



Unaudited Financial Statements And Dividend Announcements For The Third Quarter Ended 30 September 2019

Part I : Information Required for Quarterly (Q1, Q2 & Q3), Half-Year and Full Year Announcement

- 1(a) **An Income Statement and Statement of Comprehensive Income, or a Statement of Comprehensive Income (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Consolidated Statement of Comprehensive Income

	Note	Group					
		3rd Quarter Ended 30 September			9 Months Ended 30 September		
		2019	2018	Inc (Dcr)	2019	2018	Inc (Dcr)
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue		51,770	33,902	53	148,850	248,288	(40)
Cost of sales		(36,249)	(25,306)	43	(105,709)	(190,443)	(44)
Gross profit		15,521	8,596	81	43,141	57,845	(25)
Other income							
Interest		1,050	713	47	3,130	1,938	62
Others	A	1,261	1,480	(15)	3,594	3,117	15
Other gains and losses	B	(4,753)	2,769	N.M	(11,917)	(5,281)	126
Expenses							
Administrative	C	(6,173)	(5,399)	14	(15,949)	(15,154)	5
Distribution and marketing	D	(269)	(846)	(68)	(1,219)	(1,852)	(34)
Finance	E	(2,837)	(1,187)	139	(7,290)	(2,766)	164
Share of profit of associated company		6,006	705	752	11,416	2,632	334
Profit before income tax		9,806	6,831	44	24,906	40,479	(38)
Income tax expense		(3,221)	(2,490)	29	(6,687)	(9,310)	(28)
Profit for the period		6,585	4,341	52	18,219	31,169	(42)
Other comprehensive income:							
Item that may be reclassified subsequently to profit or loss:							
Currency translation differences arising from consolidation - (losses)/gains		(723)	(1,805)	(60)	452	(4,188)	N.M
Item that will not be reclassified subsequently to profit or loss:							
Currency translation differences arising from consolidation - losses		(164)	(183)	(10)	(299)	(364)	(18)
Other comprehensive income, net of tax		(887)	(1,988)	(55)	153	(4,552)	N.M
Total comprehensive income		5,698	2,353	142	18,372	26,617	(31)
Profit attributable to:							
Equity holders of the Company		6,944	3,776	84	16,796	20,879	(20)
Non-controlling interest		(359)	565	N.M	1,423	10,290	(86)
		6,585	4,341	52	18,219	31,169	(42)
Total comprehensive income attributable to:							
Equity holders of the Company		6,221	1,971	216	17,248	16,691	3
Non-controlling interests		(523)	382	N.M	1,124	9,926	(89)
		5,698	2,353	142	18,372	26,617	(31)



