

**SBS TRANSIT LTD**

Company Registration No.: 199206653M

Full Year Financial Statements and Dividend Announcement

The Board of Directors announces the audited results for the year ended 31 December 2018.

1 GROUP INCOME STATEMENT

	Group		
	Full Year 2018	Full Year 2017	Incr/ (Decr)
	\$'000	\$'000	%
Revenue	1,383,613	1,191,717	16.1
Staff costs	705,519	628,553	12.2
Repairs and maintenance costs	173,219	151,684	14.2
Fuel and electricity costs	171,844	131,076	31.1
Premises costs	64,155	57,128	12.3
Depreciation expense	93,136	96,925	(3.9)
Other operating costs	78,439	67,008	17.1
Total operating costs	<u>1,286,312</u>	<u>1,132,374</u>	13.6
Operating profit	97,301	59,343	64.0
Net income from investments	274	242	13.2
Finance costs	(3,390)	(4,482)	(24.4)
Profit before taxation	<u>94,185</u>	<u>55,103</u>	70.9
Taxation	<u>(14,083)</u>	<u>(7,975)</u>	76.6
Profit attributable to shareholders	<u><u>80,102</u></u>	<u><u>47,128</u></u>	70.0

2 STATEMENTS OF FINANCIAL POSITION

	Group			Company		
	31 Dec 2018	31 Dec 2017	1 Jan 2017	31 Dec 2018	31 Dec 2017	1 Jan 2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS						
Current assets						
Short-term deposits and bank balances	32,711	5,275	4,254	31,785	4,028	3,446
Investments	-	5,134	-	-	5,134	-
Trade receivables	123,509	122,582	77,238	120,225	119,470	76,284
Other receivables and prepayments	56,466	31,701	19,274	259,551	199,599	128,408
Inventories	117,142	94,012	59,695	99,102	82,997	53,000
Total current assets	329,828	258,704	160,461	510,663	411,228	261,138
Non-current assets						
Subsidiary	-	-	-	5,000	5,000	5,000
Investments	-	-	5,268	-	-	5,268
Prepayments	6,021	2,537	2,527	5,889	2,506	2,519
Vehicles, premises and equipment	705,304	803,844	866,186	685,463	783,821	851,924
Deferred tax assets	21,680	22,737	20,354	-	-	-
Total non-current assets	733,005	829,118	894,335	696,352	791,327	864,711
Total assets	1,062,833	1,087,822	1,054,796	1,207,015	1,202,555	1,125,849
LIABILITIES AND EQUITY						
Current liabilities						
Borrowings	-	56,000	150,000	-	56,000	150,000
Trade and other payables	293,771	272,302	241,948	253,450	240,764	214,181
Deposits received	2,588	3,648	4,967	2,259	3,271	4,301
Insurance premiums payable and provision for accident claims	19,533	21,965	24,799	19,533	21,965	24,799
Fuel price equalisation account	19,992	19,992	19,992	19,992	19,992	19,992
Income tax payable	31,394	9,309	67	31,394	9,309	67
Total current liabilities	367,278	383,216	441,773	326,628	351,301	413,340
Non-current liabilities						
Borrowings	75,000	125,000	66,000	75,000	125,000	66,000
Deferred grants	6,326	6,958	7,709	6,326	6,958	7,709
Deposits received	7,157	5,600	4,802	5,865	4,390	3,908
Deferred tax liabilities	77,676	87,112	85,554	77,676	87,112	85,554
Provision for service benefits and long service awards	11,004	10,718	10,981	10,706	10,496	10,836
Fuel price equalisation account	19,992	19,992	19,992	19,992	19,992	19,992
Total non-current liabilities	197,155	255,380	195,038	195,565	253,948	193,999
Total liabilities	564,433	638,596	636,811	522,193	605,249	607,339
Capital and reserves						
Share capital	100,162	98,873	97,138	100,162	98,873	97,138
Other reserves	38,628	40,522	38,566	39,450	40,522	38,566
Accumulated profits	359,610	309,831	282,281	545,210	457,911	382,806
Total equity	498,400	449,226	417,985	684,822	597,306	518,510
Total liabilities and equity	1,062,833	1,087,822	1,054,796	1,207,015	1,202,555	1,125,849

3 AGGREGATE AMOUNT OF GROUP'S BORROWINGS

	31 Dec 2018	31 Dec 2017
	\$'000	\$'000
Unsecured		
Amount repayable in one year or less, or on demand	-	56,000
Amount repayable after one year	75,000	125,000
	<u>75,000</u>	<u>181,000</u>

Details of any collateral

Not applicable.

