

Unaudited Financial Statement for the Period Ended 30 Sep 2017

PART I Information required for announcements of quarterly (Q1, Q2 & Q3), half year and full year results

1 (a) An income statement for the Group together with a comparative statement for the corresponding period of the immediately preceding financial year

1(a)(i) Consolidated Income Statement for the Period Ended 30 Sep 2017:

	Note	Quarter Ended 30 Sep			Nine Months Ended 30 Sep		
		2017 S\$'000	2016 S\$'000	% Change	2017 S\$'000	2016 S\$'000	% Change
<b>Revenue</b>							
Hotel operations and management	1	37,274	34,873	7%	106,585	104,512	2%
Rental income from investment properties	2	4,325	2,391	81%	11,375	7,028	62%
<b>Total revenue</b>		<b>41,599</b>	<b>37,264</b>	12%	<b>117,960</b>	<b>111,540</b>	6%
Other income		206	277	-25%	430	597	-28%
		<b>41,805</b>	<b>37,541</b>	11%	<b>118,390</b>	<b>112,137</b>	6%
<b>Costs and expenses</b>							
Staff costs		(12,504)	(11,484)	9%	(34,611)	(35,222)	-2%
Depreciation and amortisation		(5,328)	(4,974)	7%	(15,923)	(16,229)	-2%
Hotel operating expenses		(12,729)	(12,474)	2%	(37,845)	(38,186)	-1%
<b>Total costs and expenses</b>		<b>(30,561)</b>	<b>(28,932)</b>	6%	<b>(88,379)</b>	<b>(89,637)</b>	-1%
		<b>11,244</b>	<b>8,609</b>	31%	<b>30,011</b>	<b>22,500</b>	33%
Gain on disposal of property, plant and equipment	3	-	28,124	-100%	-	28,124	-100%
<b>Profit from operating activities</b>		<b>11,244</b>	<b>36,733</b>	-69%	<b>30,011</b>	<b>50,624</b>	-41%
Interest expense		(1,336)	(974)	37%	(3,713)	(3,028)	23%
Interest income		1,096	1,359	-19%	3,799	3,889	-2%
Foreign exchange gain/(loss)	4	262	1,970	-87%	698	(30)	n/m
Share of results of associates		344	(34)	n/m	122	(193)	n/m
<b>Profit before tax</b>		<b>11,610</b>	<b>39,054</b>	-70%	<b>30,917</b>	<b>51,262</b>	-40%
Income tax expense		(2,008)	(7,519)	-73%	(7,184)	(11,860)	-39%
<b>Net profit attributable to owners of the parent</b>		<b>9,603</b>	<b>31,535</b>	-70%	<b>23,733</b>	<b>39,402</b>	-40%

n/m = Not meaningful

1 (a)(ii) Notes to the Income Statement

Note 1 The increase in hotel revenue in Q3 2017 was mainly due to increase in hotel revenue by the Singapore, Australia, New Zealand and China hotels. The increase was partly offset by the loss in revenue contribution from the Surfers Paradise hotel which was sold in Q3 2016.

Note 2 The increase in rental income from investment properties in Q3 2017 was mainly due to the maiden revenue contribution from Grand Central Building, Christchurch and two new investment properties which were purchased in New Zealand in Q3 2017.

Note 3 The gain on disposal of property, plant and equipment in Q3 2016 arose from the disposal of Hotel Grand Chancellor, Surfers Paradise.

Note 4 The foreign exchange gain in Q3 2017 was mainly due to the effect of the appreciation of the Australia dollar against the Singapore dollar for Australia fixed deposits held by the Company in Q3 2017.

