



**UNITED OVERSEAS LAND LIMITED**

大华置业有限公司

Summary Financial Report 2004

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# CHAIRMAN'S STATEMENT



## 2004 REVIEW

The Singapore economy rebounded strongly recording growth of 8.4% in 2004 after a difficult 2003, which had been adversely affected by the outbreak of Severe Acute Respiratory Syndrome. Reflecting the improved economic environment, prices of residential properties rose modestly in 2004 and more new homes were sold in 2004 (approximately 5,800 units compared to 5,200 units in 2003). Rentals of offices and retail space improved marginally in 2004 compared to 2003.

During the year, the Group launched the sale of the 234-unit Twin Regency and the 118-unit Newton Suites developments in Singapore. Response was good and as at 31 December 2004, 232 units of the Twin Regency development and 80 units of the Newton Suites development had been sold.

The Singapore tourism market did much better in 2004 with a record total visitor arrivals of 8.3 million or a 36% increase compared to 2003. Average occupancy for the hotel industry in Singapore increased by 13.4 percentage points to 80.6% while average room rate increased by 5.4% to S\$122 in 2004.

The Group's hotel operations, particularly those outside Singapore, improved in the light of better market conditions. The two refurbished hotels in Malaysia performed better, benefiting from improved occupancy and higher average room rate. Performance of the Group's hotels in China and Vietnam also improved further. The Group's hotels in Australia continued to perform well with improvement in average room rates. On the other hand, operating conditions for the Grand Plaza Parkroyal Hotel in Myanmar remained difficult.

## 2004 PERFORMANCE & DIVIDEND

The Group performed creditably in 2004. It achieved a record consolidated pre-tax profit of S\$486.7 million or a 320% increase over the pre-tax profit of S\$115.9 million in 2003. The 2004 results included the exceptional pre-tax profit of S\$355.2 from the sale of 32,841,115 shares in United Overseas Bank Limited ("UOB"). Excluding the exceptional gain from the sale of UOB shares, the Group's pre-tax profit for 2004 was S\$131.5 million, which was a 13.5% increase over the comparable figure in 2003. The increase was due mainly to higher contribution from the Group's hotel operations and increased dividend income from quoted investments.

Based on the latest independent valuation of the Group's investment properties by professional valuers, the Asset Revaluation Reserve was written down from S\$226.1 million at end 2003 to S\$195.2 million at end 2004. However, shareholders' funds of the Group increased from S\$1.77 billion as at 31 December 2003 to S\$1.92 billion as at 31 December 2004. During 2004, warrant holders converted 93,463,116 UOL Warrants 2004 into ordinary shares of S\$1.00 each in the Company at the exercise price of S\$1.25 per share. Reflecting the larger share capital base, the net tangible assets of the Group (at book value) decreased from S\$2.52 per share as at 31 December 2003 to S\$2.40 per share as at 31 December 2004. With the proceeds from the exercise of the UOL Warrants 2004 and sale of UOB shares, the Group's net debt-equity ratio fell markedly to 17% as at 31 December 2004 from 42% as at 31 December 2003.

The Board recommends a final tax-exempt (one-tier) dividend of 6.0 cents per share (2003: a first and final dividend of 7.5 cents per share less tax at 20%) amounting

to S\$47.6 million (2003: S\$41.8 million) for the year ended 31 December 2004.

Together with the payment of a special interim dividend comprising a dividend of 25.5 cents per share less tax at 20% and a tax-exempt (one-tier) dividend of 14.6 cents per share amounting to S\$277.6 million on 30 December 2004, total net dividend payment for the year ended 31 December 2004 would amount to 41.0 cents per share or S\$325.2 million.

## CORPORATE DEVELOPMENTS

### *Unlocking Value for the Benefit of Shareholders*

On 25 May 2004, a Board Committee ("BC") was constituted to explore options to unlock value for the benefit of shareholders. ING Bank N.V. Singapore Branch ("ING") was appointed by the BC as the financial adviser in relation to the evaluation of options for this exercise. On 9 July 2004, ING submitted its report, and its recommendation to divest of the Company's passive non-property investments, particularly its shareholding in UOB ("Divestment") was accepted. The Divestment was to be completed within one year and at a price in excess of S\$13.56 per UOB share.

On 1 December 2004, the Company announced that it had sold on the open market, a total of 32,841,115 UOB ordinary shares at an average net price of S\$13.685 per UOB share ("Sale"). The Sale resulted in the Company realising a net gain (after providing for taxation) of S\$284.1 million ("Net Gain") and on 30 December 2004, the Net Gain was distributed to shareholders by way of a special interim dividend payment.

### *Exchangeable Note Issue*

Following the Sale, the Group's shareholding interest in UOB was reduced to 33,000,000 ordinary shares or 2.1%. On 1 December 2004, the Company appointed Credit Suisse First Boston to act as the Manager and Bookrunner for the placement of S\$506.22 million in principal amount of zero-coupon Exchangeable Notes ("Notes"), which allows Noteholders to exchange the Notes at any time during the 9-month tenure into UOB ordinary shares at S\$15.34 per UOB share. The Notes which will mature on 22 September 2005, was fully subscribed by institutional and sophisticated investors and the net proceeds of S\$500.4 million was used for working capital as well as repayment of some outstanding loans.

### *Unsecured Bonds due 2004 and Transferable Term Loan*

The 1.5% unsecured bonds due 2004 and transferable term loan totalling S\$300,000,000 were fully redeemed on their maturity on 15 July 2004. The redemption was financed by proceeds from the exercise of the UOL Warrants 2004 and bank borrowings.

### *Exercise of Warrants 2004*

During 2004, the Company's shareholders' funds was increased by S\$116.8 million when holders of 93,463,116 UOL Warrants 2004 exercised their rights and subscribed for the same number of UOL shares at S\$1.25 per share. The UOL Warrants 2004 expired on 12 June 2004.

### *Purchase of Kim Tian Plaza at Kim Tian Road, Singapore*

On 3 September 2004, the offer for the purchase of Kim Tian Plaza, a freehold property located along Kim Tian Road at a total price of S\$40.2 million was accepted by owners holding more than 90% of the aggregate share value. Subject to the Strata Titles Board's approval and completion of the purchase, the site is intended to be developed by Regency One Development Pte. Ltd., an 80:20 joint venture between the Company and Low Keng Huat (Singapore) Limited, into a 36-storey block with approximately 86 apartments and a low-rise block of about 20 small-office-home-office units.

### *Purchase of 2A Persiaran Hampshire, Kuala Lumpur, Malaysia*

On 29 September 2004, Promatik Emas Sdn. Bhd., a 55:45 joint venture between the Company and General Corporation Berhad of Malaysia, entered into an agreement to purchase No. 2A Persiaran Hampshire, an approximately 4,573 square metre freehold site at Persiaran Hampshire in Kuala Lumpur, Malaysia for RM18 million. Approval from the Malaysian authorities for the purchase has been obtained and the purchase is expected to be completed by May 2005. The site, located near the Kuala Lumpur City Centre, is intended to be developed into two 33-storey blocks comprising 180 to 200 luxury serviced apartment units for sale.

### *Purchase of 35% Interest in Ardenis Pte Ltd*

On 30 December 2004, the Company acquired a 35% interest in the Singapore-incorporated Ardenis Pte Ltd ("Ardenis"), which has a 97% equity interest in Shanghai Xin Yue Real Estate Development Co., Ltd ("Xin Yue"), a property development company

incorporated in The People's Republic of China ("PRC"). Xin Yue intends to develop approximately 169 luxury apartment units on an approximately 12,660 square metre site at 384 Zhao Jia Bang Road, Xuhui District in Shanghai, PRC.

*Sale of Interests in United BMEC Pte Ltd and United Lifestyle Pte Ltd*

The Company continued to divest of its non-core businesses. On 28 May 2004, United BMEC Pte Ltd ("BMEC") and United Lifestyle Pte Ltd, both subsidiaries of Hotel Plaza Limited ("Hotel Plaza"), were merged under BMEC ("enlarged BMEC"). Hotel Plaza subsequently sold approximately 61% in the capital of the enlarged BMEC to non-related parties for cash of S\$2.3 million. Following the completion of the sale, Hotel Plaza retains a 19% shareholding in the enlarged BMEC.

## OUTLOOK FOR 2005

Economic growth in Singapore and the region is expected to continue in 2005 albeit at a slower rate.

Against a background of sustained economic growth and an improved employment situation in Singapore, demand for residential properties could improve further in 2005. With limited new supply and a more positive business outlook, the office sector could see higher occupancy and rental rates. Benefiting from favourable consumer sentiment, the outlook for the retail property market remains positive.

Sales of new residential developments including No. 2A Persiaran Hampshire in Kuala Lumpur, Malaysia are expected to be launched in 2005. The Company intends to convert the UOL Building along Somerset Road, Singapore, into a new 16-storey office with serviced

apartments. Works are scheduled to commence in April 2005. Additionally, the UOB Building in Xiamen, PRC is in the process of being converted into a 5-star 393-room hotel. The new hotel, to be called Sofitel Plaza Xiamen, is expected to commence operations in the middle of 2005.

With visitor arrivals in Singapore projected to increase in 2005, occupancy and average room rates of the Group's hotels are expected to improve further. In Malaysia, the Group's hotel in Kuala Lumpur should continue to benefit from the forecasted increase in tourist arrivals, although occupancy at the Grand Plaza Parkroyal Hotel in Penang could, in the short term, be negatively impacted by the tsunami tragedy last December. The Group's hotels in Australia, China and Vietnam will continue to benefit from anticipated improvements in room rates and high occupancy in 2005. Operating conditions remain difficult for the Group's hotel in Myanmar.

