



**UOB-KAY HIAN HOLDINGS LIMITED**

Financial Statements

And Dividend Announcement

For Full Year Ended 31 December 2017

(Co. Ref. No. 200004464C)

These figures have not been audited.

1(a)(i) A comprehensive income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	The Group					
	12 months ended 31/12/2017	12 months ended 31/12/2016	Increase / (Decrease) %	3 months ended 31/12/2017	3 months ended 31/12/2016	Increase / (Decrease) %
	S\$'000	S\$'000		S\$'000	S\$'000	
<b>COMPREHENSIVE INCOME STATEMENT</b>						
<b>Revenue</b>						
Commission income	250,518	201,158	24.5	66,056	54,434	21.4
Interest income	97,673	108,212	(9.7)	28,087	29,992	(6.4)
Dividend from quoted / unquoted securities	49	57	(14.0)	(1)	8	N.M
Other operating income	27,980	24,150	15.9	11,163	6,209	79.8
<b>Total revenue</b>	<b>376,220</b>	<b>333,577</b>	<b>12.8</b>	<b>105,305</b>	<b>90,643</b>	<b>16.2</b>
Foreign exchange gain	3,300	4,534	(27.2)	511	2,457	(79.2)
<b>Total income</b>	<b>379,520</b>	<b>338,111</b>	<b>12.2</b>	<b>105,816</b>	<b>93,100</b>	<b>13.7</b>
<b>Costs and expenses</b>						
Commission expenses	(56,918)	(43,053)	32.2	(14,155)	(10,116)	39.9
Personnel expenses	(126,081)	(111,642)	12.9	(36,845)	(34,955)	5.4
Depreciation expenses	(8,948)	(8,382)	6.8	(2,327)	(2,173)	7.1
Write back of allowance (Allowance) for impairment of trade debtors & bad debts written off	141	(365)	N.M	34	(48)	N.M
Allowance for impairment of goodwill	(294)	-	N.M	(188)	-	N.M
Net fair value (loss) gain on financial assets / liabilities through profit or loss	(1)	1,219	N.M	(176)	228	N.M
Finance expenses	(31,662)	(42,131)	(24.8)	(11,106)	(13,639)	(18.6)
Other operating expenses	(65,696)	(63,687)	3.2	(16,222)	(16,542)	(1.9)
	<b>(289,459)</b>	<b>(268,041)</b>	<b>8.0</b>	<b>(80,985)</b>	<b>(77,245)</b>	<b>4.8</b>
<b>Profit before tax</b>	<b>90,061</b>	<b>70,070</b>	<b>28.5</b>	<b>24,831</b>	<b>15,855</b>	<b>56.6</b>
Income tax expense*	(12,538)	(11,958)	4.9	(2,669)	(3,619)	(26.3)
<b>Profit after tax</b>	<b>77,523</b>	<b>58,112</b>	<b>33.4</b>	<b>22,162</b>	<b>12,236</b>	<b>81.1</b>
<b>Other comprehensive income / (expense) (net of tax):</b>						
Foreign currency translation difference	(34,016)	12,596	N.M	(5,039)	25,655	N.M
Available-for-sale investments	7	(179)	N.M	-	(150)	N.M
Actuarial (loss) gain on defined benefit plan	(63)	417	N.M	(63)	(70)	(10.0)
	<b>(34,072)</b>	<b>12,834</b>	<b>N.M</b>	<b>(5,102)</b>	<b>25,435</b>	<b>N.M</b>
<b>Total comprehensive income for the period</b>	<b>43,451</b>	<b>70,946</b>	<b>(38.8)</b>	<b>17,060</b>	<b>37,671</b>	<b>(54.7)</b>

\*Under (Over) provision of taxation in respect of prior years in the 12 months ended 31 December 2017 is \$149,867. [12 months ended 31 December 2016: (\$944,777)]

N.M. = Not Meaningful.

