

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

2020 FULL YEAR UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT

The Company announces the unaudited consolidated results for the financial year and second half year ended 30 June 2020.

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

	Group			Group			
	Year ended	Year ended		Second Half Year ended	Second Half Year ended		
	30-Jun-20	30-Jun-19	+ / (-)	30-Jun-20	30-Jun-19	+ / (-)	Note
	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>	
Revenue	371,026	322,616	15	187,531	128,674	46	
Cost of sales	<u>(190,753)</u>	(174,801)	9	<u>(101,064)</u>	(55,002)	84	
Gross profit	180,273	147,815	22	86,467	73,672	17	
Other (losses)/gains – net	(104)	27,125	n.m.	(3,572)	22,983	n.m.	(a)
Expenses							
- Distribution	(53,141)	(62,764)	(15)	(24,066)	(31,466)	(24)	(b)
- Administrative and other	<u>(82,055)</u>	(87,547)	(6)	<u>(31,900)</u>	(41,114)	(22)	(c)
Operating profit	44,973	24,629	83	26,929	24,075	12	
Finance costs	(30,288)	(30,849)	(2)	(15,958)	(14,880)	7	
Share of profits/(losses) and impairment loss of associated and joint venture companies	<u>12,142</u>	52,498	(77)	<u>(23,656)</u>	20,579	n.m.	
Profit/(Loss) before income tax	26,827	46,278	(42)	(12,685)	29,774	n.m.	
Income tax (expense)/credit	<u>(11,119)</u>	2,479	n.m.	<u>(4,611)</u>	96	n.m.	
Total profit/(loss)	<u>15,708</u>	48,757	(68)	<u>(17,296)</u>	29,870	n.m.	
Attributable to:							
Equity holders of the Company	15,972	46,771	(66)	(16,847)	28,427	n.m.	
Non-controlling interests	<u>(264)</u>	1,986	n.m.	<u>(449)</u>	1,443	n.m.	
	<u>15,708</u>	48,757	(68)	<u>(17,296)</u>	29,870	n.m.	

Note:-

n.m. - not meaningful

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

		Group			Group			Note
		Year ended 30-Jun-20 S\$'000	Year ended 30-Jun-19 S\$'000	+ / (-) %	Second Half Year ended 30-Jun-20 S\$'000	Second Half Year ended 30-Jun-19 S\$'000	+ / (-) %	
(A)	Investment income	1,680	1,407	19	53	39	36	
(B)	Interest income	2,923	10,292	(72)	1,698	4,776	(64)	
(C)	Finance costs	(30,288)	(30,849)	(2)	(15,958)	(14,880)	7	
(D)	Depreciation and amortisation	(25,599)	(8,063)	217	(12,043)	(4,270)	182	(d)
(E)	Allowance for doubtful debts	(2)	(15)	(87)	(2)	(73)	(97)	
(F)	Write-back of allowance/ (allowance) for stock obsolescence	124	(799)	n.m.	(727)	534	n.m.	
(G)	Impairment in value of investments	-	-	-	-	-	-	
(H)	Foreign exchange gain/(loss)	686	(3,142)	n.m.	1,425	2,419	(41)	
(I)	Adjustment for tax in respect of prior years	8,070	8,295	(3)	8,070	8,295	(3)	
(J)	Gain on disposal of property, plant and equipment	102	2,213	(95)	50	114	(56)	
(K)	Fair value (losses)/gains on investment properties	(15,361)	9,502	n.m.	(15,361)	9,502	n.m.	
(L)	Exceptional items	<u>-</u>	<u>-</u>	-	<u>-</u>	<u>-</u>	-	

Note:-

- The decrease in other gains – net is mainly due to fair value losses on investment properties.
- The decrease in distribution expenses is mainly due to lower operating expenses for retail stores in Singapore.
- The decrease in administrative and other expenses is due to lower accrued operating expenses.
- The increase in depreciation and amortisation expenses is primarily due to the depreciation charge on right-of-use assets (which mainly relates to the leases for retail stores) arising from the adoption of SFRS(I) 16 *Leases* on 1 July 2019.

