

PACIFIC CENTURY REGIONAL DEVELOPMENTS LIMITED

Company Registration No. 196300381N

Second Quarter Financial Statements And Dividend Announcement for the Period Ended 30/06/2015

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

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

For the Group's Q2 results for the 3 months ended 30 June 2015, the Group's share of results of PCCW Limited ("PCCW") and the comparative figures for the corresponding 3 months ended 30 June 2014 are not available as Hong Kong Stock Exchange listing rules do not require PCCW to announce quarterly results.

PCCW announced its half-year results for the 6 months ended 30 June 2015 on 6 August 2015. The Group's share of the results of PCCW for half-year 2015 and the comparative figures for half-year 2014 are included in the Group's half-year results for the 6 months ended 30 June 2015.

UNAUDITED CONSOLIDATED INCOME STATEMENT

	Group 3 months ended			Group 6 months ended		
	30/06/2015 S\$'000	30/06/2014 S\$'000	% Increase/ (decrease)	30/06/2015 S\$'000	30/06/2014 S\$'000	% Increase/ (decrease)
Revenue	-	-	n.m.	5,363	4,416	21.4
Other income (Note 1)	14	15	(6.7)	23	29	(20.7)
Expenses						
- Depreciation of property, plant and equipment	(13)	(12)	8.3	(26)	(23)	13.0
- Employee compensation	(353)	(330)	7.0	(648)	(632)	2.5
- Finance expenses (Note 2)	(777)	(419)	85.4	(1,299)	(840)	54.6
- Foreign exchange loss, net	(128)	(14)	814.3	(100)	(20)	400.0
- Legal and other professional fees	(241)	(257)	(6.2)	(478)	(507)	(5.7)
- Rental expense - operating leases	(92)	(82)	12.2	(183)	(164)	11.6
- Travelling expenses	(2)	(19)	(89.5)	(9)	(117)	(92.3)
- Subscriptions and donations	(4)	(1)	300.0	(8)	(397)	(98.0)
- Others	(295)	(201)	46.8	(430)	(410)	4.9
Total expenses	(1,905)	(1,335)	42.7	(3,181)	(3,110)	2.3
Changes in carrying value of associated companies:						
- Share of profit of associated companies, net of tax (Note 3)	104	18	477.8	40,539	36,610	10.7
Loss on liquidation of subsidiary companies	-	(886)	n.m.	-	(886)	n.m.
(Loss) profit before income tax	(1,787)	(2,188)	(18.3)	42,744	37,059	15.3
Income tax credit (expense) (Note 4)	4	5	(20.0)	(908)	(746)	21.7
Total (loss) profit for the period	(1,783)	(2,183)	(18.3)	41,836	36,313	15.2
Attributable to:						
Equity holders of the Company	(1,783)	(2,183)	(18.3)	41,836	36,313	15.2
Non-controlling interests	-	-	n.m.	-	-	n.m.
	(1,783)	(2,183)	(18.3)	41,836	36,313	15.2

n.m. = not meaningful

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Group 3 months ended			Group 6 months ended		
	30/06/2015	30/06/2014	% Increase/ (decrease)	30/06/2015	30/06/2014	% Increase/ (decrease)
	S\$'000	S\$'000		S\$'000	S\$'000	
Total (loss) profit for the period	(1,783)	(2,183)	(18.3)	41,836	36,313	15.2
Other comprehensive income (loss):						
Items that may be reclassified subsequently to profit or loss:						
Financial assets, available-for-sale						
- Fair value (losses) gains (Note 5)	(18,996)	16,987	n.m.	(22,187)	26,321	n.m.
Currency translation differences arising from consolidation						
- (Losses) gains, net (Note 6)	(5,283)	(2,369)	123.0	11,853	(7,652)	n.m.
- Reclassification of currency translation differences of liquidated subsidiary companies to income statement	-	886	n.m.	-	886	n.m.
Share of other comprehensive loss of associated companies (Note 7)	-	-	n.m.	(13,041)	(7,000)	86.3
Other comprehensive (loss) income, net of tax	(24,279)	15,504	n.m.	(23,375)	12,555	n.m.
Total comprehensive (loss) income for the period	(26,062)	13,321	n.m.	18,461	48,868	(62.2)
Total comprehensive (loss) income attributable to:						
Equity holders of the Company	(26,062)	13,321	n.m.	18,461	48,868	(62.2)
Non-controlling interests	-	-	n.m.	-	-	n.m.
	(26,062)	13,321	n.m.	18,461	48,868	(62.2)

