

**BONVESTS HOLDINGS LIMITED AND ITS SUBSIDIARIES**

Company Registration No. 196900282M

Unaudited Financial Statements for the Period Ended 30 September 2017

Part I INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) Income Statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group			Group		
	Third Quarter Ended 30/09/2017 S\$'000	30/09/2016 S\$'000	Increase/ (Decrease) %	9 Months Ended 30/09/2017 S\$'000	30/09/2016 S\$'000	Increase/ (Decrease) %
Revenue	54,745	53,239	2.8	159,781	163,142	(2.1)
Other income including interest income (Note 1a(i))	1,055	31,153	(96.6)	10,666	42,872	(75.1)
Changes in inventories of finished goods	(560)	98	Nm	(290)	(166)	74.7
Materials and consumables used	(4,221)	(4,531)	(6.8)	(12,537)	(12,751)	(1.7)
Employee benefit costs (Note 1a(ii))	(20,265)	(19,691)	2.9	(60,605)	(60,859)	(0.4)
Depreciation and amortisation expenses	(5,765)	(5,700)	1.1	(16,875)	(17,110)	(1.4)
Other operating expenses (Note 1a(i))	(18,062)	(17,876)	1.0	(53,340)	(56,934)	(6.3)
Profit from operations	6,927	36,692	(81.1)	26,800	58,194	(53.9)
Finance costs (Note 1a(iii))	(1,221)	(1,262)	(3.2)	(3,773)	(4,214)	(10.5)
Profit before taxation	5,706	35,430	(83.9)	23,027	53,980	(57.3)
Taxation (Note 1a(v))	(1,532)	(2,188)	(30.0)	(4,367)	(5,367)	(18.6)
Net profit for the period	4,174	33,242	(87.4)	18,660	48,613	(61.6)
Attributable to:						
Equity holders of the Company	3,939	32,962	(88.0)	17,850	47,593	(62.5)
Non-controlling interests	235	280	(16.1)	810	1,020	(20.6)
Net profit for the period	4,174	33,242	(87.4)	18,660	48,613	(61.6)
Earnings per share						
Basic earnings per share (cents)	0.980	8.196		4.440	11.834	
Diluted earnings per share (cents)	0.980	8.196		4.440	11.834	

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

	<u>Group</u>			<u>Group</u>		
	<u>Third Quarter Ended</u>		<u>Increase/ (Decrease)</u>	<u>9 Months Ended</u>		<u>Increase/ (Decrease)</u>
	<u>30/09/2017</u>	<u>30/09/2016</u>		<u>30/09/2017</u>	<u>30/09/2016</u>	
	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>
Net profit for the period	4,174	33,242	(87.4)	18,660	48,613	(61.6)
Other comprehensive income/(loss) after tax :						
<i>Items that may be reclassified subsequently to profit or loss :</i>						
Currency translation differences on foreign operations (Note 1a(vi))	(4,396)	4,787	Nm	(18,356)	(8,775)	109.2
Available-for-sale financial assets						
- Fair value gain/(loss)	(481)	508	Nm	(492)	(5,407)	(90.9)
- Reclassification to profit or loss upon derecognition of available-for-sale financial assets	-	(18,157)	Nm	-	(18,157)	Nm
Cash flow hedges						
- Fair value gain/(loss)	47	(105)	Nm	17	(497)	Nm
Other comprehensive loss for the period, net of tax	<u>(4,830)</u>	<u>(12,967)</u>	(62.8)	<u>(18,831)</u>	<u>(32,836)</u>	(42.7)
Total comprehensive income/(loss) for the period	<u>(656)</u>	<u>20,275</u>	Nm	<u>(171)</u>	<u>15,777</u>	Nm
Total comprehensive income/(loss) attributable to:						
Equity holders of the Company	(891)	19,999	Nm	(969)	14,798	Nm
Non-controlling interests	235	276	(14.8)	798	979	(18.5)
Total comprehensive income/(loss) for the period	<u>(656)</u>	<u>20,275</u>	Nm	<u>(171)</u>	<u>15,777</u>	Nm

Nm denotes Not meaningful

Explanatory Notes

Note 1a(i) Included in "Other income including interest income" and "Other operating expenses" are the following items:

	<u>Group</u>		<u>Group</u>	
	<u>Third Quarter Ended</u>		<u>9 Months Ended</u>	
	<u>30/09/2017</u>	<u>30/09/2016</u>	<u>30/09/2017</u>	<u>30/09/2016</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
after crediting (other income including interest income):				
Interest income	59	55	256	211
Fair value gain on financial assets, at fair value through profit or loss	321	388	725	388
Gain on disposal of property, plant and equipment	-	-	12	-
Gain on disposal of investment property	-	-	-	6,050
Gain on disposal of available-for-sale financial assets	-	30,087	-	30,087
Foreign exchange gain (Note 1a(iv))	-	-	166	-
Fair value gain on investment property	-	-	7,052	2,666
after debiting (other operating expenses):				
Fair value loss on financial assets, at fair value through profit or loss	-	-	-	1,038
Loss on disposal of property, plant and equipment	4	-	4	42
Property, plant and equipment written off	22	160	308	451
Foreign exchange loss (Note 1a(iv))	142	217	142	333
Fair value loss on investment property	-	-	-	2,022

Note 1a(ii) Employee benefit costs for the third quarter ended 30 September 2017 increased due mainly to increase in wage related costs in the Industrial Division.

Note 1a(iii) Finance costs for the third quarter ended 30 September 2017 decreased mainly due to lower borrowings as compared to the corresponding period ended 30 September 2016.

Note 1a(iv) Foreign exchange loss for the third quarter ended 30 September 2017 was due mainly to foreign exchange loss from the depreciation of Tunisian Dinar against the United States Dollar, partially offset by foreign exchange gain from the appreciation of Singapore Dollar against the United States Dollar.

Note 1a(v) The tax charge can be analysed as follows:

	Group		Group	
	Third Quarter Ended		9 Months Ended	
	30/09/2017	30/09/2016	30/09/2017	30/09/2016
	S\$'000	S\$'000	S\$'000	S\$'000
Current taxation charge	1,559	1,443	4,506	4,988
Deferred taxation credit recognised	(12)	(30)	(76)	(396)
(Over)/under provision in prior years	(15)	775	(63)	775
	1,532	2,188	4,367	5,367

Note 1a(vi) Currency translation differences on foreign operations was due mainly to depreciation of United States Dollar and Tunisian Dinar against the Singapore Dollar.

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.

	Note	Group		Company	
		30/09/2017	31/12/2016	30/09/2017	31/12/2016
		S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets					
Investment properties	A	506,384	500,103	-	-
Property, plant and equipment	B	528,042	518,950	499	620
Subsidiaries		-	-	665,263	621,052
Available-for-sale financial assets	C	2,615	3,108	-	-
Club memberships		21	131	21	131
Intangible assets		4,421	4,339	-	-
Rental lease receivables		306	489	-	-
Long-term prepayments	D	53,245	50,500	-	-
Deferred income tax assets		1,021	1,088	-	-
		1,096,055	1,078,708	665,783	621,803
Current assets					
Inventories		3,972	4,353	-	-
Financial assets, at fair value through profit or loss		5,797	5,415	-	-
Trade and other receivables		30,747	28,833	197	116
Advances to subsidiaries (non-trade)		-	-	16,080	15,155
Cash and cash equivalents	refer to 1(c)	26,535	94,256	3,299	68,036
	F	67,051	132,857	19,576	83,307
Non-current assets classified as held for sale					
		200	225	-	-
Total assets		1,163,306	1,211,790	685,359	705,110