1 (a)(iii) Consolidated Statement of Comprehensive Income for the Period Ended 30 Sep 2017

	Quarter Ended 30 Sep			Nine Months Ended 30 Sep		
	2017 S\$'000	2016 S\$'000	% Change	2017 S\$'000	2016 S\$'000	% Change
<b>Profit net of tax</b>	9,603	31,535	-70%	23,733	39,402	-40%
<b>Other comprehensive income:</b>						
<b>Items that may be reclassified subsequently to profit or loss</b>						
Net gain on fair value changes of available-for-sale financial assets	205	36	469%	1,843	191	865%
Reversal of deferred tax liability on Surfers Paradise hotel building	-	2,122	-100%	-	2,122	-100%
Foreign currency translation <sup>1</sup>	(2,734)	16,967	n/m	1,487	5,073	-71%
	(2,529)	19,125	n/m	3,330	7,386	-55%
<b>Other comprehensive income, net of tax</b>	(2,529)	19,125	n/m	3,330	7,386	-55%
<b>Total comprehensive income</b>	<b>7,074</b>	<b>50,660</b>	<b>-86%</b>	<b>27,063</b>	<b>46,788</b>	<b>-42%</b>
<b>Total comprehensive income attributable to:</b>						
Owners of the parent	7,074	50,660	-86%	27,063	46,788	-42%
	<b>7,074</b>	<b>50,660</b>	<b>-86%</b>	<b>27,063</b>	<b>46,788</b>	<b>-42%</b>

n/m = Not meaningful

1 (a)(iv) Notes to the Consolidated Statement of Comprehensive Income

Note 1 The decrease in the foreign currency translation in Q3 2017 was due to the effects of depreciation of the New Zealand dollar offset mainly by the appreciation of the Australia dollar against the Singapore dollar on the New Zealand and Australia subsidiaries' net assets respectively during the period.

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

Statements of Financial Position as at 30 Sep 2017

	Note	Group		Company	
		30-Sep-17 S\$'000	31-Dec-16 S\$'000	30-Sep-17 S\$'000	31-Dec-16 S\$'000
<b>Non-current assets</b>					
Property, plant and equipment		1,041,840	1,049,214	268,442	270,038
Investment properties	1	274,320	208,852	-	-
Land use rights		1,143	1,199	-	-
Investment in subsidiaries		-	-	279,091	243,006
Investment in associates		9,433	10,413	11,574	11,574
Investment securities	2	12,339	10,358	12,339	10,358
Deferred tax assets		3,531	3,471	447	447
Goodwill		1,450	1,454	-	-
Intangible assets		88	90	-	-
		<u>1,344,144</u>	<u>1,285,051</u>	<u>571,893</u>	<u>535,423</u>
<b>Current assets</b>					
Inventories		816	832	17	32
Trade and other receivables		6,894	8,851	1,050	2,013
Prepaid operating expenses		3,556	2,453	108	109
Due from subsidiaries		-	-	1,064	753
Short - term deposits		259,089	297,364	143,253	193,604
Cash and bank balances		51,957	45,692	20,282	8,674
		<u>322,312</u>	<u>355,192</u>	<u>165,774</u>	<u>205,185</u>
<b>Current liabilities</b>					
Trade and other payables		24,980	26,706	971	539
Accrued operating expenses		7,672	10,581	6,321	8,762
Deferred income		591	756	-	-
Derivatives		153	509	-	-
Due to subsidiaries		-	-	3,551	2,880
Due to associated companies		57	63	41	63
Income tax payable		4,071	12,845	17	20
Finance lease obligations		18	18	18	18
Loans and borrowings		5,920	8,533	-	-
		<u>43,462</u>	<u>60,011</u>	<u>10,919</u>	<u>12,282</u>
<b>Net current assets</b>		<b>278,850</b>	<b>295,181</b>	<b>154,855</b>	<b>192,903</b>
<b>Non-current liabilities</b>					
Derivatives		136	318	136	318
Finance lease obligations		52	65	52	65
Loans and borrowings		157,680	136,594	35,300	38,700
Deferred tax liabilities		138,784	138,119	-	-
<b>Net assets</b>		<b>1,326,342</b>	<b>1,305,136</b>	<b>691,261</b>	<b>689,243</b>
<b>Equity attributable to owners of the parent</b>					
Issued capital	3	455,922	421,997	455,922	421,997
Fair value reserve		2,506	663	2,506	663
Asset revaluation reserve		626,679	626,679	198,590	198,590
Translation reserve		(71,372)	(72,859)	-	-
Other reserve		1,432	1,432	-	-
Retained earnings		311,175	327,224	34,243	67,993
<b>Total equity</b>		<b>1,326,342</b>	<b>1,305,136</b>	<b>691,261</b>	<b>689,243</b>

