星岛置地

共建美丽家园

Company No. 201131382E

Unaudited Financial Statements And Dividend Announcement for the Six Months Ended 31/03/2015

*Starland Holdings Limited (the "**Company**") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 27 April 2012. The initial public offering of the Company (the "**IPO**") was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**").*

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**") for compliance with the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.*

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr. Lance Tan, Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 62298088.

Background

*The Company was incorporated in the Republic of Singapore on 20 October 2011 under the Companies Act (Chapter 50) of Singapore as a private limited company. The Company and its subsidiaries (the "**Group**"), were formed pursuant to a restructuring exercise (the "**Restructuring Exercise**") which involved acquisition and rationalisation of the Group's corporate and shareholding structure prior to the IPO and the Company's listing on Catalist of the SGX-ST. Please refer to the Company's offer document dated 19 April 2012 ("**Offer Document**") for further details on the Restructuring Exercise.*

*The Company was admitted to the Catalist on 27 April 2012. For the purpose of this announcement, the results of the Group for the six months ended 31 March 2015 ("**HY2015**"), and the comparative results of the Group for the six months ended 31 March 2014 ("**HY2014**") represented a combination or aggregation of the financial statements of the Company and its subsidiaries after the Restructuring Exercise, and have been prepared on the assumption that the Group structure following the completion of the Restructuring Exercise has been in place since 1 October 2010 or the date of incorporation whichever is later.*

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

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 31 MARCH 2015

	Group		
	Six Months Ended		
	31/03/2015	31/03/2014	Change
	RMB'000	RMB'000	%
Revenue	1,468	4,856	-69.8%
Cost of Sales	(537)	(788)	-31.9%
Gross Profit	931	4,068	-77.1%
Other Income	1,515	462	227.9%
Other Operating Expenses	(107)	(13)	723.1%
Selling Expenses	(581)	(1,435)	-59.5%
Adminstrative Expenses	(4,598)	(5,306)	-13.3%
Loss before income tax	**(2,840)**	**(2,224)**	**27.7%**
Income Tax Expense	(60)	(1,280)	-95.3%
Loss for the financial period	**(2,900)**	**(3,504)**	**-17.2%**
Other comprehensive income/(loss)			
Currency translation differences	129	(9)	NM
Total comprehensive loss for the financial period	**(2,771)**	**(3,513)**	**-21.1%**
NM = Not Meaningful			

1(a)(ii) Notes to consolidated statement of consolidated income.

Profit for the financial period is arrived at after charging / (crediting) the following:

	Group		
	Six Months Ended		
	31/03/2015	31/03/2014	Change
	RMB'000	RMB'000	%
Interest income	(1,503)	(330)	355.5%
Rental Income	(378)	(668)	-43.4%
Interest expense	(107)	-	NM
Gain on disposal of equipment	-	(115)	NM
Depreciation and amortisation	226	165	37.0%

NM = Not Meaningful

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015 AND 30 SEPTEMBER 2014

	Group		Company	
	As at		As at	
	31/03/2015	30/09/2014	31/03/2015	30/09/2014
	RMB'000	RMB'000	RMB'000	RMB'000
Non-Current Assets				
Equipment	962	1,185	67	78
Investments in Subsidiaries	-	-	9,773	9,773
Deferred Tax Assets	3,238	3,242	-	-
	4,200	4,427	9,840	9,851
Current Assets				
Cash and cash equivalents	88,037	98,598	299	340
Other Receivables and Deposits	9,565	10,828	70	118
Due from Subsidiary	-	-	703	750
Properties Held for Sale	12,889	13,413	-	-
Development Properties	425,514	436,305	-	-
	536,005	559,144	1,072	1,208
Current Liabilities				
Trade Payables	42,153	74,447	-	-
Due to Subsidiary	-	-	2,262	2,227
Other Payables and Accruals	9,647	13,302	493	856
Advances from a Director	41	6,049	-	-
Advance Receipt from Sale of Properties	309,107	291,680	-	-
Short-term loan	15,780	8,455	7,779	6,039
Income Tax Payable	22,786	24,102	-	-
	399,514	418,035	10,534	9,122
Net Current Assets	**136,491**	**141,109**	**(9,462)**	**(7,914)**
Non-Current Liabilities				
Trade payables	259	259	-	-
Deferred Tax Liabilities	2,594	2,594	-	-
Long-term Loans	23,897	25,971	-	-
	26,750	28,824	-	-
Net Assets	**113,941**	**116,712**	**378**	**1,937**
Capital and Reserves				
Share Capital	24,471	24,471	24,471	24,471
Capital Reserve	99,027	99,027	-	-
Merger Reserve	628	628	628	628
Statutory Reserve	3,222	3,222	-	-
Translation Reserve	270	141	627	99
Accumlated losses	(13,677)	(10,777)	(25,348)	(23,261)
Total Capital and Reserves	**113,941**	**116,712**	**378**	**1,937**

