of operations.

Investment income is inherently difficult to predict in the short term.

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STATEMENT OF COMPREHENSIVE INCOME

(Amounts in Singapore dollars)

(These figures have not been audited)

	Note	Group		+ / (-)	Group		+ / (-)
		3 months ended	30 Jun 2018		6 months ended	30 Jun 2018	
		\$'000	\$'000	%	\$'000	\$'000	%
CONTINUING OPERATIONS							
Revenue							
Corporate services revenue		28,145	23,034	22	50,466	42,066	20
Investment income		727	1,425	(49)	5,114	1,937	164
Other income		379	291	30	778	724	7
Total revenue		29,251	24,750	18	56,358	44,727	26
Cost and expenses							
Employees' compensation and related costs		(16,154)	(13,070)	24	(31,921)	(25,363)	26
Office and equipment rental costs		(471)	(1,833)	(74)	(1,652)	(3,639)	(55)
Depreciation and amortisation		(3,157)	(1,345)	135	(5,792)	(2,684)	116
Technology and information services costs		(578)	(453)	28	(1,095)	(912)	20
Loss on foreign currency exchange		(99)	(76)	30	(198)	(1,212)	(84)
(Provision for) / write-back of doubtful debts		(148)	176	NM	(263)	387	NM
Other operating expenses		(6,953)	(5,271)	32	(11,432)	(9,237)	24
Total cost and expenses		(27,560)	(21,872)	26	(52,353)	(42,660)	23
Profit from operating activities		1,691	2,878	(41)	4,005	2,067	94
Finance costs		(1,451)	(712)	104	(2,760)	(1,650)	67
Share of profit of associates		683	2,121	(68)	3,205	4,599	(30)
Profit before tax	B	923	4,287	(78)	4,450	5,016	(11)
Taxation	C	(629)	(1,860)	(66)	(1,115)	(2,373)	(53)
Profit for the period		294	2,427	(88)	3,335	2,643	26
Other comprehensive income / (loss)							
Items that will not be reclassified to profit or loss							
Net fair value (loss) / gain on financial assets		(893)	2,005	NM	(5,638)	8,275	NM
Items that may be reclassified subsequently to profit or loss							
Share of other comprehensive income of associates		1,086	97	1,020	734	77	853
Net gain on cash flow hedge		79	-	NM	126	-	NM
Net (loss) / gain on hedge of net investment		-	(286)	NM	-	794	NM
Foreign currency translation		(2,575)	667	NM	(3,233)	(7,416)	(56)
Other comprehensive (loss) / income for the period, net of tax		(2,303)	2,483	NM	(8,011)	1,730	NM
Total comprehensive (loss) / income for the period		(2,009)	4,910	NM	(4,676)	4,373	NM
Profit attributable to:							
Owners of the Company		94	2,022	(95)	3,123	2,043	53
Non-controlling interests		200	405	(51)	212	600	(65)
		294	2,427	(88)	3,335	2,643	26
Total comprehensive income / (loss) attributable to:							
Owners of the Company		(2,174)	4,387	NM	(4,839)	3,873	NM
Non-controlling interests		165	523	(68)	163	500	(67)
		(2,009)	4,910	NM	(4,676)	4,373	NM

NM: Not meaningful

Earnings per share

- basic and diluted

	30 Jun 2019	30 Jun 2018	30 Jun 2019	30 Jun 2018
Earnings per share - basic and diluted	0.03 cents	0.62 cents	0.96 cents	0.63 cents

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BALANCE SHEETS

(Amounts in Singapore dollars)

(These figures have not been audited)

