

WING TAI HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No: 196300239D)

2014 FULL YEAR UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT

The Directors of Wing Tai Holdings Limited announce the unaudited consolidated results for the financial year and fourth quarter ended 30 June 2014.

1 (a)(i) **Income Statement**

| | Group | | | Group | | | Note |
|--|------------------------------------|------------------------------------|--------------|--|--|--------------|------|
| | Year ended 30-Jun-14 S\$'000 | Year ended 30-Jun-13 S\$'000 | + / (-) % | Fourth Quarter ended 30-Jun-14 S\$'000 | Fourth Quarter ended 30-Jun-13 S\$'000 | + / (-) % | |
| Revenue | 803,393 | 1,332,500 | (40) | 179,766 | 307,797 | (42) | |
| Cost of sales | <u>(449,593)</u> | <u>(779,735)</u> | (42) | <u>(99,072)</u> | <u>(176,904)</u> | (44) | |
| Gross profit | 353,800 | 552,765 | (36) | 80,694 | 130,893 | (38) | |
| Other gains - net | 42,913 | 71,526 | (40) | 30,736 | 61,313 | (50) | (a) |
| Expenses | | | | | | | |
| - Distribution | (120,255) | (97,605) | 23 | (40,218) | (23,370) | 72 | (b) |
| - Administrative and other | (78,864) | (91,239) | (14) | (21,522) | (28,014) | (23) | (c) |
| Operating profit | 197,594 | 435,447 | (55) | 49,690 | 140,822 | (65) | |
| Finance costs | (39,897) | (39,383) | 1 | (10,681) | (10,898) | (2) | |
| Share of profits of associated and joint venture companies | 154,774 | 294,753 | (47) | 121,845 | 200,338 | (39) | |
| Profit before income tax | 312,471 | 690,817 | (55) | 160,854 | 330,262 | (51) | |
| Income tax expense | (36,129) | (102,926) | (65) | (7,023) | (38,849) | (82) | |
| Total profit | 276,342 | 587,891 | (53) | 153,831 | 291,413 | (47) | |
| Attributable to: | | | | | | | |
| Equity holders of the Company | 254,390 | 531,126 | (52) | 143,072 | 275,827 | (48) | |
| Non-controlling interests | 21,952 | 56,765 | (61) | 10,759 | 15,586 | (31) | |
| | 276,342 | 587,891 | (53) | 153,831 | 291,413 | (47) | |

1 (a)(ii) **Notes to Income Statement**

| | Group | | | Group | | |
|---|------------------------------------|------------------------------------|-------------|--|--|-------------|
| | Year ended 30-Jun-14 S\$'000 | Year ended 30-Jun-13 S\$'000 | + /(-) % | Fourth Quarter ended 30-Jun-14 S\$'000 | Fourth Quarter ended 30-Jun-13 S\$'000 | + /(-) % |
| (A) Investment income | 125 | 104 | 20 | - | - | - |
| (B) Interest income | 12,705 | 11,018 | 15 | 3,574 | 3,398 | 5 |
| (C) Finance costs | (39,897) | (39,383) | 1 | (10,681) | (10,898) | (2) |
| (D) Depreciation and amortisation | (14,354) | (12,489) | 15 | (3,578) | (3,561) | - |
| (E) (Allowance)/write-back of allowance for doubtful debts | (79) | 26 | n.m. | (75) | 20 | n.m. |
| (F) Allowance for stock obsolescence | (2,725) | (2,044) | 33 | (1,830) | (730) | 151 |
| (G) Impairment in value of investments | - | - | - | - | - | - |
| (H) Foreign exchange loss | (100) | (3,088) | (97) | (3) | (2,777) | (100) |
| (I) Adjustment for tax in respect of prior years | 12,791 | 2,039 | 527 | 12,791 | 2,039 | 527 |
| (J) Gain on disposal of property, plant and equipment | 236 | 204 | 16 | 65 | 1 | n.m. |
| (K) Fair value gains on investment properties | 11,054 | 52,112 | (79) | 11,054 | 52,112 | (79) |
| (L) Write-back of allowance for foreseeable losses on development properties | 3,985 | - | n.m. | 3,985 | - | n.m. |
| (M) Exceptional items | | | | | | |
| Gain on disposal of subsidiary companies | 7,080 | - | n.m. | 7,080 | - | n.m. |
| Fair value gain on re-measurement of retained interest in a joint venture company | 5,792 | - | n.m. | 5,792 | - | n.m. |
| (N) Extraordinary items | - | - | - | - | - | - |

