

**BONVESTS HOLDINGS LIMITED AND ITS SUBSIDIARIES**

Company Registration No. 196900282M

Unaudited Financial Statements for the Period Ended 31 March 2015

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.

	<u>Group</u>		<u>Increase/ (Decrease)</u> %
	<u>31/03/2015</u> <u>S\$'000</u>	<u>31/03/2014</u> <u>S\$'000</u>	
Revenue	50,948	49,748	2.4
Other income including interest income (Note 1a(i))	1,932	1,180	63.7
Changes in inventories of finished goods (Note 1a(ii))	(274)	(454)	(39.6)
Materials and consumables used (Note 1a(ii))	(4,062)	(3,595)	13.0
Employee benefit costs (Note 1a(iii))	(17,018)	(15,726)	8.2
Depreciation and amortisation expenses (Note 1a(iv))	(4,396)	(4,166)	5.5
Other operating expenses (Note 1a(i))	<u>(16,565)</u>	<u>(16,590)</u>	(0.2)
Profit from operations	10,565	10,397	1.6
Finance costs (Note 1a(vi))	<u>(560)</u>	<u>(829)</u>	(32.4)
Profit before taxation	10,005	9,568	4.6
Taxation (Note 1a(vii))	<u>(1,761)</u>	<u>(1,804)</u>	(2.4)
Net profit for the period	<u>8,244</u>	<u>7,764</u>	6.2
Attributable to:			
Equity holders of the Company	7,858	7,482	5.0
Non-controlling interests	386	282	36.9
Net profit for the period	<u>8,244</u>	<u>7,764</u>	6.2
Earnings per share			
Basic earnings per share (cents)	1.954	1.861	
Diluted earnings per share (cents)	1.954	1.861	

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

	Group		Increase/ (Decrease) %
	First Quarter Ended		
	31/03/2015	31/03/2014	
	S\$'000	S\$'000	
Net profit for the period	8,244	7,764	6.2
Other comprehensive income/(expense) :			
Items that may be reclassified subsequently to profit or loss :			
Currency translation adjustments on foreign operations	3,761	(788)	Nm
Financial assets, available-for-sale			
- Fair value gain/(loss)	3,883	(548)	Nm
Other comprehensive income/(expense) for the period, net of tax	<u>7,644</u>	<u>(1,336)</u>	Nm
Total comprehensive income for the period	<u>15,888</u>	<u>6,428</u>	147.2
Total comprehensive income attributable to:			
Equity holders of the Company	15,506	6,112	153.7
Non-controlling interests	382	316	20.9
Total comprehensive income for the period	<u>15,888</u>	<u>6,428</u>	147.2

Nm denotes Not meaningful

Explanatory Notes

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

	Group	
	First Quarter Ended	
	31/03/2015	31/03/2014
	S\$'000	S\$'000
after crediting (other income including interest income):		
Interest income	125	166
Gain on disposal of property, plant and equipment	5	76
after debiting (other operating expenses):		
Fair value loss on financial assets, at fair value through profit or loss	102	145
Property, plant and equipment written off	139	9
Foreign exchange loss (Note 1a(v))	80	150

Note 1a(ii) "Changes in inventories" and "Materials and consumables used" for the period ended 31 March 2015 increased in aggregate due mainly to the increase in revenue from the Industrial Division.

Note 1a(iii) Employee benefit costs for the period ended 31 March 2015 increased due mainly to the increase in wage related costs for the Industrial Division.

Note 1a(iv) Depreciation and amortisation increased for the period ended 31 March 2015 due mainly to higher depreciation charges for additions of property, plant and equipment for the Industrial and Hotel Divisions.

Note 1a(v) Foreign exchange loss for the period ended 31 March 2015 was due mainly to the depreciation of the Mauritian Rupee against the Singapore Dollar. In the previous corresponding period, the loss was mainly attributed to the weakening of the United States Dollar against the Singapore Dollar.

Note 1a(vi) Finance costs for the period ended 31 March 2015 decreased due mainly to lower interest rates.

