Frasers Property Limited
Incorporated in Singapore
Company Registration No. 196300440G

FIRST QUARTER ENDED 31 DECEMBER 2019 ("1Q FY2020")
Financial Statements and Dividend Announcement

The Directors of Frasers Property Limited (the "Company") are pleased to make the following announcement of the unaudited results for the first quarter ended 31 December 2019.

1(a)(i) Consolidated Profit Statement

	1st quarter to 31/12/2019 $'000	1st quarter to 31/12/2018 $'000	Inc/(Dec) %
REVENUE	1,178,704	1,083,334	8.8%
Cost of sales	(617,442)	(640,038)	(3.5)%
Gross Profit	561,262	443,296	26.6%
Other (losses)/income	(7,122)	3,124	N/M
Administrative expenses	(131,438)	(108,259)	21.4%
TRADING PROFIT	422,702	338,161	25.0%
Share of results of joint ventures and associates, net of tax	38,524	32,499	18.5%
PROFIT BEFORE INTEREST, FAIR VALUE CHANGE, TAXATION AND EXCEPTIONAL ITEMS	461,226	370,660	24.4%
Interest income	18,676	12,834	45.5%
Interest expense	(128,596)	(97,685)	31.6%
Net interest expense	(109,920)	(84,851)	29.5%
PROFIT BEFORE FAIR VALUE CHANGE, TAXATION AND EXCEPTIONAL ITEMS	351,306	285,809	22.9%
Fair value change on investment properties	18,781	8,086	132.3%
PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEMS	370,087	293,895	25.9%
Exceptional items	61	98	(37.8)%
PROFIT BEFORE TAXATION	370,148	293,993	25.9%
Taxation	(120,477)	(80,202)	50.2%
PROFIT FOR THE PERIOD	249,671	213,791	16.8%
Attributable profit:-			
- Before fair value change and exceptional items	142,243	140,304	1.4%
- Fair value change	13,383	5,105	162.2%
- Exceptional items	3,739	182	N/M
	159,365	145,591	9.5%
Non-controlling interests	90,306	68,200	32.4%
PROFIT FOR THE PERIOD	249,671	213,791	16.8%

N/M = Not Meaningful

1(a)(ii) Breakdown and Explanatory Notes to the Consolidated Profit Statement

	1st quarter to 31/12/2019 $'000	1st quarter to 31/12/2018 $'000	Inc/(Dec) %
TRADING PROFIT			
Trading profit includes the following:			
Allowance for doubtful trade receivables	(1,440)	(503)	186.3%
Write-back of allowance for doubtful trade receivables	477	206	131.6%
Bad debts written off	4	(18)	N/M
Depreciation of property, plant and equipment	(20,648)	(13,652)	51.2%
Amortisation of intangible assets	(1,399)	(793)	76.4%
Employee share-based expense	(4,117)	(5,913)	(30.4)%
Other (losses)/income			
Included in other (losses)/income are:			
Net fair value change on derivative financial instruments	(31,318)	18,695	N/M
Foreign exchange gain/(loss)	27,930	(17,716)	N/M
Gain/(loss) on disposal of property, plant and equipment	26	(30)	N/M
Taxation			
(Under)/overprovision in prior years taxation	(293)	33	N/M
Exceptional items			
Write-back of transaction costs on acquisitions and disposals of subsidiaries	61	98	(37.8)%
Profit before interest, fair value change, taxation and exceptional items as a percentage of revenue	39.1%	34.2%	

N/M = Not Meaningful

1(a)(iii) Segmental Revenue and Results

	1st quarter to 31/12/2019 $'000	1st quarter to 31/12/2018 $'000	Inc/(Dec) %
Revenue and Profit Analyses			
Revenue			
By Business Segment			
Singapore	207,518	242,743	(14.5)%
Australia	186,249	392,955	(52.6)%
Industrial & Logistics	110,894	96,643	14.7%
Hospitality	214,661	210,026	2.2%
Thailand & Vietnam	208,269	25,635	N/M
Others	251,140	115,356	117.7%
Corporate & Others	(27)	(24)	12.5%
	1,178,704	1,083,334	8.8%
By Geographical Segment			
Singapore	231,264	261,478	(11.6)%
Australia	314,301	517,335	(39.2)%
Europe	185,482	176,952	4.8%
China	209,588	71,007	195.2%
Thailand	205,684	23,170	N/M
Others *	32,385	33,392	(3.0)%
	1,178,704	1,083,334	8.8%
Profit before interest, fair value change, taxation and exceptional items			
By Business Segment			
Singapore	134,127	101,634	32.0%
Australia	37,326	91,439	(59.2)%
Industrial & Logistics	67,328	58,596	14.9%
Hospitality	43,714	39,821	9.8%
Thailand & Vietnam	40,524	25,402	59.5%
Others	142,570	69,783	104.3%
Corporate & Others	(4,363)	(16,015)	(72.8)%
	461,226	370,660	24.4%
By Geographical Segment			
Singapore	121,198	77,815	55.8%
Australia	98,730	149,165	(33.8)%
Europe	63,819	65,450	(2.5)%
China	127,463	45,913	177.6%
Thailand	40,043	23,930	67.3%
Others *	9,973	8,387	18.9%
	461,226	370,660	24.4%
Attributable profit			
By Business Segment			
Singapore	28,736	16,714	71.9%
Australia	24,260	56,595	(57.1)%
Industrial & Logistics	11,295	4,444	154.2%
Hospitality	(2,209)	2,941	N/M
Thailand & Vietnam	335	3,653	(90.8)%
Others	49,989	35,939	39.1%
Corporate & Others	29,837	20,018	49.1%
	142,243	140,304	1.4%
Fair value change on investment properties	13,383	5,105	162.2%
Exceptional items	3,739	182	N/M
	159,365	145,591	9.5%
Non-controlling interests	90,306	68,200	32.4%
	249,671	213,791	16.8%

* Vietnam, Japan, New Zealand, the Philippines, Indonesia and Malaysia

Certain segmental reclassifications have been made to the comparative figures to facilitate comparability with the current period’s presentation.