4 GROUP CASH FLOW STATEMENT

	Group	
	Full Year 2018 \$'000	Full Year 2017 \$'000
Operating activities		
Profit before taxation	94,185	55,103
Adjustments for:		
Depreciation expense	93,136	96,925
Finance costs	3,390	4,482
Net (gain) loss on disposal of vehicles and equipment	(261)	103
Interest income	(274)	(242)
Provision for service benefits and long service awards	954	688
Insurance premiums payable and provision for accident claims	2,606	1,235
Operating cash flows before movements in working capital	193,736	158,294
Changes in working capital	(34,857)	(64,634)
Cash generated from operations	158,879	93,660
Income tax paid	(34)	(34)
Net cash from operating activities	158,845	93,626
Investing activities		
Interest received	308	242
Proceeds from disposal of vehicles and equipment	29,991	304
Maturity of investments	5,000	-
Purchase of vehicles, premises and equipment	(27,810)	(35,000)
Net cash from (used in) investing activities	7,489	(34,454)
Financing activities		
New loans raised	619,800	764,100
Repayment of borrowings	(725,800)	(799,100)
Proceeds from share issue	1,227	1,640
Interest paid	(3,773)	(5,077)
Dividends paid	(30,375)	(19,742)
Others	23	28
Net cash used in financing activities	(138,898)	(58,151)
Net increase in cash and cash equivalents	27,436	1,021
Cash and cash equivalents at beginning of year	5,275	4,254
Cash and cash equivalents at end of year	32,711	5,275

5 GROUP COMPREHENSIVE INCOME STATEMENT

	Group	
	Full Year	Full Year
	2018	2017
	\$'000	\$'000
Profit attributable to shareholders	80,102	47,128
<i>Items that may be reclassified subsequently to profit or loss</i>		
Fair value adjustment on cash flow hedges	(1,670)	2,321
Fair value adjustment on investments	(133)	(134)
Total comprehensive income attributable to shareholders	<u>78,299</u>	<u>49,315</u>

6 STATEMENTS OF CHANGES IN EQUITY

Consolidated Statement of Changes in Equity for the year ended 31 December 2018:

	Group			
	Attributable to shareholders of the Company			
	Share capital \$'000	Other reserves \$'000	Accumulated profits \$'000	Total equity \$'000
Balance at 1 January 2017	97,138	38,566	282,281	417,985
Total comprehensive income for the year				
Profit for the year	-	-	47,128	47,128
Other comprehensive income for the year	-	2,187	-	2,187
Total	-	2,187	47,128	49,315
Transactions recognised directly in equity				
Exercise of share options	1,735	(95)	-	1,640
Payment of dividends	-	-	(19,742)	(19,742)
Other reserves	-	(136)	164	28
Total	1,735	(231)	(19,578)	(18,074)
Balance at 31 December 2017	98,873	40,522	309,831	449,226
Total comprehensive income (expense) for the year				
Profit for the year	-	-	80,102	80,102
Other comprehensive expense for the year	-	(1,803)	-	(1,803)
Total	-	(1,803)	80,102	78,299
Transactions recognised directly in equity				
Exercise of share options	1,289	(62)	-	1,227
Payment of dividends	-	-	(30,375)	(30,375)
Other reserves	-	(29)	52	23
Total	1,289	(91)	(30,323)	(29,125)
Balance at 31 December 2018	100,162	38,628	359,610	498,400

Statement of Changes in Equity of the Company for the year ended 31 December 2018:

	Company			
	Share capital	Other reserves	Accumulated profits	Total equity
	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2017	97,138	38,566	382,806	518,510
Total comprehensive income for the year				
Profit for the year	-	-	94,683	94,683
Other comprehensive income for the year	-	2,187	-	2,187
Total	-	2,187	94,683	96,870
Transactions recognised directly in equity				
Exercise of share options	1,735	(95)	-	1,640
Payment of dividends	-	-	(19,742)	(19,742)
Other reserves	-	(136)	164	28
Total	1,735	(231)	(19,578)	(18,074)
Balance at 31 December 2017	98,873	40,522	457,911	597,306
Total comprehensive income (expense) for the year				
Profit for the year	-	-	117,622	117,622
Other comprehensive expense for the year	-	(981)	-	(981)
Total	-	(981)	117,622	116,641
Transactions recognised directly in equity				
Exercise of share options	1,289	(62)	-	1,227
Payment of dividends	-	-	(30,375)	(30,375)
Other reserves	-	(29)	52	23
Total	1,289	(91)	(30,323)	(29,125)
Balance at 31 December 2018	100,162	39,450	545,210	684,822

7 CHANGES IN COMPANY'S SHARE CAPITAL

Share Capital

Since 30 September 2018, no new ordinary shares were issued by the Company.