1(a) A comprehensive income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year *(continued)*

**COMPREHENSIVE INCOME STATEMENT**  
*(continued)*

	The Group					
	12 months ended 31/12/2017	12 months ended 31/12/2016	Increase / (Decrease) %	3 months ended 31/12/2017	3 months ended 31/12/2016	Increase / (Decrease) %
	S\$'000	S\$'000		S\$'000	S\$'000	
<b>Profit attributable to :</b>						
Owners of the Company	76,249	56,620	34.7	21,841	11,804	85.0
Non-controlling interests	1,274	1,492	(14.6)	321	432	(25.7)
	<b>77,523</b>	<b>58,112</b>	33.4	<b>22,162</b>	<b>12,236</b>	81.1
<b>Total comprehensive income attributable to:</b>						
Owners of the Company	42,016	68,806	(38.9)	16,673	36,695	(54.6)
Non-controlling interests	1,435	2,140	(32.9)	387	976	(60.3)
	<b>43,451</b>	<b>70,946</b>	(38.8)	<b>17,060</b>	<b>37,671</b>	(54.7)

**1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

	The Group		The Company	
	2017 S\$'000	2016 S\$'000	2017 S\$'000	2016 S\$'000
<b>ASSETS</b>				
<b><u>Current assets</u></b>				
Cash and bank balances	627,330	545,903	184	216
Outstanding contracts receivable	714,293	622,293	-	-
Trade receivables	1,868,915	1,477,873	-	-
Other financial assets, at fair value through profit or loss	31,721	38,404	-	-
Other current assets	47,821	40,185	76,126	69,514
Derivative financial instruments	2,325	1,658	-	-
<b>Total current assets</b>	<b>3,292,405</b>	<b>2,726,316</b>	<b>76,310</b>	<b>69,730</b>
<b><u>Non-current assets</u></b>				
Trade and other receivables	1,844	43,156	200	217
Subsidiaries	-	-	364,205	359,374
Goodwill	14,028	14,137	-	-
Available-for-sale investments	1,875	1,999	-	-
Trading rights in Exchanges	94	103	-	-
Memberships in Exchanges	220	219	-	-
Property, plant and equipment	40,924	45,365	-	-
Deferred tax assets	1,369	1,243	-	-
<b>Total non-current assets</b>	<b>60,354</b>	<b>106,222</b>	<b>364,405</b>	<b>359,591</b>
<b>Total assets</b>	<b>3,352,759</b>	<b>2,832,538</b>	<b>440,715</b>	<b>429,321</b>
<b>LIABILITIES AND EQUITY</b>				
<b><u>Current liabilities</u></b>				
Outstanding contracts payable	678,492	630,030	-	-
Trade and other payables	428,737	181,801	64,140	74,147
Borrowings	666,771	488,092	868	907
Debts issued	159,834	143,032	-	-
Other financial liabilities, at fair value through profit or loss	1	-	-	-
Income tax payable	7,764	8,492	19	-
Derivative financial instruments	2,315	1,016	-	-
<b>Total current liabilities</b>	<b>1,943,914</b>	<b>1,452,463</b>	<b>65,027</b>	<b>75,054</b>
<b><u>Non-current liabilities</u></b>				
Trade and other payables	2,011	167	-	-
Deferred tax liabilities	1,306	876	-	-
<b>Total non-current liabilities</b>	<b>3,317</b>	<b>1,043</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>1,947,231</b>	<b>1,453,506</b>	<b>65,027</b>	<b>75,054</b>
<b><u>Equity</u></b>				
Capital, reserves and non-controlling interests				
Share capital	167,565	155,616	167,565	155,616
Reserves	(54,139)	(20,797)	-	-
Retained earnings	1,272,908	1,224,178	208,123	198,651
Equity attributable to owners of the Company	1,386,334	1,358,997	375,688	354,267
Non-controlling interests	19,194	20,035	-	-
<b>Total equity</b>	<b>1,405,528</b>	<b>1,379,032</b>	<b>375,688</b>	<b>354,267</b>
<b>Total liabilities and equity</b>	<b>3,352,759</b>	<b>2,832,538</b>	<b>440,715</b>	<b>429,321</b>
<b><u>Clients' trust / segregated accounts</u></b>				
Bank balances				
- with related parties	651,791	499,998	-	-
- with non-related banks	1,402,006	1,074,794	-	-
Margin with clearing houses	48,258	35,075	-	-
Less: Amounts held in trust	(2,102,055)	(1,609,867)	-	-
	-	-	-	-

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

	The Group			
	As at 31/12/2017		As at 31/12/2016	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amounts repayable in one year or less, or on demand	660,177	6,594	466,273	21,819
Amounts repayable after one year	-	-	-	-

As at period end, the Group had debts issued amounting to S\$159,834,274. The debts issued, with derivative in the form of an embedded credit default swap or a put option, allow the Group to transfer the underlying assets to the note holders as full and final settlement upon the occurrence of a credit event.