	Note	Group		Company	
		30/09/2017 S\$'000	31/12/2016 S\$'000	30/09/2017 S\$'000	31/12/2016 S\$'000
Equity attributable to equity holders of the Company					
Share capital		254,139	254,139	254,139	254,139
Retained profits	refer to 1(d)(i)	727,176	720,073	54,713	66,551
Other reserves	refer to 1(d)(i)	(91,310)	(72,492)	-	-
		<u>890,005</u>	<u>901,720</u>	<u>308,852</u>	<u>320,690</u>
Non-controlling interests	refer to 1(d)(i)	8,063	7,572	-	-
Total equity		<u>898,068</u>	<u>909,292</u>	<u>308,852</u>	<u>320,690</u>
Non-current liabilities					
Long-term borrowings and obligations under finance leases - secured	E	143,876	120,415	85,000	60,000
Long-term liabilities		16,714	16,370	-	-
Derivative financial instruments		39	92	-	-
Gratuity on retirement		658	662	-	-
Deferred income tax liabilities		7,220	7,349	-	-
		<u>168,507</u>	<u>144,888</u>	<u>85,000</u>	<u>60,000</u>
Current liabilities					
Trade and other payables		39,710	49,636	831	992
Derivative financial instruments		124	89	-	-
Current tax payables		5,903	7,907	5	179
Short-term borrowings and obligations under finance leases - secured	E	50,994	99,978	28,113	77,504
Advances from subsidiaries (non-trade)		-	-	262,558	245,745
	F	<u>96,731</u>	<u>157,610</u>	<u>291,507</u>	<u>324,420</u>
Total equity and liabilities		<u>1,163,306</u>	<u>1,211,790</u>	<u>685,359</u>	<u>705,110</u>

The material variances noted from the statement of financial position items as at 30 September 2017 as compared with those of 31 December 2016 are explained as follows:

- (A) "Investment properties" increased due mainly to fair value gain on investment properties of S\$7.1 million, partially offset by foreign currency translation differences.
- (B) "Property, plant and equipment" increased due mainly to additional development cost for the hotel in Bintan, the second hotel in Maldives and the hotel in Douz, Tunisia; partially offset by depreciation charge and foreign currency translation differences.
- (C) "Available-for-sale financial assets" decreased due mainly to fair value loss based on market value of quoted equities.
- (D) "Long-term prepayments" increased due mainly to advances paid to contractors for construction of the hotels in Maldives and Bintan.
- (E) Long-term borrowings increased due mainly to the re-classification of bank borrowings from Short-term borrowings upon renewal of certain bank borrowings. The decrease in Short-term borrowings was also due to repayments made during the period up to 30 September 2017.
- (F) Notwithstanding the Group and the Company having negative working capital as at 30 September 2017, the Group and the Company manage liquidity risk by ensuring there are sufficient cash and marketable securities to meet all normal operating commitments on a timely and cost-effective manner. This is done through management of cashflow from operating activities, having adequate amount of credit facilities and the ability to close market positions at short notice.

1(b)(ii) Aggregate amount of group's borrowings, debt securities and obligations under finance lease.

	Group			
	As At 30/09/2017		As At 31/12/2016	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less, or on demand	50,994	-	99,978	-
Amount repayable after one year	143,876	-	120,415	-

Details of collaterals

The collaterals for the group's secured borrowings as at 30 September 2017 are as follows :

- Freehold properties, equipment and business of a foreign subsidiary
- First legal mortgage, rental proceeds, interests in tenancy agreements and insurance policies of the investment property at 541 Orchard Road, Singapore
- First legal mortgage, rental proceeds, interests in tenancy agreements, interests in hotel management agreements and insurance policies of the hotel at 39 Scotts Road, Singapore
- First legal mortgage, rental proceeds, interests in tenancy agreements, interests in hotel management agreements and insurance policies of the hotel at 707 Wellington Street, Perth WA 6000, Australia

The collateral for the group's finance lease as at 30 September 2017 is as follows :

- A vehicle of a foreign subsidiary

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		Group	
	Third Quarter Ended		9 Months Ended	
	30/09/2017	30/09/2016	30/09/2017	30/09/2016
	S\$'000	S\$'000	S\$'000	S\$'000
Cash Flows from Operating Activities				
Profit before taxation	5,706	35,430	23,027	53,980
Adjustments for:				
Depreciation of property, plant and equipment	5,765	5,700	16,875	17,110
Dividend income	(30)	(22)	(65)	(58)
Interest income	(59)	(55)	(256)	(211)
Net (gain)/loss on disposal of property, plant and equipment	4	-	(8)	42
Property, plant and equipment written off	22	160	308	451
Net fair value (gain)/loss on financial assets at fair value through profit or loss	(321)	(388)	(725)	650
Interest expense	1,221	1,262	3,773	4,214
Gain on disposal of available-for-sale financial assets	-	(30,087)	-	(30,087)
Gain on disposal of investment property	-	-	-	(6,050)
Loss on disposal of club membership	92	-	92	-
Replaced components of improvements to investment properties written off	-	15	72	72
Net fair value gain on investment properties	-	-	(7,052)	(644)
Operating profit before working capital changes	12,400	12,015	36,041	39,469
Decrease/(Increase) in inventories	387	(18)	382	149
Increase in operating receivables	(4,744)	(43,163)	(1,842)	(40,576)
Increase/(Decrease) in operating payables	5,302	4,236	(4,734)	(3,177)
Cash generated from/(used in) operations	13,345	(26,930)	29,847	(4,135)
Income tax paid	(2,193)	(2,066)	(6,590)	(5,318)
Net cash generated from/(used in) operating activities	11,152	(28,996)	23,257	(9,453)