Note:-

- (a) The decrease in other gains - net is mainly due to the lower fair value gains on investment properties, partially offset by the one-off gain on disposal of subsidiary companies and fair value gain on re-measurement of retained interest in a joint venture company.
- (b) The increase in distribution expenses is primarily attributable to the higher project selling and related expenses.
- (c) The decrease in administrative and other expenses is largely due to the lower accrued operating expenses.

n.m. - not meaningful

1 (b)(i) **Statements of Financial Position**

| | Group | | Company | | Note |
|---|--|--|--|--|-------------|
| | As at 30-Jun-14 S\$'000 | As at 30-Jun-13 S\$'000 | As at 30-Jun-14 S\$'000 | As at 30-Jun-13 S\$'000 | |
| ASSETS | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 834,762 | 1,024,541 | 407,620 | 606,280 | |
| Trade and other receivables | 79,972 | 166,159 | 535,750 | 300,447 | (a),(g) |
| Inventories | 28,039 | 21,796 | - | - | |
| Development properties | 1,482,874 | 1,463,073 | - | - | |
| Tax recoverable | 8,532 | 2,378 | - | - | |
| Other current assets | 43,711 | 59,525 | 4,574 | 4,602 | |
| | 2,477,890 | 2,737,472 | 947,944 | 911,329 | |
| Non-current assets | | | | | |
| Available-for-sale financial assets | 3,189 | 3,189 | 3,189 | 3,189 | |
| Trade and other receivables | 382,068 | 292,373 | 920,730 | 661,805 | (b),(g) |
| Investment in an associated company | 1,162,428 | 1,043,593 | - | - | (c) |
| Investments in joint venture companies | 151,085 | 207,299 | - | - | (d) |
| Investments in subsidiary companies | - | - | 252,392 | 252,392 | |
| Investment properties | 575,263 | 562,153 | - | - | |
| Property, plant and equipment | 131,491 | 131,693 | 8,787 | 8,020 | |
| | 2,405,524 | 2,240,300 | 1,185,098 | 925,406 | |
| Total assets | 4,883,414 | 4,977,772 | 2,133,042 | 1,836,735 | |
| LIABILITIES | | | | | |
| Current liabilities | | | | | |
| Derivative financial instruments | 8,564 | - | - | - | |
| Trade and other payables | 260,369 | 325,082 | 147,591 | 160,857 | (e) |
| Current income tax liabilities | 57,206 | 72,683 | 2,936 | 8,879 | |
| Borrowings | 186,365 | 88,249 | 120,000 | - | (f),(h) |
| | 512,504 | 486,014 | 270,527 | 169,736 | |
| Non-current liabilities | | | | | |
| Derivative financial instruments | - | 11,786 | - | 257 | |
| Borrowings | 1,115,858 | 1,350,568 | 550,000 | 570,000 | (f),(h) |
| Deferred income tax liabilities | 72,694 | 62,267 | - | - | |
| Other non-current liabilities | 39,544 | 40,057 | - | - | |
| | 1,228,096 | 1,464,678 | 550,000 | 570,257 | |
| Total liabilities | 1,740,600 | 1,950,692 | 820,527 | 739,993 | |
| NET ASSETS | 3,142,814 | 3,027,080 | 1,312,515 | 1,096,742 | |
| EQUITY | | | | | |
| Capital and reserves attributable to equity holders of the Company | | | | | |
| Share capital | 838,250 | 838,250 | 838,250 | 838,250 | |
| Other reserves | 56,985 | 87,919 | 2,104 | (490) | |
| Retained earnings | 2,074,420 | 1,914,471 | 472,161 | 258,982 | |
| | 2,969,655 | 2,840,640 | 1,312,515 | 1,096,742 | |
| Non-controlling interests | 173,159 | 186,440 | - | - | |
| TOTAL EQUITY | 3,142,814 | 3,027,080 | 1,312,515 | 1,096,742 | |