1 (b)(ii) Notes to the Statements of Financial Position

Note 1 The increase in investment properties was mainly due to the purchase of two investment properties in Christchurch and Hamilton, New Zealand in Q3 2017.

Note 2 The increase in investment securities was mainly due to gain on fair value changes and additional purchase of investment securities between the end of Sep 2017 and 31 Dec 2016.

Note 3 The increase in the issued capital was due to the completion of the scrip dividend exercise in Q3 2017.

1(b)(iii) Aggregate amount of group's borrowings and debts securities

Amount repayable in one year or less, or on demand

As at 30 Sep 2017		As at 31 December 2016	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
5,938	-	8,551	-

Amount repayable after one year

As at 30 Sep 2017		As at 31 December 2016	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
157,732	-	136,659	-

Details of any collateral

The Group's borrowings are principally secured by land, hotel buildings and investment properties owned by the Company and various subsidiaries.

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

Statement of Cash Flow for the Period Ended 30 Sep 2017:

	Quarter Ended 30 Sep		Nine Months Ended 30 Sep	
	2017 S\$'000	2016 S\$'000	2017 S\$'000	2016 S\$'000
<b>Operating activities</b>				
Profit before tax	11,610	39,054	30,917	51,262
<b>Adjustments for :-</b>				
Depreciation of property, plant and equipment	5,316	4,963	15,889	16,195
Amortisation of land use rights	12	11	34	34
Fair value (gain)/loss on derivatives	(291)	(11)	(538)	1,213
Gain on disposal of property held for sale	-	(28,124)	-	(28,124)
Finance costs	1,336	974	3,713	3,028
Interest income	(1,096)	(1,359)	(3,799)	(3,889)
Share of results of associates	(344)	34	(122)	193
<b>Operating cash flows before changes in working capital</b>	<b>16,543</b>	<b>15,542</b>	<b>46,094</b>	<b>39,912</b>
Decrease in inventories	-	75	24	119
(Increase)/decrease in trade and other receivables	(1,234)	1,525	1,985	1,943
Increase in prepaid operating expenses	(494)	(181)	(1,075)	(613)
Increase/(decrease) in trade and other payables	1,868	(910)	(4,801)	(5,509)
<b>Cash flows generated from operations</b>	<b>16,683</b>	<b>16,051</b>	<b>42,227</b>	<b>35,852</b>
Interest received	1,096	1,359	3,799	3,889
Finance costs	(1,336)	(974)	(3,713)	(3,028)
Tax paid	(1,369)	(1,689)	(16,200)	(6,660)
<b>Net cash flows generated from operating activities</b>	<b>15,074</b>	<b>14,747</b>	<b>26,113</b>	<b>30,053</b>
<b>Investing activities</b>				
Dividend income from associated companies	-	-	299	318
Proceeds from disposal of property held for sale	-	81,320	-	81,320
Additions to investment property	(65,714)	(12,344)	(67,458)	(30,284)
Purchase of investment securities	(113)	(178)	(138)	(3,664)
Purchase of property, plant and equipment	(2,508)	(3,370)	(4,876)	(20,405)
<b>Net cash flows (used in)/generated from investing activities</b>	<b>(68,335)</b>	<b>65,428</b>	<b>(72,173)</b>	<b>27,285</b>
<b>Financing activities</b>				
Cash dividends paid on ordinary shares	(5,857)	-	(5,857)	(33,152)
(Decrease)/increase in short-term deposits pledged	-	(78)	-	502
Proceeds from loans and borrowings	30,380	-	30,380	2,700
Repayments of loans and borrowings	(842)	(1,777)	(10,790)	(23,505)
(Repayment of) /proceeds from obligations under finance lease	(4)	88	(13)	88
<b>Net cash flows generated from/(used in) financing activities</b>	<b>23,677</b>	<b>(1,767)</b>	<b>13,720</b>	<b>(53,367)</b>
(Decrease)/increase in cash and cash equivalents	(29,583)	78,408	(32,340)	3,971
Effect of exchange rate changes on cash and cash equivalents	(728)	4,250	330	3,454
Cash and cash equivalents at beginning of period	341,357	223,412	343,056	298,645
<b>Cash and cash equivalents at end of period</b>	<b>311,046</b>	<b>306,070</b>	<b>311,046</b>	<b>306,070</b>