Consolidated Statement of Cash Flows

	<u>Group</u>		<u>Group</u>	
	<u>Third Quarter Ended</u>		<u>9 Months Ended</u>	
	<u>30/09/2017</u>	<u>30/09/2016</u>	<u>30/09/2017</u>	<u>30/09/2016</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Cash Flows from Investing Activities				
Purchase of property, plant and equipment	(12,372)	(3,591)	(28,880)	(18,183)
Long-term prepayment	(8,166)	(6,631)	(22,700)	(13,731)
Additions to investment properties	(444)	(12)	(664)	(15,842)
Proceeds from disposal of available-for-sale financial assets	-	47,231	-	47,231
Proceeds from disposal of financial assets, at fair value through profit or loss	343	-	343	-
Proceeds from disposal of investment property	-	14,550	-	14,550
Proceeds from disposal of property, plant and equipment	117	-	168	131
Proceeds from disposal of club membership	18	-	18	-
Additional acquisition of shares in a subsidiary	-	(555)	-	(555)
Investment income				
- Interest received	59	55	256	211
- Dividends received	30	22	65	58
Net cash (used in)/generated from investing activities	(20,415)	51,069	(51,394)	13,870
Cash Flows from Financing Activities				
Proceeds from bank borrowings	3,141	33,707	18,422	73,270
Repayment of bank borrowings	(14,733)	(46,477)	(42,562)	(68,229)
Payment of finance lease	(2)	(354)	(7)	(2,053)
Repurchase of shares	(293)	(119)	(293)	(119)
Interest paid	(1,221)	(1,262)	(3,773)	(4,214)
Dividends paid				
- by the Company to its equity holders	-	-	(10,454)	(6,435)
- by subsidiaries to non-controlling interests	-	-	(307)	(154)
Net cash used in financing activities	(13,108)	(14,505)	(38,974)	(7,934)
Net (decrease)/increase in cash and cash equivalents	(22,371)	7,568	(67,111)	(3,517)
Effect of foreign exchange rate changes	(508)	(54)	(668)	(150)
Cash and cash equivalents at beginning	49,229	19,571	94,129	30,752
Cash and cash equivalents at end (Note A)	26,350	27,085	26,350	27,085

Note A

Cash and cash equivalents

	<u>Group</u>	
	<u>Third Quarter & 9 Months Ended</u>	
	<u>30/09/2017</u>	<u>30/09/2016</u>
	<u>S\$'000</u>	<u>S\$'000</u>
Cash and cash equivalents comprise:		
Cash and bank balances	16,429	18,060
Fixed deposits	10,106	9,054
Less:		
Bank overdrafts	(185)	(29)
	26,350	27,085

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

Statement of Changes in Equity

The Group

	Attributable to equity holders of the Company								Non-controlling interests	Total equity
	Share capital	Retained profits	Revaluation surplus reserve	Fair value reserve	Currency translation reserve	Premium paid on acquisition of non-controlling interests	Hedging reserve	Total		
Balance at 1 July 2017	<u>S\$'000</u> 254,139	<u>S\$'000</u> 723,530	<u>S\$'000</u> 5,730	<u>S\$'000</u> (189)	<u>S\$'000</u> (54,203)	<u>S\$'000</u> (37,607)	<u>S\$'000</u> (211)	<u>S\$'000</u> 891,189	<u>S\$'000</u> 7,828	<u>S\$'000</u> 899,017
Changes in equity for the period										
Total comprehensive income/(loss) for the period	-	3,939	-	(481)	(4,396)	-	47	(891)	235	(656)
Purchase and cancellation of shares	-	(293)	-	-	-	-	-	(293)	-	(293)
Balance at 30 September 2017	254,139	727,176	5,730	(670)	(58,599)	(37,607)	(164)	890,005	8,063	898,068
Balance at 1 July 2016	254,139	672,062	13,583	18,157	(58,030)	(37,237)	(489)	862,185	7,194	869,379
Changes in equity for the period										
Total comprehensive income/(loss) for the period	-	32,962	-	(17,648)	4,790	-	(105)	19,999	276	20,275
Change in interest in a subsidiary	-	-	-	-	-	(373)	-	(373)	(182)	(555)
Purchase and cancellation of shares	-	(119)	-	-	-	-	-	(119)	-	(119)
Balance at 30 September 2016	254,139	704,905	13,583	509	(53,240)	(37,610)	(594)	881,692	7,288	888,980