	Note	Group		Company	
		30 Jun 2019	31 Dec 2018	30 Jun 2019	31 Dec 2018
		\$'000	\$'000	\$'000	\$'000
Non-current assets					
Property, plant and equipment		21,537	37,624	-	-
Right-of-use assets		37,719	-	2,193	-
Intangible assets		140,897	143,749	-	-
Investment properties		3,727	3,727	-	-
Subsidiaries		-	-	236,668	229,270
Associates		189,020	191,454	-	-
Long-term investments		187,605	189,854	5,613	5,642
Lease receivables		736	-	-	-
Deferred tax assets		8,839	7,789	-	-
Current assets					
Amounts receivable from subsidiaries		-	-	159,645	136,791
Trade debtors		28,996	24,503	-	-
Other debtors		5,728	4,146	402	440
Lease receivables		401	-	-	-
Short-term investments		24,195	30,252	-	-
Cash and bank balances		31,391	35,534	1,451	2,574
		90,711	94,435	161,498	139,805
Current liabilities					
Trade creditors		23,265	11,251	-	-
Other creditors		21,425	18,228	309	529
Lease liabilities	D	5,746	-	885	-
Bank borrowings	D	118,697	92,446	53,983	18,598
Provision for taxation		1,283	1,144	336	262
		170,416	123,069	55,513	19,389
Net current (liabilities) / assets		(79,705)	(28,634)	105,985	120,416
Non-current liabilities					
Lease liabilities	D	9,822	-	1,272	-
Bank borrowings	D	59,829	75,451	-	-
Provision for employee benefits		276	234	-	-
Deferred tax liabilities		14,771	15,608	1,361	1,457
Net assets		425,677	454,270	347,826	353,871
Equity attributable to Owners of the Company					
Share capital		191,987	191,987	191,987	191,987
Revenue reserve		250,238	250,205	155,791	161,807
Fair value adjustment reserve		77	9,121	(89)	(60)
Foreign currency translation reserve		(14,666)	(11,495)	-	-
Cash flow hedge reserve		(87)	(934)	-	-
Transactions with non-controlling interests		(12,766)	(5,434)	-	-
Capital reserve		137	137	137	137
		414,920	433,587	347,826	353,871
Non-controlling interests		10,757	20,683	-	-
Total equity		425,677	454,270	347,826	353,871

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STATEMENTS OF CHANGES IN EQUITY

(Amounts in Singapore dollars)

(These figures have not been audited)

Group	Attributable to Owners of the Company									Total Equity
	Share Capital	Revenue Reserve	Fair Value Adjustment Reserve	Foreign Currency Translation Reserve	Cash Flow Hedge Reserve	Transactions with Non-controlling Interests	Capital Reserve	Equity Attributable to Owners of the Company	Non-controlling Interests	
2019	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 April 2019	191,987	256,362	1,248	(12,130)	(1,248)	(5,434)	137	430,922	20,681	451,603
Profit for the period	-	94	-	-	-	-	-	94	200	294
Other comprehensive income / (loss)										
Net fair value loss on financial assets	-	-	(893)	-	-	-	-	(893)	-	(893)
Share of other comprehensive income of associates	-	-	-	-	1,086	-	-	1,086	-	1,086
Net gain on cash flow hedge	-	-	-	-	75	-	-	75	4	79
Foreign currency translation	-	-	-	(2,536)	-	-	-	(2,536)	(39)	(2,575)
Other comprehensive income / (loss) for the period	-	-	(893)	(2,536)	1,161	-	-	(2,268)	(35)	(2,303)
Total comprehensive income / (loss) for the period	-	94	(893)	(2,536)	1,161	-	-	(2,174)	165	(2,009)

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STATEMENTS OF CHANGES IN EQUITY (Continued)

Group	Attributable to Owners of the Company									Total Equity
	Share Capital	Revenue Reserve	Fair Value	Foreign	Cash Flow	Transactions with	Capital Reserve	Equity	Non-controlling Interests	
			Adjustment Reserve	Currency Translation Reserve	Hedge Reserve	Non-controlling Interests		Attributable to Owners of the Company		
2019	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Contributions by and distributions to Owners										
Dividend on ordinary shares	-	(6,496)	-	-	-	-	-	(6,496)	-	(6,496)
Total contributions by and distributions to Owners	-	(6,496)	-	-	-	-	-	(6,496)	-	(6,496)
Changes in ownership interests in subsidiaries										
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(808)	(808)
Acquisition of non-controlling interests without a change in control	-	-	-	-	-	(7,332)	-	(7,332)	(9,281)	(16,613)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	(7,332)	-	(7,332)	(10,089)	(17,421)
Total transactions with Owners in their capacity as Owners	-	(6,496)	-	-	-	(7,332)	-	(13,828)	(10,089)	(23,917)
Others										
Transfer of gain on disposal of financial assets	-	278	(278)	-	-	-	-	-	-	-
Total others	-	278	(278)	-	-	-	-	-	-	-
Balance at 30 June 2019	191,987	250,238	77	(14,666)	(87)	(12,766)	137	414,920	10,757	425,677