n.m. = not meaningful

	Group 3 months ended		Group 6 months ended	
	30/06/2015	30/06/2014	30/06/2015	30/06/2014
	S\$'000	S\$'000	S\$'000	S\$'000
(Note 1)				
Other income :				
Interest income	-	12	1	23
Fair value gain on financial assets designated as fair value through profit or loss at initial recognition	4	-	2	-
Rental income	10	3	20	6
	14	15	23	29
(Note 2)				
Finance expenses :				
Interest expense - bank borrowings	(330)	-	(648)	-
Finance facility fees	(447)	(419)	(651)	(840)
	(777)	(419)	(1,299)	(840)

(Note 3)

Share of profit of associated companies, net of tax :

The Group's Unaudited Consolidated Income Statement for the 6 months ended 30 June 2015 and 2014 includes the Group's share of results of PCCW for H1 2015 and H1 2014.

The Group's Unaudited Consolidated Income Statement for the 3 months ended 30 June 2015 and 2014 excludes the Group's share of results of PCCW for the quarters as the information is not available. Hong Kong Stock Exchange listing rules do not require PCCW to announce quarterly results but only half year and full year results.

The Group's share of profit from its 49.87% associated company, KSH Distriparks Private Limited ("KSH"), amounted to \$104K in Q2 2015 compared to \$18K in Q2 2014.

(Note 4)

Income tax credit (expense) :

The tax expense for H1 2015 of \$0.9 million and H1 2014 of \$0.7 million comprise deferred tax provided on distributions from HKT Trust and HKT Limited ("HKT").

Profits before tax for H1 2015 and H1 2014 include the Group's share of PCCW H1 2015 and H1 2014 profits, respectively, which are net of taxes.

(Note 5)

Financial assets, available-for-sale - Fair value (losses) gains :

The Group recorded a fair value loss of \$22.2 million in H1 2015 and \$19.0 million in Q2 2015 mainly due to a decrease in the market value of the Group's holding of Share Stapled Units ("SSUs") in HKT.

The Group recorded a fair value gain of \$26.3 million in H1 2014 and \$17.0 million in Q2 2014 mainly due to an increase in the market value of the Group's holding of SSUs in HKT.

(Note 6)

Currency translation differences arising from consolidation - (Losses) gains, net :

The Group's currency translation (losses) gains were mainly due to:

	Q2 2015 S\$' million	Q2 2014 S\$' million	H1 2015 S\$' million	H1 2014 S\$' million
Unrealised exchange (loss) gain in the Company's holding of SSUs in HKT following the (weakening) strengthening of the Hong Kong Dollar ("HKD") against the Singapore Dollar ("SGD")	(4.0)	(1.4)	4.1	(2.0)
Unrealised translation gain (loss) resulting from the translation of the Group's share of PCCW's net assets following the strengthening (weakening) of the HKD against the SGD	-	-	6.8	(4.9)
Unrealised exchange (loss) gain in the Group's holding of other financial assets, available-for-sale following the (weakening) strengthening of the United States Dollar ("USD") against the SGD	(0.4)	-	0.5	-
Group's share of KSH's currency translation (losses) gains	(0.6)	-	0.3	-
Unrealised exchange loss in the Group's holding of cash and cash equivalents following the weakening of the HKD against the SGD	-	(0.7)	-	(1.0)
	<u>(5.0)</u>	<u>(2.1)</u>	<u>11.7</u>	<u>(7.9)</u>

(Note 7)

Share of other comprehensive loss of associated companies :

The Group's Unaudited Consolidated Statement of Comprehensive Income for the 3 months ended 30 June 2015 and 2014 excludes the Group's share of results of PCCW as the information is not available. Hong Kong Stock Exchange listing rules do not require PCCW to announce quarterly results but only half year and full year results.