Notes to the Consolidated Statement of Comprehensive Income

(A)	Other income	Group					
		3rd Quarter Ended 30 September			9 Months Ended 30 September		
		2019	2018	Inc (Dcr)	2019	2018	Inc (Dcr)
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
	Ancillary fees collected - dormitory/ commercial property	308	896	(66)	833	1,387	(40)
	Dividend income	-	-	-	-	479	N.M
	Government grants	13	19	(31)	58	80	(27)
	Rental income	898	538	67	2,619	970	170
	Others	42	27	55	84	201	(58)
	Total other income	1,261	1,480	(15)	3,594	3,117	15
(B)	Other gains and losses	Group					
		3rd Quarter Ended 30 September			9 Months Ended 30 September		
		2019	2018	Inc (Dcr)	2019	2018	Inc (Dcr)
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
	Fair value gain/(loss) on financial assets, at FVPL	3	(4)	N.M	32	(212)	N.M
	Fair value gain/(loss) on derivative financial instruments	(26)	(378)	(93)	2,284	(1,342)	N.M
	Currency exchange loss	(4,715)	(4,598)	3	(14,218)	(10,476)	36
	Ineffectiveness on cashflow hedges	-	(110)	N.M	-	(110)	N.M
	Loss on disposal of financial assets, at FVPL	(12)	-	N.M	(12)	(722)	(98)
	Gain/(loss) on disposal of plant and equipment	-	(43)	N.M	-	37	N.M
	Gain on disposal of investment property	-	7,873	N.M	-	7,873	N.M
	Plant and equipment written off	-	-	N.M	-	(362)	N.M
	Reversal of impairment loss on development property	-	29	N.M	-	33	N.M
	Bad debt written off	(3)	-	N.M	(3)	-	N.M
	Total other gains and losses	(4,753)	2,769	N.M	(11,917)	(5,281)	126
(C)	Administrative expenses	Group					
		3rd Quarter Ended 30 September			9 Months Ended 30 September		
		2019	2018	Inc (Dcr)	2019	2018	Inc (Dcr)
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
	Depreciation	(250)	(262)	(5)	(752)	(836)	(10)
	Employee compensation	(3,315)	(2,525)	31	(8,692)	(8,932)	(3)
	Legal and other professional fee	(1,127)	(1,214)	(7)	(2,603)	(2,598)	0
	Lease related expenses	(539)	(850)	(37)	(1,657)	(1,370)	21
	Office expenses	(942)	(548)	72	(2,245)	(1,418)	58
	Total administrative expenses	(6,173)	(5,399)	14	(15,949)	(15,154)	5
(D)	Distribution and marketing expenses	Group					
		3rd Quarter Ended 30 September			9 Months Ended 30 September		
		2019	2018	Inc (Dcr)	2019	2018	Inc (Dcr)
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
	Advertisement	(1)	(1)	-	(39)	(57)	(32)
	Commission	(86)	(495)	(83)	(559)	(1,149)	(51)
	Entertainment	(10)	(17)	(41)	(64)	(87)	(26)
	Marketing	(10)	(158)	(94)	(164)	(218)	(25)
	Travelling	(147)	(160)	(8)	(357)	(302)	18
	Others	(15)	(15)	-	(36)	(39)	(8)
	Total distribution and marketing expenses	(269)	(846)	(68)	(1,219)	(1,852)	(34)
(E)	Finance expenses	Group					
		3rd Quarter Ended 30 September			9 Months Ended 30 September		
		2019	2018	Inc (Dcr)	2019	2018	Inc (Dcr)
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
	Interest - Bank borrowings	(1,783)	(1,281)	39	(5,716)	(3,693)	55
	Interest - Related parties' loans	(961)	(600)	60	(2,377)	(1,818)	31
	Interest - Finance lease liabilities	(79)	-	N.M	(237)	-	N.M
	Less: Amounts capitalised in development & investment properties	(14)	694	(102)	1,040	2,745	(62)
	Total finance expenses	(2,837)	(1,187)	139	(7,290)	(2,766)	164

N.M - Not meaningful



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.

Balance Sheet

	Group		Company	
	As at		As at	
	30/9/2019	31/12/2018	30/9/2019	31/12/2018
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
<u>Current assets</u>				
Development properties	113,775	131,263	-	-
Trade and other receivables	121,356	71,503	32,606	22,756
Financial assets, at FVPL	5,577	6,306	5,577	6,306
Cash and cash equivalents	105,920	162,356	59,200	43,520
	346,628	371,428	97,383	72,582
<u>Non-current assets</u>				
Property, plant and equipment	34,952	24,401	3	4
Investment properties	387,906	316,766	-	-
Investment in subsidiaries	-	-	58,150	53,981
Investment in associated company	19,655	8,212	-	-
Financial assets, at FVPL	3,453	-	3,453	-
Deferred income tax assets	6,217	7,053	330	123
Other receivables	41,134	39,776	238,617	251,537
	493,317	396,208	300,553	305,645
Total Assets	839,945	767,636	397,936	378,227
LIABILITIES				
<u>Current liabilities</u>				
Current income tax liabilities	9,966	15,694	-	-
Trade and other payables	89,579	91,543	44,748	58,066
Derivative financial instruments	-	2,347	-	2,310
Borrowings	194,518	168,258	43,500	-
	294,063	277,842	88,248	60,376
<u>Non-current liabilities</u>				
Borrowings	17,785	12,129	-	-
Deferred income tax liabilities	1,809	2,567	-	-
Other payables	132,077	97,464	11,099	11,763
	151,671	112,160	11,099	11,763
Total Liabilities	445,734	390,002	99,347	72,139
NET ASSETS	394,211	377,634	298,589	306,088
<u>EQUITY</u>				
Capital and reserves attributable to equity holders of the Company				
Share capital	125,733	125,733	125,733	125,733
Currency translation reserve	(3,990)	(4,442)	-	-
Retained profits	254,769	244,408	172,856	180,355
	376,512	365,699	298,589	306,088
Non-controlling interests	17,699	11,935	-	-
Total equity	394,211	377,634	298,589	306,088



1(b)(ii) Aggregate amount of Group's borrowings and debt securities.