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STATEMENTS OF CHANGES IN EQUITY (Continued)

Group 2018	Attributable to Owners of the Company									
	Share Capital \$'000	Revenue Reserve \$'000	Fair Value Adjustment Reserve \$'000	Foreign	Cash Flow Hedge Reserve \$'000	Transactions with Non-controlling Interests \$'000	Capital Reserve \$'000	Equity	Non- controlling Interests \$'000	Total Equity \$'000
				Currency Translation Reserve \$'000				Attributable to Owners of the Company \$'000		
Balance at 1 April 2018	191,987	270,752	19,924	(4,017)	(794)	(9,196)	137	468,793	12,015	480,808
Profit for the period	-	2,022	-	-	-	-	-	2,022	405	2,427
Other comprehensive income / (loss)										
Net fair value gain on financial assets	-	-	2,005	-	-	-	-	2,005	-	2,005
Share of other comprehensive income of associates	-	-	-	-	97	-	-	97	-	97
Net loss on hedge of net investment	-	-	-	(286)	-	-	-	(286)	-	(286)
Foreign currency translation	-	-	-	549	-	-	-	549	118	667
Other comprehensive income for the period	-	-	2,005	263	97	-	-	2,365	118	2,483
Total comprehensive income for the period	-	2,022	2,005	263	97	-	-	4,387	523	4,910

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STATEMENTS OF CHANGES IN EQUITY (Continued)

Group	Attributable to Owners of the Company									Total Equity \$'000
	Share Capital \$'000	Revenue Reserve \$'000	Fair Value Adjustment Reserve \$'000	Foreign	Cash Flow Hedge Reserve \$'000	Transactions with Non-controlling Interests \$'000	Capital Reserve \$'000	Equity	Non- controlling Interests \$'000	
				Currency Translation Reserve \$'000				Attributable to Owners of the Company \$'000		
2018										
Contributions by and distributions to Owners										
Unclaimed dividend	-	17	-	-	-	-	-	17	-	17
Dividend on ordinary shares	-	(19,492)	-	-	-	-	-	(19,492)	-	(19,492)
Shares re-purchased	-	(524)	-	-	-	-	-	(524)	-	(524)
Total contributions by and distributions to Owners	-	(19,999)	-	-	-	-	-	(19,999)	-	(19,999)
Changes in ownership interests in subsidiaries										
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(611)	(611)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	(611)	(611)
Total transactions with Owners in their capacity as Owners	-	(19,999)	-	-	-	-	-	(19,999)	(611)	(20,610)
Others										
Transfer of gain on disposal of financial assets	-	601	(601)	-	-	-	-	-	-	-
Total others	-	601	(601)	-	-	-	-	-	-	-
Balance at 30 June 2018	191,987	253,376	21,328	(3,754)	(697)	(9,196)	137	453,181	11,927	465,108

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STATEMENTS OF CHANGES IN EQUITY (Continued)

Company 2019	Share Capital \$'000	Revenue Reserve \$'000	Fair Value Adjustment Reserve \$'000	Capital Reserve \$'000	Total Equity \$'000
Balance at 1 April 2019	191,987	161,771	(109)	137	353,786
Profit for the period	-	516	-	-	516
Other comprehensive income					
Net fair value gain on financial assets	-	-	20	-	20
Total comprehensive income for the period	-	516	20	-	536
Contributions by and distributions to Owners					
Dividend on ordinary shares	-	(6,496)	-	-	(6,496)
Total transactions with Owners in their capacity as Owners	-	(6,496)	-	-	(6,496)
Balance at 30 June 2019	191,987	155,791	(89)	137	347,826