1(a)(iv) Consolidated Statement of Comprehensive Income

	1st quarter to 31/12/2019 $'000	1st quarter to 31/12/2018 $'000	Inc/(Dec) %
PROFIT FOR THE PERIOD	249,671	213,791	16.8%
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified subsequently to profit statement:			
Net fair value change of cash flow hedges	8,576	(41,236)	N/M
Foreign currency translation	94,896	(123,138)	N/M
Share of other comprehensive income of joint ventures and associates	(1,269)	(1,451)	(12.5)%
Other comprehensive income for the period, net of tax	102,203	(165,825)	N/M
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	351,874	47,966	N/M
PROFIT FOR THE PERIOD			
Attributable to:-			
Shareholders of the Company	139,901	138,129	1.3%
Holders of perpetual securities	21,154	9,175	130.6%
Non-controlling interests[1]	88,616	66,487	33.3%
	249,671	213,791	16.8%
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD			
Attributable to:-			
Shareholders of the Company	199,026	19,374	N/M
Holders of perpetual securities	21,154	9,175	130.6%
Non-controlling interests[1]	131,694	19,417	N/M
	351,874	47,966	N/M

[1] after adjusting for non-controlling interests' share of distributions to perpetual securities holders of $1,690,000 for the 1st quarter to 31 December 2019 (1st quarter to 31 December 2018: $1,713,000).

1(b)(i) Balance Sheets

	Group		Company	
	As at 31/12/2019 $'000	As at 30/09/2019 $'000	As at 31/12/2019 $'000	As at 30/09/2019 $'000
NON-CURRENT ASSETS				
Investment properties	22,838,778	22,639,296	2,150	2,150
Property, plant and equipment	2,581,716	2,149,464	24	24
Investments in:				
- Subsidiaries	-	-	1,182,948	1,182,948
- Joint ventures	989,024	940,656	500	500
- Associates	1,100,942	1,075,915	-	-
Other non-current assets	122,014	97,913	2,148	2,148
Intangible assets	615,913	611,241	-	-
Other receivables	348,994	490,470	3,761,612	3,783,039
Deferred tax assets	63,877	62,864	-	-
Derivative financial instruments	46,242	82,631	172	129
	28,707,500	28,150,450	4,949,554	4,970,938
CURRENT ASSETS				
Properties held for sale	5,396,782	4,968,427	-	-
Contract assets	150,437	199,420	-	-
Other current assets	75,147	75,168	404	204
Trade and other receivables	539,576	528,816	311,576	283,989
Derivative financial instruments	21,621	30,561	10,517	13,186
Bank deposits	422,366	467,023	-	-
Cash and cash equivalents	3,391,317	3,112,956	2,154	11,454
Assets held for sale	76,721	100,112	-	-
	10,073,967	9,482,483	324,651	308,833
TOTAL ASSETS	38,781,467	37,632,933	5,274,205	5,279,771
CURRENT LIABILITIES				
Trade and other payables	1,321,611	1,481,177	263,018	249,006
Contract liabilities	125,969	328,867	-	-
Derivative financial instruments	15,546	6,480	2,869	2,278
Provision for taxation	598,763	497,154	3,228	3,228
Lease liabilities	18,620	-	-	-
Loans and borrowings	3,988,152	3,490,572	-	-
Liabilities held for sale	2,022	1,944	-	-
	6,070,683	5,806,194	269,115	254,512
NET CURRENT ASSETS	4,003,284	3,676,289	55,536	54,321
	32,710,784	31,826,739	5,005,090	5,025,259
NON-CURRENT LIABILITIES				
Other payables	745,287	1,099,054	173	138
Derivative financial instruments	121,162	137,017	3,470	5,971
Deferred tax liabilities	589,940	594,795	-	-
Lease liabilities	755,962	-	-	-
Loans and borrowings	14,535,435	13,905,327	-	-
	16,747,786	15,736,193	3,643	6,109
NET ASSETS	15,962,998	16,090,546	5,001,447	5,019,150
SHARE CAPITAL AND RESERVES				
Share capital	1,804,951	1,795,241	1,804,951	1,795,241
Retained earnings	6,101,113	6,014,963	3,076,321	3,095,532
Other reserves	(351,558)	(405,848)	120,175	128,377
Equity attributable to Owners of the Company	7,554,506	7,404,356	5,001,447	5,019,150
NON-CONTROLLING INTERESTS - Perpetual securities	2,038,840	2,038,840	-	-
	9,593,346	9,443,196	5,001,447	5,019,150
NON-CONTROLLING INTERESTS - Others	6,369,652	6,647,350	-	-
TOTAL EQUITY	15,962,998	16,090,546	5,001,447	5,019,150

1(b)(ii) Group's Borrowings and Debt Securities

Amount repayable in one year or less, or on demand

	As at 31/12/2019 $'000	As at 30/09/2019 $'000
Secured	846,549	648,553
Unsecured	3,141,603	2,842,019
	3,988,152	3,490,572

Amount repayable after one year

	As at 31/12/2019 $'000	As at 30/09/2019 $'000
Secured	3,706,307	3,734,746
Unsecured	10,829,128	10,170,581
	14,535,435	13,905,327

Details of any collateral

Secured borrowings are generally bank loans secured on certain investment properties, property, plant and equipment and properties held for sale and/or a first fixed and floating charge over the assets, and assignment of all rights, benefits and title in contracts of the respective borrowing group entities.