	Group			
	As at 30/9/2019		As at 31/12/2018	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
(a) Amount repayable in one year or less, or on demand	194,518	-	168,258	-
(a) Amount repayable after one year	17,785	-	12,129	-
Total aggregate amount of Group's borrowings and debt securities	212,303	-	180,387	-

Details of collaterals:

Interest bearing bank loans are secured by the following:-

- 1) First legal mortgage over the Group's completed development property and investment properties.
- 2) Corporate guarantee given by the Company.



1(c) A Statement of Cash Flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Cash Flows

	Group			
	3rd Quarter Ended 30 September		9 Months Ended 30 September	
	2019	2018	2019	2018
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Profit for the period	6,585	4,341	18,219	31,169
Adjustments for:				
- Income tax expense	3,221	2,490	6,687	9,310
- Interest income	(1,050)	(713)	(3,130)	(1,938)
- Finance expenses	2,837	1,187	7,290	2,766
- Dividend income	-	-	-	(479)
- Depreciation*	5,706	3,884	15,054	11,932
- Reversal of impairment loss on development property	-	(29)	-	(33)
- Fair value (gain)/loss on derivative financial instruments	26	378	(2,284)	1,342
- Fair value (gain)/loss on financial assets, at FVPL	(3)	4	(32)	212
- (Gain)/loss on disposal of plant and equipment	-	43	-	(37)
- Gain on disposal of investment property	-	(7,873)	-	(7,873)
- Ineffectiveness on cashflow hedges	-	110	-	110
- Loss on disposal of financial assets, at FVPL	12	-	12	722
- Plant and equipment written off	-	-	-	362
- Unrealised currency translation losses	3,427	4,122	6,820	10,417
- Share of profit of associated company	(6,006)	(705)	(11,416)	(2,632)
	14,755	7,239	37,220	55,350
Change in working capital, net of effects from acquisition and disposal of subsidiaries:				
- Trade and other receivables	(1,251)	(1,983)	(50,712)	(7,561)
- Development properties	1,831	11,599	15,748	112,430
- Trade and other payables	750	(8,177)	(4,846)	(82,890)
Cash (used in)/generated from operations	16,085	8,678	(2,590)	77,329
Income tax paid	(4,863)	(1,546)	(11,823)	(3,715)
Withholding tax paid	(180)	(86)	(457)	(135)
Net cash (used in)/provided by operating activities	11,042	7,046	(14,870)	73,479
Cash flows from investing activities				
Purchase of property, plant and equipment	(2,215)	(409)	(5,889)	(3,514)
Purchase of investment properties	(10,358)	(25,303)	(91,092)	(134,027)
Purchase of financial assets, at FVPL	(3,480)	-	(3,480)	-
Proceeds from disposal of plant and equipment	3	11	3	85
Proceeds from disposal of financial assets	750	-	750	38,726
Proceeds from disposal of investment property	-	67,056	-	67,056
Loans to an associated company	(1,062)	-	(1,062)	-
Interest received	858	492	2,293	1,484
Dividends received	-	-	-	479
Net cash used in investing activities	(15,504)	41,847	(98,477)	(29,711)
Cash flows from financing activities				
Proceeds from capital contribution from non-controlling interests	41	7	92	45
Dividends paid	(2,758)	(3,677)	(6,435)	(6,435)
Interest paid	(1,624)	(1,227)	(4,959)	(3,946)
Bank deposit pledged	(303)	-	(45,941)	9,439
Proceeds from borrowings	6,560	8,649	76,504	54,493
Proceeds from related parties' loan	19,883	10,866	46,527	30,183
Repayment of borrowings	(21,100)	(18,980)	(45,478)	(84,102)
Repayment of related parties' loan	(1,400)	-	(6,600)	-
Repayment of lease liabilities	(1,110)	-	(3,328)	-
Net cash provided by/(used in) financing activities	(1,811)	(4,362)	10,382	(323)
Net decrease in cash and cash equivalents	(6,273)	44,531	(102,965)	43,445
Cash and cash equivalents				
Beginning of financial period	67,110	138,419	162,356	140,875
Effect of currency translation on cash and cash equivalents	(858)	(2,535)	588	(3,905)
End of financial period	59,979	180,415	59,979	180,415
Cash and bank balances	105,920	181,115	105,920	181,115
Less: cash restricted in use	(45,941)	(700)	(45,941)	(700)
Cash and cash equivalents	59,979	180,415	59,979	180,415