1 (b)(i) **Statements of Financial Position** (continued)

Note:-

- (a) The decrease in the Group's current trade and other receivables is largely due to the receipt of progress billings for development projects and the repayment of loan by a joint venture company.
- (b) The increase in the Group's non-current trade and other receivables is mainly attributable to the advancement of loans to its joint venture companies.
- (c) The increase in the Group's investment in an associated company is primarily due to the share of its profit, partially offset by the currency translation loss and the dividend received.
- (d) The decrease in the Group's investments in joint venture companies is largely due to the capital reduction by a joint venture company.
- (e) The decrease in the Group's trade and other payables is mainly due to the settlement of project related costs.
- (f) The decrease in the Group's current and non-current borrowings is mainly attributable to the repayment of bank loans partially offset by the issuance of medium term notes.
- (g) The increase in the Company's current and non-current trade and other receivables is largely due to the advancement of loans to its subsidiary companies.
- (h) The increase in the Company's current and non-current borrowings is attributable to the issuance of medium term notes.

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

Amount repayable in one year or less, or on demand

| As at 30-Jun-14 | | As at 30-Jun-13 | |
|-----------------|-----------|-----------------|-----------|
| Secured | Unsecured | Secured | Unsecured |
| S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| 55,886 | 130,479 | 81,083 | 7,166 |

Amount repayable after one year

| As at 30-Jun-14 | | As at 30-Jun-13 | |
|-----------------|-----------|-----------------|-----------|
| Secured | Unsecured | Secured | Unsecured |
| S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| 372,449 | 743,409 | 585,187 | 765,381 |

Details of any collateral

Secured borrowings are generally secured by the borrowing companies' property, plant and equipment, investment properties, properties under development and assignment of all rights and benefits with respect to the properties.

1 (c) **Statement of Cash Flows**

| | Group | | Group | |
|--|----------------------|----------------------|----------------------------|----------------------------|
| | Year ended | Year ended | Fourth Quarter ended | Fourth Quarter ended |
| | 30-Jun-14 S\$'000 | 30-Jun-13 S\$'000 | 30-Jun-14 S\$'000 | 30-Jun-13 S\$'000 |
| Cash flows from operating activities | | | | |
| Total profit | 276,342 | 587,891 | 153,831 | 291,413 |
| Adjustments for: | | | | |
| Non-cash items | (98,015) | (202,297) | (128,431) | (216,906) |
| Operating cash flow before working capital changes | 178,327 | 385,594 | 25,400 | 74,507 |
| Changes in operating assets and liabilities: | | | | |
| Development properties | (141,376) | (132,080) | (15,968) | (99,018) |
| Other current assets/liabilities | 47,686 | 50,673 | 9,087 | 23,802 |
| Cash generated from/(used in) operations | 84,637 | 304,187 | 18,519 | (709) |
| Income tax paid | (46,775) | (66,353) | (5,294) | (9,145) |
| Net cash generated from/(used in) operating activities | 37,862 | 237,834 | 13,225 | (9,854) |
| Cash flows from investing activities | | | | |
| Acquisition of additional interest in a subsidiary company | (15) | (15) | - | - |
| Disposal of subsidiary companies, net of cash disposed of | 58,896 | - | 58,896 | - |
| Acquisition of additional interest in joint venture companies | (45,865) | (16,145) | - | - |
| Additions to investment property | - | (612) | - | (612) |
| Additions to property, plant and equipment | (20,367) | (19,883) | (7,769) | (8,668) |
| Disposal of property, plant and equipment | 1,775 | 247 | 134 | 6 |
| Distribution to non-controlling interests upon liquidation of a subsidiary company | (942) | - | (942) | - |
| Liquidation of an available-for-sale financial asset | - | 5,299 | - | 5,299 |
| Capital reduction of a joint venture company | 75,339 | - | 75,339 | - |
| (Advancement)/repayment of the loans to joint venture companies | (21,440) | (120,637) | (3,891) | 13,824 |
| Dividends received | 27,513 | 32,898 | 14,127 | 6,819 |
| Interest received | 4,061 | 3,217 | 1,433 | 1,033 |
| Net cash generated from/(used in) investing activities | 78,955 | (115,631) | 137,327 | 17,701 |
| Cash flows from financing activities | | | | |
| Issuance of ordinary shares by a subsidiary company to non-controlling interests | 71 | 403 | - | 72 |
| Reissuance of treasury shares | 418 | 485 | 28 | 164 |
| Purchase of treasury shares | (693) | - | - | - |
| Repayment of the loans from non-controlling interests | (3,129) | (1,912) | (2,159) | (926) |
| (Repayment of)/proceeds from borrowings | (131,292) | 214,583 | 41,509 | (33,009) |
| Ordinary and special dividends paid | (94,328) | (54,838) | - | - |
| Dividends paid to non-controlling interests | (29,769) | (57,449) | - | (7,916) |
| Interest paid | (44,213) | (46,784) | (8,445) | (10,827) |
| Net cash (used in)/generated from financing activities | (302,935) | 54,488 | 30,933 | (52,442) |
| Net (decrease)/increase in cash and cash equivalents | (186,118) | 176,691 | 181,485 | (44,595) |
| Cash and cash equivalents at beginning of financial year/quarter | 1,024,541 | 848,686 | 654,481 | 1,068,778 |
| Effects of currency translation on cash and cash equivalents | (3,661) | (836) | (1,204) | 358 |
| Cash and cash equivalents at end of financial year/quarter | 834,762 | 1,024,541 | 834,762 | 1,024,541 |