1(c) Consolidated Cash Flow Statement

	1st quarter to 31/12/2019 $'000	1st quarter to 31/12/2018 $'000
Cash Flow from Operating Activities		
Profit after taxation	249,671	213,791
Adjustments for:		
Depreciation of property, plant and equipment	20,648	13,652
Fair value change on investment properties	(18,781)	(8,086)
Share of results of joint ventures and associates, net of tax	(38,524)	(32,499)
Amortisation of intangible assets	1,399	793
Gain/(loss) on disposal of property, plant and equipment	(26)	30
Net allowance for doubtful trade receivables	963	297
Bad debts written off	(4)	18
Employee share-based expense	4,117	5,913
Net fair value change on derivative financial instruments	31,318	(18,695)
Interest income	(18,676)	(12,834)
Interest expense	128,596	97,685
Tax expense	120,477	80,202
Exchange difference	(42,251)	4,759
Operating profit before working capital changes	438,927	345,026
Change in trade and other receivables	148,872	(384,254)
Change in contract assets	48,983	(50,877)
Change in contract liabilities	(202,898)	97,044
Change in trade and other payables	(166,215)	(87,035)
Change in properties held for sale	(410,817)	469,691
Change in inventory	(294)	(644)
Cash (used in)/generated from operations	(143,442)	388,951
Income taxes paid	(23,414)	(26,780)
Net cash (used in)/generated from Operating Activities	(166,856)	362,171
Cash Flow from Investing Activities		
Acquisition of/development expenditure on investment properties	(72,446)	(53,729)
Purchase of property, plant and equipment	(16,453)	(6,921)
Proceeds from disposal of investment properties	-	130,883
Proceeds from disposal of property, plant and equipment	230	29
Net investments in/loans to joint ventures and associates	(63,833)	(25,860)
Repayments of loans to joint ventures and associates	63,544	-
Dividends from joint ventures and associates	44,728	12,867
Settlement of hedging instruments	15,084	(46,809)
Purchase of financial assets	(28,324)	(3,198)
Purchase of intangible assets	(701)	(13)
Interest received	14,472	5,726
Acquisitions of subsidiaries, net of cash acquired	(16,446)	(129,282)
Acquisitions of non-controlling interests	(278,651)	-
Proceeds from disposal of assets held for sale	24,200	-
Uplift/(placement) of structured deposits	45,614	(25,976)
Net cash used in Investing Activities	(268,982)	(142,283)

1(c) Consolidated Cash Flow Statement (cont'd)

	1st quarter to 31/12/2019 $'000	1st quarter to 31/12/2018 $'000
Cash Flow from Financing Activities		
Contributions from non-controlling interests of subsidiaries without change in control	3,498	4,593
Dividends paid to non-controlling interests	(134,244)	(112,394)
Payment of lease liabilities	(15,806)	-
Proceeds from bank borrowings	1,777,432	771,147
Repayments of bank borrowings	(866,536)	(517,020)
Proceeds from issue of bonds/debentures, net of costs	83,670	403
Distributions to perpetual securities holders	(21,154)	(9,175)
Interest paid	(126,450)	(83,475)
Issuance costs	(93)	(67)
Net cash generated from Financing Activities	700,317	54,012
Net change in cash and cash equivalents	264,479	273,900
Cash and cash equivalents at beginning of period	3,104,105	2,146,514
Effects of exchange rate on opening cash	12,775	(12,393)
Cash and cash equivalents at end of period	3,381,359	2,408,021
Cash and cash equivalents at end of period:		
Fixed deposits, current	1,203,052	776,655
Cash and bank balances	2,188,265	1,634,611
	3,391,317	2,411,266
Bank overdraft, unsecured	(9,958)	(3,245)
Cash and cash equivalents at end of period	3,381,359	2,408,021
Analysis of Acquisitions of Subsidiaries		
Net assets acquired:		
Investment properties	39,180	201,210
Intangible assets	-	550
Inventories	-	47
Trade and other receivables	-	4,190
Trade and other payables	(3,987)	(10,495)
Provision for tax	-	(3,146)
Loans and borrowings	(17,857)	(57,938)
Cash and cash equivalents	117	190
Fair value of net assets	17,453	134,608
Less: Non-controlling interests acquired	-	(5,136)
Less: Non-controlling interests on consolidation	(890)	-
Consideration paid in cash	16,563	129,472
Cash and cash equivalents of subsidiaries acquired	(117)	(190)
Net cash outflow on acquisitions of subsidiaries, net of cash and cash equivalents acquired	16,446	129,282

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

	Share Capital $'000	Retained Earnings $'000	Other Reserves $'000	Equity Attributable to Owners of the Company $'000	Non-controlling Interests - Perpetual Securities $'000	Total $'000	Non-controlling Interests - Others $'000	Total Equity $'000
Group								
1st quarter to 31 December 2019								
Closing balance at 30 September 2019 as previously reported	1,795,241	6,014,963	(405,848)	7,404,356	2,038,840	9,443,196	6,647,350	16,090,546
Effects of adopting SFRS(I) 16*	-	(54,526)	-	(54,526)	-	(54,526)	3,350	(51,176)
Opening balance at 1 October 2019	1,795,241	5,960,437	(405,848)	7,349,830	2,038,840	9,388,670	6,650,700	16,039,370
Profit for the period	-	139,901	-	139,901	21,154	161,055	88,616	249,671
Other comprehensive income								
Net fair value change of cash flow hedges	-	-	7,221	7,221	-	7,221	1,355	8,576
Foreign currency translation	-	-	53,173	53,173	-	53,173	41,723	94,896
Share of other comprehensive income of joint ventures and associates	-	-	(1,269)	(1,269)	-	(1,269)	-	(1,269)
Other comprehensive income for the period	-	-	59,125	59,125	-	59,125	43,078	102,203
Total comprehensive income for the period	-	139,901	59,125	199,026	21,154	220,180	131,694	351,874
Contributions by and distributions to owners								
Ordinary shares issued	9,710	-	(9,710)	-	-	-	-	-
Employee share-based expense	-	-	1,508	1,508	-	1,508	-	1,508
Dividend paid	-	-	-	-	-	-	(134,244)	(134,244)
Transfer to other reserves	-	(5,086)	5,086	-	-	-	-	-
Total contributions by and distributions to owners	9,710	(5,086)	(3,116)	1,508	-	1,508	(134,244)	(132,736)
Changes in ownership interests in subsidiaries								
Units/shares issued to non-controlling interests	-	-	-	-	-	-	3,498	3,498
Acquisitions of subsidiaries with non-controlling interests	-	-	-	-	-	-	890	890
Change in interests in subsidiaries without change in control	-	5,885	(1,719)	4,166	-	4,166	(282,817)	(278,651)
Issuance costs incurred by subsidiaries	-	(24)	-	(24)	-	(24)	(69)	(93)
Total changes in ownership interests in subsidiaries	-	5,861	(1,719)	4,142	-	4,142	(278,498)	(274,356)
Total transactions with owners in their capacity as owners	9,710	775	(4,835)	5,650	-	5,650	(412,742)	(407,092)
Contributions by and distributions to perpetual securities holders								
Distributions to perpetual securities holders	-	-	-	-	(21,154)	(21,154)	-	(21,154)
Total contributions by and distributions to perpetual securities holders	-	-	-	-	(21,154)	(21,154)	-	(21,154)
Closing balance at 31 December 2019	1,804,951	6,101,113	(351,558)	7,554,506	2,038,840	9,593,346	6,369,652	15,962,998

