



**Unaudited Financial Statements for the 1<sup>st</sup> Quarter Ended 30 September 2014**

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

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

1(a)(i) Consolidated Statement of Comprehensive Income for the 1<sup>st</sup> quarter ended 30 September 2014

	Group		
	1 <sup>st</sup> quarter ended 30 September 2014	1 <sup>st</sup> quarter ended 30 September 2013	Change
	USD'000	USD'000	%
<b>Revenue</b> <sup>(1)</sup>	50,017	53,055	(5.7)
Raw material and consumables	(35,872)	(37,045)	(3.2)
Manufacturing expenses	(5,725)	(5,382)	6.4
Business development expenses	(391)	(369)	6.0
Other operating expenses	(820)	(796)	3.0
Property development expense	(38)	(2,546)	(98.5)
Vessel management expense	(7)	(25)	(72.0)
Gain/(loss) on disposal of held-for-trading investments <sup>(1)</sup>	938	(347)	nm
Change in fair value of held-for-trading investments	(12)	1,150	nm
Change in fair value of derivative financial instruments	(583)	481	nm
Employee benefits expense	(2,596)	(2,562)	1.3
Depreciation/amortisation expense	(660)	(635)	3.9
Other expenses	(822)	(843)	(2.5)
Other losses, net (note 1(a)(iii))	(939)	(241)	nm
Share of results of an associate	1,322	1,749	(24.4)
<b>Profit before tax</b>	3,812	5,644	(32.5)
Income tax expense	(485)	(102)	nm
<b>Profit for the period</b>	3,327	5,542	(40.0)
<b>Other comprehensive (loss)/income:</b>			
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Available-for-sale investments			
Changes in fair value	(12,938)	8,188	nm
Exchange differences arising from translation of foreign operations	(3,373)	71	nm
<b>Other comprehensive (loss)/income for the period, net of tax</b>	(16,311)	8,259	nm
<b>Total comprehensive (loss)/income for the period</b>	(12,984)	13,801	nm
<b>Profit attributable to:</b>			
Equity holders of the Company	2,996	5,347	(44.0)
Non-controlling interests	331	195	69.7
	3,327	5,542	(40.0)
<b>Total comprehensive (loss)/income attributable to:</b>			
Equity holders of the Company	(13,201)	13,648	nm
Non-controlling interests	217	153	41.8
	(12,984)	13,801	nm

<sup>(1)</sup> Comparatives have been restated to conform with current year's presentation.

1(a)(ii) Profit for the 1<sup>st</sup> quarter ended 30 September 2014 included the following items:

	Group		
	1 <sup>st</sup> quarter ended 30 September 2014	1 <sup>st</sup> quarter ended 30 September 2013	Change
	USD'000	USD'000	%
Gain on disposal of available-for-sale investments	251	-	nm
Gain on disposal of property, plant and equipment	27	9	nm
Other income	318	141	125.5
Foreign exchange loss	(1,535)	(391)	nm
<b>Other losses, net</b>	<b>(939)</b>	<b>(241)</b>	<b>nm</b>

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.

	Group		Company	
	30/9/2014 USD'000	30/6/2014 USD'000	30/9/2014 USD'000	30/6/2014 USD'000
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	3,118	3,440	7	8
Prepaid lease payment	13,690	14,256	-	-
Subsidiaries	-	-	57,801	57,801
Associate	50,697	49,375	47,838	47,838
Investment securities	69,654	81,246	58,487	69,886
Other assets	284	284	-	-
<b>Total non-current assets</b>	<b>137,443</b>	<b>148,601</b>	<b>164,133</b>	<b>175,533</b>
<b>Current assets</b>				
Development properties	36,739	39,486	-	-
Inventories	28,901	27,753	-	-
Trade receivables	34,874	33,151	3	1
Other receivables and prepayments	5,279	1,538	64	22
Tax recoverable	553	278	-	-
Amounts due from subsidiaries	-	-	54,353	53,972
Investment securities	10,352	11,480	2,803	1,725
Derivative financial instruments	3,105	119	-	8
Cash and bank balances	116,562	123,127	12,632	15,468
<b>Total current assets</b>	<b>236,365</b>	<b>236,932</b>	<b>69,855</b>	<b>71,196</b>
<b>Total assets</b>	<b>373,808</b>	<b>385,533</b>	<b>233,988</b>	<b>246,729</b>
<b>Equity and liabilities</b>				
<b>Current liabilities</b>				
Trade payables	29,400	27,558	-	-
Other payables	17,626	19,210	5,439	6,219
Amounts due to subsidiaries	-	-	10,013	10,298
Income tax payable	4,213	3,752	209	209
Derivative financial instruments	521	2	118	-
<b>Total current liabilities</b>	<b>51,760</b>	<b>50,522</b>	<b>15,779</b>	<b>16,726</b>
<b>Non-current liabilities</b>				
Deferred tax liabilities	2,878	2,857	-	-
<b>Total non-current liabilities</b>	<b>2,878</b>	<b>2,857</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>54,638</b>	<b>53,379</b>	<b>15,779</b>	<b>16,726</b>
<b>Capital, reserves and non-controlling interests</b>				
Share capital	152,009	152,009	152,009	152,009
Reserves	30,454	46,651	27,268	40,012
Accumulated profits	114,807	111,811	38,932	37,982
<b>Equity attributable to equity holders of the Company</b>	<b>297,270</b>	<b>310,471</b>	<b>218,209</b>	<b>230,003</b>
Non-controlling interests	21,900	21,683	-	-
<b>Total equity</b>	<b>319,170</b>	<b>332,154</b>	<b>218,209</b>	<b>230,003</b>
<b>Total equity and liabilities</b>	<b>373,808</b>	<b>385,533</b>	<b>233,988</b>	<b>246,729</b>

