

**LOW KENG HUAT (SINGAPORE) LIMITED** (Reg. No. 196900209G)**Unaudited Third Quarter ("Q3") Financial Statements For the Period Ended 31 October 2016****PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY RESULTS****1(a)(i) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Note	3 months ended		Increase /	9 months ended		Increase /
		31/10/2016	31/10/2015	(Decrease)	31/10/2016	31/10/2015	(Decrease)
		\$'000	\$'000	%	\$'000	\$'000	%
Revenue	1	12,402	18,694	(34)	36,808	65,765	(44)
Cost of sales	2	(7,214)	761	n.m.	(20,327)	(17,054)	19
Gross profit		5,188	19,455	(73)	16,481	48,711	(66)
Other income	3	2,523	10,303	(76)	59,024	14,912	n.m.
Rental income		216	599	(64)	721	1,977	(64)
Distribution costs		(254)	(391)	(35)	(621)	(1,263)	(51)
Administrative costs	4	(2,333)	(3,989)	(42)	(10,332)	(10,481)	(1)
Changes in fair value of derivative financial instrument		-	-		-	304	(100)
Other operating expenses	5	1,585	(1,840)	n.m.	(5,280)	(6,208)	(15)
Finance costs	6	(1,345)	(1,562)	(14)	(4,435)	(4,494)	(1)
Profit/(loss) from operations		5,580	22,575	(75)	55,558	43,458	28
Share of losses of associated companies and joint ventures	7	(1,581)	(6,468)	(76)	(3,968)	(11,663)	(66)
Profit/(loss) before taxation		3,999	16,107	(75)	51,590	31,795	62
Taxation	8	(618)	(3,829)	(84)	(1,473)	(6,842)	(78)
Profit/(loss) after taxation for the period		3,381	12,278	(72)	50,117	24,953	101
Attributable to:							
Owners of the parent	9	3,017	11,775	(74)	49,387	23,604	109
Non-controlling interests		364	503	(28)	730	1,349	(46)
		3,381	12,278	(72)	50,117	24,953	101
Earnings per share (cents)							
- basic		0.41	1.59		6.68	3.19	
- diluted		0.41	1.59		6.68	3.19	
n.m.: Not Meaningful							

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

	3 months ended		Increase / (Decrease) %	9 months ended		Increase / (Decrease) %
	31/10/2016 \$'000	31/10/2015 \$'000		31/10/2016 \$'000	31/10/2015 \$'000	
Net profit for the period	3,381	12,278	(72)	50,117	24,953	101
Other comprehensive income/(expense) after tax						
Items that may be reclassified subsequently to profit and loss:						
Fair value gain/(loss) on available-for-sale financial assets recognised directly to equity	(635)	(2,830)	(78)	1,820	(4,896)	n.m.
Realisation of reserve upon disposal of subsidiary	3,310	-	100	3,310	-	100
Exchange differences on translation of the financial statements of foreign entities (net)	1,915	(2,196)	n.m.	967	(4,516)	n.m.
Other comprehensive income/(expense) for the period, net of tax	4,590	(5,026)	n.m.	6,097	(9,412)	n.m.
Total comprehensive income/(expense) for the period	7,971	7,252	10	56,214	15,541	n.m.
Total comprehensive income/(expense) attributable to:						
Owners of the parent	7,106	6,749	5	55,152	14,192	n.m.
Non-controlling interests	865	503	72	1,062	1,349	(21)
Total comprehensive income/(expense) for the period	7,971	7,252	10	56,214	15,541	n.m.

n.m.: Not Meaningful

1(a)(ii) Notes to the income statement

- Group revenue decreased by \$29.0M to \$36.8M in 9 months current year from \$65.8M in 9 months previous year. It decreased by \$6.3M to \$12.4M in Q3 current year from \$18.7M in Q3 previous year. The decrease was mainly due to decrease in construction activity as Genting Hotel at Jurong obtained TOP on 31 March 2015 and decreased contribution from hotel segment as a result of lower room rates and occupancy in Duxton Perth in 9 months current year. In addition the revenue of Duxton Hotel Saigon ("DHS") was deconsolidated and reclassified to gain on disposal upon its sale during 9 months current year.
- Cost of sales increased by \$3.2M to \$20.3M in 9 months current year from \$17.1M in 9 months previous year. It was \$7.2M in Q3 current year compared to positive \$0.8M in Q3 previous year. The lower cost of sales in Q3 previous year was mainly due to the recognition of cost of sales for Genting Hotel upon their TOP and the write back of project cost for completed projects upon finalisation of accounts in construction segment. In addition the cost of sales of DHS was deconsolidated and reclassified to gain on disposal upon its sale during 9 months current year.
- Other income increased by \$44.1M to \$59.0M in 9 months current year from \$14.9M in 9 months previous year. The increase was mainly due to the extraordinary gain on sale of DHS on 12 May 2016. It decreased by \$7.8M to \$2.5M in Q3 current year from \$10.3M in Q3 previous year. The decrease was mainly due to the gain on sale of warehouse at Sungei Kadut Loop in Q3 previous year.
- Administrative costs decreased by \$0.2M to \$10.3M in 9 months current year from \$10.5M in 9 months previous year. It decreased by \$1.7M to \$2.3M in Q3 current year from \$4.0M in Q3 previous year. The decrease was mainly due to the administrative cost in DHS being deconsolidated and reclassified to gain on disposal upon its sale offset by increase in administrative cost for Kismis Residences, Paya Lebar Square ("PLS") and Paya Lebar Square (Retail Mall) ("PLSRM").