* Recognised S\$14.3m (2018: S\$11.1m) as an expense in cost of sales



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

	Share Capital	Currency Translation Reserve	Retained Profits	Total	Non- Controlling Interests	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group						
Balance as at 1 January 2018	125,733	1,343	225,831	352,907	(4,990)	347,917
Profit for the period	-	-	11,062	11,062	8,202	19,264
Other comprehensive income for the period	-	(2,702)	-	(2,702)	(215)	(2,917)
Total comprehensive income for the period	125,733	(1,359)	236,893	361,267	2,997	364,264
Capital contribution	-	-	-	-	38	38
Fair value adjustment on interest free loans	-	-	-	-	9,240	9,240
Balance as at 31 March 2018	125,733	(1,359)	236,893	361,267	12,275	373,542
Profit for the period	-	-	6,041	6,041	1,523	7,564
Other comprehensive income for the period	-	319	-	319	34	353
Total comprehensive income for the period	125,733	(1,040)	242,934	367,627	13,832	381,459
Dividend paid	-	-	(2,758)	(2,758)	-	(2,758)
Balance as at 30 June 2018	125,733	(1,040)	240,176	364,869	13,832	378,701
Profit for the period	-	-	3,776	3,776	565	4,341
Other comprehensive income for the period	-	(1,805)	-	(1,805)	(183)	(1,988)
Total comprehensive income for the period	125,733	(2,845)	243,952	366,840	14,214	381,054
Dividend paid	-	-	(3,677)	(3,677)	-	(3,677)
Capital contribution	-	-	-	-	7	7
Fair value adjustment on interest free loans	-	-	-	-	1,333	1,333
Balance as at 30 September 2018	125,733	(2,845)	240,275	363,163	15,554	378,717
Balance as at 1 January 2019	125,733	(4,442)	244,408	365,699	11,935	377,634
Profit for the period	-	-	5,720	5,720	1,245	6,965
Other comprehensive income for the period	-	(259)	-	(259)	(23)	(282)
Total comprehensive income for the period	125,733	(4,701)	250,128	371,160	13,157	384,317
Capital contribution	-	-	-	-	9	9
Fair value adjustment on interest free loans	-	-	-	-	825	825
Balance as at 31 March 2019	125,733	(4,701)	250,128	371,160	13,991	385,151
Profit for the period	-	-	4,132	4,132	537	4,669
Other comprehensive income for the period	-	1,434	-	1,434	(112)	1,322
Total comprehensive income for the period	125,733	(3,267)	254,260	376,726	14,416	391,142
Dividend paid	-	-	(3,677)	(3,677)	-	(3,677)
Capital contribution	-	-	-	-	42	42
Fair value adjustment on interest free loans	-	-	-	-	1,866	1,866
Balance as at 30 June 2019	125,733	(3,267)	250,583	373,049	16,324	389,373
Profit for the period	-	-	6,944	6,944	(359)	6,585
Other comprehensive income for the period	-	(723)	-	(723)	(164)	(887)
Total comprehensive income for the period	125,733	(3,990)	257,527	379,270	15,801	395,071
Dividend paid	-	-	(2,758)	(2,758)	-	(2,758)
Capital contribution	-	-	-	-	41	41
Fair value adjustment on interest free loans	-	-	-	-	1,857	1,857
Balance as at 30 September 2019	125,733	(3,990)	254,769	376,512	17,699	394,211