n.m. - not meaningful

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

	Group		Company		
	As at	As at	As at	As at	
	30-Jun-20	30-Jun-19	30-Jun-20	30-Jun-19	
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>Note</u>
ASSETS					
Current assets					
Cash and cash equivalents	605,480	217,332	283,891	68,770	
Trade and other receivables	111,590	24,104	244,796	423,469	(a), (i)
Inventories	14,679	19,592	-	-	
Development properties	993,584	1,092,108	-	-	(b)
Tax recoverable	5,579	5,678	-	-	
Other assets	11,448	25,302	1,541	1,109	
Assets held for sale	68,062	-	-	-	(c)
	1,810,422	1,384,116	530,228	493,348	
Non-current assets					
Trade and other receivables	134,673	278,558	1,160,397	1,162,002	(d)
Investments in associated and joint venture companies	1,764,891	1,734,660	-	-	(e)
Investments in subsidiary companies	-	-	282,063	282,063	
Investment properties	792,346	792,663	-	-	
Property, plant and equipment	91,608	112,441	12,948	13,015	(f)
Deferred income tax assets	8,087	8,783	-	-	
Other assets	48,785	48,422	20,811	10,825	
	2,840,390	2,975,527	1,476,219	1,467,905	
Total assets	4,650,812	4,359,643	2,006,447	1,961,253	
LIABILITIES					
Current liabilities					
Trade and other payables	57,842	61,919	11,195	9,883	
Current income tax liabilities	33,418	22,426	221	1,179	
Other liabilities	117,395	11,390	345	-	(g)
	208,655	95,735	11,761	11,062	
Non-current liabilities					
Borrowings	787,740	627,128	567,537	467,271	(h)
Deferred income tax liabilities	33,719	36,046	-	-	
Other liabilities	35,353	18,091	19,322	10,073	
	856,812	681,265	586,859	477,344	
Total liabilities	1,065,467	777,000	598,620	488,406	
NET ASSETS	3,585,345	3,582,643	1,407,827	1,472,847	
EQUITY					
Capital and reserves attributable to ordinary shareholders of the Company					
Share capital	838,250	838,250	838,250	838,250	
Other reserves	7,904	(27,577)	(38,575)	(40,758)	
Retained earnings	2,367,885	2,402,368	311,777	378,980	
	3,214,039	3,213,041	1,111,452	1,176,472	
Perpetual securities	296,375	296,375	296,375	296,375	
Non-controlling interests	74,931	73,227	-	-	
TOTAL EQUITY	3,585,345	3,582,643	1,407,827	1,472,847	

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

Note:-

- (a) The increase in the Group's current trade and other receivables is mainly due to the reclassification of loan to a joint venture company from non-current.
- (b) The decrease in the Group's development properties is primarily attributable to the recognition of capitalised development costs in the income statement.
- (c) The assets held for sale relates to properties which have been reclassified from investment properties and property, plant and equipment.
- (d) The decrease in the Group's non-current trade and other receivables is largely due to the repayment of loan by a joint venture company and the reclassification of loan to a joint venture company to current.
- (e) The increase in the Group's investments in associated and joint venture companies is mainly due to the share of profits and the currency translation gain.
- (f) The decrease in the Group's property, plant and equipment is largely due to the depreciation charge and reclassification of a property to assets held for sale, partially offset by the recognition of right-of-use assets (which mainly relates to the leases for retail stores) arising from the adoption of SFRS(I) 16 *Leases*.
- (g) The increase in the Group's other current liabilities is primarily due to the receipt of advance payment from purchasers for the development projects.
- (h) The increase in the Group's non-current borrowings is mainly due to the drawdown of bank loans to re-finance existing borrowings and to finance the acquisition of overseas investment properties.
- (i) The decrease in the Company's current trade and other receivables is mainly due to the repayment of loans from its subsidiary companies.

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-20		As at 30-Jun-19	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	-	-	-

Amount repayable after one year

As at 30-Jun-20		As at 30-Jun-19	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
140,207	647,533	83,004	544,124