* Refer to Item 5 of this announcement

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

Group 1st quarter to 31 December 2018	Share Capital $'000	Retained Earnings $'000	Other Reserves $'000	Equity Attributable to Owners of the Company $'000	Non-controlling Interests - Perpetual Securities $'000	Total $'000	Non-controlling Interests - Others $'000	Total Equity $'000
Opening balance at 1 October 2018	1,784,732	5,729,349	(45,616)	7,468,465	2,037,819	9,506,284	5,233,378	14,739,662
Profit for the period	-	138,129	-	138,129	9,175	147,304	66,487	213,791
Other comprehensive income								
Net fair value change of cash flow hedges	-	-	(39,162)	(39,162)	-	(39,162)	(2,074)	(41,236)
Foreign currency translation	-	-	(78,142)	(78,142)	-	(78,142)	(44,996)	(123,138)
Share of other comprehensive income of joint ventures and associates	-	-	(1,451)	(1,451)	-	(1,451)	-	(1,451)
Other comprehensive income for the period	-	-	(118,755)	(118,755)	-	(118,755)	(47,070)	(165,825)
Total comprehensive income for the period	-	138,129	(118,755)	19,374	9,175	28,549	19,417	47,966
Contributions by and distributions to owners								
Ordinary shares issued	10,509	-	(10,509)	-	-	-	-	-
Employee share-based expense	-	-	4,811	4,811	-	4,811	-	4,811
Dividend paid	-	-	-	-	-	-	(112,394)	(112,394)
Transfer to other reserves	-	(1,959)	1,959	-	-	-	-	-
Total contributions by and distributions to owners	10,509	(1,959)	(3,739)	4,811	-	4,811	(112,394)	(107,583)
Changes in ownership interests in subsidiaries								
Units issued to non-controlling interests	-	-	-	-	-	-	4,593	4,593
Acquisitions of subsidiaries with non-controlling interests	-	-	-	-	-	-	5,136	5,136
Change in interests in subsidiaries without change in control	-	(3,894)	-	(3,894)	-	(3,894)	3,894	-
Issuance costs incurred by subsidiaries	-	(15)	-	(15)	-	(15)	(52)	(67)
Total changes in ownership interests in subsidiaries	-	(3,909)	-	(3,909)	-	(3,909)	13,571	9,662
Total transactions with owners in their capacity as owners	10,509	(5,868)	(3,739)	902	-	902	(98,823)	(97,921)
Contributions by and distributions to perpetual securities holders								
Distributions to perpetual securities holders	-	-	-	-	(9,175)	(9,175)	-	(9,175)
Total contributions by and distributions to perpetual securities holders	-	-	-	-	(9,175)	(9,175)	-	(9,175)
Closing balance at 31 December 2018	1,795,241	5,861,610	(168,110)	7,488,741	2,037,819	9,526,560	5,153,972	14,680,532

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

Company 1st quarter to 31 December 2019	Share Capital $'000	Retained Earnings $'000	Other Reserves $'000	Share-based Compensation Reserve $'000	Dividend Reserve $'000	Total Equity $'000
Opening balance at 1 October 2019	1,795,241	3,095,532	128,377	23,275	105,102	5,019,150
Profit for the period	-	(19,211)	-	-	-	(19,211)
Total comprehensive income for the period	-	(19,211)	-	-	-	(19,211)
<u>Contributions by and distributions to owners</u>						
Ordinary shares issued	9,710	-	(9,710)	(9,710)	-	-
Employee share-based expense	-	-	1,508	1,508	-	1,508
Total contributions by and distributions to owners	9,710	-	(8,202)	(8,202)	-	1,508
Closing balance at 31 December 2019	1,804,951	3,076,321	120,175	15,073	105,102	5,001,447

Company 1st quarter to 31 December 2018	Share Capital $'000	Retained Earnings $'000	Other Reserves $'000	Share-based Compensation Reserve $'000	Dividend Reserve $'000	Total Equity $'000
Opening balance at 1 October 2018	1,784,732	3,056,544	202,263	21,718	180,545	5,043,539
Profit for the period	-	(8,050)	-	-	-	(8,050)
Total comprehensive income for the period	-	(8,050)	-	-	-	(8,050)
<u>Contributions by and distributions to owners</u>						
Ordinary shares issued	10,509	-	(10,509)	(10,509)	-	-
Employee share-based expense	-	-	4,811	4,811	-	4,811
Total contributions by and distributions to owners	10,509	-	(5,698)	(5,698)	-	4,811
Closing balance at 31 December 2018	1,795,241	3,048,494	196,565	16,020	180,545	5,040,300

1(d)(ii) Issued Share Capital

	No. of ordinary shares 1st quarter to 31/12/2019	No. of ordinary shares 4th quarter to 30/9/2019
Issued and fully paid:		
As at beginning of period	2,919,487,919	2,919,487,919
Issued during the period - pursuant to share plans	6,172,975	-
As at end of period	2,925,660,894	2,919,487,919

	As at 31/12/2019	As at 31/12/2018
The number of shares awarded conditionally under share plans as at the end of the period	30,276,125	28,522,689

As at 31 December 2019, the Company's issued and paid-up ordinary share capital was $1,804,950,806 comprising 2,925,660,894 ordinary shares.

1(d)(iii) The Company's total number of issued ordinary shares is 2,925,660,894 as at 31 December 2019 and 2,919,487,919 as at 30 September 2019.

1(d)(iv) The Company did not have any treasury shares as at 31 December 2019 and 31 December 2018.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares by the Company for the financial period ended 31 December 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 the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' 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

Except as disclosed in Item 5 below, Frasers Property Limited and its subsidiaries (collectively, the "Group") have applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period as compared with the audited financial statements for the financial year ended 30 September 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**

The Group adopted the following new Singapore Financial Reporting Standards (International) ("SFRS(I)"), interpretations and amendments to SFRS(I)s, which became effective in the current financial year.