### Details of any collateral

Bank overdrafts and short term loans of subsidiaries amounting to S\$660,176,621 (12 months ended 31 December 2016: S\$466,272,946) are secured by a fixed charge over immovable fixed assets and a floating charge over all assets.

## 1(c) A statement of cash flow (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	The Group			
	12 months ended 31/12/2017	12 months ended 31/12/2016	3 months ended 31/12/2017	3 months ended 31/12/2016
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Operating activities</b>				
Profit before income tax	90,061	70,070	24,831	15,855
Adjustments for:				
Depreciation expenses	8,948	8,382	2,327	2,173
Net (gain) loss on disposal of property, plant and equipment	(390)	10	27	49
(Write back) Allowance for trade receivables	(252)	73	(275)	(253)
Allowance for impairment of goodwill	294	-	188	-
Dividend income from quoted / unquoted securities	(49)	(57)	1	(8)
Interest expenses	31,662	42,131	11,106	13,639
Exchange differences	7,629	(5,353)	1,380	(6,596)
Operating cash flow before working capital changes	137,903	115,256	39,585	24,859
Changes in operating assets and liabilities:				
Other financial assets / liabilities, at fair value through profit or loss	6,388	(16,926)	12,754	(28,987)
Trade, outstanding contracts and other receivables	(453,577)	(54,440)	(63,215)	(80,366)
Trade, outstanding contracts and other payables	285,281	394,902	85,376	98,906
Cash (used in) generated from operations	(24,005)	438,792	74,500	14,412
Interest paid	(31,662)	(42,131)	(11,106)	(13,639)
Income tax paid	(13,036)	(12,366)	(1,799)	(4,554)
<b>Net cash (used in) generated from operating activities</b>	<b>(68,703)</b>	<b>384,295</b>	<b>61,595</b>	<b>(3,781)</b>
<b>Investing activities</b>				
Payments for property, plant and equipment	(4,538)	(5,710)	(750)	(1,105)
Proceeds from disposal of property, plant and equipment	524	167	(1)	(41)
Proceeds from capital redemption of available-for-sale investments	-	744	-	477
Acquisition of business	-	(15,935)	-	-
Dividends received from quoted / unquoted securities	49	57	(1)	8
<b>Net cash (used in) investing activities</b>	<b>(3,965)</b>	<b>(20,677)</b>	<b>(752)</b>	<b>(661)</b>
<b>Financing activities</b>				
Drawdown (Repayment) of short-term bank loans	169,839	(174,016)	84,227	61,823
Dividends paid	(15,472)	(20,458)	-	-
Payment to non-controlling interests for dividend	(283)	(298)	-	4
Payment to non-controlling interests for additional interest in a subsidiary	(1,200)	(497)	(9)	(200)
<b>Net cash from (used in) financing activities</b>	<b>152,884</b>	<b>(195,269)</b>	<b>84,218</b>	<b>61,627</b>

1(c) **A statement of cash flow (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year. (continued)**

	The Group			
	12 months ended 31/12/2017	12 months ended 31/12/2016	3 months ended 31/12/2017	3 months ended 31/12/2016
	S\$'000	S\$'000	S\$'000	S\$'000
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	(7,629)	5,353	(1,380)	6,596
<b>Net increase in cash and cash equivalents during the financial period</b>	72,587	173,702	143,681	63,781
Cash and cash equivalents at beginning of the financial period	545,903	372,201	474,809	482,122
<b>Cash and cash equivalents at end of the financial period</b>	<b>618,490</b>	<b>545,903</b>	<b>618,490</b>	<b>545,903</b>