1(d)(i) A statement for the issuer and the 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.

Statements of Changes in Equity for the Period Ended 30 Sep 2017

Group

	Share Capital \$'000	Fair Value Reserve \$'000	Asset Revaluation Reserve \$'000	Translation Reserve \$'000	Other Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
<b>Opening balance at 1 July 2017</b>	421,997	2,301	626,679	(68,638)	1,432	341,354	1,325,125
Profit net of tax	-	-	-	-	-	9,603	9,603
<b>Other comprehensive income for the period:</b>							
Net gain on fair value changes of available-for-sale financial assets	-	205	-	-	-	-	205
Foreign currency translation	-	-	-	(2,734)	-	-	(2,734)
Total comprehensive income for the period	-	205	-	(2,734)	-	9,603	7,074
<b>Distributions to owners:</b>							
Scrip dividends	33,925	-	-	-	-	(33,925)	-
Cash dividends	-	-	-	-	-	(5,857)	(5,857)
Total distributions to owners:	33,925	-	-	-	-	(39,782)	(5,857)
<b>Closing balance at 30 Sep 2017</b>	<b>455,922</b>	<b>2,506</b>	<b>626,679</b>	<b>(71,372)</b>	<b>1,432</b>	<b>311,175</b>	<b>1,326,342</b>
<b>Opening balance at 1 July 2016</b>	421,997	481	634,735	(92,864)	1,432	273,788	1,239,569
Profit net of tax	-	-	-	-	-	31,535	31,535
<b>Other comprehensive income for the period:</b>							
Net gain on fair value changes of available-for-sale financial assets	-	36	-	-	-	-	36
Transfer from asset revaluation reserve to retained earnings	-	-	(8,379)	-	-	8,379	-
Reversal of deferred tax on revaluation reserve for Surfers Paradise hotel	-	-	2,122	-	-	-	2,122
Foreign currency translation	-	-	-	16,967	-	-	16,967
Total comprehensive income for the period	-	36	(6,257)	16,967	-	39,914	50,660
<b>Closing balance at 30 Sep 2016</b>	<b>421,997</b>	<b>517</b>	<b>628,478</b>	<b>(75,897)</b>	<b>1,432</b>	<b>313,702</b>	<b>1,290,229</b>

**Company**

	Share Capital \$'000	Fair Value Reserve \$'000	Asset Revaluation Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
<b>Opening balance at 1 July 2017</b>	421,997	2,301	198,590	71,800	694,688
Profit net of tax	-	-	-	2,225	2,225
<b>Other comprehensive income for the period:</b>					
Net gain on fair value changes of available-for-sale financial assets	-	205	-	-	205
Total comprehensive income for the period	-	205	-	2,225	2,430
<b>Distributions to owners:</b>					
Scrip dividends	33,925	-	-	(33,925)	-
Cash dividends	-	-	-	(5,857)	(5,857)
Total distributions to owners:	33,925	-	-	(39,782)	(5,857)
<b>Closing balance at 30 Sep 2017</b>	<u>455,922</u>	<u>2,506</u>	<u>198,590</u>	<u>34,243</u>	<u>691,261</u>
<b>Opening balance at 1 July 2016</b>	421,997	481	199,103	58,748	680,329
Profit net of tax	-	-	-	8,939	8,939
<b>Other comprehensive income for the period:</b>					
Net loss on fair value changes of available for sale financial assets	-	36	-	-	36
Total comprehensive income for the period	-	36	-	8,939	8,975
<b>Closing balance at 30 Sep 2016</b>	<u>421,997</u>	<u>517</u>	<u>199,103</u>	<u>67,687</u>	<u>689,304</u>