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

	Group	
	First Quarter Ended	
	31/03/2015	31/03/2014
	S\$'000	S\$'000
Current taxation charge	1,751	1,183
Deferred taxation charge recognised	10	589
Under provision in prior years	-	32
	<u>1,761</u>	<u>1,804</u>

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	
		31/03/2015	31/12/2014	31/03/2015	31/12/2014
		S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets					
Investment properties		497,093	497,107	-	-
Property, plant and equipment	A	400,644	398,425	-	-
Subsidiaries		-	-	531,987	529,436
Available-for-sale financial assets	B	31,988	27,910	-	-
Held-to-maturity financial asset		996	995	-	-
Club memberships		131	131	131	131
Long-term receivables		617	665	-	-
Long-term prepayments	C	31,273	29,638	-	-
Deferred income tax assets		5,656	5,614	-	-
		<u>968,398</u>	<u>960,485</u>	<u>532,118</u>	<u>529,567</u>
Current assets					
Inventories		4,061	4,276	-	-
Financial assets, at fair value through profit or loss		3,534	3,661	-	-
Trade and other receivables	D	26,694	24,652	131	121
Advances to subsidiaries (non-trade)		-	-	65,624	65,337
Cash and bank balances	refer to 1(c) E	28,157	23,267	4,742	1,166
		<u>62,446</u>	<u>55,856</u>	<u>70,497</u>	<u>66,624</u>
Non current assets held for sale					
		256	259	-	-
Total assets		<u>1,031,100</u>	<u>1,016,600</u>	<u>602,615</u>	<u>596,191</u>
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)	629,317	621,459	90,175	91,106
Other components of equity	refer to 1(d)(i)	(54,454)	(62,102)	-	-
		829,002	813,496	344,314	345,245
Non-controlling interests	refer to 1(d)(i)	6,036	5,654	-	-
Total equity		<u>835,038</u>	<u>819,150</u>	<u>344,314</u>	<u>345,245</u>

Non-current liabilities						
Long-term borrowings and obligations under finance leases - secured	F	97,582	97,896	90,000	90,000	
Long-term liabilities		12,739	12,412	-	-	
Gratuity on retirement		493	526	-	-	
Deferred income tax liabilities		7,039	7,260	-	-	
		117,853	118,094	90,000	90,000	
Current liabilities						
Trade and other payables	G	45,411	48,897	984	874	
Current income tax liabilities	H	7,019	5,728	63	64	
Short-term borrowings and obligations under finance leases - secured	F	25,779	24,731	10,679	10,600	
Advances from subsidiaries (non-trade)		-	-	156,575	149,408	
	E	78,209	79,356	168,301	160,946	
Total equity and liabilities		1,031,100	1,016,600	602,615	596,191	

The material variances noted from the statement of financial position items as at 31 March 2015 as compared with those of 31 December 2014 are explained as follows:

- (A) "Property, plant and equipment" increased due mainly to development costs for the second hotel in the Maldives.
- (B) "Available-for-sale financial assets" increased due mainly to fair value gain based on market value of the quoted equities.
- (C) "Long-term prepayments" increased due mainly to deposits paid to contractors for construction of the second hotel in the Maldives.
- (D) "Trade and other receivables" increased due mainly to higher prepayment for expenses.
- (E) Notwithstanding the Group and the Company having negative working capital, the Group and the Company manage the liquidity risk by ensuring there are sufficient cash and marketable securities to meet all normal operating commitments in a timely and cost-effective manner, having adequate amount of credit facilities and the ability to close market positions at short notice.
- (F) "Long-term borrowings - secured" and "Short-term borrowings - secured" increased in aggregate due mainly to additional draw down of bank borrowings and obligations under finance leases.
- (G) "Trade and other payables" decreased due mainly to payment to creditors and lower purchases of materials and consumables during the period.
- (H) "Current income tax liabilities" increased due mainly to absence of prior year reversal of over-provision of income tax.
- 1(b)(ii) Aggregate amount of group's borrowings, debt securities and obligations under finance lease

	Group			
	As At 31/03/2015		As At 31/12/2014	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable in one year or less, or on demand	25,779	-	24,731	-
Amount repayable after one year	97,582	-	97,896	-

Details of collaterals

The collaterals for the group's secured borrowings as at 31 March 2015 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