## ACKNOWLEDGEMENTS

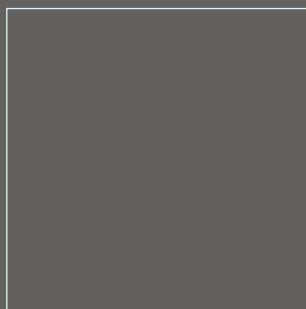
On behalf of the Board, I wish to express my appreciation to the management and staff of the Group for their hard work and dedication. I wish also to express my appreciation to the Board members for their invaluable counsel and guidance.

## Wee Cho Yaw

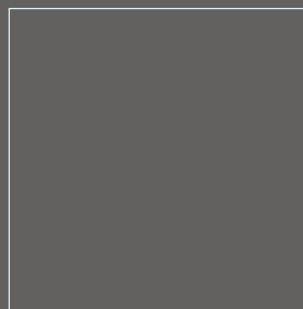
Chairman

Singapore, February 2005

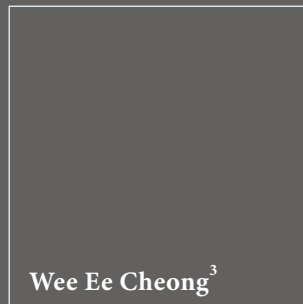
# BOARD OF DIRECTORS



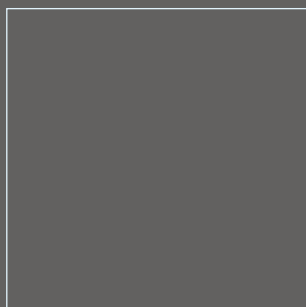
**Wee Cho Yaw<sup>1</sup>**  
*Chairman*



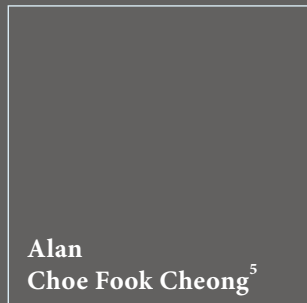
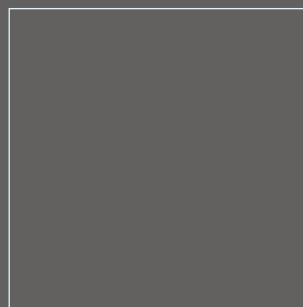
**Gwee Lian Kheng<sup>2</sup>**  
*President & CEO*



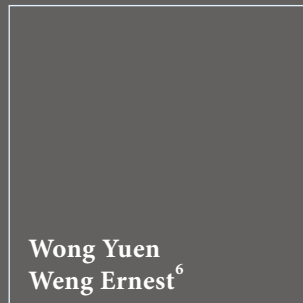
**Wee Ee Cheong<sup>3</sup>**



**Lim Kee Ming<sup>4</sup>**



**Alan  
Choe Fook Cheong<sup>5</sup>**



**Wong Yuen  
Weng Ernest<sup>6</sup>**



### **Wee Cho Yaw<sup>1</sup>**

#### *Chairman*

Age 76. A career banker with more than 40 years of experience. Received Chinese high school education. Chairman of the Company and its subsidiary, Hotel Plaza Limited ("Hotel Plaza") since 1973.

Chairman & CEO of United Overseas Bank Limited ("UOB") and Chairman of several listed companies including United Overseas Insurance Ltd, United International Securities Ltd, Haw Par Corporation Limited, Overseas Union Enterprise Limited, United Industrial Corporation Limited and Singapore Land Limited. He was previously a Director of Singapore Press Holdings Ltd.

Mr Wee is the President of the Singapore Federation of Chinese Clan Associations, and the Chairman of the Board of Trustees of the Chinese Development Assistance Council and several other civic organizations. He is also a member of the Asia-Pacific Advisory Committee of the New York Stock Exchange and an Honorary President of Singapore Chinese Chamber of Commerce & Industry. He was appointed Pro-Chancellor of Nanyang Technological University ("NTU") in 2004.

### **Gwee Lian Kheng<sup>2</sup>**

#### *President & CEO*

Age 64. Director of UOL since 1987. Mr Gwee is the President & CEO of UOL and Hotel Plaza, and has been with the UOL Group since 1973. He is also Chairman of Hotel Negara Limited. Director of most of the Hotel Plaza Group and UOL Group of companies, United Industrial Corporation Limited, Singapore Land Limited and various companies in Overseas Union Enterprise Limited Group.

Mr Gwee holds a Bachelor of Accountancy (Honours) degree from the University of Singapore. He is a Fellow of the Chartered Institute of Management Accountants (UK), Chartered Certified Accountants (UK), and Institute of Chartered Secretaries and Administrators (UK). He is also a non-practising member of the Institute of Certified Public Accountants (Singapore).

### **Wee Ee Cheong<sup>3</sup>**

Age 52. Director of UOL since 1991. A professional banker with UOB since 1979, Mr Wee is currently the Deputy Chairman & President of UOB. Director of several UOB subsidiaries and associates, including Far Eastern Bank Ltd, United Overseas Insurance Ltd, United International Securities Ltd and Hotel Plaza. Director of Visa International (Asia Pacific Regional Association) and The Institute of Banking & Finance, as well as a Council Member of The Association of Banks in Singapore and Singapore Chinese Chamber of Commerce & Industry. He is also a member of the Board of the Governors of the Singapore-China Foundation and the Advisory Board of the INSEAD East Asia Council. Mr Wee had previously served as Deputy Chairman of the Housing & Development Board and Director of Port of Singapore Authority.

Mr Wee holds a Bachelor of Science (Business Administration) degree and a Master of Arts (Applied Economics) degree from the American University, Washington DC.

### **Lim Kee Ming<sup>4</sup>**

Age 78. Director of UOL since 1973. Chairman of Lim Teck Lee Group of companies and Director of Hotel Plaza and Haw Par Corporation Limited. An Honorary President of Singapore Chinese Chamber of Commerce & Industry, Member of the Advisory Committee of Lee Kuan Yew Distinguished Visitors Programme, Advisor of Network China and Director of the Lee Kuan Yew Scholarship Fund. He was previously the Chairman of Advanced Systems Automation Limited and the Preservation of Monuments Board.

Mr Lim holds a Master of Science (International Trade & Finance) degree from Columbia University, New York, and a Bachelor of Science (Business Administration) degree from New York University, USA.

**Alan Choe Fook Cheong<sup>5</sup>**

Age 74. Director of UOL since 1979. An architect and town planner by profession, he is also a Director of Hotel Plaza and Centrepont Properties Ltd.

Mr Choe was the first general manager of the Urban Redevelopment Authority and a Senior Partner of one of the largest architectural practices in Singapore. He had previously sat on various statutory boards, including as Chairman of Sentosa Development Corporation, Sentosa Cove Pte Ltd and Pasir Ris Resort Pte Ltd, Trustee of NTUC Income and a Member of Singapore Tourism Board. He had also previously served as a Director of Keppel Land Limited.

Mr Choe holds a Bachelor of Architecture degree, a Diploma in Town & Regional Planning from University of Melbourne and a Fellowship Diploma from Royal Melbourne Institute of Technology. He is a Fellow of the Singapore Institute of Architects, Singapore Institute of Planners and Royal Australian Institute of Architects. He is also a member of Royal Institute of British Architects, Royal Town Planning Institute, Royal Australian Planning Institute and American Planning Association.

**Wong Yuen Weng Ernest<sup>6</sup>**

Age 59. Director of UOL since 1986. Group CEO and Director of MediaCorp Pte Ltd ("MediaCorp") and several MediaCorp Group companies. He is also a Director of Hotel Plaza, a Director of UOB and Chairman of its Audit Committee, and a Council Member of NTU and Chairman of its Finance Committee and Endowment Fund Investment Committee.

Mr Wong had served as Chairman of The Association of Banks in Singapore and Board Member of the Economic Development Board.

He holds a Bachelor of Science (Chemical Engineering, Honours) degree from University of Surrey, UK.



# KEY MANAGEMENT EXECUTIVES

## **Mr Gwee Lian Kheng**

Information concerning Mr Gwee is found under the "Board of Directors" section of this Annual Report.

## **Mr Gn Hiang Meng**

Mr Gn joined the United Overseas Land Group ("UOL Group") in 2001 as the Deputy President (Hotels & Finance), and oversees the strategic development of the hotel operations and financial management of the UOL Group. He is a director of most of the subsidiaries of Hotel Plaza and UOL. Mr Gn was previously a senior banker with the UOB Group from 1973 to 2001 and has extensive experience in investment banking and stockbroking businesses. He holds a Bachelor of Business Administration (Honours) degree from the University of Singapore.

## **Mr Liam Wee Sin**

Mr Liam joined the UOL Group in 1993 and is currently the Group General Manager. He oversees the UOL Group's business in property investment, development and maintenance. Mr Liam sits on the boards of several of UOL's subsidiaries. Prior to joining the UOL Group, Mr Liam was practising with an architectural firm and had also spent 8 years in the public sector handling architectural works and facilities management, and 2 years with Jones Lang Wootton undertaking project management and consultancy works. Mr Liam holds a Bachelor of Architecture degree from the National University of Singapore and is a Registered Architect. He is a council member of the Real Estate Developers' Association of Singapore and a Fellow Member of the Society of Project Managers.