The Company

	Share capital	Retained profits	Total equity
Balance at 1 July 2017	<u>S\$'000</u> 254,139	<u>S\$'000</u> 55,848	<u>S\$'000</u> 309,987
Changes in equity for the period			
Total comprehensive loss for the period	-	(842)	(842)
Purchase and cancellation of shares	-	(293)	(293)
Balance at 30 September 2017	254,139	54,713	308,852
Balance at 1 July 2016	254,139	46,440	300,579
Changes in equity for the period			
Total comprehensive loss for the period	-	(1,046)	(1,046)
Purchase and cancellation of shares	-	(119)	(119)
Balance at 30 September 2016	254,139	45,275	299,414

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

Changes in share capital - During the financial period, the Company through market purchase, purchased and cancelled a total of 224,600 (30 September 2016: 98,500) ordinary shares.

	30 September 2017		30 September 2016	
	Number of issued shares	Amount \$'000	Number of issued shares	Amount \$'000
Balance as at 1 July	402,069,168	254,139	402,167,668	254,139
Shares cancelled during the period	(224,600)	-	(98,500)	-
Balance as at 30 September	<u>401,844,568</u>	<u>254,139</u>	<u>402,069,168</u>	<u>254,139</u>

The Company has no treasury shares and no outstanding options 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.

- 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.**

There were no treasury shares as at 30 September 2017 and 31 December 2016. The total number of issued shares as at 30 September 2017 was 401,844,568 (31 December 2016: 402,069,168).

- 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.**

Not applicable.

- 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.

- 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.**

Except as disclosed in paragraph 5 below, the same accounting policies and methods of computation as in the most recently audited annual financial statements have been applied.

- 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.**

The Group adopted the new/revised FRS and Interpretations of FRS ("INT FRS") relevant to its operations and effective for annual periods beginning on or after 1 January 2017. The adoption of new/revised FRS and INT FRS did not result in any substantial changes to the Group's accounting policies nor had any significant impact on the Group's financial statements.

- 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		Group	
	Third Quarter Ended 30/09/2017	Third Quarter Ended 30/09/2016	9 Months Ended 30/09/2017	9 Months Ended 30/09/2016
Earnings per ordinary share after deducting any provision for preference dividends:				
Based on weighted average number of ordinary shares in issue (cents)	0.980	8.196	4.440	11.834
On a fully diluted basis (cents)	0.980	8.196	4.440	11.834

As at 30 September 2017, there was no outstanding share options.

The basic and diluted earnings per ordinary share for the third quarter ended 30 September 2017 and 30 September 2016 has been calculated based on the Group's profit attributable to ordinary shareholders divided by the weighted average number of ordinary shares of 402,030,793 and 402,151,972 in issue respectively during the financial period.

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

	Group		Company	
	30/09/2017	31/12/2016	30/09/2017	31/12/2016
Net asset value per ordinary share (S\$)	2.21	2.24	0.77	0.80

The net asset values per ordinary share as at 30 September 2017 and 31 December 2016 were calculated based on the number of issued shares (excluding treasury shares) of the Company at those dates of 401,844,568 and 402,069,168 ordinary shares respectively.