1(a)(ii) Notes to the income statement

- 5 Other operating expenses decreased by \$0.9M to \$5.3M in 9 months current year from \$6.2M in 9 months previous year. It was positive \$1.6M in Q3 current year compared to \$1.8M in Q3 previous year. The decrease in operating expense performance was mainly due to increased unrealised foreign exchange translation gain on the USD sales proceeds of DHS and decreased provision for doubtful debts on shareholder loan interest for Westgate Tower offset by increased provision for impairment loss on development project Balestier Tower.
- 6 Finance costs decreased by \$0.1M to \$4.4M in 9 months current year from \$4.5M in 9 months previous year. It decreased by \$0.3M to \$1.3M in Q3 current year from \$1.6M in Q3 previous year. The decrease was mainly due to decrease in interest rate on bank borrowings for PLSRM.
- 7 Share of losses of associated companies and joint ventures decreased by \$7.7M to \$4.0M in 9 months current year from \$11.7M in 9 months previous year. It decreased by \$4.9M to \$1.6M in Q3 current year from \$6.5M in Q3 previous year. The decrease was mainly due to the write-off of development cost of \$5.9M in 9 months previous year for Vung Tau project and improved profit performance of Westgate Tower as major tenants commenced operations from Q4 previous year. Westgate Tower achieved occupancy of 98% as at 2 December 2016.
- 8 The basis of tax computation is set out below:

	3 months ended		Increase	9 months ended		Increase
	31/10/2016	31/10/2015	(Decrease)	31/10/2016	31/10/2015	(Decrease)
	\$'000	\$'000	%	\$'000	\$'000	%
Income tax expense:						
- current	(225)	(3,309)	(93)	(575)	(5,420)	(89)
- foreign tax	(393)	(520)	(24)	(898)	(1,422)	(37)
	<u>(618)</u>	<u>(3,829)</u>	<u>(84)</u>	<u>(1,473)</u>	<u>(6,842)</u>	<u>(78)</u>

n.m.: Not Meaningful

Income tax decreased by \$5.3M to \$1.5M in 9 months current year from \$6.8M in 9 months previous year. The decrease was mainly due to lower tax provision in construction segment as a result of lower profits. It decreased by \$3.2M to \$0.6M in Q3 current year from \$3.8M in Q3 previous year.

- 9 Net profit attributable to shareholders increased by \$25.8M to \$49.4M in 9 months current year from \$23.6M in 9 months previous year. The increase was mainly due to higher profit in hotel segment due to the sale of DHS offset by lower profits in construction segment. It decreased by \$8.8M to \$3.0M in Q3 current year from \$11.8M in Q3 previous year. The decrease was mainly due to decrease in construction activity.