## **Mr Lee Choon Kok**

Mr Lee has been with the UOL Group since 1981 and is currently the General Manager (Engineering & Maintenance). He has more than 23 years of experience in property and maintenance management within the UOL Group, and is responsible for the UOL Group's engineering, property maintenance and security management. He is a director of a number of subsidiaries of UOL. Mr Lee was previously with PWD (Building Control Division) for 5 years where he was responsible for checking M&E plans and carrying out building inspections. Mr Lee graduated from the University of Singapore in 1973 with a Bachelor of Engineering (Honours) degree, and is an Associate Member of the Institute of Engineers of Singapore and a Registered Professional Engineer.

## **Mr Foo Thiam Fong Wellington**

Mr Foo joined the UOL Group in 1977 after graduating from the University of Singapore with a Bachelor of Accountancy (Honours) degree, and currently holds the position of General Manager, Finance & Accounts. He oversees the financial management and corporate secretarial matters of the UOL Group and is the Company Secretary of Hotel Plaza and UOL. He is a director of several of the subsidiaries of Hotel Plaza and UOL. Mr Foo is a non-practising member of the Institute of Certified Public Accountants of Singapore, a Fellow of CPA Australia and an Associate of the Institute of Chartered Secretaries and Administrators and the Chartered Institute of Management Accountants.

## **Loon Chue Cheok Jimmy**

Mr Loon joined the UOL Group in 2003 as the General Manager (Development) and oversees the project management of the UOL Group's properties. Prior to joining UOL, Mr Loon held the position of Assistant General Manager (Projects) in City Developments Limited. He was with City Developments Limited for more than 10 years and has extensive project management experience in both commercial buildings and residential homes. Mr Loon holds a Bachelor of Engineering (Mechanical) degree and a Master of Science (Project Management) degree from the National University of Singapore. He is a Registered Professional Engineer (Mechanical) in Singapore and a Fellow Member of the Society of Project Managers.

# CORPORATE DATA

## Board of Directors

Wee Cho Yaw  
*Chairman*

Gwee Lian Kheng  
*President & CEO*

Wee Ee Cheong

Lim Kee Ming

Alan Choe Fook Cheong

Wong Yuen Weng Ernest

## Executive Committee

Wee Cho Yaw  
*Chairman*

Gwee Lian Kheng

Wee Ee Cheong

## Audit Committee

Lim Kee Ming  
*Chairman*

Alan Choe Fook Cheong

Wong Yuen Weng Ernest

## Nominating Committee

Alan Choe Fook Cheong  
*Chairman*

Wee Cho Yaw

Lim Kee Ming

## Remuneration Committee

Wee Cho Yaw  
*Chairman*

Lim Kee Ming

Alan Choe Fook Cheong

## Management

Gwee Lian Kheng  
*President & CEO*

Gn Hiang Meng  
*Deputy President  
(Hotels & Finance)*

Liam Wee Sin  
*Group General Manager*

Foo Thiam Fong Wellington  
*General Manager  
(Finance & Accounts)*

Lee Choon Kok  
*General Manager  
(Engineering & Maintenance)*

Loon Chue Cheok Jimmy  
*General Manager  
(Development)*

Lian Ah Cheok Dolly  
*General Manager  
(Marketing)*

Lim Chong Koon  
*Group Human Resource Manager*

Chin Ee Chen Jestine  
*General Manager  
(Furniture Division)*

Yeo Bin Hong  
*Senior Internal Audit Manager*

## Secretary

Foo Thiam Fong Wellington

## Deputy Secretary

Ong Beng Hui Patricia

## Auditors

PricewaterhouseCoopers  
8 Cross Street #17-00  
PWC Building  
Singapore 048424  
Partner-in-charge:  
Dr Chew Kia Ngee  
Year of appointment: 2001

## Principal Bankers

United Overseas Bank Limited  
  
DBS Bank Ltd  
  
UFJ Bank Limited  
  
Bumiputra Commerce Bank Berhad

## Registered Office

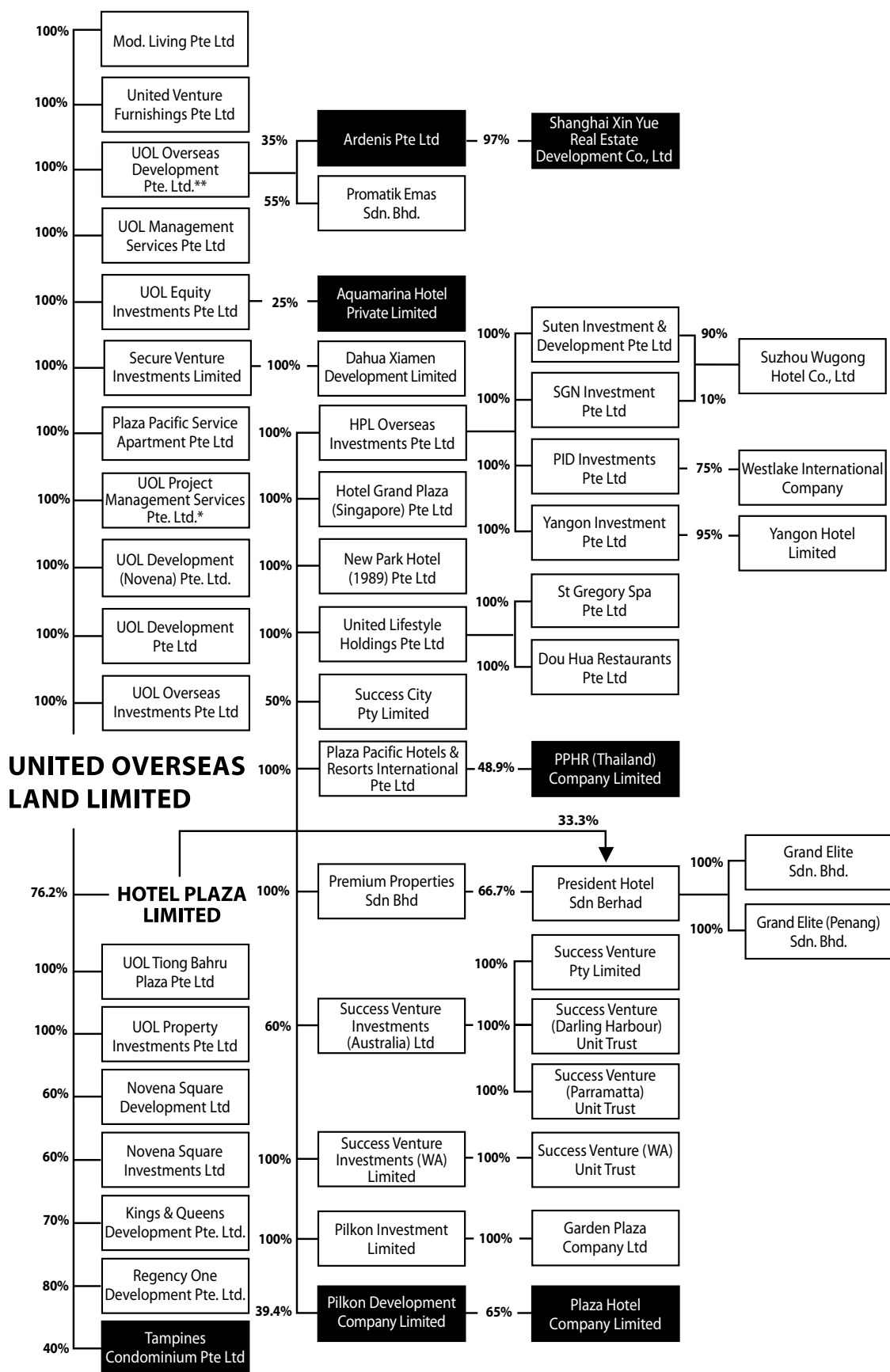
101 Thomson Road  
#33-00 United Square  
Singapore 307591  
Telephone : 6255 0233  
Facsimile : 6252 9822  
Website : www.uol.com.sg

## Share Registrar

Lim Associates (Pte) Ltd  
10 Collyer Quay  
#19-08 Ocean Building  
Singapore 049315  
Telephone : 6536 5355  
Facsimile : 6536 1360

# GROUP STRUCTURE

As at 28 February 2005



■ Associated Companies

\* Formerly known as MioDino Singapore Pte Ltd

\*\* Formerly known as UOL Development (Jurong West) Pte Ltd

# SUMMARY FINANCIAL STATEMENTS

## IMPORTANT NOTE

The Summary Financial Statements as set out on pages 11 to 25 contains a summary of information in the Report of the Directors and financial statements of the Company's Annual Report and other information as required under Section 203A of the Companies Act, Cap 50, and the regulations made thereunder, applicable to Summary Financial Statements. The Summary Financial Statements do not contain sufficient information to allow for a full understanding of the results and state of affairs of the Company and of the Group. For further information, the full financial statements, Auditors' Report on those statements and the Report of the Directors in the Annual Report should be consulted. Shareholders may request for a copy of the Annual Report at no cost by using the Request Form at the end of this Summary Financial Statements.

## REPORT OF THE DIRECTORS

For the financial year ended 31 December 2004

The directors have pleasure in submitting this report to the members together with the summary financial statements of the Company and of the Group for the financial year ended 31 December 2004.

