

First Quarter Financial Statements Announcement

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

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, for the first quarter ended 31 March 2016 together with comparative statements for the corresponding period of the immediately preceding financial year

These figures have not been audited.

CONSOLIDATED INCOME STATEMENT

	Note	Group		
		S\$000		% Increase / (Decrease)
		Three months ended		
		31 Mar 2016	31 Mar 2015	
Revenue	1	80,262	79,820	1
Cost of sales		(71,809)	(72,492)	(1)
Gross profit	1	8,453	7,328	15
Other operating income	2	112	33	239
Distribution costs	3	(1,737)	(1,662)	5
Administrative expenses	4	(4,050)	(4,001)	1
Other operating expenses	5	(384)	(619)	(38)
Profit from operations		2,394	1,079	122
Valuation loss on investment properties	6	(877)	-	N/A
Finance income	7	244	316	(23)
Finance costs	7	(1,141)	(1,239)	(8)
Foreign exchange gain (loss)	8	428	(260)	NM
Profit (Loss) before income tax		1,048	(104)	NM
Income tax credit (expense)		19	(10)	NM
Profit (Loss) for the quarter		1,067	(114)	NM
Profit (Loss) attributable to:				
Equity holders of the Company		625	(358)	NM
Non-controlling interests	9	442	244	81
		1,067	(114)	NM

NM – Not meaningful

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	S\$'000		%
		Three months ended		Increase / (Decrease)
		31 Mar 2016	31 Mar 2015	
Profit (Loss) for the quarter		1,067	(114)	NM
Other comprehensive (loss) income				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Translation (loss) gain arising on consolidation	10	(1,226)	159	NM
Fair value gain on available-for-sale investments, net of tax	11	108	136	(21)
Other comprehensive (loss) income for the quarter, net of tax		(1,118)	295	NM
Total comprehensive (loss) income for the quarter		(51)	181	NM
<u>Total comprehensive (loss) income attributable to:</u>				
Equity holders of the Company		(727)	(330)	NM
Non-controlling interests		676	511	32
		(51)	181	NM

Notes to the Consolidated Income Statement and Consolidated Statement of Comprehensive Income:Note 1:

Consolidated gross profit grew by 15% to S\$8.5 million in the quarter ended 31 March 2016 despite Group consolidated revenue of S\$80.3 million being flat compared to the S\$79.8 million achieved in the previous corresponding quarter. Gross profit margin improved to 10.5% from 9.2% previously.

Revenue included investment income comprising dividends and interest income amounting to S\$2.5 million (Three months ended 31 Mar 15: S\$1.9 million).

Note 2:

Other operating income comprises:

	S\$'000		%
	Three months ended		Increase / (Decrease)
	31 Mar 2016	31 Mar 2015	
Tax subsidy	66	18	267
Others	46	15	207
Total	112	33	239

- i. The increase in tax subsidy arises mainly from the wage credit received by the unit in Singapore.
- ii. The increase in Others is mainly from higher service fee income and equipment cost support.

THAKRAL CORPORATION LTD AND SUBSIDIARIES

Notes to the Consolidated Income Statement and Consolidated Statement of Comprehensive Income:

Note 3:

Distribution costs comprise:

	S\$'000		%
	Three months ended		Increase /
	31 Mar 2016	31 Mar 2015	(Decrease)
Staff costs	(910)	(857)	6
Advertising & promotion	(259)	(252)	3
Transportation	(246)	(207)	19
Travelling expenses	(87)	(102)	(15)
Others	(235)	(244)	(4)
Total	(1,737)	(1,662)	5

- i. Transportation expenses were higher from a combination of higher trucking costs with increased delivery volumes.
- ii. Travelling expenses declined due to reduced travel by sales related personnel in the period.

Note 4:

Administration expenses comprise:

	S\$'000		%
	Three months ended		Increase /
	31 Mar 2016	31 Mar 2015	(Decrease)
Staff costs (including executive directors)	(2,482)	(2,578)	(4)
Directors' fees	(119)	(141)	(16)
Professional fees	(289)	(285)	1
Rent & rates	(247)	(245)	1
Travelling expenses	(90)	(53)	70
Insurance	(70)	(80)	(13)
Allowance (Reversal) for doubtful debts	(5)	1	NM
Withholding tax	(328)	(228)	44
Others	(420)	(392)	7
Total	(4,050)	(4,001)	1

- i. Directors' fees reduced in view of the resignation of a director at the end of last year.
- ii. Travelling expenses were higher mainly due to increased travel by Directors and management personnel in the quarter.
- iii. Insurance costs were lower in the quarter mainly due to general cost savings.
- iv. Withholding tax relates to tax accruals on income from Investment Division projects currently in progress as well as on the dividends declared by the Japanese property holding vehicle.