SFRS(I) 16	*Leases*
SFRS(I) INT 23	*Uncertainty over Income Tax Treatments*
Amendments to SFRS(I) 1-12	*Income Tax Consequences of Payments on Financial Instruments Classified as Equity*
Amendments to SFRS(I) 1-19	*Employee Benefits – Plan Amendment, Curtailment or Settlement*
Amendments to SFRS(I) 1-23	*Borrowing Costs Eligible for Capitalisation*
Amendments to SFRS(I) 1-28	*Long Term Interests in Associates and Joint Ventures*
Amendments to SFRS(I) 9	*Prepayment Features with Negative Compensation*
Amendments to SFRS(I) 3 and 11	*Previously Held Interest in a Joint Operation*

In addition, the Group has early adopted the Amendments to SFRS(I) 9, SFRS(I) 1-39 and SFRS(I) 7 *Interest Rate Benchmark Reform*. Except for SFRS(I) 16 *Leases*, the Group's adoption of the new standards and amendments did not have a material effect on its financial statements.

<u>SFRS(I) 16 *Leases*</u>

SFRS(I) 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. SFRS(I) 16 replaces existing lease accounting guidance, including SFRS(I) 1-17 *Leases*, SFRS(I) INT 4 *Determining whether an Arrangement contains a Lease*, SFRS(I) INT 1-15 *Operating Leases – Incentives* and SFRS(I) INT 1-27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

The Group applied SFRS(I) 16 on 1 October 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting SFRS(I) 16 is recognised as an adjustment to the opening balance of retained earnings at 1 October 2019, with no restatement of comparative information. The Group applied the practical expedient to grandfather the definition of a lease on transition and SFRS(I) 16 was applied to all lease contracts entered into before 1 October 2019 and identified as leases in accordance with SFRS(I) 1-17 and SFRS(I) INT 4.

The adoption of SFRS(I) 16 resulted in adjustments to the balance sheet of the Group as at 1 October 2019 is as follows:

Balance Sheet as at 1 October 2019

	Group Increase/ (Decrease) $'000
Right-of-use assets included in investment properties	(103,712)
Right-of-use assets included in property, plant and equipment	347,359
Right-of-use assets included in properties held for sale	18,216
Investments in joint ventures	4,957
Investments in associates	1,579
Deferred tax assets	37,916
Other receivables	35,926
	342,241
Other payables	(351,371)
Lease liabilities	708,455
Deferred tax liabilities	36,333
	393,417
NET ASSETS	(51,176)
Retained earnings	(54,526)
Non-controlling interests - others	3,350
TOTAL EQUITY	(51,176)

6. Earnings per ordinary share of the Group

	Group	
	1st quarter ended 31/12/2019	1st quarter ended 31/12/2018
Earnings per ordinary share ("EPS"):		
(a) Basic EPS (cents)		
- before fair value change and exceptional items	4.20	4.56
- after fair value change and exceptional items	4.79	4.74
Weighted average number of ordinary shares (millions)	2,920.4	2,913.1
(b) On a fully diluted basis (cents)		
- before fair value change and exceptional items	4.16	4.52
- after fair value change and exceptional items	4.74	4.70
Weighted average number of ordinary shares (millions)	2,950.7	2,941.6

EPS is calculated by dividing the Group's attributable profit (after adjusting for distributions to perpetual securities holders of $19,464,000 for the 1st quarter to 31 December 2019 (1st quarter to 31 December 2018: $7,462,000) by the weighted average number of ordinary shares in issue during the financial period. In respect of diluted EPS, the denominator is adjusted for the effects of dilutive potential ordinary shares, which comprise share awards granted to employees.

7. Net asset value per ordinary share based on issued share capital of the issuer at the end of the period

	Group		Company	
	As at 31/12/2019	As at 30/09/2019	As at 31/12/2019	As at 30/09/2019
Net asset value per ordinary share based on issued share capital	$2.58	$2.54	$1.71	$1.72

Based on 2,925,660,894 ordinary shares in issue as at the end of the financial period (30 September 2019: 2,919,487,919 ordinary shares).

8. Review of the Group's Performance

Profit Statement – 1st Quarter to 31 December 2019

Group revenue increased by 9% to $1,179 million while profit before interest, fair value change, taxation and exceptional items ("PBIT") increased by 24% to $461 million.

The increase in revenue and PBIT were largely attributable to the sales and settlements of development projects in China, maiden contributions from PGIM Real Estate AsiaRetail Fund Limited's ("PGIM ARF") portfolio of retail assets and the consolidation upon the step-up acquisition of Golden Land Property Development Public Company Limited ("GOLD"). These gains were partially offset by lower contributions from development projects in Australia.

Group attributable profit[1] remained comparable to the corresponding quarter last year at $142 million and basic earnings per share[2] based on weighted average number of ordinary shares on issue was 4.2 cents.

[1] before fair value change on investment properties and exceptional items and distributions to perpetual securities holders
[2] before fair value change on investment properties and exceptional items and after adjusting for distributions to perpetual securities holders

A. Key Business Segment Results

Change in Business Segment Reporting

The Group announced the formation of Frasers Property Industrial ("FPI"), an integrated industrial and logistics platform as a strategic business unit, which took effect from 1 October 2019 and resulted in the changes to the certain operating segments.

The affected operating segments have been re-organised and comprise the following:

(i) Australia, which encompasses the development, ownership, management and operation of residential, retail and commercial properties held by non-REIT entities in Australia and New Zealand.
(ii) Industrial & Logistics, which encompasses the development, ownership, management and operation of industrial and logistics properties held by Frasers Logistics and Industrial Trust ("FLT") and the non-REIT entities in Australia and continental Europe.
(iii) Thailand & Vietnam, which encompasses the development, ownership, management and operation of residential, retail, commercial and industrial properties in Thailand and Vietnam.
(iv) Others, which comprises the development, ownership and operation of residential and commercial properties in the United Kingdom ("UK") and China.

The comparative business segment information have been restated to take into account the above organisational changes.

Singapore

Revenue decreased by 15% to $208 million while PBIT increased by 32% to $134 million.

Revenue and PBIT from the Singapore investment properties portfolio increased by 46% and 34% to $184 million and $120 million, respectively, mainly due to maiden contributions from PGIM ARF.

Revenue from the Singapore residential properties decreased by 80% to $24 million while PBIT increased by 11% to $15 million. The decrease was mainly due to the absence of development profits from North Park Residences and Parc Life Executive Condominium, which were fully sold and completed in the previous financial year ("FY"). PBIT comprised higher share of profits from Seaside Residences and maiden contributions from Rivière.