For the purpose of consolidated cash flow statement, the consolidated cash and cash equivalents comprise the following :

	The Group	
	As at 31/12/2017	As at 31/12/2016
	S\$'000	S\$'000
Cash and bank balances	627,330	545,903
Less: Bank overdrafts	(8,840)	-
Cash and cash equivalents per consolidated cash flow statement	<b>618,490</b>	<b>545,903</b>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

**STATEMENT OF CHANGES IN EQUITY – THE GROUP**

	Share capital S\$'000	Statutory reserve S\$'000	Equity reserve S\$'000	Fair value reserve S\$'000	Foreign currency translation reserve S\$'000	Retained earnings S\$'000	Total attributable to members of the company S\$'000	Non-controlling interests S\$'000	Total Equity S\$'000
<b>Balance at 1 January 2017</b>	<b>155,616</b>	<b>1,739</b>	<b>52</b>	<b>1,132</b>	<b>(23,720)</b>	<b>1,224,178</b>	<b>1,358,997</b>	<b>20,035</b>	<b>1,379,032</b>
Total comprehensive income for the year									
Profit for the year	-	-	-	-	-	76,249	76,249	1,274	77,523
Other comprehensive income	-	21	-	(86)	(34,105)	(63)	(34,233)	161	(34,072)
Total	-	21	-	(86)	(34,105)	76,186	42,016	1,435	43,451
Transfer to statutory reserve	-	35	-	-	-	(35)	-	-	-
Payment of dividend by a subsidiary	-	-	-	-	-	-	-	(283)	(283)
Final dividend for 2016 paid	11,949	-	-	-	-	(27,421)	(15,472)	-	(15,472)
Acquisition of additional interest in a subsidiary	-	32	761	-	-	-	793	(1,993)	(1,200)
<b>Balance at 31 December 2017</b>	<b>167,565</b>	<b>1,827</b>	<b>813</b>	<b>1,046</b>	<b>(57,825)</b>	<b>1,272,908</b>	<b>1,386,334</b>	<b>19,194</b>	<b>1,405,528</b>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (continued)

**STATEMENT OF CHANGES IN EQUITY – THE GROUP** (continued)

	Share capital S\$'000	Statutory reserve S\$'000	Equity reserve S\$'000	Fair value reserve S\$'000	Foreign currency translation reserve S\$'000	Retained earnings S\$'000	Total attributable to members of the company S\$'000	Non-controlling interests S\$'000	Total Equity S\$'000
<b>Balance at 1 January 2016</b>	<b>141,327</b>	<b>1,678</b>	<b>(276)</b>	<b>1,355</b>	<b>(35,737)</b>	<b>1,201,961</b>	<b>1,310,308</b>	<b>19,031</b>	<b>1,329,339</b>
Total comprehensive income for the year									
Profit for the year	-	-	-	-	-	56,620	56,620	1,492	58,112
Other comprehensive income	-	48	-	(223)	12,017	344	12,186	648	12,834
<b>Total</b>	<b>-</b>	<b>48</b>	<b>-</b>	<b>(223)</b>	<b>12,017</b>	<b>56,964</b>	<b>68,806</b>	<b>2,140</b>	<b>70,946</b>
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-
Payment of dividend by a subsidiary	-	-	-	-	-	-	-	(298)	(298)
Final dividend for 2015 paid	14,289	-	-	-	-	(34,747)	(20,458)	-	(20,458)
Acquisition of additional interest in a subsidiary	-	13	328	-	-	-	341	(838)	(497)
<b>Balance at 31 December 2016</b>	<b>155,616</b>	<b>1,739</b>	<b>52</b>	<b>1,132</b>	<b>(23,720)</b>	<b>1,224,178</b>	<b>1,358,997</b>	<b>20,035</b>	<b>1,379,032</b>

**STATEMENT OF CHANGES IN EQUITY – THE COMPANY**

	Share capital S\$'000	Retained earnings S\$'000	Total S\$'000
<b>Balance at 1 January 2017</b>	<b>155,616</b>	<b>198,651</b>	<b>354,267</b>
Total comprehensive income for the financial year	-	36,893	36,893
Final dividend for 2016 paid	11,949	(27,421)	(15,472)
<b>Balance at 31 December 2017</b>	<b>167,565</b>	<b>208,123</b>	<b>375,688</b>