Details of any collateral

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

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

	Group		Group	
	Year ended 30-Jun-20 S\$'000	Year ended 30-Jun-19 S\$'000	Second Half Year ended 30-Jun-20 S\$'000	Second Half Year ended 30-Jun-19 S\$'000
Cash flows from operating activities				
Total profit/(loss)	15,708	48,757	(17,296)	29,870
Adjustments for:				
Non-cash items	60,762	(38,152)	65,499	(24,611)
Operating cash flow before working capital changes	76,470	10,605	48,203	5,259
Changes in operating assets and liabilities:				
Development properties	97,411	(471,033)	96,983	(550,223)
Other current assets/liabilities	102,721	13,860	96,169	(27,330)
Cash generated from/(used in) operations	276,602	(446,568)	241,355	(572,294)
Income tax paid	(230)	(13,488)	(631)	(6,633)
Net cash generated from/(used in) operating activities	276,372	(460,056)	240,724	(578,927)
Cash flows from investing activities				
Acquisition of additional interest in a joint venture company	(1,480)	-	(330)	-
Additions to investment properties	(49,947)	(53,523)	-	(52,914)
Additions to property, plant and equipment	(3,049)	(9,512)	(40)	(3,332)
Purchase of financial investments at fair value through other comprehensive income	-	(11,343)	-	(1,412)
Disposal of investment property	421	-	421	-
Disposal of property, plant and equipment	493	4,486	109	-
Proceeds from settlement of derivative financial instruments relating to net investment hedges	-	8,179	-	8,179
Repayment of the loans to joint venture companies	90,160	-	66,961	-
Repayment/(Advancement) of the loans to non-controlling interests	4,584	(852)	1,432	(3,892)
Dividends received	6,608	52,698	128	33,062
Interest received	3,028	10,024	1,404	4,432
Net cash generated from/(used in) investing activities	50,818	157	70,085	(15,877)
Cash flows from financing activities				
Issuance of perpetual securities, net of transaction costs	-	147,897	-	147,897
Purchase of treasury shares	-	(10,716)	-	-
Principal payment of lease liabilities	(17,666)	-	(8,800)	-
Net proceeds/(repayment) of borrowings	155,254	(150,700)	99,673	(150,700)
Ordinary and special dividends paid	(38,453)	(61,418)	-	-
Perpetual securities distribution paid	(12,875)	(6,120)	(6,419)	(3,051)
Dividends paid to non-controlling interests	-	(280)	-	(280)
Interest paid	(26,616)	(28,324)	(13,382)	(13,751)
Net cash generated from/(used in) financing activities	59,644	(109,661)	71,072	(19,885)
Net increase/(decrease) in cash and cash equivalents	386,834	(569,560)	381,881	(614,689)
Cash and cash equivalents at beginning of financial year/period	217,332	792,151	220,936	831,719
Effects of currency translation on cash and cash equivalents	1,314	(5,259)	2,663	302
Cash and cash equivalents at end of financial year	605,480	217,332	605,480	217,332

Note:-

- Cash and cash equivalents consist of fixed deposits, cash and bank balances.
- The increase in the Group's cash and cash equivalents for the current financial year is mainly due to the cash generated from operating activities, drawdown of bank borrowings and repayment of loan by a joint venture company.

1 (d) **Statement of Comprehensive Income**

	Group			Group		
	Year ended	Year ended		Second Half Year ended	Second Half Year ended	
	30-Jun-20	30-Jun-19	+ / (-)	30-Jun-20	30-Jun-19	+ / (-)
	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>
Total profit/(loss)	15,708	48,757	(68)	(17,296)	29,870	n.m.
Other comprehensive income/(expense):						
Items that may be reclassified subsequently to profit or loss:						
Cash flow hedges	(1,633)	(3,401)	(52)	(1,996)	(1,215)	64
Currency translation differences	43,889	(33,646)	n.m.	33,959	(30,158)	n.m.
Share of other comprehensive income/(expense) of associated and joint venture companies	760	(5,290)	n.m.	6,134	(22)	n.m.
	<u>43,016</u>	<u>(42,337)</u>	n.m.	<u>38,097</u>	<u>(31,395)</u>	n.m.
Items that will not be reclassified subsequently to profit or loss:						
Fair value (losses)/gains on financial investments at fair value through other comprehensive income	(8,949)	(3,951)	126	(6,566)	31	n.m.
Currency translation differences	1,966	(837)	n.m.	1,939	(764)	n.m.
Share of other comprehensive income of associated and joint venture companies	2	5	(60)	105	56	88
	<u>(6,981)</u>	<u>(4,783)</u>	46	<u>(4,522)</u>	<u>(677)</u>	568
Other comprehensive income/(expense), net of tax	<u>36,035</u>	<u>(47,120)</u>	n.m.	<u>33,575</u>	<u>(32,072)</u>	n.m.
Total comprehensive income/(expense)	51,743	1,637	n.m.	16,279	(2,202)	n.m.
Attributable to:						
Equity holders of the Company	50,039	483	n.m.	14,684	(2,937)	n.m.
Non-controlling interests	<u>1,704</u>	<u>1,154</u>	48	<u>1,595</u>	<u>735</u>	117
	<u>51,743</u>	<u>1,637</u>	n.m.	<u>16,279</u>	<u>(2,202)</u>	n.m.