### DIRECTORS

The directors of the Company in office at the date of this report are:

Wee Cho Yaw	– Chairman
Gwee Lian Kheng	– President and Chief Executive Officer
Wee Ee Cheong	
Lim Kee Ming	
Alan F C Choe	
Wong Yuen Weng Ernest	

Pursuant to Section 153(6) of the Companies Act, Cap 50, Messrs Wee Cho Yaw, Lim Kee Ming and Alan F C Choe retire from the Board at the Annual General Meeting. Messrs Wee Cho Yaw, Lim Kee Ming and Alan F C Choe consented to offer themselves for re-election.

### PRINCIPAL ACTIVITIES

The principal activities of the Company are investments in properties, subsidiaries, associated companies, quoted and unquoted securities and property development.

The principal activities of the subsidiaries are those of property development, property investment, property management services, distribution of furniture and related accessories, hoteliers, property owners, hotel operator and manager, health and beauty retreats manager, restaurant operator and the holding of investments.

### ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed under "Share Options" on pages 13 to 15.

# REPORT OF THE DIRECTORS (continued)

For the financial year ended 31 December 2004

## DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

- (a) The directors holding office at 31 December 2004 are also the directors holding office at the date of this report. Their interests in the share capital of and options to subscribe for ordinary shares of the Company and related corporations, as recorded in the register of directors' shareholdings, were as follows:

	Holdings registered in name of director		Holdings in which a director is deemed to have an interest	
	At 31.12.2004	At 1.1.2004	At 31.12.2004	At 1.1.2004
<b>United Overseas Land Limited ("UOL")</b>				
– Ordinary Shares of \$1 each				
Wee Cho Yaw	1,664,023*	1,595,415*	59,364,699*	59,346,438*
Gwee Lian Kheng	388,000	300,000	–	–
Wee Ee Cheong	14,000*	11,000*	24,224,172*	24,205,911*
Lim Kee Ming	53,909	41,909	–	–
– Executives' Share Options				
Gwee Lian Kheng	200,000	388,000	–	–
<b>Hotel Plaza Limited ("HPL")</b>				
– Ordinary Shares of \$0.50 each				
Gwee Lian Kheng	114,000	114,000	150,000	150,000
Lim Kee Ming	10,000	10,000	–	–

\* Includes shares registered in the name of nominees.

- (b) The directors' interests in the share capital of and options to subscribe for ordinary shares of the Company and related corporations, as recorded in the register of directors' shareholdings at 21 January 2005, were the same as those at 31 December 2004.
- (c) Messrs Wee Cho Yaw and Wee Ee Cheong are each deemed to have an interest in all the shares held by Kheng Leong Company (HK) Limited in the following partially owned subsidiaries of the Group, by virtue of their having an interest of not less than 20% each in the issued share capital of Kheng Leong Company (HK) Limited:

	Holdings in which a director is deemed to have an interest	
	At 31.12.2004	At 1.1.2004
<b>Success Venture Investments (Australia) Ltd</b>		
– Ordinary Shares of US\$1 each	2,059,500	2,059,500
<b>Success City Pty Limited</b>		
– Ordinary Shares	17,208,336	17,208,336

- (d) Save as disclosed above, none of the other directors holding office at 31 December 2004 has any interest in the share capital, Executives' Share Options and Exchangeable Notes of the Company and the ordinary shares of HPL and any other related corporations of the Company, as recorded in the register of directors' shareholdings.

# REPORT OF THE DIRECTORS (continued)

For the financial year ended 31 December 2004

## DIRECTORS' CONTRACTUAL BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest, except as disclosed in the full financial statements and in this report.

## SHARE OPTIONS

### UOL Group Executives' Share Option Schemes

- (a) The UOL Group Executives' Share Option Scheme ("the 1991 Scheme") was approved by the members of the Company at an Extraordinary General Meeting held on 20 March 1991. The 1991 Scheme was replaced by a new scheme ("the 2000 Scheme") which was approved by the shareholders of the Company at an Extraordinary General Meeting held on 23 May 2000. The termination of the 1991 Scheme and the adoption of the 2000 Scheme will not affect the rights of the holders of the options granted under the 1991 Scheme.
- (b) Under the terms of the 2000 Scheme, the total number of shares granted shall not exceed 15% of the issued share capital of the Company and the executives may exercise the options by giving notice in writing to the Company in the prescribed form during the option period, accompanied by remittance of the amount of the Offering Price.

The Offering Price is equal to the average of the last dealt prices per share as determined by reference to the daily official list published by the Singapore Exchange Securities Trading Ltd for a period of 3 consecutive trading days immediately prior to the relevant offering date.

- (c) On 21 May 2004, options were granted pursuant to the 2000 Scheme to the executives of the Company and its subsidiaries to subscribe for 1,334,000 ordinary shares of \$1 each in the Company (known as "the 2004 Options") at the offer price of \$2.28 per share. 1,334,000 options granted were accepted by the executives, including Mr Gwee Lian Kheng.

The details of the options granted are as follows:

	No. of employees	At offer price of \$2.28 per share
Executive Director	1	100,000
Other Executives	64	1,234,000
	65	1,334,000

- (d) Statutory information regarding the 2004 Options is as follows:

- (i) The option period begins on 21 May 2005 and expires on 20 May 2014 or on the date of termination of employment or in the case of the executive director, on the date he ceases to be the executive director of the Company, whichever is earlier, subject to the provisions of Rule 13 of the Rules of the 2000 Scheme.
- (ii) The options may be exercised in full or in respect of 1,000 shares or a multiple thereof, on the payment of the exercise price.
- (iii) The persons to whom the options have been granted have no right to participate by virtue of the options in any share issue of any other company in the Group.

# REPORT OF THE DIRECTORS (continued)

For the financial year ended 31 December 2004

## SHARE OPTIONS (continued)

### UOL Group Executives' Share Option Schemes (continued)

(e) Other information required by the Singapore Exchange Securities Trading Limited:

Pursuant to Rule 852 of the Listing Manual of the Singapore Exchange Securities Trading Limited, it is reported that during the financial year:

(i) The Remuneration Committee comprising the following directors administer the 2000 Scheme:

Wee Cho Yaw	Chairman	(Non-independent)
Alan F C Choe	Member	(Independent)
Lim Kee Ming	Member	(Independent)

(ii) The details of options granted to a director of the Company, Mr Gwee Lian Kheng, under the 1999 and 2000 Schemes are as follows:

Aggregate options granted since commencement of scheme to 31.12.2003	Options granted during the financial year	Aggregate options granted since commencement of scheme to 31.12.2004	Aggregate options exercised since commencement of scheme to 31.12.2004	Aggregate options outstanding at 31.12.2004
939,645	100,000	1,039,645	530,000	200,000

(iii) No options have been granted to controlling shareholders or their associates, parent group employees, and no employee has received 5% or more of the total options available under the 2000 Scheme. No options were granted at a discount during the financial year.

## WARRANTS 2004

The Warrants 2004 were constituted under a Deed Poll dated 12 July 1999. Particulars of the Warrants 2004 were set out in the Report of the Directors for the year ended 31 December 1999. The Warrants 2004 expired on 12 June 2004.

## OUTSTANDING SHARE OPTIONS AND WARRANTS 2004

At 31 December 2004, the holders of the Executives' Share Options include a director of the Company as disclosed under "Directors' interests in shares or debentures".

The holders of the Executives' Share Options have no right to participate by virtue of the options in any share issue of any other company in the Group.

During the financial year, 96,314,116 ordinary shares of \$1 each of the Company were issued upon the exercise of options and warrants by:

Holders of	Number of ordinary shares	Exercise price per share \$
1999 Options	42,000	1.60
2000 Options	232,000	1.24
2001 Options	658,000	1.58
2002 Options	968,000	1.81
2003 Options	951,000	2.05
Warrants 2004	93,463,116	1.25
	<u>96,314,116</u>	



# REPORT OF THE DIRECTORS (continued)

For the financial year ended 31 December 2004

## OUTSTANDING SHARE OPTIONS AND WARRANTS 2004 (continued)

Unissued ordinary shares under options at 31 December 2004 comprise:

	At 1.1.2004	Options granted in 2004	Options exercised	Options lapsed	At 31.12.2004	Exercise/ Subscription Price /\$	Option period
<b>Executives' Share Options</b>							
1999 Options	52,000	–	42,000	10,000	–	1.60	06.05.2000 to 05.02.2004
2000 Options	232,000	–	232,000	–	–	1.24	15.05.2001 to 14.02.2005
2001 Options	678,000	–	658,000	–	20,000	1.58	31.05.2002 to 30.05.2011
2002 Options	1,138,000	–	968,000	24,000	146,000	1.81	27.06.2003 to 26.06.2012
2003 Options	1,617,000	–	951,000	226,000	440,000	2.05	27.06.2004 to 26.06.2013
2004 Options	–	1,334,000	–	78,000	1,256,000	2.28	21.05.2005 to 20.05.2014
	<u>3,717,000</u>	<u>1,334,000</u>	<u>2,851,000</u>	<u>338,000</u>	<u>1,862,000</u>		
Warrants 2004	95,064,441	–	93,463,116	1,601,325	–	1.25	12.07.1999 to 12.06.2004

## AUDIT COMMITTEE

The Audit Committee comprises three members, all of whom are independent and non-executive directors. The members are:

Lim Kee Ming	–	Chairman
Alan F C Choe	–	Member
Wong Yuen Weng Ernest	–	Member

## ABILITY TO MEET OBLIGATIONS

No contingent liability or other liability of the Group or of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

## OTHER CIRCUMSTANCES AFFECTING THE FINANCIAL STATEMENTS

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the full Report of the Directors or the full financial statements for the year ended 31 December 2004 which would render any amount stated in the financial statements of the Group or of the Company misleading.