1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. *(continued)*

**STATEMENT OF CHANGES IN EQUITY – THE COMPANY** *(continued)*

	Share capital S\$'000	Retained earnings S\$'000	Total S\$'000
<b>Balance at 1 January 2016</b>	141,327	198,443	339,770
Total comprehensive income for the financial year	-	34,955	34,955
Final dividend for 2016 paid	14,289	(34,747)	(20,458)
<b>Balance at 31 December 2016</b>	<b>155,616</b>	<b>198,651</b>	<b>354,267</b>

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Number of shares			
	12 months ended 31/12/2017	12 months ended 31/12/2016	3 months ended 31/12/2017	3 months ended 31/12/2016
<b>Ordinary shares</b>				
<b>Balance at beginning of period</b>	783,453,546	772,155,868	792,820,312	783,453,546
Issue of shares under scrip dividend scheme	9,366,766	11,297,678	-	-
<b>Balance at end of period</b>	<b>792,820,312</b>	<b>783,453,546</b>	<b>792,820,312</b>	<b>783,453,546</b>

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding financial year.

	31 December 2017	31 December 2016
No. of shares	792,820,312	783,453,546

1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and / or use of treasury shares as at the end of the current financial period reported on.

Not applicable

- 2 **Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice (e.g. the Singapore Standard on Auditing 910. (Engagements to Review Financial Statements), or an equivalent standard)**

The figures have not been audited or reviewed by the auditors.

- 3 **Where the figures have been audited or reviewed, the auditors' report. (including any qualifications or emphasis of matter)**

Not applicable.

- 4 **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group and the Company have applied the same accounting policies in the financial statements for the current reporting period compared to the audited financial statements as at 31 December 2016.

- 5 **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Not applicable

- 6 **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	The Group			
	2017	2016	3 months ended 31/12/2017	3 months ended 31/12/2016
Earnings per ordinary share for the period after deducting any provision for preference dividends:-				
(i) Based on weighted average number of ordinary shares in issue	9.67 cents	7.28 cents	2.75 cents	1.51 cents
(ii) On a fully diluted basis	9.67 cents	7.28 cents	2.75 cents	1.51 cents

- 7 **Net asset value (for the issuer and group) per ordinary share based on total number of issued shares excluding treasury shares of the issuer at the end of the (a) current period reported on; and (b) immediately preceding financial year.**

	The Group		The Company	
	2017	2016	2017	2016
Net asset value per ordinary share based on existing issued share capital as at the end of the period reported on	174.86 cents	173.46 cents	47.39 cents	45.22 cents

- 8 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affect the turnovers, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

#### Operating Profit and Expenses

##### 4Q17 vs 4Q16

The board is pleased to report pre-tax profit of \$24.8m and after tax profit of \$22.2m, a robust growth of 56.6% and 81.1% respectively. Market sentiment and trading volumes remained strong across major markets where we have a presence. In line with higher market volumes, commission income grew 21.4% from \$54.4m to \$66.1m.

Whilst general margin lending has increased, overall interest income fell slightly from \$30.0m to \$28.1m as a result of lower structured lending activities. The Group undertook several sizeable corporate finance transactions which contributed to the 79.8% increase in other operating income.

Total costs and expenses rose 4.8% from \$77.2m to \$81.0m. Commissions paid to commission agents increased by 39.9% to \$14.2m from \$10.1m and personnel expenses, which included incentives paid to employed dealers, rose 5.4% from \$35.0m to \$36.8m. Finance expenses were lower due to lower funding requirements.

## **FY17 vs FY16**

Regional and global equity markets grew steadily as economic prospects improved and interest rates remained relatively low. On the back of these favorable factors, market sentiment lifted and market volumes were healthy in all the regional markets where the Group operates.

The Group's pre-tax profit grew 28.5% from \$70.1m to \$90.1m and after tax profit rose 33.4% from \$58.1m to \$77.5m. Commission income expanded 24.5% from \$201.2m to 250.5m. Interest income dropped 9.7% from \$108.2m to \$97.7m with less structured lending activities. Other operating income gained 15.9% from \$24.2m to \$28m with more corporate finance activities.