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.**

Segment Revenue	Group		Increase/ (Decrease) %	Group		Increase/ (Decrease) %
	Third Quarter Ended			9 Months Ended		
	30/09/2017 S\$'000	30/09/2016 S\$'000		30/09/2017 S\$'000	30/09/2016 S\$'000	
Property - Rental	6,060	6,855	(11.6)	18,421	20,747	(11.2)
Hotel	30,783	28,959	6.3	88,624	89,666	(1.2)
Industrial	17,491	16,963	3.1	51,638	52,002	(0.7)
Investment	30	22	36.4	65	58	12.1
Others	381	440	(13.4)	1,033	669	54.4
Total	54,745	53,239	2.8	159,781	163,142	(2.1)
Segment result ⁽²⁾	Group		Increase/ (Decrease) %	Group		Increase/ (Decrease) %
	Third Quarter Ended			9 Months Ended		
	30/09/2017 S\$'000	30/09/2016 S\$'000		30/09/2017 S\$'000	30/09/2016 S\$'000	
Property - Rental	4,251	4,930	(13.8)	13,162	14,952	(12.0)
Hotel	6,240	5,080	22.8	16,114	17,360	(7.2)
Industrial	2,055	2,285	(10.1)	6,653	8,223	(19.1)
Investment	349	30,473	(98.9)	791	29,469	(97.3)
Property - Development	(1)	(2)	(50.0)	(5)	(6)	(16.7)
Others ⁽¹⁾	(261)	(429)	(39.2)	(348)	(1,599)	(78.2)
Finance costs	12,633	42,337	(70.2)	36,367	68,399	(46.8)
Depreciation and amortisation expenses	(1,221)	(1,262)	(3.2)	(3,773)	(4,214)	(10.5)
Gain on disposal of investment properties	(5,765)	(5,700)	1.1	(16,875)	(17,110)	(1.4)
Fair value gain on investment properties	-	-	Nm	-	6,050	Nm
Interest income	-	-	Nm	7,052	644	995.0
Profit before taxation	59	55	7.3	256	211	21.3
Profit before taxation	5,706	35,430	(83.9)	23,027	53,980	(57.3)

Nm denotes Not meaningful

¹ Others include Corporate expenses.

² Certain comparative figures have been reclassified to conform with current year's presentation.

THIRD QUARTER 2017 ANNOUNCEMENT

Overall Performance of the Group

The revenue of the Group for the quarter ended 30 September 2017 ('3Q2017') of S\$54.745 million increased by 2.8% from S\$53.239 million for the quarter ended 30 September 2016 ('3Q2016'). This was due mainly to higher revenue from the Hotel and Industrial Divisions, partially offset by lower revenue from Property-Rental Division.

The revenue of the Group for the 9 months ended 30 September 2017 ('YTD3Q2017') of S\$159.781 million decreased by 2.1% from S\$163.142 million for the 9 months ended 30 September 2016 ('YTD3Q2016').

Profit before taxation for 3Q2017 of S\$5.706 million decreased by 83.9% from 3Q2016 of S\$35.430 million. This was mainly due to absence of gain on disposal of available-for-sale financial assets.

Profit before taxation for YTD3Q2017 of S\$23.027 million decreased by 57.3% from YTD3Q2016 of S\$53.980 million. This was mainly due to absence of gain on disposal of available-for-sale financial assets.

Property - Rental Division

Revenue for the Property - Rental Division of S\$6.060 million for 3Q2017 decreased by 11.6% from S\$6.855 million for 3Q2016 due mainly to absence of rental income from certain investment properties that were divested in FY2016.

Revenue of S\$18.421 million for YTD3Q2017 decreased by 11.2% from S\$20.747 million for YTD3Q2016.

Accordingly, segment profit of S\$4.251 million for 3Q2017 decreased by 13.8% from S\$4.930 million for 3Q2016.

Segment profit of S\$13.162 million for YTD3Q2017 decreased by 12.0% from S\$14.952 million for YTD3Q2016.

Hotel Division

Revenue for the Hotel Division of S\$30.783 million for 3Q2017 increased by 6.3% from S\$28.959 million for 3Q2016 due mainly to higher revenue from the hotels in Singapore, Tunis, Mauritius and Zanzibar, partially offset by lower revenue from the hotels in Australia and Maldives.

Revenue of S\$88.624 million for YTD3Q2017 decreased by 1.2% from S\$89.666 million for YTD3Q2016 due to lower revenue from hotels in Singapore, Australia and Maldives.

Segment profit of S\$6.240 million for 3Q2017 increased by 22.8% from S\$5.080 million for 3Q2016 due mainly to higher contribution from hotels in Singapore, Tunis, and Zanzibar, partially offset by the lower contribution from the hotels in Australia and Maldives.