Note 5:

Other operating expenses comprise:-

	S\$'000		%
	Three months ended		Increase / (Decrease)
	31 Mar 2016	31 Mar 2015	
Depreciation	(96)	(120)	(20)
Loss on derivative financial instruments	(288)	(499)	(42)
Total	(384)	(619)	(38)

- i. The loss on derivative financial instruments in the current quarter arose from the fair valuation of the hedge for the capital invested in the Japanese property holding vehicle.

Notes to the Consolidated Income Statement and Consolidated Statement of Comprehensive Income:

Note 6:

As the valuation of the GLNG houses in Australia is based on a combination of market value and discounted cash flow against the guaranteed rental income, the Group has recognized a charge in the latest quarter upon receipt of such income. Similar charges will be recognized for the remaining three quarters of the financial year.

Note 7:

Finance income declined in the latest quarter in view of a bank deposit (which had earned interest during the previous corresponding quarter) having been used to repay bank borrowings during the previous financial year.

Finance costs were lower mainly due to the lower level of debt outstanding on the GLNG houses during the current quarter as well as the reduced bank borrowings at the Lifestyle Division in comparison to the previous corresponding quarter.

Note 8:

Foreign exchange translation gain / loss arose mainly from the translation of monetary assets and liabilities, denominated in foreign currencies, outstanding as at the end of the period.

Note 9:

The increase in non-controlling interests arises mainly due to the entitlement of the minority shareholders to a higher percentage of profits following the completion of the reorganization of shareholdings in TCAP and TCH, both subsidiaries of the Company, in mid-FY2015.

Note 10:

These unrealized translation differences arose due to fluctuations in exchange rates of the foreign currencies in which the net assets of the Group's overseas operations are denominated.

Note 11:

The amount represents Thakral Japan Properties Pte Ltd (TJP)'s fair value gain on its available-for-sale investment in the Japanese property holding vehicle (of which the relevant portion is allocated to the non-controlling interests in TJP.)

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 (S\$ '000) as at		Company (S\$ '000) as at	
		31 Mar 2016	31 Dec 2015	31 Mar 2016	31 Dec 2015
ASSETS					
Current assets					
Cash and bank balances	1	23,968	10,609	130	186
Trade receivables		11,735	12,303	-	-
Other receivables and prepayments	2	9,409	6,798	42	46
Loans receivable	3	12,429	11,733	-	-
Assets held for sale	4	36,165	38,115	-	-
Inventories	5	21,679	25,667	-	-
Total current assets		115,385	105,225	172	232
Non-current assets					
Pledged fixed deposits	1	8,093	18,949	-	-
Loans receivable	3	28,433	28,087	-	-
Interest receivable on pledged fixed deposits	2	660	1,492	-	-
Property, plant and equipment		1,773	1,833	11	10
Investment properties	3	61,496	62,391	-	-
Subsidiary corporations		-	-	158,641	164,410
Derivative financial instrument	6	493	767	-	-
Available-for-sale investments	6	17,508	17,088	-	-
Total non-current assets		118,456	130,607	158,652	164,420
Total assets		233,841	235,832	158,824	164,652
LIABILITIES AND EQUITY					
Current liabilities					
Trade payables	7	3,807	6,258	-	-
Bills payables and trust receipts	7	18,551	20,341	-	-
Bank loans	8	43,107	44,104	-	-
Other payables	9	20,607	15,217	404	380
Provisions	9	2,704	3,089	52	52
Income tax payable		71	67	-	-
Total current liabilities		88,847	89,076	456	432
Non-current liabilities					
Amount owing to subsidiary corporations		-	-	64,768	68,180
Loans from banks and a financial institution	8	26,575	28,289	-	-
Deferred tax liability		1,038	1,035	-	-
Total non-current liabilities		27,613	29,324	64,768	68,180
Total liabilities		116,460	118,400	65,224	68,612
Capital, reserves and non-controlling interests					
Issued capital		72,579	72,579	72,579	72,579
Reserves		22,962	23,689	21,021	23,461
Equity attributable to equity holders of the Company		95,541	96,268	93,600	96,040
Non-controlling interests		21,840	21,164	-	-
Total equity		117,381	117,432	93,600	96,040
Total liabilities and equity		233,841	235,832	158,824	164,652