The Group's share of other comprehensive losses of associated companies of \$13.0 million in H1 2015 and \$7.0 million in H1 2014 were mainly due to the Group's share of PCCW's H1 2015 and H1 2014 exchange differences on the translation of PCCW's foreign operations, respectively.

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

		Group		Company	
	Notes	30/06/2015	31/12/2014	30/06/2015	31/12/2014
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Current assets					
Cash and cash equivalents	1	25,141	14,978	18,949	8,523
Financial assets, at fair value through profit or loss		10	8	10	8
Trade and other receivables		166	174	21	5
Other current assets		274	453	14	103
	7	<u>25,591</u>	<u>15,613</u>	<u>18,994</u>	<u>8,639</u>
Non-current assets					
Financial assets, available-for-sale	2	241,694	260,593	208,438	226,753
Other receivables		20	36	-	-
Investments in associated companies	3	702,805	669,087	948,108	894,785
Investments in subsidiary companies		-	-	162,077	159,841
Property, plant and equipment		61	62	-	-
Other non-current assets		144	212	-	-
		<u>944,724</u>	<u>929,990</u>	<u>1,318,623</u>	<u>1,281,379</u>
Total assets		<u>970,315</u>	<u>945,603</u>	<u>1,337,617</u>	<u>1,290,018</u>
LIABILITIES					
Current liabilities					
Trade and other payables	4	7,862	4,392	167,044	116,754
Current income tax liabilities		1	6	1	1
Borrowings	5	82,650	62,288	-	26,470
	7	<u>90,513</u>	<u>66,686</u>	<u>167,045</u>	<u>143,225</u>
Non-current liabilities					
Deferred income tax liabilities	6	4,512	3,543	4,512	3,543
		<u>4,512</u>	<u>3,543</u>	<u>4,512</u>	<u>3,543</u>
Total liabilities		<u>95,025</u>	<u>70,229</u>	<u>171,557</u>	<u>146,768</u>
NET ASSETS		<u>875,290</u>	<u>875,374</u>	<u>1,166,060</u>	<u>1,143,250</u>
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital		457,283	457,283	457,283	457,283
Other reserves		186,876	211,536	8,488	10,361
Retained profits		231,131	206,555	700,289	675,606
Total equity		<u>875,290</u>	<u>875,374</u>	<u>1,166,060</u>	<u>1,143,250</u>

The Group

Note 1

Cash and cash equivalents increased by \$10.2 million mainly due to :

	S\$' million
Proceeds from borrowings	62.5
Distributions from HKT	5.4
Refund of excess capital contribution from the previous purchase of financial assets, available-for-sale by a subsidiary company	1.3
	<u>69.2</u>
Less:	
Repayment of borrowings	(43.3)
Cost of share repurchases	(16.4)
	<u>9.5</u>

For more details, please refer to Section 1(c), statement of cash flows.

Note 2

Financial assets, available-for-sale decreased by \$18.9 million mainly due to :

	S\$' million
A net decrease in the carrying value of the Company's holding of SSUs in HKT	18.3
Refund of excess capital contribution from the previous purchase of other financial assets, available-for-sale by a subsidiary company	1.3
	<u>19.6</u>
Less:	
An increase in the market value of the Company's subsidiary's holding of a financial asset	(0.9)
	<u>18.7</u>

Note 3

Investments in associated companies increased by \$33.7 million mainly due to the Group's share of PCCW's H1 2015 profit of \$40.5 million and unrealised exchange gain of \$1.3 million on the Company's HKD investments in PCCW reflecting the strengthening of the HKD against the SGD. These are partially offset by a decrease in PCCW's other reserves of \$8.4 million.

Note 4

Trade and other payables increased by \$3.5 million mainly due to a \$4 million accrual for the cost of share repurchases.

Note 5

Borrowings increased by \$20.4 million due to unrealised exchange loss of \$1.9 million on the HKD borrowings of a subsidiary company reflecting the strengthening of the HKD against the SGD. The increase was also due to net proceeds from borrowings of \$19.2 million due to borrowings of \$62.5 million undertaken by a subsidiary company and repayment of borrowings of \$43.3 million by the Company and the subsidiary. The amount borrowed by the subsidiary company was on-lent to the Company for the repurchase of the Company's shares.