Segment profit of S\$16.114 million for YTD3Q2017 decreased by 7.2% from S\$17.360 million for YTD3Q2016 due to lower revenue.

Industrial Division

Revenue for the Industrial Division of S\$17.491 million for 3Q2017 increased by 3.1% from S\$16.963 million for 3Q2016 due mainly to new contracts secured.

Revenue of S\$51.638 million for YTD3Q2017 decreased by 0.7% from S\$52.002 million for YTD3Q2016.

Segment profit of S\$2.055 million for 3Q2017 decreased by 10.1% from S\$2.285 million for 3Q2016 mainly due to the lower government grants as well as higher wage related costs.

Segment profit of S\$6.653 million for YTD3Q2017 decreased by 19.1% from S\$8.223 million for YTD3Q2016.

Investment Division

Revenue for the Investment Division of S\$0.030 million for 3Q2017 increased by 36.4% from S\$0.022 million for 3Q2016 mainly due to the higher dividend income received.

Revenue of S\$0.065 million for YTD3Q2017 increased by 12.1% from S\$0.058 million for YTD3Q2016.

Segment profit of S\$0.349 million for 3Q2017 decreased by 98.9% as from S\$30.473 million for 3Q2016 due mainly to absence of gain from disposal of available-for-sale financial assets.

Segment profit of S\$0.791 million for YTD3Q2017 decreased by 97.3% from S\$29.469 million for YTD3Q2016.

Property - Development Division

Since 2008, the Group has not embarked on any new property development project.

Statement of Cash Flows

Third Quarter 2017

Net decrease in cash and cash equivalents of S\$22.371 million was due to net cash used in investing activities of S\$20.415 million and net cash used in financing activities of S\$13.108 million, partially offset by cash generated from operating activities of S\$11.152 million. For details, please refer to Part 1(c).

Net cash generated from operating activities was due mainly to positive cash flow generated from business operations.

Net cash used in investing activities was due mainly to purchase of property, plant and equipment for the development of hotel in Bintan, the second hotel in Maldives and the hotel in Douz, Tunisia; as well as the long term prepayment made to contractors for developing the hotels in Bintan and Maldives.

Net cash used in financing activities was mainly due to repayment of bank borrowings.

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

Not applicable.

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

The Property - Rental Division is expected to remain stable as the rental market in Singapore will remain stable with steady occupancy rate.

The market conditions in the countries in which the Hotel Division operates are expected to remain challenging amid geo-political developments in many places around the world. Construction for the Group's hotel in Bintan, the second hotel in the Maldives and the hotel in Douz, Tunisia are ongoing and barring any unforeseen circumstances, the hotel construction in Bintan is scheduled for operational completion in 1Q2018, the second hotel in Maldives is scheduled for operational completion in 3Q2018 and the hotel in Douz, Tunisia is scheduled for operational completion in 4Q2018.

The Industrial Division will continue to manage costs and optimise its resources effectively to meet the competitive market conditions.

The Investment Division's performance is expected to be muted because of smaller portfolio size and will continue to be affected by volatility of the various stock markets.

The Property Development Division will continue to have no revenue contribution.

Note 10a The above note contains forward looking statements that involve a fair amount of uncertainties pertaining to future operating conditions. Actual future performance may differ from those views expressed as a result of a number of uncertainties and assumptions such as the general economy and industry conditions, level of market competition and shift in supply or demand patterns. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

11 **Dividend**

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

Any dividend declared for the current financial period reported on? No.

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

Any dividend declared for the corresponding period of the immediately preceding financial year? No.

(c) **Date payable**

Not applicable.

(d) **Books closure date**

Not applicable.

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

No dividend has been declared or recommended for the Group for the third quarter ended 30 September 2017.

13 **If no IPT mandate has been obtained, a statement to that effect**

Bonvests Holdings Limited has not obtained a general mandate from shareholders.

14 **Confirmation of procurement of undertakings from all directors and executives officers**

The Company confirms that it has procured the Undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

15 **Confirmation pursuant to Rule 705(5) of the Listing Manual**

To the best of our knowledge, nothing has come to the attention of the Directors which may render the interim financial statements to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Foo Soon Soo

Company Secretary

9 November 2017