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

(a) Amount repayable in one year or less, or on demand

As at 30/9/2014 USD'000		As at 30/6/2014 USD'000	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

(b) Amount repayable after one year

As at 30/9/2014 USD'000		As at 30/6/2014 USD'000	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

(c) Details of any collateral

Not applicable

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.

	1 <sup>st</sup> quarter ended 30 September 2014	1 <sup>st</sup> quarter ended 30 September 2013
	USD'000	USD'000
<b>Cash flows from operating activities</b>		
Profit before tax	3,812	5,644
Adjustments for:		
Share of results of an associate	(1,322)	(1,749)
Depreciation/amortisation expense	660	635
Dividend income	(2,372)	(2,161)
Interest income	(242)	(382)
Net foreign exchange gain	(3,222)	(19)
Gain on disposal of property, plant and equipment	(27)	(9)
(Gain)/loss on disposal of held-for-trading investments	(938)	347
Gain on disposal of available-for-sale investments	(251)	-
Change in fair value of held-for-trading investments	12	(1,150)
Change in fair value of derivative financial instruments	583	(481)
<b>Operating cash flows before changes in working capital</b>	<u>(3,307)</u>	<u>675</u>
Changes in working capital:		
Development properties	2,747	584
Inventories	(1,148)	(878)
Proceeds from disposal of held-for-trading investments	6,898	7,024
Purchase of held-for-trading investments	(4,844)	(4,710)
Proceeds from disposal of derivative financial instruments	1,445	9,092
Purchase of derivative financial instruments	(4,565)	(9,098)
Receivables	(5,365)	4,372
Payables	258	7,821
<b>Cash flows from operations</b>	<u>(7,881)</u>	<u>14,882</u>
Interest received	143	277
Dividends received from held-for-trading investments	157	155
Income tax (paid)/refund	(99)	159
<b>Net cash flows (used in)/generated from operating activities</b>	<u>(7,680)</u>	<u>15,473</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(33)	(28)
Proceeds from disposal of property, plant and equipment	27	9
Purchase of available-for-sale investments	(1,570)	(2,006)
Proceeds from disposal of available-for-sale investments	476	-
Dividends received from available-for-sale investments	2,215	2,006
<b>Net cash flows generated from/(used in) investing activities</b>	<u>1,115</u>	<u>(19)</u>
<b>Net (decrease)/increase in cash and bank balances</b>	(6,565)	15,454
<b>Cash and bank balances at beginning of year</b>	123,127	123,615
<b>Cash and bank balances at end of period</b>	<u>116,562</u>	<u>139,069</u>
Pledged deposits for derivative financial instruments with banks	(3,807)	(2,293)
<b>Cash and cash equivalents at end of period</b>	<u>112,755</u>	<u>136,776</u>

1(d)(i) A statement (for the issuer and group), showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