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

Amount repayable in one year or less, or on demand

As at 31/03/2015		As at 30/09/2014	
Secured RMB'000	Unsecured RMB'000	Secured RMB'000	Unsecured RMB'000
15,780	41*	8,455	6,049*

Amount repayable after one year

As at 31/03/2015		As at 30/09/2014	
Secured RMB'000	Unsecured RMB'000	Secured RMB'000	Unsecured RMB'000
23,897	-	25,971	-

Note:
* Represent advances from shareholder which are unsecured, interest-free and repayable on demand.

Details of any collateral

The Group has obtained a property development financing facility (the "**Facility'**) of S$7,698,000 for a property development project in Singapore. The Facility comprises of a land loan and a construction loan. As at 31 March 2015, the Group has drawdown the land loan of S$5,376,000 (approximately RMB 23,897,000).

The Facility is secured and guaranteed by the following:-

a) First legal mortgage over the acquired property in Singapore and the proposed development to be erected thereon;

b) Fixed deposit of S$773,000 (approximately RMB3,438,000) pledge with the bank;

c) Legal assignment of all rights, title and interests in the construction contract, insurance policies, performance bonds (if any), tenancy agreements and sales and purchase agreements in respect of the proposed development;

d) A personal guarantee for S$8,991,000 (approximately RMB39,967,000) by a director of the Company; and

e) A corporate guarantee for S$8,991,000 (approximately RMB39,967,000) by the Company.

The Group and the Company has also obtained a Revolving Credit Facility (the "**RCF**") of S$3,050,000 from the Bank of China for general working capital purposes. The Group and the Company has drawn down S$1,750,000 (approximately RMB7,779,000) as of HY2015.

The RCL is secured and guaranteed by the following:-

a) Standby Letter of Credit ("**SBLC**") for not less than RMB17 million issued by Bank of China Limited, Chongqing Branch; and

b) A personal guarantee of S$3,050,000 (approximately RMB13,558,000) by a director of the Company.

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

Details of any collateral

The Group has also obtained a Money Market Loan (the "**MML**") of S$1,800,000 from the United Overseas Bank for general working capital purposes. The Group has drawn down S$1,800,000 (approximately RMB8,001,000) as of HY2015.

The MML is secured and guaranteed by the following:-

a) Standby Letter of Credit ("**SBLC**") for not less than RMB10 million issued by the United Overseas Bank (China) Limited, Chengdu Branch; and

b) A personal guarantee of S$1,800,000 (approximately RMB8,001,000) by a director of the Company.

c) A corporate guarantee for S$1,800,000 (approximately RMB8,001,000) by the Company.

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

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 31 MARCH 2015

	Six Months Ended	
	31/03/2015	31/03/2014
	RMB'000	RMB'000
Operating activities		
Loss before income tax	(2,840)	(2,224)
Adjustments for:		
Gain on disposal of equipment	-	(115)
Depreciation of equipment	226	165
Interest income	(1,503)	(330)
Interest expense	107	-
Operating cash flows before movements in working capital	(4,010)	(2,504)
Properties held for sale	524	609
Development properties	10,791	(85,936)
Other receivables and deposits	1,263	(5,244)
Trade payables	(32,294)	36,614
Other payables	13,772	57,923
Cash from operations	(9,954)	1,462
Interest received	1,503	330
Interest expense	(107)	-
Income tax paid	(1,372)	(13,568)
Net cash used in operating activities	**(9,930)**	**(11,776)**
Investing activities		
Purchase of equipment	(3)	(2)
Proceeds from disposal of equipment	-	85
Net cash (used in)/from investing activities	**(3)**	**83**
Financing activities		
Increase in bank deposits pledged	(4,715)	(37)
Repayment to a director	(6,008)	(3,801)
Bank borrowings	5,251	5,687
Net cash (used in)/from financing actiivities	**(5,472)**	**1,849**
Net decrease in cash and cash equivalents	(15,405)	(9,844)
Effect of foreign exchange rate changes	129	(9)
Cash and cash equivalents at beginning of financial period	65,738	61,994
Cash and cash equivalents at end of financial period *	**50,462**	**52,141**
* Note to consolidated statement of cash flows		
Cash and cash equivalents	88,037	62,967
Less: Deposit pledge	(37,575)	(10,826)
	50,462	52,141

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.