## UNUSUAL ITEMS

In the opinion of the directors, no item, transaction or event of a material and unusual nature has substantially affected the results of the operations of the Group or of the Company during the financial year.

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

The Summary Financial Statements as set out on pages 11 to 25 were approved by the Board of Directors and signed on its behalf by:

WEE CHO YAW  
Chairman

GWEE LIAN KHENG  
Director

22 February 2005

# AUDITORS' REPORT

## AUDITORS' STATEMENT TO THE MEMBERS OF UNITED OVERSEAS LAND LIMITED

We have examined the Summary Financial Statements as set out on pages 11 to 25.

In our opinion, the Summary Financial Statements are consistent, in all material aspects, with the full financial statements and the Report of the Directors of United Overseas Land Limited and its subsidiaries for the financial year ended 31 December 2004 and complies with the requirements of Section 203A of the Companies Act, Cap 50, and the regulations made thereunder, applicable to Summary Financial Statements.

For a full understanding of the results and state of affairs of the Company and the Group, the Summary Financial Statements should be read in conjunction with the full financial statements of United Overseas Land Limited and its subsidiaries for the financial year ended 31 December 2004.

We have issued an unqualified audit report dated 22 February 2005 on the full financial statements of United Overseas Land Limited and its subsidiaries for the financial year ended 31 December 2004. The audit report is as follows:

## "AUDITORS' REPORT TO THE MEMBERS OF UNITED OVERSEAS LAND LIMITED

We have audited the accompanying financial statements of United Overseas Land Limited set out on pages 39<sup>1</sup> to 98<sup>1</sup> for the financial year ended 31 December 2004, comprising the income statement, balance sheet and statement of changes in equity of the Company, and the consolidated financial statements of the Group. These financial statements are the responsibility of the Company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we plan and perform our audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion,

- (a) the accompanying financial statements of the Company and consolidated financial statements of the Group are properly drawn up in accordance with the provisions of the Companies Act, Cap 50 ("the Act") and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company and of the Group at 31 December 2004, the profits and the changes in equity of the Company and of the Group, and of the cash flows of the Group for the financial year ended on that date; and
- (b) the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act."

PricewaterhouseCoopers  
Certified Public Accountants

Singapore, 22 February 2005

<sup>1</sup> The page numbers are stated in the Auditor's Report dated 22 February 2005 included in the United Overseas Land Limited Annual Report for the financial year ended 31 December 2004

# BALANCE SHEETS

As at 31 December 2004

	The Group		The Company	
	2004	2003	2004	2003
	\$'000	\$'000	\$'000	\$'000
<b>Non-current assets</b>				
Property, plant and equipment	610,540	600,054	1,371	1,598
Investment properties	1,500,945	1,579,330	209,522	203,340
Subsidiaries	–	–	1,038,333	1,117,227
Associated companies	47,238	42,206	400	400
Investments	296,309	303,914	48,811	48,811
Intangibles	13,491	13,972	–	–
Deferred income tax assets	6,652	590	–	–
	<b>2,475,175</b>	<b>2,540,066</b>	<b>1,298,437</b>	<b>1,371,376</b>
<b>Current assets</b>				
Properties for sale under development	144,049	125,439	–	–
Developed properties for sale	3,733	18,415	–	–
Investments	81,881	176,117	81,881	176,117
Inventories	4,581	6,976	–	–
Current income tax assets	1,963	1,481	–	–
Trade and other receivables	27,371	75,463	1,210	5,382
Other current assets	11,432	5,199	165	208
Cash and cash equivalents	727,906	109,994	632,962	27,760
	<b>1,002,916</b>	<b>519,084</b>	<b>716,218</b>	<b>209,467</b>
<b>Current liabilities</b>				
Trade and other payables	85,624	95,249	6,271	9,552
Borrowings	789,442	311,432	484,849	292,980
Derivative - option sold	15,908	–	15,908	–
Current income tax liabilities	94,761	25,829	77,543	5,546
	<b>985,735</b>	<b>432,510</b>	<b>584,571</b>	<b>308,078</b>
<b>Net current assets/(liabilities)</b>	<b>17,181</b>	<b>86,574</b>	<b>131,647</b>	<b>(98,611)</b>
<b>Non-current liabilities</b>				
Borrowings	266,432	543,307	–	–
Loans from subsidiaries	–	–	217,629	192,073
Loans from minority shareholders of subsidiaries	4,669	–	–	–
Rental deposits	12,460	12,973	1,301	1,940
Provision for retirement benefits	2,621	2,856	652	816
Deferred liability	3,268	11,966	–	–
Deferred income tax liabilities	57,741	58,968	11,385	13,150
	<b>347,191</b>	<b>630,070</b>	<b>230,967</b>	<b>207,979</b>
	<b>2,145,165</b>	<b>1,996,570</b>	<b>1,199,117</b>	<b>1,064,786</b>
<b>Share capital and reserves</b>				
Share capital	793,055	696,741	793,055	696,741
Share premium	274,856	225,586	274,856	225,586
Reserves	269,411	330,809	63,842	83,652
Retained earnings	580,346	517,375	67,364	58,807
<b>Interests of the shareholders</b>	<b>1,917,668</b>	<b>1,770,511</b>	<b>1,199,117</b>	<b>1,064,786</b>
<b>Minority interests</b>	<b>227,497</b>	<b>226,059</b>	<b>–</b>	<b>–</b>
	<b>2,145,165</b>	<b>1,996,570</b>	<b>1,199,117</b>	<b>1,064,786</b>

# INCOME STATEMENTS

For the financial year ended 31 December 2004

	The Group		The Company	
	2004	2003	2004	2003
	\$'000	\$'000	\$'000	\$'000
Revenue	411,815	427,444	12,119	20,858
Cost of sales	(227,534)	(272,661)	(2,318)	(10,269)
<b>Gross profit</b>	<b>184,281</b>	154,783	<b>9,801</b>	10,589
Other operating income	64,424	56,037	65,639	57,826
Marketing and distribution expenses	(19,202)	(16,244)	(66)	(118)
Administrative expenses	(30,627)	(27,374)	(5,885)	(4,849)
Other operating expenses	(53,468)	(38,412)	(1,008)	–
Exceptional items	357,347	8,308	349,184	(3,500)
<b>Profit from operations</b>	<b>502,755</b>	137,098	<b>417,665</b>	59,948
Finance income	3,386	6,484	4,458	5,097
Finance costs	(22,441)	(30,570)	(11,541)	(20,602)
Share of results of associated companies before tax	3,021	2,885	–	–
<b>Profit before tax</b>	<b>486,721</b>	115,897	<b>410,582</b>	44,443
Income tax expense	(87,324)	(27,028)	(83,056)	(9,723)
<b>Profit from ordinary activities</b>	<b>399,397</b>	88,869	<b>327,526</b>	34,720
Minority interests	(17,457)	(10,079)	–	–
<b>Net profit for the financial year</b>	<b>381,940</b>	78,790	<b>327,526</b>	34,720
Earnings per \$1 ordinary share				
Basic (in cents)	50.69	12.78		
Diluted (in cents)	50.69	12.16		

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2004

	Share capital \$'000	Share premium \$'000	Reserves \$'000	Retained earnings \$'000	Total \$'000
<b>Balance at 1 January 2004</b>	<b>696,741</b>	<b>225,586</b>	<b>330,809</b>	<b>517,375</b>	<b>1,770,511</b>
Revaluation deficit	–	–	(33,423)	–	(33,423)
Effect of change in tax rate	–	–	2,886	–	2,886
Currency translation differences	–	–	(6,797)	–	(6,797)
Net loss recognised directly in equity	–	–	(37,334)	–	(37,334)
Net profit for the financial year	–	–	–	381,940	381,940
<b>Total recognised gains and losses for the financial year</b>	<b>–</b>	<b>–</b>	<b>(37,334)</b>	<b>381,940</b>	<b>344,606</b>
Dividends relating to 2003 and 2004	–	–	–	(319,374)	(319,374)
Issue of share capital	96,314	25,611	–	–	121,925
Transfer from capital reserve on exercise of Warrants 2004	–	23,659	(24,064)	405	–
<b>Balance at 31 December 2004</b>	<b>793,055</b>	<b>274,856</b>	<b>269,411</b>	<b>580,346</b>	<b>1,917,668</b>
<b>Balance at 1 January 2003</b>	<b>613,414</b>	<b>184,511</b>	<b>414,450</b>	<b>486,431</b>	<b>1,698,806</b>
Revaluation deficit	–	–	(79,101)	–	(79,101)
Revaluation surplus transferred to income statement on disposal of investment property	–	–	(789)	–	(789)
Currency translation differences	–	–	16,079	–	16,079
Net loss recognised directly in equity	–	–	(63,811)	–	(63,811)
Net profit for the financial year	–	–	–	78,790	78,790
<b>Total recognised gains and losses for the financial year</b>	<b>–</b>	<b>–</b>	<b>(63,811)</b>	<b>78,790</b>	<b>14,979</b>
Dividends relating to 2002	–	–	–	(47,846)	(47,846)
Issue of share capital	83,327	21,245	–	–	104,572
Transfer from capital reserve on exercise of Warrants 2004	–	19,830	(19,830)	–	–
<b>Balance at 31 December 2003</b>	<b>696,741</b>	<b>225,586</b>	<b>330,809</b>	<b>517,375</b>	<b>1,770,511</b>

# STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2004

	Share capital \$'000	Share premium \$'000	Reserves \$'000	Retained earnings \$'000	Total \$'000
<b>Balance at 1 January 2004</b>	<b>696,741</b>	<b>225,586</b>	<b>83,652</b>	<b>58,807</b>	<b>1,064,786</b>
Revaluation surplus	–	–	2,568	–	2,568
Effect of change in tax rate	–	–	1,686	–	1,686
Net gains recognised directly in equity	–	–	4,254	–	4,254
Net profit for the financial year	–	–	–	327,526	327,526
<b>Total recognised gains</b>					
<b>for the financial year</b>	<b>–</b>	<b>–</b>	<b>4,254</b>	<b>327,526</b>	<b>331,780</b>
Dividends relating to 2003 and 2004	–	–	–	(319,374)	(319,374)
Issue of share capital	96,314	25,611	–	–	121,925
Transfer from capital reserve on exercise of Warrants 2004	–	23,659	(24,064)	405	–
<b>Balance at 31 December 2004</b>	<b>793,055</b>	<b>274,856</b>	<b>63,842</b>	<b>67,364</b>	<b>1,199,117</b>
<b>Balance at 1 January 2003</b>	<b>613,414</b>	<b>184,511</b>	<b>120,208</b>	<b>71,933</b>	<b>990,066</b>
Revaluation deficit	–	–	(16,726)	–	(16,726)
Net loss recognised directly in equity	–	–	(16,726)	–	(16,726)
Net profit for the financial year	–	–	–	34,720	34,720
<b>Total recognised gains and losses for the financial year</b>	<b>–</b>	<b>–</b>	<b>(16,726)</b>	<b>34,720</b>	<b>17,994</b>
Dividends relating to 2002	–	–	–	(47,846)	(47,846)
Issue of share capital	83,327	21,245	–	–	104,572
Transfer from capital reserve on exercise of Warrants 2004	–	19,830	(19,830)	–	–
<b>Balance at 31 December 2003</b>	<b>696,741</b>	<b>225,586</b>	<b>83,652</b>	<b>58,807</b>	<b>1,064,786</b>

# CONSOLIDATED CASH FLOW STATEMENT

For the financial year ended 31 December 2004

	2004 \$'000	2003 \$'000
<b>Cash flows from operating activities</b>		
Profit before tax and share of results of associated companies	<b>483,700</b>	113,012
Adjustments for:		
Amortisation of bond discount	<b>7,067</b>	11,895
Amortisation of negative goodwill	<b>(1,100)</b>	(643)
Depreciation of property, plant and equipment	<b>33,323</b>	31,846
Exchange differences	<b>(2,325)</b>	1,296
Amortisation of trademark and goodwill	<b>1,141</b>	491
Property, plant and equipment written off and net loss on disposals	<b>5,320</b>	1,434
Gain on disposal of an investment property	<b>–</b>	(867)
Impairment charge on a hotel property	<b>5,373</b>	–
Write-back of impairment charge on a hotel property	<b>(7,460)</b>	–
Interest expense	<b>15,157</b>	18,675
Investment and interest income	<b>(47,727)</b>	(36,547)
Allowance/(write-back of allowance) for diminution in value of long term investments	<b>60</b>	(1,298)
Write-back of allowance for doubtful recovery of loans and non-trade receivables from associated companies	<b>–</b>	(355)
Deferred income	<b>(8,443)</b>	(8,703)
Write-back of allowance for diminution in value of short term investments	<b>–</b>	(764)
Gain on sale of investments - quoted equity shares	<b>(355,184)</b>	–
Net provision for retirement benefits	<b>280</b>	279
Surplus on liquidation of a subsidiary	<b>–</b>	(596)
Gain on disposal of subsidiaries	<b>(136)</b>	(151)
Write-back of impairment charge upon disposal of an associated company	<b>–</b>	(4,445)
Share of distribution on sale of common property	<b>–</b>	(1,228)
Profit on properties for sale under development	<b>(13,700)</b>	(10,612)
Provision for settlement of a claim	<b>–</b>	632
	<b>(368,354)</b>	339
Operating cash flow before working capital changes	<b>115,346</b>	113,351
Change in operating assets and liabilities, net of effects from purchase and disposals of subsidiaries		
Receivables	<b>39,178</b>	(1,604)
Inventories	<b>(122)</b>	(248)
Rental deposits	<b>(1,400)</b>	(854)
Payables	<b>(5,720)</b>	(10,715)
	<b>31,936</b>	(13,421)
Expenditure on properties for sale under development	<b>(87,432)</b>	(125,714)
Progress billings	<b>99,107</b>	174,884
Cash generated from operations	<b>158,957</b>	149,100
Income tax paid	<b>(13,721)</b>	(13,098)
Retirement benefits paid	<b>(433)</b>	(336)
<b>Net cash from operating activities</b>	<b>144,803</b>	135,666



# CONSOLIDATED CASH FLOW STATEMENT (continued)

For the financial year ended 31 December 2004

	2004 \$'000	2003 \$'000
<b>Cash flows from investing activities</b>		
Proceeds from return of capital from long-term investments	8,225	–
Net proceeds from disposal of long-term investments	–	300
Net proceeds from disposal of investments - quoted equity shares	449,420	–
Redemption of preference shares in associated companies	–	19,600
Payment for interest in associated companies	(4,880)	–
Loan to associated companies	(4,614)	–
Payment to minority shareholders for purchase of shares in subsidiaries	(1,042)	(13,830)
Payment for long-term investments	(19)	–
Net proceeds from disposal of property, plant and equipment and investment properties	553	3,400
Purchase of property, plant and equipment and investment properties	(22,857)	(75,592)
Proceeds from disposal of subsidiaries, net of cash disposed	1,697	(133)
Proceeds from disposal of common property	–	1,228
Proceeds from disposal of an associated company	–	4,445
Retention monies (released)/withheld	(1,596)	467
Interest received	3,452	2,109
Dividend received	41,382	33,114
<b>Net cash from/(used in) investing activities</b>	<b>469,721</b>	<b>(24,892)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	121,925	104,571
Net proceeds from issue of shares to minority shareholders of subsidiaries	394	15,000
Net proceeds from Zero Coupon Exchangeable Notes due September 2005	500,369	–
Repayment of loan from an associated company	–	531
Loans from/(repayment of loans from) minority shareholders of subsidiaries	4,669	(6,747)
Long-term borrowings	77,469	63,649
Short-term borrowings	(362,584)	(174,045)
Interest paid	(16,755)	(17,127)
Dividends paid to shareholders of United Overseas Land Limited	(319,374)	(47,846)
Dividends paid to minority shareholders of subsidiaries	(2,026)	(2,010)
<b>Net cash from/(used in) financing activities</b>	<b>4,087</b>	<b>(64,024)</b>
<b>Net increase in cash and cash equivalents</b>	<b>618,611</b>	<b>46,750</b>
Cash and cash equivalents at the beginning of the financial year	109,270	62,520
<b>Cash and cash equivalents at the end of the financial year</b>	<b>727,881</b>	<b>109,270</b>

# NOTES TO THE SUMMARY FINANCIAL STATEMENTS

For the financial year ended 31 December 2004

## 1. ASSET REVALUATION RESERVE

	The Group		The Company	
	2004	2003	2004	2003
	\$'000	\$'000	\$'000	\$'000
At the beginning of the financial year	<b>226,142</b>	305,779	<b>60,087</b>	76,813
Effect of change in tax rate	<b>1,789</b>	–	<b>589</b>	–
Net (deficit)/surplus arising from the revaluation of investment properties	<b>(43,320)</b>	(95,221)	<b>3,156</b>	(17,650)
Deferred tax on (surplus)/deficit on revaluation of investment properties	<b>(49)</b>	1,579	<b>(588)</b>	924
	<b>(43,369)</b>	(93,642)	<b>2,568</b>	(16,726)
Amount attributable to minority interests	<b>9,946</b>	14,541	–	–
	<b>(33,423)</b>	(79,101)	<b>2,568</b>	(16,726)
Exchange differences	<b>656</b>	253	–	–
Revaluation surplus transferred to income statement on disposal of investment property	–	(789)	–	–
At the end of the financial year	<b>195,164</b>	226,142	<b>63,244</b>	60,087

The asset revaluation reserve of the Group does not take into account the surplus of \$166,037,000 (2003: \$106,262,000) arising from the revaluation of the hotel properties of the Group.