Australia

Revenue and PBIT decreased by 53% and 59% to $186 million and $37 million, respectively.

The decreases were mainly due to fewer completions and settlements of residential projects. Significant project settlements in the current quarter included Central Park Mall and the retail component of DUO at Central Park in Chippendale, New South Wales.

Industrial & Logistics

Revenue and PBIT increased in tandem by 15% to $111 million and $67 million, respectively.

In Australia, revenue and PBIT increased by $8 million and $3 million to $28 million and $7 million, respectively. The increases were mainly driven by development profits from the Jaycar owner occupier project in Eastern Creek, New South Wales.

In Europe, revenue and PBIT remained fairly constant at $20 million and $13 million, respectively.

Revenue and PBIT from FLT were fairly constant at $60 million and $47 million, respectively, with increased contributions from newly acquired properties in Germany but partially offset by lower contributions from the Australian portfolio, following divestments of three properties.

Hospitality

Revenue and PBIT improved slightly at $215 million and $44 million, respectively, with maiden contributions from Capri by Fraser, China Square in Singapore and Fraser Suites Hamburg in Germany, both of which commenced operations in the second quarter of the previous financial year.

Thailand & Vietnam

Revenue and PBIT increased by $183 million and $15 million to $208 million and $41 million, respectively.

In Thailand, the consolidation upon the step-up acquisition of GOLD from August 2019 gave rise to additional revenue and PBIT for the current quarter of $177 million and $18 million, respectively. Prior to August 2019, the results of GOLD were equity-accounted.

Others

Revenue and PBIT increased by $136 million and $73 million to $251 million and $143 million, respectively.

In China, revenue and PBIT increased by $140 million and $82 million to $204 million and $126 million, respectively. The increases were mainly due to the settlements in Phase 3C2 of Baitang One, Suzhou.

In the UK, revenue and PBIT decreased by $4 million and $9 million to $47 million and $16 million, respectively. The decrease was mainly attributable to the absence of profits from the disposal of the

Frasers Brown Street site in the previous corresponding quarter and was partially offset by higher development profit contributions from Camberwell Green.

Corporate & Others

Corporate & Others comprises mainly of corporate overheads.

PBIT was a net loss of $4 million, compared to a loss of $16 million in the corresponding quarter last year. The lower net loss was mainly due to cost adjustments to corporate overheads.

B. Other Key Profit Statement Items

Share of Results of Joint Ventures and Associates

Share of results of joint ventures and associates increased by 19% to $39 million. The increase was mainly attributable to higher profit contributions from development projects from the Group's joint ventures in Singapore and Australia, partially offset by the absence of share of GOLD's results with the consolidation of GOLD from August 2019.

Net Interest Expense

Net interest expense increased by $25 million to $110 million.

The increase in net interest expense corresponded with higher net debt positions to fund acquisitions compared to the corresponding quarter last year.

Tax

The Group posted higher contributions from China in the current quarter. This resulted in an increase in China Land Appreciation Tax and consequently, a higher effective tax rate of 32.5% (1st quarter to 31 December 2018: 27.3%) compared to the corresponding quarter last year, as well as the prevailing Singapore statutory tax rate of 17.0%.

Group Balance Sheet as at 31 December 2019

The increase in investment properties of $199 million was mainly due to the acquisition of two properties in Germany, capital expenditures on properties in Germany and Thailand, as well as currency re-alignment gains on properties in Australia and the UK, following the appreciation of the Australian Dollar and British Pound against the Singapore Dollar in the period under review.

The increase in property, plant and equipment by $432 million mainly arose from the right-of-use assets recognised on Hospitality assets in the UK and Thailand, following the adoption of SFRS(I) 16.

The increase in investments in joint ventures and associates of $73 million was mainly due to the capitalisation of a loan to a joint venture in Malaysia of $42 million into preference shares, as well as the additional equity interests in joint ventures and associates in Thailand of $19 million.

The increase in properties held for sale of $428 million was mainly due to progressive development expenditures for projects in Thailand and Australia, partially offset by the sales settlements of Central Park Mall and the retail component of DUO at Central Park in Chippendale, New South Wales, Australia, Phase 3C2 of Baitang One in Suzhou, China, and residential projects in Thailand.

The decrease in trade and other receivables of $131 million was mainly due to the repayment of loans extended to a joint venture in Singapore, the capitalisation of a loan to a joint venture in Malaysia into preference shares and receipts from the sale of a property in Malaysia.

The decrease in trade and other payables of $513 million was mainly due to the de-recognition of deferred income on land leases in Thailand of $340 million, following the adoption of SFRS(I) 16, and the settlement of land vendor liabilities for the acquisition of land in Australia of $67 million.

Lease liabilities of $775 million are recognised following the adoption of SFRS(I) 16 and arise mainly in relation to term leases in the UK, Australia and Thailand.

The increase in loans and borrowings of $1,128 million was mainly due to the net drawdown of bank borrowings for the acquisitions of properties in Australia, the development of properties in Thailand, as well as the redemption of shares in PGIM ARF.

Group Cash Flow Statement – 1st Quarter ended 31 December 2019

The net cash outflow from investing activities of $269 million was mainly due to the acquisitions of non-controlling interests of $279 million, acquisitions of/development expenditure of investment properties of $72 million. This was partially offset by uplift of structured deposits of $46 million and dividends from joint ventures and associates of $45 million. The net cash inflow from investing activities of $142 million in the corresponding quarter last year was mainly due to the acquisition of subsidiaries, net of cash acquired, of $129 million, acquisitions of/development expenditure of investment properties of $54 million and placement of structured deposits of $26 million. This was partially offset by proceeds from disposal of investment properties of $131 million.

The net cash inflow from financing activities of $700 million was mainly due to net proceeds from bank borrowings of $911 million and proceeds from issue of bonds/debentures of $84 million. This was partially offset by dividends paid to non-controlling interests of $134 million and interest paid of $126 million. The net cash inflow from financing activities of $54 million in the corresponding quarter last year was mainly due to net proceeds from bank borrowings of $254 million. This was partially offset by dividends to non-controlling interests of $112 million and interest paid of $84 million.

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

Not applicable.