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

	Group		Note	Company	
	31/10/2016 \$'000	31/1/2016 \$'000		31/10/2016 \$'000	31/1/2016 \$'000
ASSETS					
Non-current assets					
Investment properties	310,450	315,915	1	18,663	18,812
Property, plant and equipment	136,612	162,463	1	5,581	5,155
Subsidiaries	-	-		257,181	280,257
Joint ventures	91,929	92,019	2	91,930	89,458
Associated companies	48,235	50,124	3	56	56
Long-term quoted equity investments	48,847	34,767	4	1,574	1,395
Other investment	32,000	32,000	15	-	-
Other receivables	69	72		-	-
Deferred tax assets	391	589		-	-
	<u>668,533</u>	<u>687,949</u>		<u>374,985</u>	<u>395,133</u>
Current assets					
Cash and cash equivalents	200,458	213,877	5	164,249	147,634
Fixed deposits	88,639	5,123	5	72,137	-
Short-term quoted equity investments	4,787	4,764		-	-
Amount owing by a non-controlling shareholder	333	350	10	-	-
Trade and other receivables	69,889	132,404	6	16,631	17,476
Inventories	419	487		-	-
Work in progress	-	-		1	114
Properties held for sale	8,576	8,791	14	-	-
Development properties	103,956	96,605	7	-	-
	<u>477,057</u>	<u>462,401</u>		<u>253,018</u>	<u>165,224</u>
Total assets	<u><u>1,145,590</u></u>	<u><u>1,150,350</u></u>		<u><u>628,003</u></u>	<u><u>560,357</u></u>
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital	161,863	161,863		161,863	161,863
Capital reserves	(2,005)	(2,005)		-	-
Fair value reserves	4,351	2,569	8	828	622
Retained profits	490,750	467,606		397,609	333,236
Exchange fluctuation account	(5,112)	(2,475)	9	-	-
	<u>649,847</u>	<u>627,558</u>		<u>560,300</u>	<u>495,721</u>
Non-controlling interests	26,983	47,366	12	-	-
Total equity	<u>676,830</u>	<u>674,924</u>		<u>560,300</u>	<u>495,721</u>
LIABILITIES					
Non-current liabilities					
Bank borrowings	354,884	331,715	11	-	-
Amount owing to non-controlling shareholders of subsidiaries	58,168	56,479	10	-	-
Provisions	-	256		-	-
Deferred tax liabilities	991	991		-	-
	<u>414,043</u>	<u>389,441</u>		<u>-</u>	<u>-</u>
Current liabilities					
Trade and other payables	43,234	63,282	13	28,908	40,899
Amount owing to subsidiaries	-	-		38,013	14,478
Joint ventures	862	871	2	597	597
Amount owing to non-controlling shareholders of subsidiaries (non-trade)	434	415	10	-	-
Provisions	637	193		-	-
Provision for directors' fee	184	245		184	245
Provision for taxation	2,166	11,619		1	8,417
Bank borrowings	7,200	9,360	11	-	-
	<u>54,717</u>	<u>85,985</u>		<u>67,703</u>	<u>64,636</u>
Total liabilities	<u>468,760</u>	<u>475,426</u>		<u>67,703</u>	<u>64,636</u>
Total equity and liabilities	<u><u>1,145,590</u></u>	<u><u>1,150,350</u></u>		<u><u>628,003</u></u>	<u><u>560,357</u></u>

Notes to the balance sheets

- 1 The net book value of investment properties decreased by \$6.0M to \$310.0M as at 31 October 2016 from \$316.0 as at 31 January 2016. The net book value of property, plant and equipment decreased by \$25.9M to \$136.6M as at 31 October 2016 from \$162.5M as at 31 January 2016. The decrease in net book value of property, plant and equipment was mainly due to sale of DHS.
- 2 Joint ventures decreased by \$0.1M to \$91.0M as at 31 October 2016 from \$91.1M as at 31 January 2016. The decrease was mainly due to increased financing and decrease in share of losses of Westgate Tower.
- 3 Associated companies decreased by \$1.9M to \$48.2M as at 31 October 2016 from \$50.1M as at 31 January 2016 was mainly due to share of losses of \$1.2M from AXA Tower.
- 4 Long-term quoted equity investments increased by \$14.0M to \$48.8M as at 31 October 2016 from \$34.8M as at 31 January 2016. The increase was mainly due to quoted shares purchase and increase in fair value of available-for-sale financial assets.
- 5 Cash and cash equivalents and fixed deposits increased by \$70.1M to \$289.1M as at 31 October 2016 from \$219.0M as at 31 January 2016 mainly due to proceeds from sale of DHS.
- 6 Trade and other receivables decreased by \$62.5M to \$69.9M as at 31 October 2016 from \$132.4M as at 31 January 2016 mainly due to collections received in Q1 current year from buyers of office units at PLS upon it receiving CSC on 24 December 2015.
- 7 Development properties increased by \$7.4M to \$104.0M as at 31 October 2016 from \$96.6M as at 31 January 2016 mainly due to additional construction cost incurred for Kismis Residences.
- 8 Fair value reserves increased by \$1.8M to \$4.4M as at 31 October 2016 from \$2.6M as at 31 January 2016 due to increase in fair value for long-term quoted equity investments.
- 9 Exchange fluctuation account increased by \$2.6M to \$5.1M as at 31 October 2016 from \$2.5M as at 31 January 2016 mainly due to the foreign exchange translation gain on USD sales proceeds from the sale of DHS.
- 10 Total amount owing to non-controlling shareholders of subsidiaries increased by \$1.8M to \$58.3M as at 31 October 2016 from \$56.5M as at 31 January 2016. The increase was mainly due to notional interest on shareholders loans for Kismis Residences and PLSRM during the year.
- 11 Total bank borrowings increased by \$21.0M to \$362.1M as at 31 October 2016 from \$341.1M as at 31 January 2016 due to final drawdown of bank loan by PLSRM upon obtaining CSC. Gearing was 0.11 as at 31 October 2016 compared to 0.19 as at 31 January 2016. The lower gearing was due to the increase in cash and cash equivalents and fixed deposits.
- 12 Non-controlling interests decreased by \$20.4M to \$27.0M as at 31 October 2016 from \$47.4M as at 31 January 2016. The decrease was due to dividend paid by Paya Lebar Development Pte Ltd.
- 13 Trade and other payables decreased by \$20.1M to \$43.2M as at 31 October 2016 from \$63.3M as at 31 January 2016 mainly due to lower construction activity and write back of additional buyer stamp duty ("ABSD") for Balestier Tower. Balestier Tower had obtained approval for change of use from mixed development to service apartment. ABSD was not applicable to service apartment and hence its accrual was written back.
- 14 Properties held for sale decreased by \$0.2M to \$8.6M as at 31 October 2016 from \$8.8M as at 31 January 2016 due to sale of office unit at PLS. As at 2 December 2016, there were four unsold office units and two unsold residential units at PLS and Parkland Residences respectively.
- 15 The amount of \$32.0M is part of the 20% equity investment in AXA Tower. It was invested in the form of junior bonds which are expected to mature in year 2025 with a coupon rate of not less than 10% per annum repayable semi-annually.