Company 2018	Share Capital \$'000	Revenue Reserve \$'000	Fair Value Adjustment Reserve \$'000	Capital Reserve \$'000	Total Equity \$'000
Balance at 1 April 2018	191,987	129,053	(287)	137	320,890
Profit for the period	-	3,251	-	-	3,251
Other comprehensive income					
Net fair value gain on financial assets	-	-	216	-	216
Total comprehensive income for the period	-	3,251	216	-	3,467
Contributions by and distributions to Owners					
Unclaimed dividend	-	17	-	-	17
Dividend on ordinary shares	-	(19,492)	-	-	(19,492)
Shares re-purchased	-	(524)	-	-	(524)
Total transactions with Owners in their capacity as Owners	-	(19,999)	-	-	(19,999)
Balance at 30 June 2018	191,987	112,305	(71)	137	304,358

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CONSOLIDATED CASH FLOW STATEMENT

(Amounts in Singapore dollars)

(These figures have not been audited)

	Group	
	3 months ended	
	30 Jun 2019	30 Jun 2018
	\$'000	\$'000
Operating activities		
Profit before tax	923	4,287
Adjustments for :-		
Depreciation and amortisation	3,157	1,345
Gain on disposal of property, plant and equipment	-	(2)
Finance costs	1,451	712
Interest income	(179)	(265)
Dividend income	(338)	(495)
Provision for / (w rite-back of) doubtful debts	148	(176)
Fair value adjustment	(407)	795
Share of profit of associates	(683)	(2,121)
Operating cash flows before changes in working capital	4,072	4,080
(Increase) / decrease in debtors	(1,674)	273
Decrease / (increase) in short-term investments	1,118	(2,352)
Increase / (decrease) in creditors	11,535	(13,681)
Cash flows from / (used in) operations	15,051	(11,680)
Interest paid	(1,554)	(688)
Interest received	179	382
Income tax paid	(1,269)	(550)
Net cash flows from / (used in) operating activities	12,407	(12,536)
Investing activities		
Purchase of property, plant and equipment	(4,894)	(1,675)
Proceeds from disposal of property, plant and equipment	2	2
Purchase of intangible assets	(498)	(505)
Purchase of long-term investments	(5,989)	(7,610)
Proceeds from sale of long-term investments	2,152	8,880
Investment in associates	-	(51)
Dividend income received	312	460
Net cash flows used in investing activities	(8,915)	(499)
Financing activities		
Unclaimed dividend	-	17
Dividend paid	(6,496)	(19,492)
Shares re-purchased	-	(524)
Dividend paid to non-controlling interests	(808)	(611)
Acquisition of non-controlling interests	(16,613)	-
Repayment of lease liabilities	(1,474)	-
Proceeds from / (repayment of) bank borrowings	8,945	(15,427)
Net cash flows used in financing activities	(16,446)	(36,037)
Net decrease in cash and cash equivalents	(12,954)	(49,072)
Effect of exchange rate changes in opening cash and cash equivalents	629	(186)
Cash and cash equivalents at beginning of period	43,716	79,268
Cash and cash equivalents at end of period	31,391	30,010

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NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2019

(Amounts in Singapore dollars)

(These figures have not been audited)

A. SHARE CAPITAL

In the second quarter ended 30 June 2019, no (2018: 449,800) shares were purchased by the Company and no (2018: Nil) shares were issued. The total number of issued shares as at 30 June 2019 was 324,810,137 (Dec 2018: 324,810,137). There were no treasury shares or subsidiary holdings as at 30 June 2019 and 2018.