**THE GROUP**

**Consolidated statement of changes in equity for the 1<sup>st</sup> quarter ended 30 September 2014**

	Share capital	Foreign currency translation reserve	Investment revaluation reserve	Capital reserve	Accumulated profits	Total	Non-controlling interests	Total equity
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
<b>Balance at 1 July 2014</b>	152,009	6,694	39,614	343	111,811	310,471	21,683	332,154
<b>Profit for the period</b>	-	-	-	-	2,996	2,996	331	3,327
Available-for-sale investments:								
Changes in fair value	-	-	(12,938)	-	-	(12,938)	-	(12,938)
Exchange differences arising from translation of foreign operations	-	(3,259)	-	-	-	(3,259)	(114)	(3,373)
<b>Other comprehensive loss, net of tax</b>	-	(3,259)	(12,938)	-	-	(16,197)	(114)	(16,311)
<b>Total comprehensive (loss)/income for the period</b>	-	(3,259)	(12,938)	-	2,996	(13,201)	217	(12,984)
<b>Balance at 30 September 2014</b>	152,009	3,435	26,676	343	114,807	297,270	21,900	319,170

**THE GROUP**

**Consolidated statement of changes in equity for the 1<sup>st</sup> quarter ended 30 September 2013**

	Share capital	Foreign currency translation reserve	Investment revaluation reserve	Capital reserve	Accumulated profits	Total	Non-controlling interests	Total equity
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
<b>Balance at 1 July 2013</b>	152,009	6,235	23,802	343	108,772	291,161	21,708	312,869
<b>Profit for the period</b>	-	-	-	-	5,347	5,347	195	5,542
Available-for-sale investments:								
Changes in fair value	-	-	8,188	-	-	8,188	-	8,188
Exchange differences arising from translation of foreign operations	-	113	-	-	-	113	(42)	71
<b>Other comprehensive income/(loss), net of tax</b>	-	113	8,188	-	-	8,301	(42)	8,259
<b>Total comprehensive income for the period</b>	-	113	8,188	-	5,347	13,648	153	13,801
<b>Balance at 30 September 2013</b>	152,009	6,348	31,990	343	114,119	304,809	21,861	326,670

**THE COMPANY**

**Statement of changes in equity for the 1<sup>st</sup> quarter ended 30 September 2014**

	Share capital	Investment revaluation reserve	Accumulated profits	Total equity
	USD'000	USD'000	USD'000	USD'000
<b>Balance at 1 July 2014</b>	152,009	40,012	37,982	230,003
<b>Profit for the period</b>	-	-	950	950
Available-for-sale investments:				
Changes in fair value	-	(12,744)	-	(12,744)
<b>Other comprehensive loss, net of tax</b>	-	(12,744)	-	(12,744)
<b>Total comprehensive (loss)/income for the period</b>	-	(12,744)	950	(11,794)
<b>Balance at 30 September 2014</b>	152,009	27,268	38,932	218,209

**THE COMPANY**

**Statement of changes in equity for the 1<sup>st</sup> quarter ended 30 September 2013**

	Share capital	Investment revaluation reserve	Accumulated profits	Total equity
	USD'000	USD'000	USD'000	USD'000
<b>Balance at 1 July 2013</b>	152,009	24,201	43,361	219,571
<b>Profit for the period</b>	-	-	1,230	1,230
Available-for-sale investments:				
Changes in fair value	-	8,303	-	8,303
<b>Other comprehensive income, net of tax</b>	-	8,303	-	8,303
<b>Total comprehensive income for the period</b>	-	8,303	1,230	9,533
<b>Balance at 30 September 2013</b>	152,009	32,504	44,591	229,104

- 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 were no changes in the Company's share capital since the end of the previous period reported on.

As at 30 September 2014, the Company's issued and paid-up capital comprised 933,532,450 (30 September 2013: 933,532,450) ordinary shares.

There were no outstanding convertibles or treasury shares 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.

- 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.**

As at 30 September 2014, the total number of issued shares excluding treasury shares was 933,532,450 (30 June 2014: 933,532,450).

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

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

The figures have neither been audited nor reviewed by the auditors.

- 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.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those of the audited financial statements for the year ended 30 June 2014 except as stated in paragraph 5 below.

- 5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has adopted the new or revised Financial Reporting Standards ("FRS") and interpretations ("INT") that are effective for annual period beginning on or after 1 July 2014. The adoption of these FRSs and INTs did not result in any significant impact on the financial statements of the Group.

**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.**

		<b>Group</b>	
		1 <sup>st</sup> quarter ended 30 September 2014	1 <sup>st</sup> quarter ended 30 September 2013
Earnings per ordinary share for the period based on profit attributable to equity holders of the Company after deducting any provision for preference dividends:-			
(i)	Based on weighted average number of ordinary shares on issue	US cents 0.32	0.57
(ii)	On a fully diluted basis	US cents 0.32	0.57

Group basic and fully diluted earnings per ordinary share for the period ended 30 September 2014 are calculated based on the weighted average number of ordinary shares in issue of 933,532,450 shares (2013: 933,532,450) respectively.

