

SGX-ST Release  
21 February 2019

**GIL reported a profit after tax of S\$7.3 million for FY2018**

- **Recommendation of a final dividend of 0.50 Singapore cents per share**
- **Re-domiciliation from Bermuda to Singapore on 7 January 2019**

Global Investments Limited (the Company) has today released its financial results for the quarter ended 31 December 2018.

**Re-domiciliation**

During the Special General Meeting held on 31 December 2018, the shareholders approved the re-domiciliation of the Company from Bermuda to Singapore. On 7 January 2019, the Company was successfully registered in Singapore.

**4Q 2018 Results**

The Company and its subsidiaries (the Group) reported a loss after tax of S\$0.9 million in 4Q 2018 as compared to a profit after tax of S\$21.8 million recorded in 4Q 2017.

Income for the current quarter was lower at S\$0.3 million as compared to S\$21.4 million in 4Q 2017. The lower income was mainly contributed by a net loss on financial assets designated as fair value through profit or loss (FVTPL) of S\$11.7 million versus a gain of S\$0.6 million in 4Q 2017 and absence of net gain on sale of investments in the current quarter of S\$16.8 million. However, the lower income was cushioned by a net foreign exchange gain of S\$8.2 million during the quarter.

Total expenses for the current quarter was lower at S\$1.2 million as compared to S\$5.7 million in 4Q 2017. This was largely due to net foreign exchange loss of S\$5.3 million recorded in 4Q 2017.

There was no impairment expense recognised for financial assets during the quarter. In 4Q 2017, a net reversal of impairment expense of S\$6.1 million was recognised.

Other comprehensive income for 4Q 2018 amounted to loss of S\$9.8 million due to a translation loss. In 4Q 2017, a loss of S\$10.2 million was recorded due to the reclassification of fair value gain to profit or loss of S\$15.5 million following the reversal of impairment and sale of available-for-sale (AFS) financial assets. The 4Q 2017 loss was slightly offset by a fair value gain on AFS financial assets of S\$3.2 million and a translation gain of S\$2.1 million.

Total comprehensive income for the Group was a loss of S\$10.8 million in 4Q 2018 as compared to a gain of S\$11.7 million in 4Q 2017.

**Year ended 31 December 2018 Results**

For the year ended 31 December 2018, the Group reported a net profit after tax of S\$7.3 million as compared to S\$39.0 million recorded last year.

The Group reported a lower income of S\$12.0 million for the year as compared to S\$46.7 million recorded last year. The lower income was mainly contributed by a net loss on financial assets designated as FVTPL of S\$20.0 million versus a gain of S\$2.5 million recorded last year and absence of net gain on sale of investments in the current year of S\$25.8 million. However, the lower income recorded during the year was partially cushioned by a net foreign exchange gain of S\$8.6 million and previously reported litigation proceeds of S\$6.8 million.

Expenses for the year ended 31 December 2018 of S\$4.6 million was S\$6.5 million lower than S\$11.1 million recorded last year. The lower expense was mainly due to the absence of incentive fee of S\$4.2 million and a net foreign exchange loss of S\$2.4 million which were recorded last year.

There was no impairment expense recognised for financial assets as at 31 December 2018. For the year ended 31 December 2017, a net reversal of impairment expense of S\$3.4 million was recorded from the portfolio of listed equities, bonds, bank contingent convertibles and collateralised loan obligation notes.

Other comprehensive income for the year ended 31 December 2018 amounted to a loss of S\$11.1 million due to a translation loss. In the prior year, a loss of S\$8.8 million was recorded due to the reclassification of fair value gain to profit or loss of S\$17.8 million following reversal of impairment and sale of AFS financial assets and a translation loss of S\$3.5 million. The loss was offset by a fair value gain on AFS financial assets of S\$12.4 million.

Total comprehensive income for the year ended 31 December 2018 was a loss of S\$3.8 million versus a gain of S\$30.1 million recorded in the same period last year.

The net asset value per share of the Group as at 31 December 2018 was 18.69 Singapore cents after the payment of 2017 final dividend of 0.60 Singapore cents per share, 2018 interim dividend of 0.50 Singapore cents per share and taking into account the new shares issued pursuant to the Scrip Dividend Scheme. If the 2017 final dividend was paid and the shares relating to the Scrip Dividend Scheme had been issued before 31 December 2017, the net asset value per share as at 31 December 2017 would have been 19.41 Singapore cents instead of 20.14 Singapore cents per share. After adjusting for the 2018 interim dividend and shares relating to the Scrip Dividend Scheme, the net asset value per share as at 31 December 2018 would have been 19.28 Singapore cents and the decrease in net asset value per share would be 0.67%.

Further details on the performance of the Group for the year ended 31 December 2018 have been included in the SGX Report released today.

#### **Changes arising from the adoption of International Financial Reporting Standards 9 (IFRS 9) with effect from 1 January 2018**

With effect from 1 January 2018, the Group has adopted IFRS 9. Comparative figures in the Statement of Financial Position as at 31 December 2017 and in the Statement of Comprehensive Income for the quarter and year ended 31 December 2017 have not been restated and are still accounted for in accordance with International Accounting Standards 39.

Quoted equity shares and debt securities previously held as AFS financial assets with gains and losses recorded in other comprehensive income have been measured at FVTPL on 1 January 2018. The AFS reserve of S\$7.6 million related to those securities has been reclassified to opening accumulated losses.

Debt securities previously held as loans and receivables have been measured at FVTPL on 1 January 2018 after analysing the intention of holding them and of their contractual cashflow characteristics. The net asset value of the Group has increased by S\$1.7 million from fair value adjustments of such securities with a corresponding increase in the opening accumulated losses by the same amount.

Differences arising from the adoption of IFRS 9 have been recognised directly in accumulated losses as of 1 January 2018 and are disclosed under "Consolidated Statement of Changes in Shareholders' Equity". In total, the opening accumulated losses has decreased by S\$9.3 million on 1 January 2018 following the adoption of IFRS 9.



### **Recommendation of a final dividend of 0.50 Singapore cents per share**

For the financial year ended 31 December 2018, the Directors have recommended a final dividend of 0.50 Singapore cents per share. The final dividend will be subject to shareholders' approval at the Annual General Meeting to be held on 25 April 2019. Together with the interim dividend of 0.50 Singapore cents per share paid in October 2018, the total dividend for the financial year ended 31 December 2018 will be 1.00 Singapore cents per share. The shares will be quoted ex-dividend on 2 May 2019 and the Scrip Dividend Scheme will be applied to the final dividend for the financial year ended 31 December 2018.

For more information, please refer to the separate announcement titled "Application of Scrip Dividend Scheme to the final dividend for the financial year ended 31 December 2018 and notice of books closure".

By order of the Board of Directors

Date: 21 February 2019

Further Information:

Boon Swan Foo

Chairman

Global Investments Limited

ir@globalinvestmentslimited.com

+65 6908 4477

About Global Investments Limited

(<http://www.globalinvestmentslimited.com>)

Global Investments Limited (GIL) is a company registered in Singapore that provides investors access to a diversified portfolio of assets and economic exposures. GIL is managed by Singapore Consortium Investment Management Limited.