Note 6

Deferred income tax liabilities increased by \$1.0 million mainly due to deferred tax of \$0.9 million provided on distributions from HKT.

Note 7

	Group		Company	
	30/06/2015	31/12/2014	30/06/2015	31/12/2014
	S\$'000	S\$'000	S\$'000	S\$'000
Current assets	25,591	15,613	18,994	8,639
Current liabilities	90,513	66,686	167,045	143,225
Net current liabilities	(64,922)	(51,073)	(148,051)	(134,586)

The financial statements of the Company and the Group are prepared on a going concern basis as at 30 June 2015 and 31 December 2014 notwithstanding these net current liability positions, on the basis that the Company holds a significant number of quoted shares in PCCW and SSUs in HKT, which are frequently traded and whose market values are higher than their carrying values on the balance sheets of the Company and the Group as at 30 June 2015 and as at 31 December 2014.

The Group and Company also have adequate available undrawn bank facilities to meet their cashflow requirements should the need arise.

1(b)(ii) In relation to the aggregate amount of group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately

Amount repayable in one year or less, or on demand

As at 30/06/2015		As at 31/12/2014	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
82,650	-	62,288	-

Amount repayable after one year

As at 30/06/2015		As at 31/12/2014	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Details of any collateral

	S\$' million
Cost of shares pledged for bank borrowings comprise:	
- shares in PCCW	112.8
- SSUs in HKT	55.0
	<u>167.8</u>

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

Cash flow statement for the period ended 30 June

	(Note 2) Group		Group	
	3 months ended		6 months ended	
Note	30/06/2015	30/06/2014	30/06/2015	30/06/2014
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flow from operating activities:				
(Loss) profit after tax	(1,783)	(2,183)	41,836	36,313
Adjustments for :				
- Income tax (credit) expense	(4)	(5)	908	746
- Depreciation of property, plant and equipment	13	12	26	23
- Loss on liquidation of subsidiary companies	-	886	-	886
- Dividend income	-	-	(5,363)	(4,416)
- Interest income	-	(12)	(1)	(23)
- Finance expenses	777	419	1,299	840
- Unrealised currency translation losses	(16)	15	37	10
- Fair value gain on financial assets designated as fair value through profit or loss	(4)	-	(2)	-
Change in carrying values of associated companies:				
- Share of profit of associated companies, net of tax	(104)	(18)	(40,539)	(36,610)
	(1,121)	(886)	(1,799)	(2,231)
Change in working capital:				
- Trade and other receivables	223	4,658	271	572
- Trade and other payables	3,619	(360)	3,413	(1,174)
Cash generated from (used in) operations	2,721	3,412	1,885	(2,833)
Interest received	-	12	1	23
Income tax paid	(6)	(12)	(6)	(12)
Net cash generated from (used in) operating activities	2,715	3,412	1,880	(2,822)
Cash flow from investing activities:				
Purchase of property, plant and equipment	(6)	-	(25)	(9)
Purchase of financial assets, available-for-sale	-	(28,674)	-	(28,674)
Refund of excess capital contribution from the previous purchase of financial assets, available-for-sale by a subsidiary company	454	-	1,250	-
Dividend received	5,363	-	5,363	4,416
Net cash generated from (used in) investing activities	5,811	(28,674)	6,588	(24,267)
Cash flow from financing activities:				
Finance expenses paid	(777)	(419)	(1,299)	(840)
Proceeds from borrowings	18,391	-	62,557	-
Repayment of borrowings	-	-	(43,316)	-
Purchases of treasury shares	-	(52)	-	(988)
Purchases of the Company's shares	(12,614)	-	(16,428)	-
Net cash generated from (used in) financing activities	5,000	(471)	1,514	(1,828)
Net increase (decrease) in cash and cash equivalents	13,526	(25,733)	9,982	(28,917)
Cash and cash equivalents at beginning of period	11,799	69,848	14,978	73,332
Effects of currency translation on cash and cash equivalents	(184)	(720)	181	(1,020)
Cash and cash equivalents at end of period	25,141	43,395	25,141	43,395
Summary of cash and cash equivalents:				
Cash at bank and on hand	15,016	33,696	15,016	33,696
Short-term bank deposits	10,125	9,699	10,125	9,699
	25,141	43,395	25,141	43,395

Note 1

Net proceeds from borrowings of \$19.2 million were the result of borrowings of \$62.5 million undertaken by a subsidiary company and repayment of borrowings of \$43.3 million by the Company and the subsidiary. The amount borrowed by the subsidiary company was on-lent to the Company for the repurchase of the Company's shares.