B. REVENUE AND EXPENSES

Profit before tax includes the following:

	Group 3 months ended		Group 6 months ended	
	30 Jun 2019 \$'000	30 Jun 2018 \$'000	30 Jun 2019 \$'000	30 Jun 2018 \$'000
Investment income:				
Fair value adjustment for short-term investments	407	(763)	4,093	(2,301)
Fair value adjustment for long-term investments	-	(32)	(6)	(116)
(Loss) / gain on sale of short-term investments	(197)	1,460	(1,948)	3,239
Dividend income	338	495	2,435	539
Interest income:				
- Bank deposits	173	265	527	576
- Leases	6	-	13	-
Other income:				
Rental income	89	224	224	448
Finance costs:				
Interest expense:				
- Bank loans and overdrafts	(1,293)	(712)	(2,505)	(1,650)
- Leases	(158)	-	(255)	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

C. TAX

	Group 3 months ended		Group 6 months ended	
	30 Jun 2019 \$'000	30 Jun 2018 \$'000	30 Jun 2019 \$'000	30 Jun 2018 \$'000
Current income tax				
Current year	(1,101)	(1,105)	(1,933)	(2,026)
Over / (under)provision in respect of prior years	11	(15)	193	(4)
Deferred tax				
Current year	169	160	358	580
Over / (under)provision in respect of prior years	292	(900)	267	(923)
	<u>(629)</u>	<u>(1,860)</u>	<u>(1,115)</u>	<u>(2,373)</u>

D. AGGREGATE AMOUNT OF GROUP'S BORROWINGS

	Secured		Unsecured	
	30 Jun 2019 \$'000	31 Dec 2018 \$'000	30 Jun 2019 \$'000	31 Dec 2018 \$'000
Amount due within one year	45,833	42,036	78,610	50,410
Amount due after one year	34,851	38,001	34,800	37,450
	<u>45,833</u>	<u>42,036</u>	<u>78,610</u>	<u>50,410</u>

The Group's borrowings include bank borrowings and lease liabilities. Secured bank borrowings are secured by charges on bank accounts, shares of investee companies, land and buildings owned by the borrowing subsidiaries.

E. EARNINGS PER SHARE

Basic and diluted earnings per share ("EPS") are calculated by dividing the profit attributable to Owners of \$94,000 (2018: \$2,022,000) by the weighted average number of ordinary shares in issue during the period of 324,810,137 (2018: 324,877,237).

There were no outstanding share options as at 30 June 2019 and 2018.

F. NET ASSET VALUE PER SHARE

	Group		Company	
	30 Jun 2019	31 Dec 2018	30 Jun 2019	31 Dec 2018
Net asset value per share based on existing issued share capital as at the end of the respective period	<u>127.74 cts</u>	<u>133.49 cts</u>	<u>107.09 cts</u>	<u>108.95 cts</u>

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS (Continued)

G. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)"). Other than the adoption of the new and revised SFRS(I) which took effect from the current financial year, the accounting policies have been consistently applied by the Group and are consistent with those used in the previous financial year.

The Group has adopted SFRS(I) 16 which took effect in the current financial year. Under SFRS(I) 16, the Group is required to recognise on the balance sheet a liability to make lease payments (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset). The Group is also required to separately recognise the interest expense on the lease liability and depreciation expense on the right-of-use asset. The adoption has resulted in increases in total assets and total liabilities.

DIVIDENDS

	Group and Company 3 months ended	
	30 Jun 2019	30 Jun 2018
	\$'000	\$'000
Final dividends paid, 2.0 cents per ordinary share, one-tier tax exempt (2018: 3.0 cents per ordinary share)	6,496	9,746
Special dividends paid, Nil (2018: 3.0 cents per ordinary share, one-tier tax exempt)	-	9,746
	<u>6,496</u>	<u>19,492</u>

AUDIT

These Financial Statements have not been audited or reviewed by the Auditor.

INTERESTED PERSON TRANSACTIONS

The Company does not have an Interested Person Transactions mandate.

CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5)

The Board of Directors hereby confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited Financial Statements of the Company and of the Group for the second quarter ended 30 June 2019 to be false or misleading in any material aspect.

CONFIRMATION PURSUANT TO RULE 720(1)

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Thomas Teo Liang Huat
Executive Director

7 August 2019
Singapore