GROUP

	Equity attributable to owners of the parents						
	Share Capital RMB'000	Capital Reserve RMB'000	Merger Reserve RMB'000	Statutory Reserve RMB'000	Translation Reserve RMB'000	Retained earnings (accumulated losses) RMB'000	Total RMB'000
Balance at 1 October 2013	24,471	99,027	628	2,860	109	(682)	126,413
Total comprehensive income for the financial year	-	-	-	-	(9)	(3,504)	(3,513)
Balance at 31 March 2014	24,471	99,027	628	2,860	100	(4,186)	122,900
Balance at 1 October 2014	24,471	99,027	628	3,222	141	(10,777)	116,712
Total comprehensive income for the financial year	-	-	-	-	129	(2,900)	(2,771)
Balance at 31 March 2015	24,471	99,027	628	3,222	270	(13,677)	113,941

COMPANY

	Share Capital RMB'000	Capital Reserve RMB'000	Merger Reserve RMB'000	Statutory Reserve RMB'000	Translation Reserve RMB'000	Accumulated Losses RMB'000	Total RMB'000
Balance at 1 October 2013	24,471	-	628	-	26	(17,225)	7,900
Total comprehensive income for the financial year	-	-	-	-	(8)	(2,811)	(2,819)
Balance at 31 March 2014	24,471	-	628	-	18	(20,036)	5,081
Balance at 1 October 2014	24,471	-	628	-	99	(23,261)	1,937
Total comprehensive income for the financial year	-	-	-	-	528	(2,087)	(1,559)
Balance at 31 March 2015	24,471	-	628	-	627	(25,348)	378

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 was no change in the issued and paid-up share capital of the Company from 1 October 2014 up to 31 March 2015. The Company's share capital was RMB24,471,000 comprising 144,733,000 shares as at 1 October 2014 and 31 March 2015.

The Company did not have any outstanding options, convertibles or treasury shares as at 31 March 2014 and as at 31 March 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.

	Company	
	31 March 2015	30 September 2014
Total number of issued shares excluding treasury shares	144,733,000	144,733,000

There were no treasury shares as at 31 March 2015 and 30 September 2014.

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 thereon.

Not applicable. The Company did not have treasury shares during or as at the end of the current financial period reported on.

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

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

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 for the adoption of Singapore Financial Reporting Standard ("**FRS**") that is effective for the current financial year as disclosed in Note 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period as in the most recent audited financial statements for the financial year ended 30 September 2014.

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 adoption of the new standards and interpretations has no material impact on the financial statements in the current reporting period.

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	
	Six months ended 31/03/2015	Six months ended 31/03/2014
(Loss)/Earnings per share (RMB cents)		
- Based on weighted average number of post-invitation shares in issue	(2.00)	(2.42)
- Based on fully diluted basis	(2.00)	(2.42)
Weighted average number of post-invitation shares during the financial period applicable to basic and diluted (loss) earning per share ('000)	144,733	144,733

Notes:

1) The basic and diluted earnings and loss per share for the respective financial year under review were the same as the Company did not have potentially dilutive ordinary shares as at 31 March 2015 and 31 March 2014 respectively.

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	
	31/03/2015	30/09/2014
Net Asset Value Per Ordinary Share		
- Based on issued share capital at the end of financial period (RMB)	0.79	0.81
- Number of ordinary shares at the end of financial period ('000)	144,733	144,733

	Company	
	31/03/2015	30/09/2014
Net Asset Value Per Ordinary Share		
- Based on issued share capital at the end of financial period (RMB)	0.003	0.01
- Number of ordinary shares at the end of financial period ('000)	144,733	144,733

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

Six months ended 31 March 2015 ("HY2015") vs. Six months ended 31 March 2014 ("HY2014")

Revenue

Our revenue is derived from the sale of properties, sale of carpark space, leasing of carpark space and rental income from leasing our properties.