Note 2

The Group's Consolidated Cash Flow Statement for the 3 months ended 30 June 2015 and 2014 excludes the Group's share of results of PCCW as the information is not available. Hong Kong Stock Exchange listing rules do not require PCCW to announce quarterly results but only half year and full year results.

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

Changes in equity for the 3 months ended 30 June

The Group	Share capital S\$'000	Treasury shares S\$'000	Other reserves S\$'000	Retained profits S\$'000	Total equity S\$'000	
Balance at 1 April 2015	457,283	-	218,728	205,822	881,833	
Total comprehensive loss for the period	-	-	(24,279)	(1,783)	(26,062)	
Purchase and cancellation of shares	-	-	-	(12,614)	(12,614)	
Balance at 30 June 2015	457,283	-	194,449	191,425	843,157	Note 1

The Group	Share capital S\$'000	Treasury shares S\$'000	Other reserves S\$'000	Retained profits S\$'000	Total equity S\$'000	
Balance at 1 April 2014	457,283	-	190,229	167,491	815,003	
Total comprehensive income (loss) for the period	-	-	15,504	(2,183)	13,321	
Purchase of treasury shares	-	(52)	-	-	(52)	
Balance at 30 June 2014	457,283	(52)	205,733	165,308	828,272	Note 1

Note 1:

The Group's Consolidated Statement of Changes in Equity for the 3 months ended 30 June 2015 and 2014 excludes the Group's share of results of PCCW as the information is not available. Hong Kong Stock Exchange listing rules do not require PCCW to announce quarterly results but only half year and full year results.

Changes in equity for the 6 months ended 30 June

The Group	Share capital S\$'000	Treasury shares S\$'000	Other reserves S\$'000	Retained profits S\$'000	Total equity S\$'000	
Balance at 1 January 2015	457,283	-	211,536	206,555	875,374	
Total comprehensive (loss) income for the period	-	-	(23,375)	41,836	18,461	
Purchase and cancellation of shares	-	-	-	(16,428)	(16,428)	
Share of reserves of associated companies:						
- Equity share compensation reserve	-	-	(1,285)	-	(1,285)	
- Purchase of Share Stapled Units under share award schemes	-	-	-	(2,155)	(2,155)	
- Vesting of PCCW Shares and Share Stapled Units under share award schemes	-	-	-	1,323	1,323	
Balance at 30 June 2015	457,283	-	186,876	231,131	875,290	

The Group	Share capital S\$'000	Treasury shares S\$'000	Other reserves S\$'000	Retained profits S\$'000	Total equity S\$'000	
Balance at 1 January 2014	457,283	(9,276)	181,327	175,816	805,150	
Total comprehensive income for the period	-	-	12,555	36,313	48,868	
Purchase of treasury shares	-	(988)	-	-	(988)	
Cancellation of treasury shares	-	10,212	-	(10,212)	-	
Share of reserves of associated companies:						
- Equity share compensation reserve	-	-	343	-	343	
- Vesting of PCCW Shares and Share Stapled Units under share award schemes	-	-	-	171	171	
- Change in ownership interests in a subsidiary without change of control	-	-	-	824	824	
Balance at 30 June 2014	457,283	(52)	194,225	202,912	854,368	

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

Changes in equity for the 3 months ended 30 June

The Company	Share capital S\$'000	Treasury shares S\$'000	Other reserves S\$'000	Retained profits S\$'000	Total equity S\$'000
Balance at 1 April 2015	457,283	-	48,725	678,053	1,184,061
Total comprehensive (loss) income for the period	-	-	(40,237)	34,850	(5,387)
Purchase and cancellation of shares	-	-	-	(12,614)	(12,614)
Balance at 30 June 2015	<u>457,283</u>	<u>-</u>	<u>8,488</u>	<u>700,289</u>	<u>1,166,060</u>