Note:-

- Cash and cash equivalents consist of fixed deposits, cash and bank balances.
- The decrease in the Group's cash and cash equivalents is mainly attributable to the repayment of bank loans and the payment of ordinary and special dividends.

1 (d) Statement of Comprehensive Income

| | Group | | | Group | | |
|--|-----------------------------|-----------------------------|--------------|-----------------------------|-----------------------------|--------------|
| | Year ended | Year ended | + / (-) % | Fourth Quarter ended | Fourth Quarter ended | + / (-) % |
| | 30-Jun-14 <u>S\$'000</u> | 30-Jun-13 <u>S\$'000</u> | | 30-Jun-14 <u>S\$'000</u> | 30-Jun-13 <u>S\$'000</u> | |
| Total profit | 276,342 | 587,891 | (53) | 153,831 | 291,413 | (47) |
| Other comprehensive income/(expense): | | | | | | |
| Items that may be reclassified subsequently to profit or loss: | | | | | | |
| Cash flow hedges | 2,979 | 8,864 | (66) | 19 | 4,119 | (100) |
| Currency translation differences | (43,208) | 10,716 | n.m. | (23,084) | 27,101 | n.m. |
| Share of other comprehensive income of associated and joint venture companies | 1,202 | 8,230 | (85) | 1,718 | 2,923 | (41) |
| | (39,027) | 27,810 | n.m. | (21,347) | 34,143 | n.m. |
| Items that will not be reclassified subsequently to profit or loss: | | | | | | |
| Revaluation gains on property, plant and equipment | 1,569 | 63,362 | (98) | 1,539 | 63,362 | (98) |
| Share of revaluation gains on property, plant and equipment of an associated company | 394 | 2,138 | (82) | - | 165 | n.m. |
| | 1,963 | 65,500 | (97) | 1,539 | 63,527 | (98) |
| Other comprehensive (expense)/income, net of tax | (37,064) | 93,310 | n.m. | (19,808) | 97,670 | n.m. |
| Total comprehensive income | 239,278 | 681,201 | (65) | 134,023 | 389,083 | (66) |
| Attributable to: | | | | | | |
| Equity holders of the Company | 222,213 | 625,039 | (64) | 123,078 | 374,309 | (67) |
| Non-controlling interests | 17,065 | 56,162 | (70) | 10,945 | 14,774 | (26) |
| | 239,278 | 681,201 | (65) | 134,023 | 389,083 | (66) |