Note: Group basic earnings per share was the same as the fully diluted earnings per share as the Group did not have any potential dilutive ordinary shares outstanding as at 30 September 2014 and 2013.

**7 Net asset value (for the issuer and the 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.**

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

		30 September 2014	30 June 2014
The Group	US cents	31.84	33.26
The Company	US cents	23.37	24.64

**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.**

**First quarter ended 30 September 2014 ("1Q15") versus first quarter ended 30 September 2013 ("1Q14")**

Group revenue for 1Q15 of USD 50.017 million was 5.7% lower than USD 53.055 million in 1Q14. This resulted from an absence of property revenue during the current quarter. There was a marginal increase in revenue contribution from electronic manufacturing services of 0.2% in 1Q15. Profit for the current quarter was USD 3.327 million, 40.0% below USD 5.542 million in 1Q14.

Property development expense was significantly reduced as no property sales were recorded. Lower vessel management expense was in line with the level of business activity.

Gain on disposal of held-for-trading investments was USD 0.938 million, as compared to a loss of USD 0.347 million in 1Q14. Fair values of held-for-trading investments and derivative financial instruments were adversely impacted by a drop in mark-to-market valuations.

Other losses of USD 0.939 million comprised foreign exchange loss of USD 1.535 million incurred on the back of weaker Australian dollar. This was partially offset by gain on disposal of available-for-sale investments of USD 0.251 million.



Income tax expense had risen to USD 0.485 million due to higher taxable profits from electronics manufacturing services in 1Q15.

Other comprehensive loss in 1Q15 was USD 16.311 million, as compared to other comprehensive income of USD 8.259 million in 1Q14. This was attributed to a drop in mark-to-market valuation of available-for-sale investments and unrealized foreign exchange translation loss in 1Q15.

Earnings per share was US cents 0.32, below US cents 0.57 in 1Q14.

#### **Share of results of an associate**

The Group's share of results of its associate, CH Offshore Ltd, was USD 1.322 million, 24.4% less than 1Q14, due to a write-back in 1Q14 of a provision for demobilisation no longer required.

#### **Review of financial position and cash flow**

As at 30 September 2014, the Group remained in a healthy financial position. Cash and bank balances amounted to USD 116.562 million, as compared to USD 123.127 million as at 30 June 2014. Shareholders' funds had decreased slightly by 4.3% to USD 297.270 million.

Investment securities held as non-current assets had dropped from USD 81.246 million to USD 69.654 million as at 30 September 2014, as a result of lower mark-to-market valuations. Divestment of equities reduced investment securities held as current assets to USD 10.352 million. Derivative financial instruments were recognised at fair value through profit or loss.

Development properties of USD 36.739 million was lower due to a weaker Australian dollar. Other receivables and prepayment had increased to USD 5.279 million due to a payment for the acceptance of an option to purchase 3 floors of office space in GB Building. Tax related balances were in line with the level of taxable profits and timing differences.

Net asset value per share was US cents 31.84 as at 30 September 2014, as compared to US cents 33.26 as at 30 June 2014.

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

Not applicable.

**10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The global economic condition remains uncertain, in particular with a weakening China economy. As geopolitical risks persist, volatility in financial markets can be expected. Anticipation of an increase in interest rates had led to markets pricing in the eventuality.

The Board of Directors will continue to exercise prudence when considering new investments.

Save as disclosed herein, there are no known material factors or events which may affect the earnings of the Group between this date up to which the report refers and the date on which the report is issued.

**11 Dividend**

**(a) Period ended 30 September 2014**

Any dividend recommended for the current financial period reported on? No

**(b) Period ended 30 September 2013**

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 had been declared or recommended for the first quarter ended 30 September 2014.

**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.**

Not applicable as the Group has not obtained a general mandate from shareholders for Interested Person Transactions.

**14 Negative assurance confirmation by the Board pursuant to Rule 705 (5) of the Listing Manual**

The Board of Directors of the Company hereby confirm to the best of their knowledge that nothing has come to the attention of the Directors of the Company which may render the unaudited financial results for the first quarter ended 30 September 2014 to be false or misleading in any material respect.

**BY ORDER OF THE BOARD**

Valerie Tan  
Company Secretary  
6 November 2014