Note:-

n.m. - not meaningful

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

	Attributable to ordinary shareholders of the Company					Non- controlling interests	Total equity
	Share capital <u>S\$'000</u>	Other reserves * <u>S\$'000</u>	Retained earnings <u>S\$'000</u>	Total <u>S\$'000</u>	Perpetual securities <u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Balance at 1 July 2019, as previously reported	838,250	(27,577)	2,402,368	3,213,041	296,375	73,227	3,582,643
Effect of adoption of SFRS(I) 16	-	-	(1,328)	(1,328)	-	-	(1,328)
Balance at 1 July 2019, as reported	838,250	(27,577)	2,401,040	3,211,713	296,375	73,227	3,581,315
Total comprehensive income	-	33,298	16,741	50,039	-	1,704	51,743
Cost of share-based payment	-	2,135	-	2,135	-	-	2,135
Reissuance of treasury shares	-	48	(48)	-	-	-	-
Accrued perpetual securities distribution	-	-	(12,875)	(12,875)	12,875	-	-
Ordinary and special dividends paid	-	-	(38,453)	(38,453)	-	-	(38,453)
Perpetual securities distribution paid	-	-	-	-	(12,875)	-	(12,875)
Tax credit arising from perpetual securities distribution	-	-	1,480	1,480	-	-	1,480
Balance at 30 June 2020	838,250	7,904	2,367,885	3,214,039	296,375	74,931	3,585,345

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

	Attributable to ordinary shareholders of the Company				Perpetual securities	Non- controlling interests	Total equity
	Share capital <u>S\$'000</u>	Other reserves * <u>S\$'000</u>	Retained earnings <u>S\$'000</u>	Total <u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Balance at 1 July 2018, as previously reported	838,250	(23,203)	2,514,733	3,329,780	147,778	72,514	3,550,072
Effects of transition to SFRS(I)s and adoptions of SFRS(I) 15 & 1-23	-	62,002	(102,652)	(40,650)	-	(161)	(40,811)
Balance at 1 July 2018, as adjusted	838,250	38,799	2,412,081	3,289,130	147,778	72,353	3,509,261
Effect of adoption of SFRS(I) 9	-	(11,549)	11,549	-	-	-	-
Balance at 1 July 2018, as reported	838,250	27,250	2,423,630	3,289,130	147,778	72,353	3,509,261
Total comprehensive (expense)/income	-	(46,288)	46,771	483	-	1,154	1,637
Issuance of perpetual securities, net of transaction costs	-	-	-	-	147,897	-	147,897
Cost of share-based payment	-	2,384	-	2,384	-	-	2,384
Reissuance of treasury shares	-	(205)	205	-	-	-	-
Purchase of treasury shares	-	(10,716)	-	(10,716)	-	-	(10,716)
Accrued perpetual securities distribution	-	-	(6,820)	(6,820)	6,820	-	-
Ordinary and special dividends paid	-	-	(61,418)	(61,418)	-	-	(61,418)
Perpetual securities distribution paid	-	-	-	-	(6,120)	-	(6,120)
Dividends paid by a subsidiary company to non-controlling interests	-	-	-	-	-	(280)	(280)
Liquidation of subsidiary companies	-	(2)	-	(2)	-	-	(2)
Balance at 30 June 2019	838,250	(27,577)	2,402,368	3,213,041	296,375	73,227	3,582,643

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

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

	Share capital \$'000	Share- based payment reserve S\$'000	Cash flow hedge reserve S\$'000	Treasury shares reserve S\$'000	Retained earnings S\$'000	Perpetual securities S\$'000	Total equity S\$'000
Balance at 1 July 2019	838,250	2,161	-	(42,919)	378,980	296,375	1,472,847
Total comprehensive expense	-	-	-	-	(17,307)	-	(17,307)
Cost of share-based payment	-	2,135	-	-	-	-	2,135
Reissuance of treasury shares	-	(2,141)	-	2,189	(48)	-	-
Accrued perpetual securities distribution	-	-	-	-	(12,875)	12,875	-
Ordinary and special dividends paid	-	-	-	-	(38,453)	-	(38,453)
Perpetual securities distribution paid	-	-	-	-	-	(12,875)	(12,875)
Tax credit arising from perpetual securities distribution	-	-	-	-	1,480	-	1,480
Balance at 30 June 2020	838,250	2,155	-	(40,730)	311,777	296,375	1,407,827
Balance at 1 July 2018	838,250	1,769	577	(33,990)	460,777	147,778	1,415,161
Total comprehensive expense	-	-	(577)	-	(13,764)	-	(14,341)
Issuance of perpetual securities, net of transaction costs	-	-	-	-	-	147,897	147,897
Cost of share-based payment	-	2,384	-	-	-	-	2,384
Reissuance of treasury shares	-	(1,992)	-	1,787	205	-	-
Purchase of treasury shares	-	-	-	(10,716)	-	-	(10,716)
Accrued perpetual securities distribution	-	-	-	-	(6,820)	6,820	-
Ordinary and special dividends paid	-	-	-	-	(61,418)	-	(61,418)
Perpetual securities distribution paid	-	-	-	-	-	(6,120)	(6,120)
Balance at 30 June 2019	838,250	2,161	-	(42,919)	378,980	296,375	1,472,847