As at 31 December 2018, the total number of issued shares was 311,669,766 (31 December 2017: 311,084,766).

Outstanding Shares – SBS Transit Share Option Scheme

The SBS Transit Share Option Scheme was not renewed following its expiry on 8 June 2010.

As at 31 December 2018, there were unexercised options for 232,500 (31 December 2017: 1,040,000) of unissued ordinary shares under the SBS Transit Share Option Scheme.

As at 31 December 2018, the Company does not hold any treasury shares.

8 AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SBS TRANSIT LTD

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of SBS Transit Ltd (the "Company") and its subsidiary (the "Group") which comprise the Statements of Financial Position of the Group and the Company as at 31 December 2018, and the Group Income Statement, Group Comprehensive Income Statement, Group Statement of Changes in Equity and Group Cash Flow Statement and the Statement of Changes in Equity of the Company for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, the Consolidated Financial Statements of the Group and the Statement of Financial Position and the Statement of Changes in Equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2018 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the Financial Statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current year. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation and Completeness of Provision for Accident Claims

The valuation and completeness of provision for settlement of accident claims involves estimation uncertainty. Management considers the probability and amount of the expected settlement claims based on the number of claims lodged, recent settlements, third party settlement data and accident claims statistics in determining the provision for accident claims as at 31 December 2018.

Our audit procedures included understanding the process used to determine the provision for accident claims. We compared the number of claims and recent settlements to accident claims statistics report issued by insurers; and independently evaluated the reasonableness of the provision estimated by Management. Based on our procedures, we found Management's key assumptions to be reasonable.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the Financial Statements and our auditor's report thereon. The Directors' Statement was obtained prior to the date of this auditor's report and the remaining other information included in the annual report is expected to be made available to us after that date.

Our opinion on the Financial Statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other information included in the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair Financial Statements and to maintain accountability of assets.

In preparing the Financial Statements, Management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- (d) Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by the subsidiary corporation incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Chua How Kiat.

Deloitte & Touche LLP
Public Accountants and
Chartered Accountants

Singapore
12 February 2019

9 ACCOUNTING POLICIES

Singapore-incorporated companies listed on the Singapore Exchange are required to apply a new financial reporting framework, the Singapore Financial Reporting Standards (International) (SFRS(I)s), that is identical to the International Financial Reporting Standards (IFRS) for annual periods beginning on or after 1 January 2018.

The Group has adopted a new financial reporting framework, SFRS(I)s on 1 January 2018 and has prepared its financial information under SFRS(I)s for the year ended 31 December 2018. In adopting SFRS(I)s, the Group is required to apply all of the specific transition requirements in SFRS(I) 1 First-time Adoption of Singapore Financial Reporting Standards (International). The Group's and Company's opening Statements of Financial Position under SFRS(I)s have been prepared as at 1 January 2017, which is the Group's date of transition to SFRS(I)s.

There is no change to the Group's and the Company's previous accounting policies under FRS or material adjustments on the initial transition to the new framework.

The adoption of SFRS(I)s will have no material impact on the Group's Financial Statements in this year of initial application.

10 CHANGES IN ACCOUNTING POLICIES AND METHODS OF COMPUTATION

As above.

11 GROUP EARNINGS PER ORDINARY SHARE AND EARNINGS BEFORE INTEREST, TAXATION, DEPRECIATION AND AMORTISATION (EBITDA)

Earnings per ordinary share

	Group	
	Full Year 2018	Full Year 2017
Earnings per ordinary share for the year based on profit attributable to shareholders:-		
(i) Based on the weighted average number of ordinary shares in issue (cents)	25.72	15.17
(ii) On a fully diluted basis (cents)	25.71	15.15

EBITDA

	Group	
	Full Year 2018	Full Year 2017
(i) EBITDA (\$'000)	190,437	156,268
(ii) EBITDA margin (%)	13.8	13.1

12 NET ASSET VALUE PER ORDINARY SHARE

	Group		Company	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
Net asset value per ordinary share based on issued share capital at the end of the year (dollars)	1.60	1.44	2.20	1.90

13 REVIEW OF GROUP PERFORMANCE

Performance Review

Group revenue of \$1,383.6m for 2018 increased by 16.1% or \$191.9m from \$1,191.7m for 2017 while Group operating costs of \$1,286.3m increased by 13.6% or \$153.9m from \$1,132.4m for 2017.