The Company	Share capital S\$'000	Treasury shares S\$'000	Other reserves S\$'000	Retained profits S\$'000	Total equity S\$'000
Balance at 1 April 2014	457,283	-	(88,611)	695,907	1,064,579
Total comprehensive income for the period	-	-	5,987	33,784	39,771
Purchase of treasury shares	-	(52)	-	-	(52)
Balance at 30 June 2014	<u>457,283</u>	<u>(52)</u>	<u>(82,624)</u>	<u>729,691</u>	<u>1,104,298</u>

Changes in equity for the 6 months ended 30 June

The Company	Share capital S\$'000	Treasury shares S\$'000	Other reserves S\$'000	Retained profits S\$'000	Total equity S\$'000
Balance at 1 January 2015	457,283	-	10,361	675,606	1,143,250
Total comprehensive (loss) income for the period	-	-	(1,873)	41,111	39,238
Purchase and cancellation of shares	-	-	-	(16,428)	(16,428)
Balance at 30 June 2015	<u>457,283</u>	<u>-</u>	<u>8,488</u>	<u>700,289</u>	<u>1,166,060</u>

The Company	Share capital S\$'000	Treasury shares S\$'000	Other reserves S\$'000	Retained profits S\$'000	Total equity S\$'000
Balance at 1 January 2014	457,283	(9,276)	(93,588)	703,802	1,058,221
Total comprehensive income for the period	-	-	10,964	36,101	47,065
Purchase of treasury shares	-	(988)	-	-	(988)
Cancellation of treasury shares	-	10,212	-	(10,212)	-
Balance at 30 June 2014	<u>457,283</u>	<u>(52)</u>	<u>(82,624)</u>	<u>729,691</u>	<u>1,104,298</u>

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

The Company's issued share capital as at 30 June 2015, 31 March 2015 and 30 June 2014 is summarised as follows: -

	30/06/2015		31/03/2015		30/06/2014	
	No. of shares	\$	No. of shares	\$	No. of shares	\$
Issued and paid up share capital including treasury shares	2,711,451,200	457,282,366	2,739,309,900	457,282,366	3,043,192,100	457,282,366
Issued and paid up share capital excluding treasury shares	2,711,451,200		2,739,309,900		3,042,980,100	

During Q2 2015, the Company purchased a total of 27,858,700 shares in the Company on the open market for a total consideration of \$12.6 million (including transaction costs), financed by internal funds and borrowings. These shares were cancelled immediately on purchase.

During Q2 2014, the Company purchased a total of 212,000 shares in the Company on the open market for a total consideration of \$52K (including transaction costs), financed by internal funds. These shares were held as treasury shares and were recorded separately in shareholders' equity.

The Company does not have any convertibles as at 30 June 2015 and 30 June 2014.

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.

	Number of shares	
	As at 30/06/2015	As at 31/12/2014
Issued ordinary shares	2,711,451,200	2,751,667,100
Less: Treasury shares	-	-
Issued ordinary shares, excluding treasury shares	2,711,451,200	2,751,667,100

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.

NIL.

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 matter).

N.A.

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 new or amended Singapore Financial Reporting Standards as described in Section 5, the Group has applied the same accounting policies and methods of computation in these results as in the audited financial statements for the year ended 31 December 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.

On 1 January 2015, the Group adopted certain new or amended Singapore Financial Reporting Standards (FRS) and Interpretations of FRS (INT FRS) that are mandatory for application in the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Group and the Company, and had no material effect on the amounts reported for the current or prior financial years.

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		Q2 2015	Q2 2014
	Net loss attributable to equity holders of the Company (S\$'000)	(1,783)	(2,183)
	Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	2,732,665	3,043,156
(i)	Basic loss per share (Cents per share)	(0.065)	(0.072)
(ii)	On a fully diluted basis (Cents per share)	(0.065)	(0.072)
Group		H1 2015	H1 2014
	Net profit attributable to equity holders of the Company (S\$'000)	41,836	36,313
	Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	2,739,793	3,043,242
(i)	Basic earnings per share (Cents per share)	1.527	1.193
(ii)	On a fully diluted basis (Cents per share)	1.527	1.193

Basic earnings (loss) per share is calculated by dividing the net profit (loss) attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings (loss) per share is the same as basic earnings (loss) per share as there was no dilutive effect on earnings (loss) per share calculations due to the absence of any dilutive financial instruments during the period.