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

Amount repayable in one year or less, or on demand

As at 31 March 2016		As at 31 December 2015	
Secured	Unsecured	Secured	Unsecured
S\$ 52,264,000	S\$ 9,394,000	S\$ 54,202,000	S\$ 10,243,000

Please also see notes (7 & 8) on page 8

Details of any collateral

Charge over properties in Hong Kong and pledge on rental proceeds; pledged bank deposits of S\$23.0 million; Company's corporate guarantee

Mortgages over the land owned by certain Australian subsidiaries in Gladstone, general fixed and floating charges over the assets of these subsidiaries as well as the subsidiaries that lease the residential properties to the lessees

Amount repayable after one year

As at 31 March 2016		As at 31 December 2015	
Secured	Unsecured	Secured	Unsecured
S\$ 21,837,000	S\$ 4,738,000	S\$ 23,723,000	S\$ 4,566,000

Please also see note (8) on page 8

Details of any collateral

Mortgages over the land owned by certain Australian subsidiaries in Gladstone, general fixed and floating charges over the assets of these subsidiaries as well as the subsidiaries that lease the residential properties to the lessees

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**

	(S\$ '000)	
	Three months ended	
	31 Mar 2016	31 Mar 2015
OPERATING ACTIVITIES		
Profit (Loss) before income tax	1,048	(104)
Adjustments for:		
Depreciation expense	96	120
Interest income from loans receivable and dividend income from unquoted investments	(2,519)	(1,865)
Interest expense	1,141	1,239
Interest income	(244)	(316)
(Gain) Loss on disposal of property, plant and equipment	(3)	2
Loss on exercise of derivative financial instrument	-	356
Valuation loss on investment properties	877	-
Unrealised loss on outstanding derivative financial instrument	288	143
Net unrealised foreign exchange (gain) loss	(176)	117
Provision for employee benefits	45	55
Allowance for inventories	31	81
Allowance (Reversal) for doubtful trade receivables	5	(1)
Operating cash flows before movements in working capital	589	(173)
Trade receivables	78	1,591
Other receivables and prepayments	(1,427)	5,701
Inventories	2,938	3,017
Trade payables	(2,328)	(5,489)
Other payables and provisions	5,430	(2,633)
Cash generated from operations	5,280	2,014
Income tax refund (paid)	18	(18)
Interest paid	(919)	(1,090)
Interest received	9	25
Net cash from operating activities	4,388	931
INVESTING ACTIVITIES		
Additions to property, plant and equipment	(47)	(45)
Proceeds from disposal of property, plant and equipment	6	2
Repayment of loans receivable - current and non-current	2,803	1,723
Additions to loans receivable - current and non-current	(1,608)	(1,503)
Acquisition of derivative financial instrument	-	(1,159)
Proceeds from exercise of derivative financial instrument	-	85
Net cash from (used in) investing activities	1,154	(897)
FINANCING ACTIVITIES		
Decrease in fixed deposits with maturities exceeding three months	-	4,144
Increase in pledged fixed deposits	(86)	(4,142)
(Decrease) Increase in bills payable and trust receipts	(859)	1,612
Loans from banks	1,724	5,320
Repayments of bank loans	(2,814)	(4,812)
Net cash (used in) from financing activities	(2,035)	2,122
Net increase in cash and cash equivalents	3,507	2,156
Cash and cash equivalents at beginning of the quarter	5,543	13,497
Net effect of exchange rate changes in the balance of cash held in foreign currencies	(43)	175
Cash and cash equivalents at end of the quarter	9,007	15,828
Cash and cash equivalents were represented by:-		
Fixed deposits with maturities less than 3 months, cash and bank balances	9,007	15,828
	9,007	15,828

Note

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THAKRAL CORPORATION LTD AND SUBSIDIARIES

Notes to the Statements of Financial Position and Consolidated Statement of Cash Flows:

Note 1:

Cash and bank balances are comprised of:

	<u>31-Mar-16</u>	<u>31-Dec-15</u>
Cash and cash equivalents	S\$9.0 million	S\$5.5 million
Fixed deposits with maturities exceeding three months	S\$0.1 million	S\$0.1 million
Fixed deposits that have been pledged to banks against Bills payables and trust receipts (see note 7 below)	S\$1.2 million	S\$1.3 million
Fixed deposits that have been pledged to banks against bank loans	S\$21.8 million	S\$22.7 million
Total (including non-current fixed deposits)	<u>S\$32.1 million</u>	<u>S\$29.6 million</u>

Note 2:

Other receivables and prepayments increased mainly due to the accrual of interest on fixed deposits as well as an increase in advances to suppliers. Other receivables include the interest receivable on fixed deposits with maturities of less than one year. Interest accrued on deposits with maturities over 1 year is included under non-current assets.

Note 3:

The aggregate increase in Loans receivable arises from the additional investments made in ongoing projects in Australia along with the accrual of returns during the quarter.

The Group consolidates the investment properties and the relevant bank loans for the two GLNG projects on its statement of financial position. The recourse of the bank for the loans provided remains limited to the GLNG projects only.

Note 4:

Assets held for sale are comprised of:

	<u>31-Mar-16</u>	<u>31-Dec-15</u>
	<u>S\$'000</u>	<u>S\$'000</u>
Investment Properties	32,893	34,667
Properties, plant and equipment (Leasehold land and buildings)	3,272	3,448
Total	<u>36,165</u>	<u>38,115</u>

The Investment Properties represent the warehouse properties in Hong Kong which are intended to be sold. Leasehold land and buildings represent the warehouse currently in use by the Group in Hong Kong.

Note 5:

The reduction in inventories is a result of the clearance of certain products.

Note 6:

The Group had invested in commercial properties in Japan during the last quarter of 2014 through a pooled investment structure which accounted for this as an available-for-sale investment.

The derivative financial instrument represents the mark-to-market value of the Group's medium-term forex option taken to hedge its capital invested in the Japanese property holding vehicle as at the respective dates.

Note 7:

Aggregate Trade payables and Bills payable and trust receipts decreased following settlements in the quarter.

Note 8:

Aggregate bank loans reduced following repayments made mainly in Australia and China.

Notes to the Statements of Financial Position and Consolidated Statement of Cash Flows:

Note 9:

Other payables increased mainly from funds advanced by an investor for the Investment Division as well as advances from a customer.

Provisions declined mainly from the severance payments made to staff upon separation/retrenchment.

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**Three months ended 31 March 2016**

S\$'000

Group**Balance at 1 Jan 2016**

Total comprehensive loss for the quarter

Profit for the quarter

Other comprehensive income (loss) for the quarter

Balance at 31 Mar 2016

Issued capital	Capital reserve	Asset revaluation reserve	Investment revaluation reserve	Options reserve	Foreign currency translation reserve	Retained earnings	Attributable to equity holders of the Company	Non-controlling interests	Total
72,579	(9,207)	3,278	1,562	51	(29,835)	57,840	96,268	21,164	117,432
-	-	-	-	-	-	625	625	442	1,067
-	-	-	54	-	(1,406)	-	(1,352)	234	(1,118)
-	-	-	54	-	(1,406)	625	(727)	676	(51)
72,579	(9,207)	3,278	1,616	51	(31,241)	58,465	95,541	21,840	117,381

Three months ended 31 March 2015

S\$'000

Group**Balance at 1 Jan 2015**

Total comprehensive income for the quarter

(Loss) Profit for the quarter

Other comprehensive income (loss) for the quarter

Transactions with owners, recognised directly in equity

Transfer from options reserve to retained earnings on cancellation / lapse of share options

Balance at 31 Mar 2015

Issued capital	Asset revaluation reserve	Investment revaluation reserve	Options reserve	Foreign currency translation reserve	Retained earnings	Attributable to equity holders of the Company	Non-controlling interests	Total
72,579	3,278	122	252	(30,019)	51,549	97,761	7,994	105,755
-	-	-	-	-	(358)	(358)	244	(114)
-	-	68	-	(40)	-	28	267	295
-	-	68	-	(40)	(358)	(330)	511	181
-	-	-	(196)	-	196	-	-	-
72,579	3,278	190	56	(30,059)	51,387	97,431	8,505	105,936