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

	<u>Number of shares</u>
<u>Issued ordinary shares</u>	
Balance at 1 January and 30 June 2020	<u>793,927,260</u>

At 30 June 2020, the Company's issued share capital (excluding treasury shares) comprises 769,061,760 (30 June 2019: 767,725,460) ordinary shares. The total number of treasury shares held by the Company as at 30 June 2020 was 24,865,500 (30 June 2019: 26,201,800) which represents 3.2% (30 June 2019: 3.4%) of the total number of issued shares (excluding treasury shares).

There were 1,336,300 (30 June 2019: 1,091,000) treasury shares reissued pursuant to the employee share plans for the financial year ended 30 June 2020.

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.**

Except as disclosed in Note 5 below, 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 2019.

- 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.**

On 1 July 2019, the Group has adopted the following Singapore Financial Reporting Standards (International) ("SFRS(I)s"), and amendments and interpretations of SFRS(I)s that are relevant to the Group and the Company and effective for annual periods beginning on or after 1 July 2019 as follows:

- SFRS(I) 16 *Leases*
- SFRS(I) INT 23 *Uncertainty over Income Tax Treatments*
- Amendments to SFRS(I) 9 *Prepayment Features with Negative Compensation*
- Amendments to SFRS(I) 1-28 *Long-term Interests in Associates and Joint Ventures*
- Amendments to SFRS(I) 3 and 11 *Previously Held Interest in a Joint Operation*
- Amendments to SFRS(I) 1-12 *Income Tax Consequences of Payments on Financial Instruments classified as Equity*

The adoption of the above standards did not have any significant impact on the financial performance or position of the Group and the Company except for the following:

SFRS(I) 16 *Leases*

SFRS(I) 16 removes the distinction between operating and finance leases and results in the recognition of an asset (the right to use the leased item) and a financial liability to pay rentals in the statement of financial position for leases except those that are short term or have low value.

The Group applied SFRS(I) 16 on 1 July 2019 using the modified retrospective approach. The cumulative effect of adopting SFRS(I) 16 is recognised as an adjustment to the opening balance of retained earnings as at 1 July 2019, as permitted under the specific transition provisions in the standard. In addition, the Group applied the practical expedient to grandfather the definition of the leases on transition and accordingly SFRS(I) 16 will be applied to contracts which were previously identified as leases under SFRS(I) 1-17 *Leases* and SFRS(I) INT 4 *Determining whether an Arrangement contains a Lease*.

On adoption of SFRS(I) 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of SFRS(I) 1-17 *Leases*. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 July 2019. Right-of-use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position as at 30 June 2019.

Right-of-use assets and lease liabilities of approximately \$32.6 million and \$34.7 million respectively have been recognised by the Group on 1 July 2019 in its statement of financial position while the impact to the consolidated income statement is not significant. There is also no significant impact on the financial statements from the Group's activities as a lessor except for some additional disclosures which will be required in the full year Annual Report.

6 **Earnings per ordinary share**

	Group		Group	
	Year ended	Year ended	Second Half Year ended	Second Half Year ended
	30-Jun-20	30-Jun-19	30-Jun-20	30-Jun-19
	<u>cents</u>	<u>cents</u>	<u>cents</u>	<u>cents</u>
(a) Based on the weighted average number of ordinary shares issued excluding treasury shares	0.40	5.21	(3.03)	3.22
(b) On a fully diluted basis	0.41	5.19	(3.01)	3.21

7 **Net asset value per ordinary share**

	Group		Company	
	As at	As at	As at	As at
	30-Jun-20	30-Jun-19	30-Jun-20	30-Jun-19
	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>
Net asset value per ordinary share based on issued share capital excluding treasury shares	4.18	4.19	1.45	1.53

8 **Review of performance of the group**

For the financial year ended 30 June 2020, the Group recorded a total revenue of S\$371.0 million. This represents a 15% increase from the S\$322.6 million revenue recorded in the previous year. This increase is mainly due to the higher contribution from development properties. The current year revenue from development properties was largely attributable to the additional units sold in Le Nouvel Ardmore and the progressive sales recognized from The M at Middle Road in Singapore.