Note:-

n.m. - not meaningful

1 (e)(i) **Statements of Changes in Equity for the Group**

| | Attributable to equity holders of the Company | | | Total | Non-controlling interests | Total equity |
|--|---|------------------|-------------------|------------------|---------------------------|------------------|
| | Share capital | Other reserves * | Retained earnings | | | |
| | <u>S\$'000</u> | <u>S\$'000</u> | <u>S\$'000</u> | <u>S\$'000</u> | <u>S\$'000</u> | <u>S\$'000</u> |
| Balance at 1 July 2013 | 838,250 | 87,919 | 1,914,471 | 2,840,640 | 186,440 | 3,027,080 |
| Total comprehensive (expense)/income | - | (32,177) | 254,390 | 222,213 | 17,065 | 239,278 |
| Realisation of reserves | - | (43) | 43 | - | - | - |
| Cost of share-based payment | - | 2,849 | - | 2,849 | 153 | 3,002 |
| Reissuance of treasury shares | - | 418 | - | 418 | - | 418 |
| Purchase of treasury shares | - | (693) | - | (693) | - | (693) |
| Ordinary and special dividends paid | - | - | (94,328) | (94,328) | - | (94,328) |
| Dividends paid by subsidiary companies to non-controlling interests | - | - | - | - | (29,769) | (29,769) |
| Issuance of ordinary shares by a subsidiary company to non-controlling interests | - | - | (147) | (147) | 218 | 71 |
| Acquisition of additional interest in a subsidiary company | - | - | (9) | (9) | (6) | (15) |
| Disposal of subsidiary companies | - | (1,288) | - | (1,288) | - | (1,288) |
| Liquidation of a subsidiary company | - | - | - | - | (942) | (942) |
| Balance at 30 June 2014 | 838,250 | 56,985 | 2,074,420 | 2,969,655 | 173,159 | 3,142,814 |

1 (e)(i) **Statements of Changes in Equity for the Group** (continued)

| | Attributable to equity holders of the Company | | | | Non-controlling interests | Total equity |
|--|---|------------------|-------------------|------------------|---------------------------|------------------|
| | Share capital | Other reserves * | Retained earnings | Total | | |
| | <u>S\$'000</u> | <u>S\$'000</u> | <u>S\$'000</u> | <u>S\$'000</u> | <u>S\$'000</u> | <u>S\$'000</u> |
| Balance at 1 July 2012 | 838,250 | (45,637) | 1,438,376 | 2,230,989 | 166,838 | 2,397,827 |
| Total comprehensive income | - | 93,913 | 531,126 | 625,039 | 56,162 | 681,201 |
| Realisation of reserves | - | (92) | 92 | - | - | - |
| Cost of share-based payment | - | 2,705 | - | 2,705 | 67 | 2,772 |
| Reissuance of treasury shares | - | 485 | - | 485 | - | 485 |
| Ordinary and special dividends paid | - | - | (54,838) | (54,838) | - | (54,838) |
| Dividends paid by subsidiary companies to non-controlling interests | - | - | - | - | (57,449) | (57,449) |
| Issuance of ordinary shares by a subsidiary company to non-controlling interests | - | - | (276) | (276) | 679 | 403 |
| Acquisition of additional interest in a subsidiary company | - | - | (9) | (9) | (6) | (15) |
| Acquisition by an associated company of its non-controlling interests | - | 36,545 | - | 36,545 | 1,227 | 37,772 |
| Waiver of loan from non-controlling interests | - | - | - | - | 18,922 | 18,922 |
| Balance at 30 June 2013 | <u>838,250</u> | <u>87,919</u> | <u>1,914,471</u> | <u>2,840,640</u> | <u>186,440</u> | <u>3,027,080</u> |

* Includes share-based payment reserve, cash flow hedge reserve, asset revaluation reserve, share of capital reserves of associated and joint venture companies, currency translation reserve, treasury shares reserve and statutory reserve.