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

	Group		Company	
	30/06/2015	31/12/2014	30/06/2015	31/12/2014
Net asset value (S\$'000)	875,290	875,374	1,166,060	1,143,250
Number of issued shares excluding treasury shares ('000)	2,711,451	2,751,667	2,711,451	2,751,667
Net asset value per ordinary share based on issued share capital at the end of the period	\$0.323	\$0.318	\$0.430	\$0.416

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.**

The Group's revenue mainly relates to distributions by HKT. The Group's revenue for both Q2 2014 and Q2 2015 was nil. The Group's revenue for H1 2015 was \$5.4 million compared to \$4.4 million in H2 2014.

Total expenses for Q2 2015 amounted to \$1.9 million compared to \$1.3 million for Q2 2014. The increase is mainly due to an increase of \$0.4 million in finance expenses from \$0.4 million in Q2 2014 to \$0.8 million in Q2 2015, mainly as a result of interest on increased bank borrowings to finance share purchases and an increase in foreign exchange losses of \$0.1 million in Q2 2015 compared to Q2 2014.

The Group's results for Q2 2015 do not include the Group's share of results of PCCW. The Q2 results of PCCW are not available as Hong Kong Stock Exchange listing rules do not require PCCW to publish quarterly results, only half year and full year results.

The Group's share of profit of associated companies for H1 2015 was \$40.5 million as compared to \$36.6 million for H1 2014. These figures includes the Group's share of profit from PCCW for H1 2015 of \$40.4 million compared to \$36.6 million for H1 2014.

PCCW's core revenue for H1 2015 increased by 25% to \$3,129.5 million (HK\$17,983 million) and core EBITDA increased by 30% to \$1,006.6 million (HK\$5,784 million). These results reflect the benefits of the successful integration of CSL since the completion of its acquisition in May 2014, the continued investment in new initiatives in PCCW's Media business and the steady growth in the Solutions business. Consolidated revenue for H1 2015 increased by 23% to \$3,146.8 million (HK\$18,082 million) and consolidated EBITDA increased by 30% to \$989.0 million (HK\$5,683 million). Consolidated profit attributable to equity holders of PCCW increased by 1% to \$186.2 million (HK\$1,070 million).

The Group's share of profit from its 49.87% associated company, KSH, amounted to \$104K in Q2 2015 compared to \$18K in Q2 2014.

Without the Group's share of results for PCCW, the Group recorded a loss attributable to equity holders of \$1.8 million for Q2 2015 as compared to a loss of \$2.2 million for Q2 2014.

The Group recorded a profit attributable to equity holders of \$41.8 million for H1 2015 as compared to \$36.3 million for H1 2014.

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

N.A.

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 results of the Group are substantially dependent on the results of the Group's major investment, PCCW.

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

Name of Dividend

Dividend Type

Dividend Rate

Tax Rate

(c) The date the dividend is payable.

N.A.

(d) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

N.A.

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

No dividend has been declared or recommended.

13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions (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.

The Group has obtained a general mandate from the shareholders of the Company for interested person transactions in the Annual General Meeting held on 24 April 2015. During the financial period under review, the following interested person transactions were entered into by the Group:

Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
None	None, all IPTs below \$100,000.

14. Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results).

The Directors have confirmed that, to the best of their knowledge, nothing has come to their attention which may render the unaudited financial results for the quarter and the six months ended 30 June 2015 to be false or misleading.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

15. 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.

N.A.

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

N.A.

17. A breakdown of sales

N.A.

18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-

Total Annual Dividend:

	Latest Full Year 31/12/2014 S\$'000	Previous Full Year 31/12/2013 S\$'000
Ordinary	-	-
Preference	-	-
Total:	-	-

N.A.

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the prescribed format. If there are no such persons, the issuer must make an appropriate negative statement.

N.A.

BY ORDER OF THE BOARD

Lim Beng Jin
Company Secretary
14/08/2015