Group operating profit of \$97.3m for 2018 was 64.0% or \$38.0m higher than that of \$59.3m for 2017.

Net income from investments of \$0.3m for 2018 was 13.2% or \$0.1m higher than that of \$0.2m for 2017.

Finance costs of \$3.4m for 2018 were 24.4% or \$1.1m lower than that of \$4.5m for 2017.

Consequently, Group profit before taxation of \$94.2m for 2018 was 70.9% or \$39.1m higher than that of \$55.1m for 2017.

Taxation of \$14.1m for 2018 was higher than that of \$8.0m for 2017 by 76.6% or \$6.1m due mainly to higher profits for 2018.

Group profit attributable to shareholders of the Company of \$80.1m for 2018 was 70.0% or \$33.0m higher than that of \$47.1m for 2017.

A segmental breakdown by business is provided under paragraph 17.

Revenue from Public Transport Services of \$1,325.3m for 2018 was higher by 16.7% or \$189.6m compared to \$1,135.7m for 2017 due mainly to higher fees earned with higher operated mileage following the commencement of the Seletar and Bukit Merah Bus Packages in March 2018 and November 2018 respectively and higher ridership from rail services with full year operation of Downtown Line (DTL) 3, offset by lower average rail fare from the fare reduction effective 29 December 2017. For 2018, average daily ridership for the DTL grew by 61.1% to 450k passenger trips. Average daily ridership for North-East Line (NEL) grew by 2.7% to 591k passenger trips and that for the Light Rail Transit (LRT) by 8.9% to 132k passenger trips as compared to that of 2017. Operating profit for 2018 at \$60.2m increased by \$34.3m from \$25.9m for 2017 due mainly to higher revenue, offset by higher staff costs, higher fuel and electricity costs, higher repairs and maintenance costs and higher other operating costs.

Revenue from Other Commercial Services of \$58.3m for 2018 was higher by 4.0% or \$2.3m compared to \$56.0m for 2017 due mainly to higher advertising revenue. Operating profit for 2018 at \$37.1m increased by 11.0% or \$3.7m compared to \$33.4m for 2017 due mainly to higher revenue and lower staff costs.

Statement of Financial Position

As at 31 December 2018, total equity for the Group increased by 10.9% or \$49.2m to \$498.4m as compared to 31 December 2017 due mainly to profits generated from operations, partially offset by payment of dividends.

Group total assets decreased by 2.3% or \$25.0m to \$1,062.8m due to a decrease in non-current assets of \$96.1m, partially offset by an increase in current assets of \$71.1m. The decrease in non-current assets was due mainly to the depreciation of vehicles, premises and equipment for the year and the sale of certain rail operating assets to Land Transport Authority under the NEL/SPLRT New Rail Financing Framework (NRFF) transition, partially offset by the increase in long-term prepayments. The increase in current assets was due mainly to the increase in short-term deposits and bank balances, increase in other receivables and prepayment and increase in inventories, partially offset by the maturity of investments in October 2018.

Group total liabilities decreased by 11.6% or \$74.2m to \$564.4m due to a decrease in non-current and current liabilities of \$58.2m and \$15.9m respectively. The decrease in non-current liabilities was due mainly to the repayment of borrowings and the decrease in deferred tax liabilities. The decrease in current liabilities was due mainly to the repayment of borrowings, partially offset by the increase in income tax payable arising from higher profits and increase in trade and other payables.

Cash Flow

The net cash inflow of \$27.4m for 2018 was from new loans raised, net cash generated from operating activities, proceeds from the sale of certain rail operating assets to LTA under the NEL/SPLRT NRFF transition, maturity of investments and proceeds from share issue, partially offset by the repayment of borrowings, dividends and interest paid and purchase of vehicles, premises and equipment.

As at 31 December 2018, the Group had short-term deposits and bank balances of \$32.7m. After accounting for the borrowings of \$75.0m, the Group had a net debt position of \$42.3m and a net gearing ratio of 8.5% which was lower than that of 39.1% as at 31 December 2017. The Group's gross gearing ratio was 15.0% as at 31 December 2018 compared to 40.3% as at 31 December 2017.

14 ANY VARIANCE BETWEEN PROSPECT STATEMENT PREVIOUSLY DISCLOSED AND THE ACTUAL RESULTS

No forecast or prospect statement has been previously disclosed.

15 **GROUP OUTLOOK**

Revenue from Public Transport Services is expected to grow.