## 2. INCOME TAX EXPENSE

	The Group		The Company	
	2004	2003	2004	2003
	\$'000	\$'000	\$'000	\$'000
Tax expense attributable to profit is made up of:				
Current income tax				
– Singapore	<b>92,181</b>	24,150	<b>83,723</b>	12,405
– Foreign	<b>1,431</b>	550	–	–
	<b>93,612</b>	24,700	<b>83,723</b>	12,405
Deferred income tax	<b>2,336</b>	1,020	<b>(1,159)</b>	(2,682)
Share of tax of associated companies	<b>743</b>	643	–	–
	<b>96,691</b>	26,363	<b>82,564</b>	9,723
Deferred tax assets previously not recognised	<b>(6,500)</b>	–	–	–
Effect of change in tax rate on deferred taxation	<b>(2,133)</b>	–	<b>492</b>	–
	<b>88,058</b>	26,363	<b>83,056</b>	9,723
(Over)/under provision in preceding financial years				
– Singapore current income tax	<b>(2,707)</b>	(697)	–	–
– Deferred income tax	<b>1,973</b>	1,362	–	–
	<b>87,324</b>	27,028	<b>83,056</b>	9,723

# NOTES TO THE SUMMARY FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2004

## 3. DIVIDENDS

	The Group and the Company	
	<b>2004</b>	2003
	<b>\$'000</b>	\$'000
Final taxable dividend paid in respect of the previous financial year of 7.5 cents (2003: 7.5 cents) per share	<b>41,805</b>	35,885
Special taxable dividend of 25.5 cents (2003: 2.5 cents) per share	<b>161,783</b>	11,961
Special tax-exempt dividend of 14.6 cents (2003: nil) per share	<b>115,786</b>	–
	<b>319,374</b>	47,846

At the Annual General Meeting on 22 April 2005, a final taxable dividend of 6.0 cents per share amounting to a total of \$47,583,000 will be recommended. These financial statements do not reflect this dividend, which will be accounted for in the shareholders' equity as an appropriation of retained profits in the financial year ending 31 December 2005.

## 4. RELATED PARTY TRANSACTIONS

- (a) The Company is regarded by United Overseas Bank Limited ("UOB") as an associated company. Besides acting as the principal banker providing banking and other related services, the UOB Group of Companies also provides insurance and tax services to the Company and its subsidiaries.
- (b) There were the following significant transactions between the Group and UOB Group of Companies during the financial year on terms agreed between the parties concerned:

	The Group		The Company	
	<b>2004</b>	2003	<b>2004</b>	2003
	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000
Interest income earned on fixed deposits	<b>3,007</b>	1,652	<b>681</b>	7
Rental, maintenance fees and other related income received	<b>3,724</b>	5,311	–	–
Interest expenses paid on the bank loans and overdrafts	<b>12,104</b>	12,235	–	–
Insurance premium paid	<b>518</b>	579	<b>67</b>	103
Commission paid on application of performance guarantee, letter of credit, and other related expenses paid	<b>1,696</b>	781	<b>110</b>	30
Rental paid	<b>563</b>	490	–	–

## NOTES TO THE SUMMARY FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2004

### 4. RELATED PARTY TRANSACTIONS (continued)

- (c) UOB also acted as the facility agent for certain loan arrangements. In addition to the interest shown above, interest expenses and fees (comprising participation, agency establishment, front end, commitment and management fees) paid to the panel of banks, including UOB are as follows:

	The Group and the Company	
	<b>2004</b>	2003
	<b>\$'000</b>	\$'000
Interest expenses	<b>926</b>	1,725

- (d) At the balance sheet date, there were no significant outstanding balances with the UOB Group except for the bank loans, bank overdrafts, short-term deposits and bank balances.

- (e) The key management's remuneration includes fees, salary, bonus, commission and other emoluments (including benefits-in-kind) computed based on the cost incurred by the Group and the Company, and where the Group or Company did not incur any costs, the value of the benefit is included. The key management's remuneration is as follows:

	The Group	
	<b>2004</b>	2003
	<b>\$'000</b>	\$'000
Key management of the Group:		
– directors of the Company	<b>1,329</b>	1,259
– directors of subsidiaries	<b>1,076</b>	1,344

# SHAREHOLDING STATISTICS

As at 7 March 2005

Authorised share capital : S\$1,000,000,000

Issued and paid up capital : S\$793,055,154

Class of shares : Ordinary shares of S\$1.00 each

Voting rights : One vote per share

## SIZE OF SHAREHOLDINGS

Range	No. of Shareholders	%	No. of Shares	%
1 - 999	1,118	7.63	362,901	0.05
1,000 - 10,000	11,057	75.42	43,469,637	5.48
10,001 - 1,000,000	2,461	16.79	113,478,697	14.31
1,000,001 and above	24	0.16	635,743,919	80.16
<b>Total :</b>	<b>14,660</b>	<b>100.00</b>	<b>793,055,154</b>	<b>100.00</b>

## TWENTY LARGEST SHAREHOLDERS

Name	No. of Shares	%
1. Tye Hua Nominees (Pte) Ltd	354,707,734	44.73
2. United Overseas Bank Nominees Pte Ltd	81,765,689	10.31
3. Raffles Nominees Pte Ltd	42,783,802	5.39
4. Citibank Nominees Singapore Pte Ltd	33,157,280	4.18
5. DBS Nominees Pte Ltd	31,495,828	3.97
6. Wee Investments Pte Ltd	16,986,172	2.14
7. Morgan Stanley Asia (Singapore) Securities Pte Ltd	12,668,227	1.60
8. DB Nominees (S) Pte Ltd	10,243,300	1.29
9. HSBC (Singapore) Nominees Pte Ltd	10,136,703	1.28
10. Kheng Ho Huat Company (Private) Ltd	5,911,500	0.75
11. Morph Investments Ltd	4,690,000	0.59
12. OCBC Nominees Singapore Pte Ltd	4,558,700	0.57
13. OCBC Securities Private Ltd	4,102,864	0.52
14. Oversea-Chinese Bank Nominees Pte Ltd	3,636,981	0.46
15. Kah Motor Co Sdn Bhd	3,387,861	0.43
16. UOB Kay Hian Pte Ltd	3,068,521	0.39
17. Merrill Lynch (Singapore) Pte Ltd	2,328,595	0.29
18. Ngee Ann Development Pte Ltd	2,000,000	0.25
19. Sunrise Textile Accessories (Pte) Ltd	1,639,000	0.21
20. The Asia Life Assurance Society Ltd - Par Fund	1,526,000	0.19
<b>Total :</b>	<b>630,794,757</b>	<b>79.54</b>

Based on information available to the Company as at 7 March 2005, approximately 45.5% of the issued ordinary shares of the Company is held by the public and therefore, Rule 723 of the SGX-ST Listing Manual is complied with.

## SUBSTANTIAL SHAREHOLDERS as shown in the Register of Substantial Shareholders

Name	No. of Shares of S\$1.00 each fully paid			%
	Direct Interest	Deemed Interest	Total	
United Overseas Bank Limited ("UOB")	354,695,423 <sup>1</sup>	13,827,125 <sup>2</sup>	368,522,548	46.47
Wee Cho Yaw	1,664,023	59,364,699 <sup>3</sup>	61,028,722	7.70

<sup>1</sup> Held through Tye Hua Nominees (Pte) Limited [Beneficiary: UOB]

<sup>2</sup> UOB is deemed to have an interest in the shares held as follows:

- (a) United Overseas Bank Nominees (Pte) Limited
  - Beneficiary: UOB Life Assurance Limited 5,600,000
  - Beneficiary: United International Securities Limited 5,145,125
- (b) Unit Trusts Funds managed by UOB Asset Management Ltd ("UOBAM") (discretionary) 563,000
- (c) Client Portfolios managed by UOBAM 1,133,000
- (d) Hotel Negara Limited 539,000
- (e) Overseas Union Bank Nominees (Pte) Limited [Beneficiary: Overseas Union Insurance Limited] 180,000
- (f) Sogasia Fund 667,000

<sup>3</sup> Mr Wee is deemed to have an interest in the 35,140,527 shares held by Haw Par Group, 7,238,000 shares held by C.Y.We & Co. Pte Ltd and 16,986,172 shares held by Wee Investments Pte Ltd

# NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 42nd Annual General Meeting of the Company will be held at the UOB Penthouse, 61st Storey, UOB Plaza 1, 80 Raffles Place, Singapore 048624, on Friday, 22 April 2005, at 3.30 p.m. to transact the following business:

## AS ORDINARY BUSINESS

1. To receive the Financial Statements and the Reports of the Directors and the Auditors for the year ended 31 December 2004.
2. To declare a final tax-exempt (one-tier) dividend of 6.0 cents per ordinary share for the year ended 31 December 2004.
3. To approve Directors' fees of S\$230,000 for 2004 (2003: S\$251,000).
4. To pass the following resolutions separately pursuant to Section 153(6) of the Companies Act, Cap. 50:

"That pursuant to Section 153(6) of the Companies Act, Cap. 50, \_\_\_\_\_ be and is hereby re-appointed as a Director of the Company to hold such office until the next Annual General Meeting of the Company."

in respect of each of the following persons:

- (a) Mr Wee Cho Yaw
- (b) Mr Lim Kee Ming
- (c) Mr Alan Choe Fook Cheong

5. To re-elect Mr Wong Yuen Weng Ernest, who retires pursuant to Article 94 of the Company's Articles of Association.
6. To re-appoint Messrs PricewaterhouseCoopers as Auditors of the Company and authorise the Directors to fix their remuneration.

## AS SPECIAL BUSINESS

7. To consider and, if thought fit, to pass with or without amendments the following resolutions as Ordinary Resolutions:
  - (a) "That pursuant to Section 161 of the Companies Act, Cap. 50, authority be and is hereby given to the Directors to offer and grant options in accordance with the regulations of the UOL 2000 Share Option Scheme (the "2000 Scheme") and to allot and issue from time to time such number of shares in the Company as may be required to be issued pursuant to the exercise of options under the 2000 Scheme, provided that the aggregate number of shares to be issued pursuant to this Resolution shall not exceed fifteen per centum (15%) of the issued share capital of the Company from time to time."
  - (b) "That pursuant to Section 161 of the Companies Act, Cap. 50, authority be and is hereby given to the Directors to issue further shares in the Company at any time to such persons, upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit, provided that the aggregate number of shares to be issued pursuant to this Resolution shall not exceed ten per centum (10%) of the issued share capital of the Company for the time being."
8. To transact any other business as can be transacted at an Annual General Meeting.