Statement of Changes in Equity

	Share Capital S\$'000	Retained Profits S\$'000	Total Equity S\$'000
Company			
Balance as at 1 January 2018	125,733	168,850	294,583
Profit for the period	-	944	944
Balance as at 31 March 2018	125,733	169,794	295,527
Profit for the period	-	776	776
Dividend paid	-	(2,758)	(2,758)
Balance as at 30 June 2018	125,733	167,812	293,545
Profit for the period	-	16,885	16,885
Dividend paid	-	(3,677)	(3,677)
Balance as at 30 September 2018	125,733	181,020	306,753
Balance as at 1 January 2019	125,733	180,355	306,088
Profit for the period	-	(447)	(447)
Balance as at 31 March 2019	125,733	179,908	305,641
Profit for the period	-	1,160	1,160
Dividend paid	-	(3,677)	(3,677)
Balance as at 30 June 2019	125,733	177,391	303,124
Profit for the period	-	(1,777)	(1,777)
Dividend paid	-	(2,758)	(2,758)
Balance as at 30 September 2019	125,733	172,856	298,589



- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issues, share buy-backs, exercise of share options or warrants, conversion of other issue 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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.**

There were no changes in the Company's share capital for the financial period ended 30 September 2019.

The Company did not purchase any treasury shares for the financial period ended 30 September 2019.

16,671,000 shares were held as treasury shares as at 30 September 2019.

There were no subsidiary holdings as at 30 September 2019.

	Company			
	As at 30/9/2019		As at 31/12/2018	
	Number of shares	S\$'000	Number of shares	S\$'000
Total number of fully issued and paid up shares (excluding treasury shares and subsidiary holdings):				
Balance at beginning of period/year	919,245,086	125,733	919,245,086	125,733
Balance at end of period/year	919,245,086	125,733	919,245,086	125,733

	Company	
	As at 30/9/2019	As at 31/12/2018
Total number of treasury shares	16,671,000	16,671,000
Total number of subsidiary holdings	NIL	NIL
Total number of issued shares (including treasury shares)	935,916,086	935,916,086
% of the number of treasury shares held against the total number of shares outstanding	1.8%	1.8%

- 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 year.**

	Company	
	As at 30/9/2019	As at 31/12/2018
Total number of issued shares (excluding treasury shares and subsidiary holdings)	919,245,086	919,245,086

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

There was no sale, transfer, disposal, cancellation and/ or use of treasury shares for the financial period ended 30 September 2019.

- 1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

There was no sale, transfer, disposal, cancellation and/ or use of subsidiary holdings for the financial period ended 30 September 2019.

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Company's auditor.

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

Not applicable.



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

The Group adopted the new/revised SFRS(I)s that are effective for annual periods beginning on or after 1 January 2019. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I)s, SFRS(I) Interpretations and amendments to SFRS(I)s.

The following are the new or amended SFRS(I) Interpretations, that is relevant to the Group:

- SFRS(I) 16 Leases

The adoption of the above SFRS(I) did not have any significant impact on the financial statements of the Group.

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.

Please refer to item 4 above.

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.

	Group			
	3rd Quarter Ended 30 September		9 Months Ended 30 September	
	2019	2018	2019	2018
	Cent	Cent	Cent	Cent
a) Based on weighted average number of ordinary shares on issue	0.76	0.41	1.83	2.27
b) Based on weighted average number of ordinary shares on a fully diluted basis	0.76	0.41	1.83	2.27

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:

- (a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	As at 30/9/2019	As at 31/12/2018	As at 30/9/2019	As at 31/12/2018
	S\$	S\$	S\$	S\$
Net asset value per ordinary share	0.41	0.40	0.32	0.33

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the Group's business.

It must include a discussion of the following:

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

a) Review of the Group's Performance

Revenue

Revenue for the third quarter of the financial year 2019 ("3QFY2019") was S\$51.77 million or 53% higher than the revenue for the corresponding period last year ("3QFY2018") due mainly to higher revenue contribution from construction and Australian-focused Purpose-built Student Accommodation business.