Bus service revenue is expected to be higher with the full year contribution from the Seletar and Bukit Merah Bus Packages which commenced operations from March 2018 and November 2018 respectively.

The rail business will continue to face challenges from operating and maintenance costs despite the higher revenue expected from the 4.3% fare adjustment effective on 29 December 2018. In particular, repairs and maintenance costs are expected to rise with the NEL/SPLRT fleet in its mid-life cycle.

Revenue from Other Commercial Services is expected to be maintained.

Meanwhile, staff costs are expected to be higher following salary adjustments and increments to retain and attract staff. Repairs and maintenance costs are expected to increase with the higher fleet size, higher maintenance requirements for the ageing bus fleet and the NEL/SPLRT fleet as well as continued investments in predictive maintenance capabilities to enhance service reliability. Overall, operating and maintenance costs will increase with the full year effect of the Seletar and Bukit Merah Bus Packages.

16 DIVIDEND**(a) Current Financial Period Reported on**

The Directors are pleased to propose a tax-exempt one-tier final dividend of 7.10 cents (2017: 3.95 cents) per ordinary share.

Name of Dividend	Final
Dividend Type	Cash; Tax-exempt one-tier
Dividend Amount per ordinary share	7.10 cents
Tax Rate	Exempt one-tier

(b) Corresponding Period of the Immediate Preceding Financial Year

Name of Dividend	Final
Dividend Type	Cash; Tax-exempt one-tier
Dividend Amount per ordinary share	3.95 cents
Tax Rate	Exempt one-tier

(c) Date Payable

The proposed final dividend, if approved by the Shareholders at the Twenty-Sixth Annual General Meeting of the Company to be held on 25 April 2019, will be payable on 13 May 2019.

(d) Books Closure Date

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Members of the Company will be closed on 7 May 2019 for the purposes of determining Shareholders' entitlements to the proposed final dividend.

Duly completed and stamped transfers received by the Company's Share Registrar, B.A.C.S. Private Limited, 8 Robinson Road, #03-00 ASO building, Singapore 048544, up to 5.00 p.m. on 6 May 2019 will be registered to determine Shareholders' entitlements to the final dividend.

Shareholders (being depositors) whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on 6 May 2019 will be entitled to the proposed final dividend.

17 GROUP SEGMENTAL INFORMATION

By Business Activity

	Public Transport Services	Other Commercial Services	Total
	\$'000	\$'000	\$'000
<u>Full Year 2018</u>			
Revenue	1,325,327	58,286	1,383,613
<u>Results</u>			
Segment results	60,210	37,091	97,301
Net income from investments			274
Finance costs			(3,390)
Profit before taxation			94,185
Taxation			(14,083)
Profit after taxation			<u>80,102</u>
<u>Full Year 2017</u>			
Revenue	1,135,690	56,027	1,191,717
<u>Results</u>			
Segment results	25,925	33,418	59,343
Net income from investments			242
Finance costs			(4,482)
Profit before taxation			55,103
Taxation			(7,975)
Profit after taxation			<u>47,128</u>

18 BREAKDOWN OF REVENUE

	Full Year 2018	Full Year 2017	Incr/ (Decr)
	\$'000	\$'000	%
(a) Revenue reported for first half year	673,097	571,231	17.8
(b) Profit after taxation reported for first half year	36,190	22,942	57.7
(a) Revenue reported for second half year	710,516	620,486	14.5
(b) Profit after taxation reported for second half year	43,912	24,186	81.6

19 BREAKDOWN OF TOTAL ANNUAL DIVIDEND (IN DOLLAR VALUE)

	Full Year 2018 \$'000	Full Year 2017 \$'000
Ordinary shares (tax-exempt one-tier)		
- Interim	18,077	11,352
- Final (proposed)	22,129	12,298
Total	40,206	23,650

20 INTERESTED PERSON TRANSACTIONS

The Company does not have any shareholders' mandate for interested person transactions pursuant to Rule 920 of the Listing Manual.

21 DISCLOSURE OF PERSONS OCCUPYING MANAGERIAL POSITIONS

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, we confirm that as at 31 December 2018, none of the persons occupying managerial positions in the Company or its subsidiary is a relative of a Director or Chief Executive Officer or Substantial Shareholder of the Company.

22 CONFIRMATION PURSUANT TO RULE 720(1) OF THE LISTING MANUAL

The Company confirms that it has procured the 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.

BY ORDER OF THE BOARD

Chan Wan Tak, Wendy/Yeo Tee Yeok, Edwin
Joint Company Secretaries

12 February 2019