Commission expenses rose 32.2% from \$43.1m to \$56.9m while personnel expenses increased 12.9% from \$111.6m to \$126.1m, in line with higher trading volumes. Finance expenses declined 24.8% from \$42.1m to \$31.7m mainly due to lower structured lending activities.

## **Balance Sheet**

As of 31 December 2017 our Group's net assets were \$1.40b.

There were no significant changes in the composition of Group balance sheet items except for trade related balances.

**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 A commentary at the date of the announcement of the 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.**

With global growth largely intact, and barring any black swan events in 2018 which may impede this growth trajectory, we are optimistic that market sentiment will remain mainly positive. The main concern is inflationary pressures forcing a faster than anticipated interest rate rise which could dampen sentiments and divert capital flows from the equity markets.

**11 Dividend**

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

*Any dividend declared for the current financial year (quarter) reported on?* *Yes*

The Directors are pleased to propose that a first and final one-tier tax exempt dividend of 4.8 cents per share be paid for the financial year ended 31 December 2017 and the UOB-Kay Hian Holdings Limited Scrip Dividend Scheme will be applicable to this proposed 2017 first and final dividend.

Name of Dividend	First and Final
Dividend Type	Cash / Scrip
Dividend Amount per	4.8 cents per ordinary share
Tax Rate	Tax exempt (one-tier)

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

*Any dividend declared for the corresponding period (quarter) of the immediately preceding financial year?* *Yes*

Name of Dividend	First and Final
Dividend Type	Cash / Scrip
Dividend Amount per	3.5 cents per ordinary share
Tax Rate	Tax exempt (one-tier)

**(c) Date payable**

The proposed first and final ordinary dividend will be paid on 19 June 2018, subject to the approval of the shareholders of the Company at the Annual General Meeting to be convened at 5.30 p.m. on 24 April 2018 at the Auditorium, 8 Anthony Road, Singapore 229957.

**(d) Books closure date**

NOTICE IS HEREBY GIVEN that, subject to the approval of the shareholders to the proposed first and final dividend at the Annual General Meeting, the Share Transfer Books and Register of Members of the Company will be closed on 3 May 2018 for the purpose of determining shareholders' entitlement to the proposed first and final dividend. The UOB-Kay Hian Holdings Limited Scrip Dividend Scheme will be applicable to this proposed first and final dividend. Shareholders entitled to the dividend will be eligible to participate in the Scheme subject to the terms and conditions of the Scheme.

Duly completed registered transfers in respect of ordinary shares in the capital of the Company ("Shares") received by the Company's Registrar, B.A.C.S. Private Limited, at 8 Robinson Road #03-00, ASO Building, Singapore 048544 up to the close of business at 5.00 p.m. on 2 May 2018, will be registered to determine shareholders' entitlement to the proposed first and final dividend.

Shareholders whose securities accounts with The Central Depository (Pte) Limited ("CDP") are credited with Shares at 5.00 p.m. on 2 May 2018 will be entitled to the proposed first and final dividend.

Shareholders with Foreign Addresses

Shareholders with registered addresses outside Singapore and who have not provided to the Company or CDP, addresses in Singapore for the service of notices and documents by 19 April 2018 will not be eligible to participate in the Scheme.

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

Not applicable

- 13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPTs mandate has been obtained, a statement to that effect.

No IPT mandate has been obtained.