Three months ended 31 March 2016

S\$'000

Company**Balance as at 1 Jan 2016**

Loss for the quarter, representing total comprehensive loss for the quarter

Balance as at 31 Mar 2016

Issued capital	Options reserve	Retained earnings	Total
72,579	51	23,410	96,040
-	-	(2,440)	(2,440)
72,579	51	20,970	93,600

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Three months ended 31 March 2015

Company

Balance as at 1 Jan 2015

Loss for the quarter, representing total comprehensive loss for the quarter

Transactions with owners, recognised directly in equity

Transfer from options reserve to retained earnings on cancellation / lapse of share options

Balance as at 31 Mar 2015

S\$'000

Issued capital	Options reserve	Retained earnings	Total
72,579	252	18,490	91,321
-	-	(1,007)	(1,007)
-	(196)	196	-
72,579	56	17,679	90,314

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.

Since the beginning of the quarter, 7,500 share options (equivalent to 375 shares on 20:1 basis following the completion of the share consolidation in FY2015) lapsed during the quarter.

The number of shares that may be issued on exercise of all the outstanding options under the 2001 Scheme is as follows:-

	As at 31 Mar 2016	As at 31 Dec 2015
Outstanding options	69,625	70,000

The Company did not have any treasury shares as at 31 March 2016 and 31 December 2015.

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.

The total number of issued shares was 130,860,616 as at 31 March 2016 and 31 December 2015.

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

These 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 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 item 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year as those of the audited financial statements for the year ended 31 December 2015.

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

On 1 January 2016, the Group adopted all the new and revised FRSs and Interpretations of FRS that are effective from that date and are relevant to its operations. The Group was mainly affected by the following new / revised FRSs and amendments to FRS:-

Amendments to FRS 1 *Presentation of Financial Statements: Disclosure Initiative*

The adoption of the above does not result in significant changes to the Group and Company's accounting policies and has no material effect on the amounts reported for the current or prior years.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	Three months ended 31 Mar 2016	Three months ended 31 Mar 2015
(i) Basic earnings (loss) per share	0.48 cent	(0.27) cent
(ii) Fully diluted earnings (loss) per share	0.48 cent	(0.27) cent

Basic earnings (loss) per share is computed on the profit (loss) for the periods after taxation and deduction of non-controlling interests divided by 130,860,616 being the adjusted weighted average number of shares in issue during the period ended 31 March 2016 and 130,860,616 being the weighted average number of shares in issue on an adjusted post share-consolidation basis during the period ended 31 March 2015. The diluted earnings per share for the period ended 31 March 2016 is computed on the profit for the period after taxation and deduction of non-controlling interests divided by 130,860,616 being the adjusted weighted average number of shares in issue during the period. The diluted loss per share for the period ended 31 March 2015 is computed on the loss for the period after taxation and deduction of non-controlling interests divided by 130,860,616 being the adjusted weighted average number of shares in issue on an adjusted post share-consolidation basis during the period. The figure based on the adjusted post share-consolidation number of shares for the prior year has been provided for comparison purposes only.

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

	As at 31 Mar 2016	As at 31 Dec 2015
Group	73.01 cents	73.57 cents
Company	71.53 cents	73.39 cents

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

It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review – Quarter ended 31 March 2016

Turnover & Profitability

Improved performance at all units in the Group's Lifestyle Division and continued strong performance at the Investment Division saw the Group report a growth of 15% in gross profit to S\$8.5 million for the quarter ended 31 March 2016, from S\$7.3 million in the previous corresponding quarter.

Revenue at the Investment Division broadly remained the same as the previous corresponding quarter. This included a higher dividend declared by the Japanese property investment vehicle in this period. Sales of S\$74.7 million at the Lifestyle Division's in the latest quarter were about level with S\$74.2 million achieved in the previous corresponding quarter. Consequently, Group consolidated revenue of S\$80.3 million was little changed from the S\$79.8 million achieved in the earlier quarter.

Group gross profit margin improved to 10.5% in the latest quarter as against 9.2% earned in the earlier period. The Lifestyle Division continued to benefit from the change in product mix and particularly with its Beauty and Health products gaining traction.

The Group achieved a net profit before tax of S\$1.0 million for the current quarter, compared to a loss of S\$0.1 million in the previous corresponding quarter.

Profit from operations of S\$2.4 million in the current quarter more than doubled from the S\$1.1 million earned in the previous corresponding quarter.