Revenue decreased by 69.8% from RMB4.86 million in HY2014 to RMB1.47 million in HY2015 which was mainly due to no sales of commercial units of the University Town Project.

There was no property management income in HY2015 (HY2014: RMB0.40 million) as the Group had terminated the managing and maintaining of our developed residential and commercial properties at University Town Project. The property management had been assigned to the residential committee [扬二坪社区第三组学府新城业主委员会].

Other Income

Other income increased by approximately RMB1.06 million to RMB1.52 million as a result of higher interest income due to higher fixed deposit pledged with the banks as well as the forfeit of rental deposits.

Other operating expenses

Other operating expense increased by approximately RMB0.09 million in HY2015 from RMB0.01 million in HY2014 to approximately RMB0.11 million in HY2015 and was mainly due to higher finance cost incurred in Singapore.

Cost of sales

Our cost of sales mainly comprises costs incurred directly for our property development activities. Our cost of sales is determined by apportionment of the total land costs and development costs during the development period with such apportionment based on the Gross Floor Area ("**GFA**") of which the properties have been successfully delivered to the customers.

In HY2015, the land and development costs accounted for approximately RMB0.52 million, representing 51.1% (HY2014: NIL) of our revenue from the sale of carpark space.

Gross Profit and Profit Margin

Gross profit decreased from approximately RMB4.07 million in HY2014 to approximately RMB0.93 million in HY2015 mainly due to the decrease in revenue. The decrease in gross margin from 83.8% in HY2014 to 63.4% in HY2015 was mainly due to no sales of commercial units of the University Town Project.

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**

Operating expenses

The Group's operating expenses comprise mainly selling expenses and administrative expenses. The Group's total operating expenses decreased by approximately RMB1.57 million or 23.3% from approximately RMB6.75 million in HY2014 to approximately RMB5.18 million in HY2015.

The Group's selling expenses comprise mainly sales and marketing staff costs, advertisement and promotional expenses and documentation charges for property transfers. Selling expenses accounted for approximately 11.2% and 21.3% of our total operating expenses for HY2015 and HY2014 respectively. The Group's selling expenses decreased by approximately RMB0.86 million from approximately RMB1.44 million in HY2014 to approximately RMB0.58 million in HY2015. The decrease in selling expenses was mainly attributable to a decrease in sales and marketing staff costs and promotional expenses.

Our administrative expenses comprise mainly staff costs, depreciation, travelling and transport, and professional expenses. Administrative expenses accounted for approximately 88.8% and 78.7% of our total operating expenses for HY2015 and HY2014 respectively. Our administrative expenses decreased by approximately RMB0.71 million, or 13.4% from approximately RMB5.31 million in HY2014 to approximately RMB4.60 million in HY2015.

Income tax expenses

Income tax expenses related to enterprise income tax and land appreciation tax in the People's Republic of China ("**PRC**"). Income tax expenses amounted to approximately RMB0.06 million and RMB1.28 million for HY2015 and HY2014 respectively. The overall decrease in HY2015 is mainly due to the losses incurred by the Group.

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:-**

(b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Balance Sheet

Non-current assets

As at 31 March 2015, non-current assets of approximately RMB4.2 million consists of equipment and deferred tax assets.

As at 31 March 2015, the carrying amount of equipment decreased by RMB0.2 million to approximately RMB0.96 million as a result of the depreciated value of the assets.

Deferred tax assets which amounted to approximately RMB3.2 million was mainly due to unutilised tax losses from subsidiaries in the PRC.

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:-

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Balance Sheet

Current assets

As at 31 March 2015, current assets amounted to RMB536.01 million and mainly consist of cash and bank balances, other receivables and deposits, properties held for sale and development properties.

Cash and bank balances decreased by RMB10.56 million to RMB88.04 million mainly due to payments made on the developed properties.

Other receivables and deposits decreased by RMB1.26 million to RMB9.57 million mainly due to the utilisation of prepayments for the construction of the Singapore Garden project to offset against payment to contractors for this Project.

Properties held for sale, which are the completed but unsold units of University Town project amounted to approximately RMB12.89 million as at 31 March 2015, recorded a decrease of approximately RMB0.52 million from RMB13.41 million as at 30 September 2014, due to the sale of our car park space in HY2015.

Development properties decreased by RMB10.79 million to RMB425.51 million due to the write back of over provision of the work in progress for the Singapore Garden project in FY2014.