The Group registered the revenue of S\$148.85 million for the nine months ended 30 September 2019 ("9MFY2019") compared with S\$248.29 million for the corresponding period last year ("9MFY2018"). The Group's revenue reduced by approximately S\$99.4 million or 40% due mainly to lesser sold units of its industrial development property, Mega@Woodlands in 9MFY2019 as compared to 9MFY2018. Its revenue for the sold units was recognised based on the completed contract method which attained TOP in January 2018.

Gross Profit

The increase in gross profit of 81% for 3QFY2019 due to higher recognition of revenue based on the percentage of completion for construction projects.

For 9MFY2019, the Group registered lower gross profit of S\$43.14 million compared with S\$57.85 million for the corresponding period last year. The drop in the Group's gross profit was mainly attributable to lower revenue recognition from Mega@Woodlands as mentioned above.



Other Gains and Losses

For 3QFY2019 and 9MFY2019, the movement of other gains and losses was due to increase in foreign exchange loss. The increase of currency exchange loss to S\$14.2 million in 9MFY2019 as compared to S\$10.5 million in 9MFY2018 due to depreciation of Australian Dollar (AUD) from 0.9860 in September 2018 to 0.9334 in September 2019.

A significant portion of Group's inter-company balances are denominated in AUD, and these balances are loans extended to the Company's wholly-owned subsidiaries to fund their activities in Australia. The Group records foreign exchange gain or loss due to the revaluation of such inter-company balances at their closing exchange rates at the end of each reporting period which are affected by the foreign currency fluctuations.

Fair value gain/loss on derivative financial instrument relates to the re-measurement of foreign forward contracts entered into by the Group to partially hedge the Group's requirement for projects in Australia.

Administrative Expenses

The increase in administrative expense by S\$0.77 million for 3QFY2019 due mainly to higher employee compensation. For 9MFY2019, the increase in office expenses due mainly to higher maintenance expenses incurred for the Group's factory/warehouse at Kranji Link.

Finance Costs

The interest expense for 3QFY2019 and 9MFY2019 was higher as compared to 3QFY2018 and 9MFY2018 due to interest incurred on new loans drawn down as well as recognition of borrowings costs as an expense which was initially capitalised in the Group's investment and development property during development period.

Share of profit of associated company

The share of profit of associated company of S\$6.01 million and S\$11.42 million for 3QFY2019 and 9MFY2019 respectively relates to the recognition of the Group's proportionate share of profit on a residential development, Parc Botannia owned by a joint venture company in Singapore.

Profit after income tax

Profit after tax registered at S\$6.59 million for 3QFY2019 mainly resulted from higher gross profit from construction business. For 9MFY2019, profit after tax registered at S\$18.22 million, mainly resulted from lower revenue contribution from development property business.

Profit Attributable to Shareholders

For 3QFY2019, profit attributable to shareholders registered at S\$6.94 million, increased by 84% from S\$3.78 million for 3QFY2018 due mainly to higher gross profit as mentioned above.

For 9MFY2019, profit attributable to shareholders registered at S\$16.80 million, representing a decrease of 20% or S\$4.08 million compared to the corresponding period last year. The lower profit attributable to shareholders due mainly to lower gross profit.

Profit Attributable to Non-Controlling Interest

Profit attributable to non-controlling interest decreased for 3QFY2019 and 9MFY2019 as a result of the proportionate share of profit from the joint venture businesses.

b) Review of Financial Position

Current Assets

As at 30 September 2019, total current assets amounted to S\$346.63 million comprised mostly of development properties, trade and other receivables and cash and cash equivalents. Total current assets decreased by S\$24.80 million as compared to 31 December 2018 due mainly to decrease in development properties for new units sold at Mega@Woodlands. Trade and other receivables increased by S\$49.85 million due mainly to deposits made for capital commitments, but the effect was however being offset by the decrease in cash and cash equivalents due mainly to the cash paid for the additions of the Group's investment properties.

Non-Current Assets

As at 30 September 2019, non-current assets amounted to S\$493.32 million, comprised mostly of investment properties. Total non-current assets increased by S\$97.11 million due mainly to additions of investment properties in Australia and additions of property, plant and equipment following the recognition of right-of-use assets arising from the adoption of SFRS(I) 16.

Current Liabilities

As at 30 September 2019, current liabilities increased by S\$16.21 million to S\$294.06 million, due mainly to higher borrowings. The increase in borrowings was due to the drawdowns of short-term bank loan to facilitate working capital.