In view of the ongoing receipt of rental and other contractual income from the GLNG houses in Australia, the Group had decided to continue to retain these housing units. However, as the valuation of these houses is based on a combination of market value and discounted cash flow against the guaranteed rental income, the Group has recognized a charge of S\$0.9 million in the latest quarter. Similar charges will be recognized for the remaining three quarters of the financial year.

Finance Income and Costs

Finance income declined to S\$0.2 million for the latest quarter from S\$0.3 million previously as a bank deposit (which had earned interest during the previous corresponding quarter) was used to repay bank borrowings.

Finance costs declined to S\$1.1 million for the quarter compared to S\$1.2 million previously from the ongoing repayment of the loans against the GLNG properties in Australia as well as the lower bank borrowings at the Lifestyle Division.

Expenses

Distribution expenses of S\$1.7 million for the quarter remained under control with marketing and promotion expenses incurred mainly for the Sixpad fitness equipment

Overall Administration expenses at S\$4.1 million also remained almost level with those of the previous corresponding quarter.

Other operating expenses declined to S\$0.4 million in the latest quarter mainly from the lower mark-to-market loss of S\$0.3 million incurred on the hedge for the capital invested in the Japanese property holding vehicle as compared to S\$0.5 million in the previous corresponding quarter.

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The Group also saw unrealised foreign exchange gains of S\$0.4 million in the current quarter from the retranslation of foreign currency denominated monetary assets and liabilities as compared to a loss of S\$0.3 million in the previous corresponding quarter.

Attributable Profit

Profit attributable to shareholders was S\$0.6 million against a loss of S\$0.4 million in the previous period.

Working Capital and Cash Flow

Inventories as at 31 March 2016 declined to S\$21.7 million from S\$25.7 million as at 31 December 2015, resulting from the clearance of certain products. The inventory turnover period for the latest quarter was 30 days against 33 days for the previous corresponding quarter.

Trade receivables reduced to S\$11.7 million as at 31 March 2016 from S\$12.3 million as at 31 December 2015. The trade receivables turnover period for the current year remained unchanged from the 14 days for the previous corresponding quarter.

Other receivables and prepayments increased to S\$9.4 million as at 31 March 2016 from S\$6.8 million as at 31 December 2015 mainly due to the reclassification of accrued interest on fixed deposits maturing in the next 12 months as well as an increase in advances to suppliers.

Other Payables increased mainly due to funds received from an investor for the Investment Division as well as interest-bearing advances from a customer.

The Group saw a net cash inflow of S\$4.4 million in the latest quarter as compared to S\$0.9 million in the previous corresponding quarter, primarily due to the aforesaid investor funds and advances.

Net Asset Value

Net Asset Value per share declined to 73.01 cents as at 31 March 2016 from 73.57 cents as at 31 December 2015 mainly due to the loss on translation of the net assets of the subsidiaries denominated in foreign currencies.

Performance Summary

Investments

The Investment Division continued with strong performance with its segment result at the same level as the previous corresponding quarter. The division completed the purchase of the land for its Newstead project in Brisbane in early April and is progressing with its plans for the development of assets for retirement villages commencing later in the year.

Lifestyle

Segment loss at this division narrowed by about 60% to S\$0.9 million for the latest quarter as compared to S\$2.1 million in the previous corresponding quarter, reflecting the gradual progress of efforts being taken to achieve a turnaround. The division has identified certain product categories within the Beauty and Health segment and is taking steps to grow volumes through the addition of new customers in this space. The division also remains on the lookout for other innovative brands or products to add to its portfolio.

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

The performance of the Investment Division met management's expectations. The Lifestyle Division will continue to need some more time to return to profitability from its new brands and products.

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.

Data from the Australian Bureau of Statistics shows that new home building reached a new high in Australia in the third quarter of 2015 and was about 15% higher than the previous peak in 1994. This has been one of the longest upcycles in history for the residential construction industry, although with significant regional variations. New home building is benefitting from record low interest rates, strong demographic demand and resurgent labour markets in New South Wales and Victoria. Land supply policy, however, lags the housing needs of a growing population and suggests that this construction trend is expected to continue for some time, at least in the first half of 2016. It is noted that with various Investment Division projects maturing over the next 12 months, the division is well placed to re-invest funds from completed projects into new opportunities in the backdrop of tightening credit conditions. In addition, the Investment Division's focus on retirement assets in Australia is expected to provide a strong platform for long term growth for the Group.