The collaterals for the group's finance lease as at 31 March 2015 are the equipment and vehicles of a local 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	
	First Quarter Ended	
	31/03/2015	31/03/2014
	S\$'000	S\$'000
Cash Flows from Operating Activities		
Profit before income tax	10,005	9,568
Adjustments for:		
Depreciation of property, plant and equipment	4,396	4,166
Dividend income	(17)	(2)
Interest income	(125)	(166)
Gain on disposal of property, plant and equipment	(5)	(76)
Property, plant and equipment written off	139	9
Fair value loss on financial assets at fair value through profit or loss	102	145
Interest expense	560	829
Replaced components of improvements to investment properties written off	52	4
Operating profit before working capital changes	15,107	14,477
Decrease in inventories	215	168
Increase in operating receivables	(1,670)	(519)
Decrease in operating payables	(4,059)	(3,068)
Cash generated from operations	9,593	11,058
Income tax paid	(526)	(478)
Net cash generated from operating activities	9,067	10,580
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(2,016)	(8,677)
Payment for long-term prepayment	(1,859)	-
Purchase of investment properties	(153)	(8)
Purchase of available-for-sale financial assets	(524)	(76)
Proceeds from sale of financial assets, at fair value through profit or loss	353	-
Proceeds from disposal of property, plant and equipment	19	137
Investment income		
- Interest received	124	166
- Dividends received	17	2
Net cash used in investing activities	(4,039)	(8,456)
Cash Flows from Financing Activities		
Proceeds from bank borrowings	650	8,291
Repayment of bank borrowings	(342)	-
Repayment of finance lease	(841)	(745)
Interest paid	(560)	(829)
Net cash (used in)/generated from financing activities	(1,093)	6,717
Net increase in cash and cash equivalents	3,935	8,841
Effect of foreign exchange rate changes	567	57
Cash and cash equivalents at beginning	22,580	31,600
Cash and cash equivalents at end (Note A)	27,082	40,498

Note A**Cash and cash equivalents**

Cash and cash equivalents comprise:

Cash and bank balances

Fixed deposits

Less:

Bank overdrafts

	Group	
	First Quarter Ended	
	31/03/2015	31/03/2014
	S\$'000	S\$'000
Cash and bank balances	21,416	17,166
Fixed deposits	6,741	23,943
Less:		
Bank overdrafts	(1,075)	(611)
	<u>27,082</u>	<u>40,498</u>

- 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	Total		
Balance at 1 January 2015	<u>S\$'000</u> 254,139	<u>S\$'000</u> 621,459	<u>S\$'000</u> 13,583	<u>S\$'000</u> 7,662	<u>S\$'000</u> (46,235)	<u>S\$'000</u> (37,112)	<u>S\$'000</u> 813,496	<u>S\$'000</u> 5,654	<u>S\$'000</u> 819,150
Changes in equity for the period									
Total comprehensive income for the period	-	7,858	-	3,883	3,765	-	15,506	382	15,888
Balance at 31 March 2015	254,139	629,317	13,583	11,545	(42,470)	(37,112)	829,002	6,036	835,038
Balance at 1 January 2014	254,139	593,247	13,583	15,953	(45,890)	(36,413)	794,619	5,419	800,038
Changes in equity for the period									
Total comprehensive income/(expense) for the period	-	7,482	-	(548)	(822)	-	6,112	316	6,428
Balance at 31 March 2014	254,139	600,729	13,583	15,405	(46,712)	(36,413)	800,731	5,735	806,466

The Company	Share capital	Retained profits	Total equity
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Balance at 1 January 2015	254,139	91,106	345,245
Changes in equity for the period			
Total comprehensive expense for the period	-	(931)	(931)
Balance at 31 March 2015	254,139	90,175	344,314
Balance at 1 January 2014	254,139	77,368	331,507
Changes in equity for the period			
Total comprehensive expense for the period	-	(1,138)	(1,138)
Balance at 31 March 2014	254,139	76,230	330,369

- 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.**

There has been no change in the company's share capital since the end of the previous period reported on.

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 immediately preceding financial period.

- 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 31 March 2015 and 31 December 2014. The total number of issued shares as at 31 March 2015 was 402,167,668 (31 December 2014: 402,167,668).

- 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 period beginning on or after 1 January 2015. 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	
	First Quarter Ended 31/03/2015	First Quarter Ended 31/03/2014
Earnings per ordinary share after deducting any provision for preference dividends:		
Based on weighted average number of ordinary shares in issue (cents)	1.954	1.861
On a fully diluted basis (cents)	1.954	1.861

As at 31 March 2015, there was no outstanding share options.

- 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	
	31/03/2015	31/12/2014	31/03/2015	31/12/2014
Net asset value per ordinary share (S\$)	2.06	2.02	0.86	0.86

The net asset values per ordinary share as at 31 March 2015 and 31 December 2014 were calculated based on 402,167,668 ordinary shares.