- 14 Segmental revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

	The Group					
	2017					
	Singapore S\$'000	Hong Kong S\$'000	Thailand S\$'000	Others S\$'000	Elimination S\$'000	Total S\$'000
<b>Revenue</b>						
External sales	143,797	69,509	36,895	28,348	-	278,549
Interest income	56,511	28,318	7,841	5,001	-	97,671
Inter-segmental sales	8,381	(817)	1,824	5,397	(14,785)	-
	<u>208,689</u>	<u>97,010</u>	<u>46,560</u>	<u>38,746</u>	<u>(14,785)</u>	<u>376,220</u>
Profit before tax	49,386	25,311	10,967	5,261	(864)	90,061
Income tax expense						<u>(12,538)</u>
<b>Profit after tax</b>						<u><b>77,523</b></u>
Segment assets	2,028,805	977,766	259,134	274,930	(189,245)	3,351,390
Deferred tax assets						<u>1,369</u>
<b>Consolidated total assets</b>						<u><b>3,352,759</b></u>
Segment liabilities	1,228,797	585,375	122,511	144,664	(143,186)	1,938,161
Current tax liabilities						<u>7,764</u>
Deferred tax liabilities						<u>1,306</u>
<b>Consolidated total liabilities</b>						<u><b>1,947,231</b></u>
<b>Other segment items</b>						
Goodwill	-	-	14,028	-	-	14,028
Finance expense	26,063	4,055	894	650	-	31,662
Capital expenditure	2,264	268	1,058	948	-	4,538
Depreciation expenses	<u>6,137</u>	<u>302</u>	<u>1,705</u>	<u>804</u>	<u>-</u>	<u>8,948</u>

14 **Segmental revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year (continued)**

	The Group					
	Singapore S\$'000	Hong Kong S\$'000	Thailand S\$'000	2016 Others S\$'000	Elimination S\$'000	Total S\$'000
<b>Revenue</b>						
External sales	118,377	53,852	30,330	22,806	-	225,365
Interest income	76,392	20,219	6,988	4,613	-	108,212
Inter-segmental sales	8,477	3,263	4,079	4,919	(20,738)	-
	<u>203,246</u>	<u>77,334</u>	<u>41,397</u>	<u>32,338</u>	<u>(20,738)</u>	<u>333,577</u>
Profit before tax	39,678	18,468	11,477	1,936	(1,489)	70,070
Income tax expense						<u>(11,958)</u>
<b>Profit after tax</b>						<b><u>58,112</u></b>
Segment assets	1,798,135	667,136	250,515	270,489	(154,981)	2,831,294
Deferred tax assets						<u>1,243</u>
<b>Consolidated total assets</b>						<b><u>2,832,537</u></b>
Segment liabilities	1,014,553	263,787	122,168	150,955	(107,325)	1,444,138
Current tax liabilities						8,492
Deferred tax liabilities						<u>875</u>
<b>Consolidated total liabilities</b>						<b><u>1,453,505</u></b>
<b>Other segment items</b>						
Goodwill	-	-	14,137	-	-	14,137
Finance expense	40,246	883	776	226	-	42,131
Capital expenditure	671	236	4,257	546	-	5,710
Depreciation expenses	<u>5,945</u>	<u>358</u>	<u>1,093</u>	<u>986</u>	<u>-</u>	<u>8,382</u>

15 **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

See Item 8.

**16 Breakdown of revenue**

	<b>The Group</b>		<b>%</b>
	<b>For the year ended 31/12/2017</b>	<b>For the year ended 31/12/2016</b>	
Revenue reported for first half year	178,959	166,213	7.7
Operating profit after tax but before non-controlling interests reported for first half year	36,921	30,693	20.3
Revenue reported for second half year	197,261	167,364	17.9
Operating profit after tax but before non-controlling interests reported for second half year	40,602	27,419	48.1

**17 Breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year**

	<b>2017 S\$'000</b>	<b>2016 S\$'000</b>
Ordinary	38,055	27,421
Preference	-	-
<b>Total</b>	<b>38,055</b>	<b>27,421</b>

**18 Confirmation of Directors and Executive Officers' undertakings pursuant to Listing Rule 720(1)**

The Company has procured undertakings from all its directors and executive officers in compliance with Listing Rule 720(1).

**19 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive office or substantial shareholder of the issuer pursuant to Rule 704(11).**

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
Mr. Lim Seng Bee	52	Brother-in-law of Wee Ee Chao (Chairman and substantial shareholder)	Senior Executive Director of UOB Kay Hian Private Limited since January 2013 <ul style="list-style-type: none"> <li>- involved in general management of the Singapore operations</li> <li>- responsible for the management of the regional business in North Asia</li> </ul>	N.A

**BY ORDER OF THE BOARD**

**Wee Ee-chao**  
**Managing Director**  
**28 February 2018**