The Asian Development Bank forecast that China's economy would grow at 6.5 per cent in 2016; GDP grew 6.9% in 2015. Slower domestic growth combined with capital outflows for overseas investment will likely lead to further RMB weakness, which in turn could affect consumer demand in the Group's largest market. The PRC's growth moderation and an uneven global recovery also continue to weigh on overall consumer sentiment in Asia. While the Lifestyle Division has shown improvement in performance, the Group remains cautious in its outlook for this Division for this year.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? None

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

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

Subsequent to 31 December 2015, the directors do not recommend any payment of dividend.

13. If the Group has obtained a general mandate from 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

Name of interested person	Aggregate value of all interested person transactions during the period ended 31 March 2016 (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual (excluding transactions less than S\$100,000)
Thakral Brothers Pte Ltd and subsidiaries	S\$'000	S\$'000
Purchases, net of returns	-	10,810

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**(This part is not applicable to Q1, Q2, Q3 or Half Year Results)****14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

The Group, which operates in three geographical segments being Australia, the People's Republic of China (including Hong Kong) and others (India, Japan and Singapore), has 3 main core divisional activities as follows:

- a) Investment ("INV") - includes real estate investments in Australia and property investments in People's Republic of China (including Hong Kong) and Japan
- b) Lifestyle ("LIFE") – comprises distribution of lifestyle products in India, Japan, Peoples' Republic of China (including Hong Kong), Singapore and in various export markets
- c) Others ("OTH") - those other activities which do not fall into the above categories

Group's reportable segments**S\$'000****Three months ended 31 March 2016**

	INV	LIFE	OTH	TOTAL
Revenue				
External sales	5,584	74,678	-	80,262
Result				
Segment result	3,981	(857)	(306)	2,818
Unallocated corporate expenses				(424)
Valuation loss on investment properties				(877)
Finance income				244
Finance costs				(1,141)
Foreign exchange gain				428
Profit before income tax				1,048
Income tax credit				19
Profit for the period				1,067
Other information				
Capital expenditure:				
Property, plant and equipment	5	40	2	47
Depreciation expense	4	91	1	96
Assets				
Segment assets	166,648	67,005	188	233,841
Total assets				233,841
Liabilities				
Segment liabilities	49,491	65,413	447	115,351
Income tax payable				71
Deferred tax liability				1,038
Total liabilities				116,460

THAKRAL CORPORATION LTD AND SUBSIDIARIES

S\$'000

Three months ended 31 March 2015

	INV	LIFE	OTH	TOTAL
Revenue				
External sales	5,670	74,150	-	79,820
Result				
Segment result	3,981	(2,123)	(385)	1,473
Unallocated corporate expenses				(394)
Finance income				316
Finance costs				(1,239)
Foreign exchange loss				(260)
Loss before income tax				(104)
Income tax expense				(10)
Loss for the period				(114)

Other information				
Capital expenditure:				
Property, plant and equipment	-	45	-	45
Depreciation expense	29	90	1	120

Assets				
Segment assets	147,474	80,673	238	228,385
Total assets				228,385
Liabilities				
Segment liabilities	53,987	67,459	464	121,910
Income tax payable				73
Deferred tax liability				466
Total liabilities				122,449

Geographical information

S\$'000

Geographical segments:	Revenue		Capital expenditure		Non-current assets *	
	31 Mar		31 Mar		31 Mar	
	2016	2015	2016	2015	2016	2015
People's Republic of China (including Hong Kong)	74,662	73,141	1	42	2,840	29,655
Australia	2,678	3,396	5	-	59,107	50,821
Others	2,922	3,283	41	3	1,322	1,262
	80,262	79,820	47	45	63,269	81,738

The basis of the information stated under geographical segment above is the aggregate of the relevant figures from companies incorporated in those countries

* Non-current assets other than financial instruments

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

See item 8 on review of performance

Negative confirmation pursuant to Rule 705(5)

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial statements for the 3 months ended 31 March 2016 to be false or misleading in any material aspect.

Confirmation pursuant to Rule 720(1)

It is confirmed that the Company has procured undertakings from all its Directors and executive officers.

ON BEHALF OF THE BOARD

Kartar Singh Thakral
Director

Inderbethal Singh Thakral
Director
28 April 2016

BY ORDER OF THE BOARD

Chan Wan Mei
Chan Lai Yin
Company Secretaries
28 April 2016