Current liabilities

As at 31 March 2015, current liabilities of approximately RMB399.5 million consisted of trade and other payables, advance receipt from sale of properties, short-term loan and income tax payable.

Trade payables decreased by RMB 32.29 million to RMB 42.15 million mainly due to payment to suppliers and the write back of over provision of the work in progress for the Singapore Garden project.

Other payables, which mainly comprise deposits retained from tenants, advance rental and accrued expenses, decreased by RMB3.66 million to RMB9.65 million from FY2014.

Our income tax payable amounted to approximately RMB22.79 million, a decrease of RMB1.32 million from FY2014 due to payment of tax in HY2015.

Advance receipt from the sale of properties for the Singapore Garden project amounted to approximately RMB 309.11 million, an increase of RMB 17.43 million from FY2014.

Short-term loan payable amounted to approximately RMB 15.78 million and RMB 8.46 million for HY2015 and FY2014 respectively and was mainly attributed to bank borrowing by the Company and its Singapore's subsidiary through the money market loan from UOB Singapore and the revolving credit facility from BOC Singapore.

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:-

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Balance Sheet

Non-Current Liabilities

As at 31 March 2015, non-current liabilities of approximately RMB26.75 million consist mainly of deferred tax liabilities and long-term loans.

Deferred tax liabilities which amounted to approximately RMB2.59 million as at 31 March 2015 was mainly due to undistributed earnings of its subsidiaries in the PRC.

As at 31 March 2015, the long-term loans decreased by RMB2.07 million to approximately RMB23.90 million as a result of currency translation.

Shareholders' equity

Shareholders' equity consists of issued share capital, capital reserve, merger reserve, statutory reserve and retained earnings. As at 31 March 2015, our shareholders' equity amounted to approximately RMB113.9 million.

Cash Flow

For HY2015, the Company generated a negative operating cash flow before movements in working capital of approximately RMB 4.0 million. The negative net cash from operating activities of approximately RMB9.9 million was mainly attributable to the following:

(a) Continual sales of properties of University Town project resulting in a decrease in properties held for sale of approximately RMB0.5 million; and

(b) Increase in other payables of approximately RMB13.8 million mainly due to advances received for the sale of properties of Singapore Garden project.

(c) Decrease in trade payables of approximately RMB32.3 million due to payment to contractor and the write back of over provision of work in progress for Singapore Garden project.

Net cash flow used in financing activities amounted to approximately RMB5.47 million in HY2015, which was mainly due to bank borrowings for general working capital by the Company and its Singapore's subsidiary and offset by the repayment of shareholder loan.

As at 31 March 2015, our cash and cash equivalents were approximately RMB50.46 million.

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

No specific forecast was previously given and the current results are in line with the Company's discussion presented in Note 10 of the unaudited results announcement dated 27 November 2014.

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 sector remains as one of the main contributors to China's economy. In order to stimulate the economy, the Chinese government has begun loosening the cooling measures previously implemented. In March 2015, the required down payment for second residential properties was lowered to 40 percent from 60 percent.

The current property sector may seem fragile, however the long-term demand for property in China is strongly supported by urbanization and income growth. While China as a whole is expected to slow its GDP growth to 7%, Chongqing is expected to continue to outpace the national GDP and grow at a rate of 10.9% year-on-year.

As at 31 March 2015, the Group has launched 8 blocks of residential units of the Singapore Garden Project which comprises of approximately 915 residential units. Of the 915 residential units launched, 669 of the residential units were sold. However, the revenue derived from these sold units will only be recognised upon the completion of the buildings and the handover of the units to the buyers, which is expected to be in the second half of FY2015.

For the remaining of FY2015, the Group will continue to sell the residual commercial units of the University Town project. The Group will continue to launch the residential units for the Singapore Garden Project while searching for suitable and appropriate land site to build up the Group's land bank for future development.

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 for the six months ended 31 March 2015.

13. If the Group has obtained a general mandate from shareholders for interested persons transactions ("IPT") 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.

The Group does not have a general mandate for IPT.

There were no IPTs valued at S$100,000 or more for HY2015.

14. Confirmation by Directors pursuant to Rule 705(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

The Board of Directors of the Company confirms that, to the best of their knowledge, nothing has come to the attention of the Board of Directors that may render the unaudited financial statements for the six months ended 31 March 2015 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Tan Hoe San
Executive Chairman & Managing Director

5 May 2015