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

Singapore

The Singapore economy grew by 0.5% on a year-on-year ("y-o-y") basis in 3Q 2019, slightly higher than the 0.2% growth in the previous quarter, according to the Ministry of Trade and Industry ("MTI"). MTI announced on 21 November 2019 that they expect GDP growth of 0.5% to 2.5% in 2020 though downside risks from the coronavirus outbreak is likely to weigh on the outlook. The manufacturing sector is expected to return to growth, while the information & communication and finance & insurance sectors are expected to remain healthy.

Urban Redevelopment Authority's ("URA") statistical release on 2 January 2020 indicated that non-landed Singapore house prices declined 0.7% in 4Q 2019, a reversal from the 1.3% rise reported in 3Q 2019[1]. Seaside Residences, which is over 90% sold, is expected to achieve completion in the second half of 2020.

The Singapore retail environment improved with the Singapore Department of Statistics seasonally adjusted retail sales index (excluding motor vehicles) increasing month-on-month ("m-o-m") by 1.0% in November 2019[2], compared to a decline of -1.5% the previous month.

[1] URA – flash estimate of 4th quarter 2019 private residential property price index
[2] Department of Statistics Singapore – Monthly retail sales and F&B service indices

CBRE reported that the island-wide office vacancy rate declined marginally from 4.8% in 2Q 2019 to 4.5% in 3Q 2019[3]. Tenant demand was driven by the technology sector and co-working space operators. In 3Q 2019, average rents increased 1.3% quarter-on-quarter ("q-o-q") to $11.45 per square foot ("psf") per month for Grade A CBD Core, and 0.6% q-o-q to $8.00 psf per month for island-wide Grade B.

The Group's retail portfolio occupancy rate stayed healthy at 89.5% while the Group's commercial portfolio occupancy rate was close to 90% based on committed leases.

Australia

On 3 December 2019, the Reserve Bank of Australia ("RBA") maintained a cash rate at 0.75% per annum. According to RBA, growth is expected to be supported by low interest rates, recent tax cuts, on-going spending on infrastructure, upswing in housing prices and a brighter outlook for the resources sector. In their November 2019 Monetary Policy Statement, RBA expects gross domestic product ("GDP") to grow by around 2.75% in 2020, but this has not factored in the impact from the coronavirus outbreak.

CoreLogic[4] reported that national dwelling values rose by 4.0% for the quarter ended 31 December 2019, the fastest quarterly growth since November 2009. The residential division recorded sales of 290 units during 1Q FY2020. About 1,750 units are planned for release while 1,950 units are expected for settlement in FY2020.

The Group's office portfolio maintained its strong occupancy rate of 97.3%.

Industrial & Logistics

Industrial space take-up continued to outpace new supply in Australia in the last 12 months. As a result, vacancies in Sydney and Melbourne remained near five-year lows. Prime face rents grew 2.4% and 1.3% y-o-y in Sydney and Melbourne respectively while investor demand remained strong with evidence of further yield compression compared to the third quarter of 2019[5].

Increased competition from foreign investors resulted in average prime yields for major German logistics hubs firming to 3.7% (-35 basis points compared to 2018). Average prime yields in the Netherlands industrial hubs of Venlo and Rotterdam have also firmed over the past year to 4.40% and 4.65% respectively[6].

In Australia, the industrial portfolio achieved occupancy of 100.0%. FPI secured two new industrial sites for development during 1Q FY2020.

In continental Europe, strong occupancy rate of 99.2% was maintained. FPI also completed the acquisitions of a logistic property and a development land plot, which are the final assets from the Germany and Austria logistics and light industrial portfolio purchase announced in FY2018.

In December 2019, the Group announced the proposed merger of FLT and Frasers Commercial Trust (the "Enlarged REIT"). In conjunction with the proposed merger, FLT announced the proposed acquisition of 50% interest in Farnborough Business Park from the Group for approximately $158 million. The Enlarged REIT is expected to hold a diversified portfolio of logistics, industrial, office, business park and commercial assets worth approximately $5.7 billion across Asia Pacific and Europe.

[3] CBRE – Singapore Market View, 3Q 2019
[4] CoreLogic – National Media Release, 2 January 2020
[5] JLL – Industrial Market Snapshots 4Q2019; Knight Frank – Australian Capital View Outlook 2019, Sydney Industrial Vacancy October 2019, Melbourne Industrial Vacancy October 2019
[6] BNP Paribas Real Estate International Research, 3Q 2019

Hospitality

From January to November 2019, the Singapore Tourism Board recorded a 2.9% y-o-y growth in international visitor arrivals to 17.4 million. JLL reported that hotel supply is likely to remain limited for the next 3 years, growing at a compound annual growth rate of 0.7% from end-2019 to end-2022[7].

According to Tourism Australia, there were 9.4 million visitor arrivals for the year ended September 2019, an increase of 2.7% y-o-y[8]. While hotel visitor nights in Sydney and Melbourne have risen, room rates growth are expected to be weighed by new supply (2,300 rooms in Sydney and 4,200 rooms in Melbourne in 2020-22) [7].
According to VisitBritain, the UK welcomed 29.2 million overseas visitors in the first nine months of 2019, up 2.0% y-o-y. Visa reported that hotels, restaurants and bars continued to trade well with 2.7% growth y-o-y in September 2019[9].

STR reported positive results for European hotels in November 2019, with occupancy rising 1.5 percentage points y-o-y to 72.2% while room rates and revenue per available room grew 1.9% and 3.4% y-o-y respectively[10].

Malmaison Edinburgh City opened in 1Q FY2020. The business is optimising revenue through the deployment of revenue management tools. The business also launched new technologies to enhance productivity and customer experience.

UK & rest of Asia

In the Bank of England's Monetary Policy Committee ("MPC") meeting held on 19 December 2019, the MPC voted to maintain the Bank Rate at 0.75% per annum. The MPC was of the view that there will be an orderly transition to a comprehensive free trade agreement between the UK and the European Union. The domestic economy is expected to remain resilient. In January 2020, the Group completed its acquisition of Lakeshore, Bedfront Lakes business park for approximately $238 million. Occupancy rate at the UK business parks remained stable at 88.4%.

According to forecasts from the Bank of Thailand, Thailand's GDP growth is expected to come in at 2.5% in 2019, a five-year low, but recover to 2.8% in 2020, driven by resilient domestic demand and higher FDI flows. In November 2019, GOLD obtained shareholders' approval to delist from The Stock Exchange of Thailand.