Non-Current Liabilities

As at 30 September 2019, non-current liabilities increased by S\$39.51 million to S\$151.67 million due mainly to new related parties' loans draw down to finance the development of our purpose-built student accommodation in Australia, and bank loan to finance the development of the Group's property at Tuas South Link.

Equity attributable to Shareholders

Overall, the Group's equity attributable to shareholders increased from S\$365.70 million as at 31 December 2018 to S\$376.51 million as at 30 September 2019 was due to increase in retained profits arising from profit earned during the nine months ended 30 September 2019, and lower currency translation reserve for the period.



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

The current results are in line with Company's commentary in previous quarterly's result announcement dated 14 August 2019. There is no material variances between previous and current results.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

a) Property Development in Singapore

Residential Property

According to the real estate statistics for third quarter 2019 released by Urban Redevelopment Authority (URA) on 25 October 2019, as at the end of third quarter 2019, there was a total supply of 50,964 uncompleted private residential units (excluding ECs) in the pipeline with planning approvals, compared with the 50,674 units in the previous quarter. Of this number, 31,948 units remained unsold as at the end of third quarter 2019, compared with the 33,673 units in the previous quarter.

Apart from the 31,948 unsold units (excluding ECs) with planning approval as at the end of third quarter 2019, there is a potential supply of 4,900 units (including ECs) from Government Land Sales (GLS) sites and awarded en-bloc sale sites that have not been granted planning approval yet. These comprise about 4,400 units from awarded GLS sites and Confirmed List sites that have not been awarded yet, and about 500 units from transacted en-bloc sale sites.

The sales status for the Group's co-developing development, Parc Botannia, is currently at about 94% sold to-date. The Group will monitor the market situation closely and will continue its effort in selling the remaining units. The construction is in progress and is expected to be completed by 2020.

Industrial Property

In JTC's quarterly market report released for third quarter 2019, the occupancy rate of overall industrial property market remained unchanged at 89.3%. However, compared to a year ago, occupancy rate of overall industrial property market rose by 0.2% points. Prices and rentals of industrial space remained stable. In third quarter 2019, price index of overall industrial property increased marginally by 0.1% as compared to previous quarter while rental remained unchanged during the same period. Compared to a year ago, the price index fell by 0.1% while the rental index rose

The sales of our industrial development, Mega@Woodlands is at about 67% sold to-date. The Group has offered an innovative scheme, Rent-to-Own ("RTO") to potential buyers, the aggregate take-up rate is at about 83% including these RTO units.

b) Construction Business

According to the Building and Construction Authority ("BCA"), the preliminary estimate for total construction demand for 2019 will range between S\$27.0 billion and S\$32.0 billion. The total construction projects awarded up to August 2019 is S\$22.14 billion, with public demand at S\$12.03 billion and private demand at S\$10.14 billion. Annualising these interim figures, the 2019 full year forecast is achievable. Nonetheless, the Group still expects competition for building projects to be stiff.

As at 30 September 2019, the Group's construction order book stood at approximately S\$439.80 million, providing the Group with a continuous flow of activity through FY2021.

c) Dormitory Business

The outlook for Marine and offshore industry has improved with strengthening oil prices. Nonetheless, competition in the workers' dormitory space is still keen.

In September 2019, the Group announced on the award of tender for land known as Pioneer Lodge situated at Soon Lee Road from Building and Construction Authority for the purpose of building a foreign workers dormitory. Construction work is targeted to begin in December 2019 and operational by third quarter of 2020.

The occupancy rate of the Group's Tuas View Dormitory is presently about 81%.

d) Property Development in Australia

Preparation work to commence construction on the Group's residential development, Park Central One, Buranda Plot 3 has begun and the Group continues to explore suitable development options for Park Central, Buranda Plot 2.



e) Australian-focused Purpose-built Student Accommodation ("PBSA")

To-date, the Group has secured 5 land parcels in 4 major cities of Australia to yield approximately 4,540 PBSA beds. These five sites are at different stages of development :

1st PBSA - Unilodge Park Central

Our first PBSA began partial operations with the opening of Metro tower in July 2018 and full operations in January 2019 with the opening of Sky tower. With 1,578 operational beds, it achieved an incredible occupancy rate of 97% as of October 2019.