- 1(d)(ii) Details of any changes in the company's share capital arising from right 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 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 an increase in the number of issued shares in the capital of the Company due to the issuance of scrip dividends in the third quarter of 2017 of 27,281,862 new ordinary shares. The number of issued shares in the capital of the Company stood at 690,314,991 shares as at 30 Sep 2017.

The Company does not have any treasury shares as at 30 Sep 2017. There was no sale, transfer, disposal, cancellation and/or use of treasury shares for the period ended 30 Sep 2017.

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting year compared with those of the audited financial statements as at 31 December 2016.

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

N.A.

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

Earnings per ordinary share of the Group based on net profit attributable to owners of the parent:  
(a) based on the weighted average number of shares  
(b) on a fully diluted basis

Period Ended 30 Sep	
2017	2016
1.42 cents	4.76 cents
1.42 cents	4.76 cents

Nine Months Ended 30 Sep	
2017	2016
3.51 cents	12.57 cents
3.51 cents	12.57 cents

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 period reported on and (b) immediately preceding financial year

Net asset value backing per ordinary share based on issued share capital at the end of the period reported on:

Group	
30-Sep-17	31-Dec-16
S\$1.92	S\$ 1.97

Company	
30-Sep-17	31-Dec-16
S\$ 1.00	S\$ 1.04

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 cashflow, working capital, assets or liabilities of the Group during the current financial period reported on**

**A) Group Revenue Commentary**

The increase in the Group's revenue in Q3 2017 was mainly due to the maiden contribution of revenue by Grand Central Building, Christchurch which started recognising rental income in Jan 2017 and the purchase of two new investment properties in Christchurch and Hamilton, New Zealand respectively in Q3 2017. There was also an increase in hotel revenue from the Singapore, Australia, New Zealand and China hotels. The increase was partly offset by the loss in contribution to revenue from Hotel Grand Chancellor Surfers Paradise which was sold in the 3rd quarter of 2016.

**B) Group Profit Commentary**

The decrease in the Group's net profit in Q3 2017 was impacted by the non recurrence of the one off gain on disposal of the Hotel Grand Chancellor, Surfers Paradise in Q3 2016. The decrease was partly offset by an increase in rental income from the investment properties in New Zealand and general improvements in operation profits of the Group's hotels.

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

Nil

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 hotel markets where the Group primarily operates in are expected to remain competitive.

Whilst the trading performance in the Australia and New Zealand hotels are expected to be improve in 2017, the Singapore hotels are expected to operate in an increasingly competitive market due to further increase in hotel room supply.

11. **(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**

N.A

**(d) Book closure date**

N.A.

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

No dividend has been declared or recommended for the quarter ended 30 Sep 2017.



**Part II - Additional Information Required for the Full Year Announcement**  
(This part is not applicable to Q1, Q2, Q3 and Half Year Results)

13. **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.

14. **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.

15. **A breakdown of revenue**

N.A.

16. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year**

Total annual dividend, net of tax

	<b>Latest Full Year</b>	<b>Previous Full Year</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Ordinary - Scrip	0	0
Ordinary - Cash	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

17. **Interested Person Transactions**

The Company does not have a shareholders' mandate for interested person transactions.

18. **Confirmation By Directors**

The Board of Directors of the Company hereby confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited consolidated financial results for the period ended 30 Sep 2017 to be false or misleading.

**BY ORDER OF THE BOARD**

Lim Bee Lian Eliza  
Secretary  
14 November 2017