BY ORDER OF THE BOARD

Foo Thiam Fong Wellington  
Secretary  
Singapore, 5 April 2005

## Notes

*A member entitled to attend and vote at the Meeting is entitled to appoint not more than two proxies to attend and vote in his stead. A proxy need not be a member of the Company. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 101 Thomson Road, #33-00 United Square, Singapore 307591 not less than 48 hours before the time for holding the Meeting.*

## NOTICE OF ANNUAL GENERAL MEETING (continued)

### NOTES TO RESOLUTIONS

1. In relation to **Resolution 4a**, Mr Wee Cho Yaw will, upon re-appointment, continue as the Chairman of the Board of Directors, the Executive Committee and the Remuneration Committee, and as a member of the Nominating Committee. He is considered a non-independent director.
2. In relation to **Resolution 4b**, Mr Lim Kee Ming will, upon re-appointment, continue as the Chairman of the Audit Committee and as a member of the Remuneration Committee and the Nominating Committee. He is considered an independent director.
3. In relation to **Resolution 4c**, Mr Alan Choe Fook Cheong will, upon re-appointment, continue as the Chairman of the Nominating Committee and as a member of the Audit Committee and the Remuneration Committee. He is considered an independent director.
4. In relation to **Resolution 5**, Mr Wong Yuen Weng Ernest will, upon re-election, continue as a member of the Audit Committee. He is considered an independent director.
5. **Resolution 7a** is to allow the Directors to issue shares pursuant to the 2000 Scheme, which was approved at the Extraordinary General Meeting of the Company on 23 May 2000. A copy of the Regulations governing the 2000 Scheme is available for inspection by members during normal office hours at the Company's Registered Office.
6. **Resolution 7b** is to allow the Directors to issue further shares in the Company, subject to the limit stated in the resolution. This authority will expire at the conclusion of the next Annual General Meeting. The Directors would only issue shares under this resolution where they consider it appropriate and in the interest of the Company to do so.



# PROXY FORM

Annual General Meeting

## United Overseas Land Limited

(incorporated in the Republic of Singapore)

Company Registration No. 196300438C

### IMPORTANT: FOR CPF INVESTORS ONLY

1. This Report is forwarded to you at the request of your CPF Approved Nominee and is sent SOLELY FOR YOUR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We, \_\_\_\_\_ (Name)

of \_\_\_\_\_

\_\_\_\_\_ (Address)

being a member/members of UNITED OVERSEAS LAND LIMITED ("the Company"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

and/or (please delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

or failing him/her, the Chairman of the Meeting as my/our proxy/proxies to attend and vote for me/us on my/our behalf and, if necessary, to demand a poll, at the **42nd Annual General Meeting** of the Company to be held at the UOB Penthouse, 61st Storey, UOB Plaza 1, 80 Raffles Place, Singapore 048624 on Friday, 22 April 2005 at 3.30 p.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the Meeting as indicated below. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Meeting. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

Resolution Number	Ordinary Resolutions	To be used on a show of hands		To be used in the event of a poll	
		For *	Against *	No. of Votes For **	No. of Votes Against **
1.	Financial Statements and Reports of the Directors and the Auditors				
2.	Final Dividend				
3.	Directors' Fees				
4.	(a) Re-appointment (Mr Wee Cho Yaw)				
	(b) Re-appointment (Mr Lim Kee Ming)				
	(c) Re-appointment (Mr Alan Choe Fook Cheong)				
5.	Re-election (Mr Wong Yuen Weng Ernest)				
6.	Auditors and their Remuneration				
7.	(a) Authority to Issue Shares (Share Option)				
	(b) Authority to Issue Shares (General)				

\* Please indicate your vote "For" or "Against" with a tick (✓) within the box provided.

\*\* If you wish to exercise all your votes "For" or "Against", please tick (✓) within the box provided. Otherwise, please indicate the number of votes as appropriate.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2005

**Total Number of Shares Held**

\_\_\_\_\_  
Signature(s) or Common Seal of Member(s)

**IMPORTANT: PLEASE READ NOTES ON THE REVERSE**

**PROXY FORM**

Please Affix  
Postage  
Stamp

**The Company Secretary**  
**UNITED OVERSEAS LAND LIMITED**  
101 Thomson Road  
#33-00 United Square  
Singapore 307591

2ND FOLD HERE

3RD FOLD HERE

**Notes:**

1. A Member of the Company entitled to attend and vote at the meeting is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a Member of the Company.
2. Where a Member appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholdings (expressed as a percentage of the whole) to be represented by each proxy.
3. This instrument of proxy must be signed by the appointor or his/her duly authorised attorney or, if the appointor is a body corporate, signed by its duly authorised officer or attorney or executed under its common seal.
4. A body corporate which is a member may also appoint by resolution of its directors or other governing body, an authorised representative or representatives in accordance with its Articles of Association and Section 179 of the Companies Act, Chapter 50 of Singapore, to attend and vote on behalf of such body corporate.
5. This instrument appointing a proxy or proxies (together with the power of attorney (if any) under which it is signed or a certified copy thereof) must be deposited at the registered office of the Company at 101 Thomson Road, #33-00 United Square, Singapore 307591, not less than 48 hours before the time fixed for holding the meeting.
6. If you have Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members. If no number is inserted, this instrument of proxy will be deemed to relate to all the Shares held by you.
7. Any alteration made in this form must be initialed by the person who signs it.
8. The Company shall be entitled to reject this instrument of proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in this instrument of proxy. In addition, in the case of a member whose Shares are entered against his/her name in the Depository Register, the Company shall be entitled to reject any instrument of proxy lodged if such member, being the appointor, is not shown to have Shares entered against his/her name in the Depository Register 48 hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.

# REQUEST FORM

## United Overseas Land Limited

(Incorporated in the Republic of Singapore)

Company Registration No. 196300438C

5 April 2005

Dear Shareholder

This notice accompanies a copy of the Summary Financial Report ("SFR") of United Overseas Land Limited (the "Company") for the financial year ended 31 December 2004 ("FY2004"). The SFR contains a review of the Company and its subsidiaries (the "Group"), and a summary of the audited financial statements of the Company and the Group for FY2004. The SFR for FY2004 is an example of the SFRs that you will receive for the future, unless you notify us to the contrary.

The full financial statements of the Company and the Group for FY2004 are set out in the Annual Report ("AR"), which is a separate report available to all registered shareholders of the Company at no cost upon request. The AR for FY2004 will also be available on our website at [www.uol.com.sg](http://www.uol.com.sg).

From this year onwards, we will be sending you SFRs, instead of ARs, for as long as you are a shareholder, unless you indicate otherwise. If you wish to receive a copy of the AR for FY2004 and for future financial years, please complete the Request Form below and return it to us by 11 April 2005. **If we do not receive your Request Form, it would indicate that you do not wish to receive the AR for FY2004 and for future financial years.**

If you wish to change any earlier request sent to the Company, please complete the Request Form below and return it to us by 11 April 2005. **If we do not receive your Request Form, it would indicate that there is no change to your wishes.** Your latest request will supersede the earlier requests received by us.

Yours faithfully  
for United Overseas Land Limited

Foo Thiam Fong Wellington  
Secretary

## REQUEST FORM

TO: UNITED OVERSEAS LAND LIMITED

(Note: Please tick only ONE box. Incomplete or incorrectly completed forms will not be processed.)

- ☐ 1. I/We wish to receive the Annual Report for FY2004.
- ☐ 2. I/We wish to receive the Annual Report for FY2004 as well as the Annual Reports and Summary Financial Reports for future financial years, for as long as I am/we are shareholder(s).
- ☐ 3. I/We wish to receive ONLY the Summary Financial Reports for future financial years, for as long as I am/we are shareholder(s).
- ☐ 4. I/We do not wish to receive the Annual Report for FY2004 and do not wish to receive the Annual Reports and Summary Financial Reports for future financial years.

Name of shareholder(s): \_\_\_\_\_ NRIC/Passport\* No(s): \_\_\_\_\_

Address: \_\_\_\_\_

The shares are held by me under or through :

- ☐ CDP Securities Account Number + 

1	6	8	1	-					-				
---	---	---	---	---	--	--	--	--	---	--	--	--	--
- ☐ CPFIS Account #
- ☐ Physical scrips

Signature(s): \_\_\_\_\_

Date: \_\_\_\_\_

\* Please delete where inapplicable.

+ This applies only if your shares are registered with The Central Depository (Pte) Limited.

# Please note that if your shares are held under CPFIS, you will be included under the first option only.

1ST FOLD HERE

2ND FOLD HERE

3RD FOLD AND GLUE OVERLEAF. DO NOT STAPLE.

**BUSINESS REPLY SERVICE**  
**PERMIT NO. 07727**



**UNITED OVERSEAS LAND LIMITED**  
c/o The Central Depository (Pte) Limited  
4 Shenton Way, #02-01, SGX Centre 2  
Singapore 068807

Postage will be  
paid by addressee.  
For posting in  
Singapore only.

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3RD FOLD AND GLUE OVERLEAF. DO NOT STAPLE.



**UNITED OVERSEAS LAND LIMITED**

*Company Registration No. 196300438C*

101 Thomson Road #33-00 United Square

Singapore 307591

Tel : (65) 6255 0233

Fax : (65) 6252 9822