2nd PBSA - Unilodge City Gardens

Our second PBSA, consisting of 772 beds had commenced operations in July 2019 for the second semester 2019 student intake. This will increase our portfolio's operational beds to 2,350 for second quarter of 2019. The occupancy rate is encouraging and the Group is working towards higher occupancy with greater inflow of students expected during the first semester.

3rd PBSA - Abeckett Street

Construction works began in September 2019 and is expected to complete in the fourth quarter of 2021. To begin operations for first semester 2022.

4th PBSA - Gibbons Street

Pending Development Approval, construction works is targeted to begin in the first quarter of 2020 and is expected to complete in the fourth quarter of 2021. To begin operations for first semester 2022.

5th PBSA - Weymouth Street

Construction works commenced in April 2019 and is expected to complete in December 2020. To begin operations for first semester 2021.

The Group is currently in the final stage of securing the final land parcel of the portfolio to achieve our target of 5,000 PBSA beds.

11. Dividend

a) Current Financial Period Reported On

None.

b) Corresponding Period of the Immediately Preceding Financial Year

None.

c) The date the dividend is payable

Not applicable.

d) Book Closure Date

Not applicable.

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

No IPT mandate has been obtained for the period under review. However, the Company wishes to disclose the following aggregate value of all interested person transactions conducted during the financial period ended 30 September 2019:

Name of interested person ⁽¹⁾	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
	S\$'000	S\$'000
Bull Mountain Investment Pte Ltd ⁽²⁾	1,660	NIL
Bonanza Capital Pte Ltd ⁽³⁾	664	
Wealth Investment Pte Ltd ⁽⁴⁾	3,267	
Sustained Investment Pte Ltd ⁽⁵⁾	3,267	
QiCheng Investment Pte Ltd ⁽⁶⁾	1,633	

(1) Goh Yeow Lian, Goh Yew Tee, Goh Yeo Hwa and Goh Yew Gee are Directors of the Company. Goh Yeu Toh and Goh Yew Lay, being brothers to Messrs Goh, are immediate family members of Goh Yeow Lian, Goh Yew Tee, Goh Yeo Hwa and Goh Yew Gee. Goh Yeow Lian is also a controlling shareholder of the Company.

(2) Bull Mountain Investment Pte Ltd is incorporated in Singapore. The directors and shareholders of the company are Goh Yew Gee and his immediate family.

(3) Bonanza Capital Pte Ltd is incorporated in Singapore. The directors and shareholders of the company are Goh Yew Lay and his immediate family.

(4) Wealth Investment Pte Ltd is incorporated in Singapore. The directors and shareholders of the company are Goh Yew Tee and his immediate family.

(5) Sustained Investment Pte Ltd is incorporated in Singapore. The directors and shareholders of the company are Goh Yeo Hwa and his immediate family.

(6) QiCheng Investment Pte Ltd is incorporated in Singapore. The directors and shareholders of the company are Goh Yeu Toh and his immediate family.

Shareholders' approval obtained via Extraordinary General Meeting on 21 November 2017 on the subscription of securities in the Wee Hur PBSA Master Trust in which the collective interest by the Interested Persons, whether directly or indirectly through their respective special purpose vehicles, may be increase to not more than 15.0%.

As at the date hereof, the Interested Persons hold collectively, through their respective purpose vehicles, an interest of approximately 11.35% in the Wee Hur PBSA Master Trust.

The Company does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Listing Manual of the SGX-ST.

14. Confirmation by the Board pursuant to Rule 705(5) of the Listing Manual

The Board of Directors do hereby confirm that, to the best of our knowledge, nothing has come to the attention, which may render these interim financial results for the nine months ended 30 September 2019 to be false or misleading in any material aspect.

On behalf of the Board of Directors,

Goh Yeow Lian
Executive Chairman & Managing Director
11 November 2019

Goh Yew Tee
Executive Director
11 November 2019

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7 under Rule 720(1)).

Yes.

By order of the Board,

Goh Yeow Lian
Executive Chairman & Managing Director
11 November 2019