Price growth in China's housing market remained stable as some relaxations in property purchase restrictions mitigated the slow-down from financial sector de-leveraging and the US-China trade war. Phase 5H of Gemdale Megacity residential development in Songjiang, Shanghai is expected to be completed by 4Q FY2020.

Vietnam's economy expanded by 7.0% in 2020, higher than the government's target of 6.8% and underpinned by solid growth in exports and manufacturing.

Going forward

The Group closely monitors all regional and global developments that could have an impact on its multi-national business operations. Two key impact areas in particular are the Novel Coronavirus outbreak globally, and the bushfires in Australia. While the Group anticipates some impact on parts of its operations, it is keeping a watchful eye on both situations which are still evolving. The Group's immediate priority is to ensure the safety and well-being of customers and staff at all its properties and will continue to put in place appropriate measures.

[7] JLL – Asia Pacific Property Digest 3Q 2019 (20 November 2019)
[8] Tourism Australia Market Performance Statistics
[9] Visa's UK Consumer Spending Index – September 2019 (16 October 2019)
[10] STR – Europe Hotel Performance for November 2019

On 9 January 2020, Singapore Exchange Regulation issued a press release on the adoption of a risk-based approach to quarterly reporting ("QR") and mandates more robust disclosures on matters of high impact. The effective date for the enhancements to continuous disclosures requirements and the new approach to QR is 7 February 2020. The Group is in the midst of reviewing its approach towards QR and will announce changes, if any, at the appropriate juncture.

The Group will continue to manage and grow its businesses and asset portfolio in a prudent manner across geographies and business segments. Proactive asset and capital management remain important focus areas. Further, the recycling of assets into its sponsored REITs and a continued and disciplined focus on cost management will be key to the Group. The Group is well positioned, through its real estate platforms in all the key markets it is in, to create asset value through a combination of development and asset/operational enhancement initiatives. In its major markets of Singapore and Australia, the Group will continue to undertake development activities in a measured manner, taking into consideration market conditions. The Group continues to experience the lumpiness of recognition of income from all its development businesses.

11. If a decision regarding dividend has been made:-

No dividend has been declared for the current financial period.

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

Dividends are declared on a semi-annual basis for the six-month periods ending 31 March and 30 September.

13. Interested Person Transactions

The Company's general mandate for interested person transactions, the terms of which are set out in Appendix 1 to the Letter to Shareholders dated 28 December 2018 (the "IPT Mandate"), was renewed at the 55th Annual General Meeting of the Company held on 29 January 2019.

Particulars of interested person transactions for the period 1 October 2019 to 31 December 2019 are as follows:

Name of interested person	**Aggregate value of all interested person transactions conducted during the financial period under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) \$'000**
Mandated Interested Persons as defined under the IPT Mandate	Nil

14. Subsequent Events

1. On 8 January 2020, the Company announced that its investee companies, JustCo Holdings Pte. Ltd. ("JCH") and JustGroup Holdings Pte. Ltd., have amalgamated with JCH continuing as the surviving entity (the "Amalgamation").

   Frasers Property Ventures II Pte. Ltd. ("FPV II"), a wholly-owned subsidiary of the Company, has also acquired, on 8 January 2020, an additional 791 ordinary shares and 15,510,474 preference C shares of JCH for an aggregate cash consideration of US$12,409,012 (approximately S$16,748,443.52[1]) (the "Acquisition").

   Following the Amalgamation and the Acquisition, the Company's resultant shareholding interest in JCH held through its wholly-owned subsidiaries, Frasers Property Ventures I Pte. Ltd. and FPV II, has increased to approximately 22.2%[2].

2. On 23 January 2020, the Group announced that its indirect subsidiary, Frasers Property Holdings UK Limited, has entered into a sale and purchase agreement with Bedfont Lakes (Holdings) Limited for the acquisition of 100% of the issued and paid-up share capital of Bedfont Lakes Limited (the "Target Company"), a company incorporated in Jersey (the "Sale Shares" and the acquisition of the Sale Shares, the "Bedfont Lakes Acquisition"). The Target Company holds the freehold interest in Lakeshore, Bedfont Lakes, which comprises three individual high-specification office buildings. The aggregate consideration paid by Frasers Property Holdings UK Limited for the Bedfont Lakes Acquisition, excluding transaction costs, was GBP135 million (approximately S$238 million[3]).

3. On 6 February 2020, the Company announced that its wholly-owned subsidiary, Frasers Property Treasury Pte. Ltd., elected to redeem S$700,000,000 5.00% subordinated perpetual securities (the "Perpetual Securities") on 9 March 2020. Upon redemption of the Perpetual Securities, the Perpetual Securities will be cancelled thereafter and delisted from the Singapore Exchange Securities Trading Limited.

4. The Company announced that its indirect wholly-owned subsidiary, Frasers Property AHL Limited (the "Issuer"), has established an AUD2 billion Multicurrency Debt Issuance Programme (the "Programme"), which is unconditionally and irrevocably guaranteed by the Company on 6 February 2020. Under the Programme, the Issuer may, subject to compliance with all relevant laws, regulations and directives from time to time, issue notes and perpetual securities in Australian dollars or any other currency as may be agreed between the relevant dealers of the Programme and the Issuer.

[1] Based on an exchange rate of US$1 : S$1.3497 as at 7 January 2020.
[2] The Company's resultant shareholding interest in JCH of approximately 22.2% did not take into account the proposed investment by Daito Trust Construction Co., Ltd. ("Daito Trust") in JCH. Following such investment by Daito Trust, the Company's shareholding interest in JCH is 21.07% as at the date of this announcement.
[3] Based on an exchange rate of GBP1 : S$1.7625 as at 21 January 2020.

15. Confirmation pursuant to Rule 720(1) of the Listing Manual of the SGX-ST

The Company confirms that it has procured undertakings from all its Directors and executive officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the Listing Manual of the SGX-ST.

16. Confirmation pursuant to Rule 705(5) of the Listing Manual of the SGX-ST

We confirm on behalf of the Directors of the Company, that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render these financial results from 1 October 2019 to 31 December 2019 to be false or misleading in any material respect.

On behalf of the Board

Charles Mak Ming Ying
Director

Panote Sirivadhanabhakdi
Director and Group Chief Executive Officer

BY ORDER OF THE BOARD

Catherine Yeo
Company Secretary
7 February 2020