1 (e)(i) **Statements of Changes in Equity for the Company**

| | <u>Share capital</u> <u>S\$'000</u> | <u>Share-based payment reserve</u> <u>S\$'000</u> | <u>Cash flow hedge reserve</u> <u>S\$'000</u> | <u>Treasury shares reserve</u> <u>S\$'000</u> | <u>Retained earnings</u> <u>S\$'000</u> | <u>Total equity</u> <u>S\$'000</u> |
|-------------------------------------|--|--|--|--|--|---------------------------------------|
| Balance at 1 July 2013 | 838,250 | 11,233 | (257) | (11,466) | 258,982 | 1,096,742 |
| Total comprehensive income | - | - | 257 | - | 307,507 | 307,764 |
| Cost of share-based payment | - | 2,612 | - | - | - | 2,612 |
| Reissuance of treasury shares | - | (2,296) | - | 2,714 | - | 418 |
| Purchase of treasury shares | - | - | - | (693) | - | (693) |
| Ordinary and special dividends paid | - | - | - | - | (94,328) | (94,328) |
| Balance at 30 June 2014 | 838,250 | 11,549 | - | (9,445) | 472,161 | 1,312,515 |

| | <u>Share capital</u> <u>S\$'000</u> | <u>Share-based payment reserve</u> <u>S\$'000</u> | <u>Cash flow hedge reserve</u> <u>S\$'000</u> | <u>Treasury shares reserve</u> <u>S\$'000</u> | <u>Retained earnings</u> <u>S\$'000</u> | <u>Total equity</u> <u>S\$'000</u> |
|-------------------------------------|--|--|--|--|--|---------------------------------------|
| Balance at 1 July 2012 | 838,250 | 10,392 | (3,503) | (13,710) | 225,204 | 1,056,633 |
| Total comprehensive income | - | - | 3,246 | - | 88,616 | 91,862 |
| Cost of share-based payment | - | 2,600 | - | - | - | 2,600 |
| Reissuance of treasury shares | - | (1,759) | - | 2,244 | - | 485 |
| Ordinary and special dividends paid | - | - | - | - | (54,838) | (54,838) |
| Balance at 30 June 2013 | 838,250 | 11,233 | (257) | (11,466) | 258,982 | 1,096,742 |

1 (e)(ii) **Changes in the Company's share capital**

| <u>Issued ordinary shares</u> | <u>Number of shares</u> |
|-------------------------------------|-------------------------|
| Balance at 1 April and 30 June 2014 | 793,927,260 |

At 30 June 2014, the Company's issued share capital (excluding treasury shares) comprises 785,708,760 (30 June 2013: 783,684,560) ordinary shares. The total number of treasury shares held by the Company as at 30 June 2014 was 8,218,500 (30 June 2013: 10,242,700) which represents 1.0% (30 June 2013: 1.3%) of the total number of issued shares (excluding treasury shares). At 30 June 2014, the total number of unexercised options under the Share Option Scheme was 2,933,100 (30 June 2013: 3,496,300).

There were 2,424,200 (30 June 2013: 2,004,300) treasury shares reissued pursuant to the employee share plans and share options for the financial year ended 30 June 2014.

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

The above figures have not been audited and reviewed by the Company's auditors.

- 3 **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of 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 as in the audited financial statements for the financial year ended 30 June 2013.

- 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.**

Not applicable.

- 6 **Earnings per ordinary share**

| | Group | | Group | |
|--|-------------------------|-------------------------|-------------------------------------|-------------------------------------|
| | Year ended | Year ended | Fourth Quarter ended | Fourth Quarter ended |
| | <u>30-Jun-14</u> | <u>30-Jun-13</u> | <u>30-Jun-14</u> | <u>30-Jun-13</u> |
| (a) Based on the weighted average number of ordinary shares issued excluding treasury shares (cents) | | | | |
| - Profit before fair value gains on investment properties | 16.57 | 37.50 | 2.40 | 4.90 |
| - Profit after fair value gains on investment properties | 32.39 | 67.81 | 18.22 | 35.21 |
| (b) On a fully diluted basis (cents) | | | | |
| - Profit before fair value gains on investment properties | 16.46 | 37.23 | 2.35 | 4.80 |
| - Profit after fair value gains on investment properties | 32.15 | 67.27 | 18.04 | 34.84 |

- 7 **Net asset value per ordinary share**

| | Group | | Company | |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| | As at | As at | As at | As at |
| | <u>30-Jun-14</u> | <u>30-Jun-13</u> | <u>30-Jun-14</u> | <u>30-Jun-13</u> |
| Net asset value per ordinary share based on issued share capital excluding treasury shares (S\$) | 3.78 | 3.62 | 1.67 | 1.40 |