The Group recorded higher operating profit of S\$45.0 million in the current year as compared to S\$24.6 million in the previous year. This increase is mainly due to the higher contribution from Le Nouvel Ardmore, partially offset by the S\$15.4 million fair value losses on the Group's investment properties which were affected by the Covid-19 pandemic.

The Group's share of profits of associated and joint venture companies decreased by 77% to S\$12.1 million in the current year. This decrease is primarily due to the share of fair value losses on the investment properties of Wing Tai Properties Limited in Hong Kong.

In the current year, the Group's net profit attributable to shareholders was S\$16.0 million as compared to S\$46.8 million in the previous year. Excluding the fair value changes on investment properties, the underlying net profit of the Group is S\$69.6 million in the current year, which is 85% higher than the S\$37.6 million recorded in the previous year.

The Group's net asset value per share as at 30 June 2020 was S\$4.18. It was S\$4.19 as at 30 June 2019. The Group's net gearing ratio decreased to 0.05 times as at 30 June 2020 from 0.12 times as at 30 June 2019.

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 profit guidance announced on 7 August 2020.

- 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.**

On 11 August 2020, The Ministry of Trade and Industry reported that Singapore economy contracted by 13.2 per cent on a year-on-year basis in the second quarter of 2020 due to the implementation of Circuit Breaker measures, coupled with weak external demand amidst a global economic downturn caused by the Covid-19 pandemic. The Singapore GDP growth has been revised to -7% to -5% for the full year of 2020.

The URA's private residential property price index increased by 0.3% in the second quarter of 2020 as compared to the 1.0% decline in the previous quarter. The total number of new private residential units sold island-wide in the first half of 2020 was 3,862 units, as compared to 4,188 new units sold in the first half of 2019.

The Covid-19 pandemic has caused a severe disruption to the Singapore economy. The buying sentiments for the residential property is expected to be subdued in the current year. The Group will continue to exercise prudence in liquidity and capital management to ride through the uncertainties in the market.

- 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 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 share	2 cents per 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-20</u>					
Revenue	226,831	45,236	91,509	7,450	371,026
Earnings before interest and tax	100,346	(10,683)	6,903	(42,374)	54,192
Interest income					2,923
Finance costs					(30,288)
Profit before income tax					26,827
Income tax expense					(11,119)
Total profit					<u>15,708</u>
<u>Year ended 30-Jun-19</u>					
Revenue	136,188	41,314	134,465	10,649	322,616
Earnings before interest and tax	14,071	53,005	40,185	(40,426)	66,835
Interest income					10,292
Finance costs					(30,849)
Profit before income tax					46,278
Income tax credit					2,479
Total profit					<u>48,757</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 30-Jun-20 <u>S\$'000</u>	Year ended 30-Jun-19 <u>S\$'000</u>	+ / (-) %
(a) Revenue reported for first half year	183,495	193,942	(5)
(b) Total profit reported for first half year	33,004	18,887	75
(c) Revenue reported for second half year	187,531	128,674	46
(d) Total (loss)/profit reported for second half year	<u>(17,296)</u>	29,870	n.m.

Note:-

n.m. - not meaningful

16 **Breakdown of net dividends**

	Company	
	Year ended	Year ended
	30-Jun-20	30-Jun-19
	S\$'000	S\$'000
Ordinary Cash	23,072	23,072
Special Cash	-	15,381
Total	23,072	38,453

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	70	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	68	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	60	Brother of Cheng Wai Keung and Edmund Cheng Wai Wing	1981 – Non-executive Director of the Company	Not applicable
Helen Chow	69	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	70	Wife of Edmund Cheng Wai Wing	1984 – Director of Wing Tai Clothing Pte Ltd, a subsidiary company of the Company	Not applicable

19 **Confirmation by the Company pursuant to Rule 720(1) of the Listing Manual**

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

BY ORDER OF THE BOARD

Gabrielle Tan
Company Secretary
Singapore
28 August 2020