- 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) %
	First Quarter Ended		
	31/03/2015 S\$'000	31/03/2014 S\$'000	
Property - Rental	6,558	6,358	3.1
Hotel	28,897	29,552	(2.2)
Industrial	15,476	13,836	11.9
Investment	17	2	750.0
Property - Development	-	-	Nm
Total	50,948	49,748	2.4
Segment Results	Group		Increase/ (Decrease) %
	First Quarter Ended		
	31/03/2015 S\$'000	31/03/2014 S\$'000	
Property - Rental	4,601	4,420	4.1
Hotel	4,198	4,577	(8.3)
Industrial	2,307	1,684	37.0
Investment	(92)	(151)	(39.1)
Property - Development	(2)	(2)	-
Others ¹	(572)	(297)	92.6
	10,440	10,231	2.0
Finance costs	(560)	(829)	(32.4)
Interest income	125	166	(24.7)
Profit before taxation	10,005	9,568	4.6

Nm denotes Not meaningful

¹ Others include Corporate expenses

FIRST QUARTER 2015 ANNOUNCEMENT

Overall Performance of the Group

The revenue of the Group for the period ended 31 March 2015 ('1Q2015') of S\$50.948 million increased by 2.4% from S\$49.748 million for the year ended 31 March 2014 ('1Q2014'). This was due mainly to higher revenue from the Industrial, Property - Rental and Investment Divisions partially offset by lower revenue from the Hotel Division.

Profit before taxation for 1Q2015 of S\$10.005 million increased by 4.6% from S\$9.568 million for 1Q2014. This was due mainly to higher contributions from the Industrial and Property-Rental Divisions and lower finance costs, partially offset by lower contributions from the Hotel Division and higher foreign exchange losses.

Property- Rental Division

Revenue for the Property - Rental Division of S\$6.558 million for 1Q2015 increased by 3.1% from S\$6.358 million for 1Q2014 due mainly to higher occupancy rate.

Segment profit of S\$4.601 million for 1Q2015 increased by 4.1% from 1Q2014 profit of S\$4.420 million due mainly to higher revenue.

Hotel Division

Revenue for the Hotel Division of S\$28.897 million for 1Q2015 decreased by 2.2% from S\$29.552 million for 1Q2014 due mainly to lower revenue from the hotels in Zanzibar and Singapore.

Segment profit of S\$4.198 million for 1Q2015 decreased by 8.3% from S\$4.577 million for 1Q2014 due mainly to lower revenue and lower margins.

Industrial Division

Revenue for the Industrial Division of S\$15.476 million for 1Q2015 increased by 11.9% from S\$13.836 million for 1Q2014 mainly due to rollover effect of existing contracts, new contracts secured and contracts renewed at higher value during 1Q2015.

Segment profit of S\$2.307 million for 1Q2015 increased by 37.0% from 1Q2014 profit of S\$1.684 million mainly due to the increase in revenue and income from Government grant.

Investment Division

Revenue for the Investment Division of S\$0.017 million for 1Q2015 increased by 750.0% from S\$0.002 million for 1Q2014 due mainly to sale of shares and an increase in dividends received.

Segment loss of S\$0.092 million for 1Q2015 decreased by 39.1% from S\$0.151 million for 1Q2014 due mainly to lower fair value loss in 1Q2015 on the market value of quoted equities.

Property - Development Division

Since the completion of the villas development project in Tunisia in 2008, the group has not embarked on any new property development project. Segmental losses of S\$2,000 for 1Q2015 and 1Q2014 were due to general and administrative expenses incurred.

Statement of Cash Flows

First Quarter 2015

Net increase in cash and cash equivalents of S\$3.935 million was due to net cash generated from operation activities of S\$9.067 million, partially offset by cash used in investing activities of S\$4.039 million and financing activities of S\$1.093 million. For details, please refer to Part 1(c).

Net cash used in investing activities was due mainly to development costs for the second hotel in the Maldives.

Net cash used in financing activities was due to payment of interest expense, repayment of bank borrowings and finance lease partially offset by proceeds from 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 markets in Singapore and Tunis are expected to remain stable in the near term.

The market conditions in the countries in which the Hotel Division operates are expected to remain challenging. Construction has commenced for the Group's hotel in Bintan and the second hotel in the Maldives.

The Industrial Division is expected to remain profitable.

The performance of the Investment Division will continue to be affected by volatility of the various stock markets.

No revenue contribution is expected from the Property Development Division as there is no property development project currently.

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**

Not applicable.

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 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

7 May 2015