8 Review of performance of the group

For the financial year ended 30 June 2014, the Group recorded a total revenue of S\$803.4 million. This represents a 40% decrease from the S\$1,332.5 million revenue recorded in the previous year. Revenue for the current year was mainly attributable to the progressive sales recognized from Foresque Residences and Le Nouvel Ardmore, the additional units sold in Helios Residences and the contribution from L'VIV in Singapore, as well as the additional units sold in Verticas Residences in Malaysia and The Lakeview in China. In the current year, L'VIV obtained its Temporary Occupation Permit ("TOP") and the revenue for all the units sold under the deferred payment scheme was fully recognized.

The Group's operating profit decreased by 55% from S\$435.4 million to S\$197.6 million, in line with the lower revenue. In the current year, the Group's operating profit includes fair value gains on investment properties of S\$11.1 million, as compared to S\$52.1 million gains in the previous year.

The Group's share of profits of associated and joint venture companies decreased by 47% to S\$154.8 million in the current year. This decrease is primarily due to the lower share of profit from Wing Tai Properties Limited in Hong Kong.

The Group's net profit attributable to shareholders for the current year is S\$254.4 million, a decrease of 52% over the net profit of S\$531.1 million recorded in the previous year.

The Group's net asset value per share as at 30 June 2014 was S\$3.78 as compared to S\$3.62 as at 30 June 2013. The Group's net gearing ratio as at 30 June 2014 was 0.16 times.

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

The current announced results are in line with the prospect statement previously disclosed to shareholders in the results announcement for the nine months ended 31 March 2014.

10 Commentary 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 Urban Redevelopment Authority ("URA") residential property price index decreased by 1.0% in the second quarter of 2014, following the 1.3% decline in the previous quarter. This was the third straight quarter of price decline. The total number of new residential units sold islandwide has decreased to 4,409 units in the first half of 2014, as compared to 9,950 new units sold in the first half of 2013. The demand for new residential units in Singapore continues to be impacted by the property cooling measures and the Total Debt Servicing Ratio ("TDSR") framework for property loans.

In the current financial year, the Group launched The Tembusu, a 337-unit freehold development at Tampines Road. To date, about 85% of the total units in this development have been sold.

In November 2013, the Group was awarded the tender for a plot of land in Huai Hai Middle Road Shanghai (上海市淮海中路). The plot has an approximate site area of 8,594 square metres and will be developed into an office cum retail development.

The Group will continue to strengthen its position and explore investment opportunities in the markets it operates in.

11 **Dividend**

(a) **Current Financial Period Reported On**

Any dividend recommended for the current financial period reported on?

| Name of Dividend | First and Final (Tax-exempt) | Special (Tax-exempt) |
|-------------------|---|---------------------------------|
| Dividend Type | Cash | Cash |
| Dividend in cents | 3 cents per ordinary share | 3 cents per ordinary share |

(b) **Corresponding Period of the immediately Preceding Financial Year**

| Name of Dividend | First and Final (Tax-exempt) | Special (Tax-exempt) |
|-------------------|---|---------------------------------|
| Dividend Type | Cash | Cash |
| Dividend in cents | 3 cents per ordinary share | 9 cents per ordinary share |

(c) **The date the dividend is payable.**

To be announced later. The proposed dividend is subject to the approval of shareholders at the forthcoming Annual General Meeting.

(d) **The date on which Registrable Transfers received by the Company (up to 5.00pm) will be registered before entitlements to the dividends are determined.**

Notice will be given at a later date on the closure of the Transfer Books and Register of Members of the Company to determine members' entitlement to the dividend.

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

Not applicable.

13 **Segment results**

| | Development properties <u>S\$'000</u> | Investment properties <u>S\$'000</u> | Retail <u>S\$'000</u> | Others <u>S\$'000</u> | Group <u>S\$'000</u> |
|--|---|--|--------------------------|--------------------------|---------------------------------|
| <u>Year ended 30-Jun-14</u> | | | | | |
| Revenue | 545,563 | 35,934 | 213,519 | 8,377 | 803,393 |
| Earnings before interest and tax | 170,712 | 31,462 | (2,567) | (14,718) | 184,889 |
| Interest income | | | | | <u>12,705</u> |
| Operating profit | | | | | 197,594 |
| Finance costs | | | | | (39,897) |
| Share of profits/(losses) of associated and joint venture companies | 10,416 | 136,690 | 9,456 | (1,788) | <u>154,774</u> |
| Profit before income tax | | | | | 312,471 |
| Income tax expense | | | | | (36,129) |
| Total profit | | | | | <u>276,342</u> |
| | | | | | |
| | Development properties <u>S\$'000</u> | Investment properties <u>S\$'000</u> | Retail <u>S\$'000</u> | Others <u>S\$'000</u> | Group <u>S\$'000</u> |
| <u>Year ended 30-Jun-13</u> | | | | | |
| Revenue | 1,077,589 | 37,452 | 210,020 | 7,439 | 1,332,500 |
| Earnings before interest and tax | 369,856 | 74,902 | 14,353 | (34,682) | 424,429 |
| Interest income | | | | | <u>11,018</u> |
| Operating profit | | | | | 435,447 |
| Finance costs | | | | | (39,383) |
| Share of profits of associated and joint venture companies | 41,088 | 208,840 | 11,104 | 33,721 | <u>294,753</u> |
| Profit before income tax | | | | | 690,817 |
| Income tax expense | | | | | (102,926) |
| Total profit | | | | | <u>587,891</u> |

- 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 item (8) above.

- 15 **Breakdown of revenue and total profit**

| | Group | | |
|--|-----------------------|-------------------|----------|
| | Year ended | Year ended | |
| | 30-Jun-14 | 30-Jun-13 | + / (-) |
| | <u>S\$'000</u> | <u>S\$'000</u> | <u>%</u> |
| (a) Revenue reported for first half year | 470,389 | 568,908 | (17) |
| (b) Total profit reported for first half year | 80,201 | 176,298 | (55) |
| (c) Revenue reported for second half year | 333,004 | 763,592 | (56) |
| (d) Total profit reported for second half year | 196,141 | 411,593 | (52) |

- 16 **Breakdown of net dividends**

| | Company | |
|---------------|-----------------------|-------------------|
| | Year ended | Year ended |
| | 30-Jun-14 | 30-Jun-13 |
| | <u>S\$'000</u> | <u>S\$'000</u> |
| Ordinary Cash | 23,571 | 23,582 |
| Special Cash | 23,571 | 70,746 |
| Total | 47,142 | 94,328 |

- 17 **Interested Person Transactions**

The Company does not have a shareholder's mandate for interested person transactions.

18 **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiary companies who is a relative of a director or chief executive officer or substantial shareholder of the issuer**

| Name | Age | Family relationship with any director, CEO and/or substantial shareholder | Current position and duties, and the year the position was first held | Details of changes in duties and position held, if any, during the year |
|---------------------------------------|------------|--|---|--|
| Cheng Wai Keung | 64 | Brother of Edmund Cheng Wai Wing and Cheng Man Tak. | 1985 – Managing Director of the Company 1994 – Chairman of the Company | Not applicable |
| Edmund Cheng Wai Wing | 62 | Brother of Cheng Wai Keung and Cheng Man Tak. | 1985 – Deputy Managing Director of the Company 1994 – Deputy Chairman of the Company | Not applicable |
| Cheng Man Tak | 54 | Brother of Cheng Wai Keung and Edmund Cheng Wai Wing. | 1981 – Non-executive Director of the Company | Not applicable |
| Helen Chow | 63 | Wife of Cheng Wai Keung. | 1991 – Director of Wing Tai Property Management Pte Ltd, a subsidiary company of the Company. | Not applicable |
| Wong Kit Heng (Mrs Cheng Kit Heng) | 64 | Wife of Edmund Cheng Wai Wing. | 1984 – Director of Wing Tai Clothing Pte Ltd, a subsidiary company of the Company | Not applicable |

BY ORDER OF THE BOARD

Gabrielle Tan
Company Secretary
Singapore
28 August 2014