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

	31/10/2016		31/1/2016	
	Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
Amount repayable in one year or less, or on demand	7,200	-	9,360	-
Amount repayable after one year	354,884	-	331,715	-
	<u>362,084</u>	<u>-</u>	<u>341,075</u>	<u>-</u>

Details of any collateral

Borrowings are secured by the mortgages on the borrowing subsidiaries' development and investment properties and assignment of all rights and benefits with respect to the development and investment properties mortgaged.

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

	9 months ended	
	31/10/2016	31/10/2015
	\$'000	\$'000
Cash Flow from Operating Activities		
Profit before taxation	51,590	31,795
Adjustments for:		
Share of results of associated companies and joint ventures	3,968	11,663
Depreciation of:		
-investment properties	2,268	2,649
-property, plant and equipment	2,395	3,273
Impairment loss on property, plant and equipment	3,338	-
Impairment loss on investment property	1,113	-
Gain on disposal of property, plant and equipment	-	(4,508)
Gain on disposal of investment property		(3,355)
Gain on disposal of a subsidiary	(49,875)	-
Fair value (gain)/loss on financial assets at fair value through profit or loss	(23)	610
Changes in fair value of derivative financial instrument	-	(304)
Impairment loss on amount owing by joint ventures	-	2,953
Interest expense	4,435	4,494
Interest income	(6,985)	(4,058)
Operating profit before working capital changes	12,224	45,212
Inventories	239	(26)
Development properties	(2,081)	(3,410)
Receivables	62,439	27,886
Payables	(15,514)	(69,506)
Cash generated from/(used in) operations	57,307	156
Interest paid	(4,627)	(4,457)
Income tax paid	(11,006)	(43,985)
Net cash generated from/(used in) operating activities	41,674	(48,286)

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

	9 months ended	
	31/10/2016	31/10/2015
	\$'000	\$'000
Amount brought forward	41,674	(48,286)
Cash Flows from Investing Activities		
Acquisition of property, plant and equipment	(20)	(2,132)
Acquisition of investment property	2,084	-
Acquisition of quoted investments	(12,346)	(199)
Acquisition of non-controlling interest	-	
Interest received	6,985	4,058
Fixed deposit with maturity more than three months	(72,035)	-
Capital contribution made to associated companies and joint ventures	-	(72,960)
Advances and loans (made to)/from joint ventures and associated companies	(2,639)	67,667
Dividends from joint ventures	-	446
Repayment of loans (to)/from joint ventures	-	140
Net proceeds from sale of subsidiary (Note A)	49,875	-
Proceeds from disposal of investment property	-	5,274
Proceeds from disposal of property, plant and equipment	16,335	3,926
Net cash (used in)/generated from investing activities	(11,761)	6,220
Cash Flow from Financing Activities		
Dividends paid to shareholders of the Company	(29,553)	(36,941)
Dividends paid to minority shareholder of a subsidiary	(21,445)	-
Proceeds from bank borrowings	26,949	1,622
Repayment of bank borrowings	(5,940)	(6,750)
Loans from non-controlling shareholders of a subsidiary	1,690	2,350
Fixed deposit pledged	(11,480)	(11)
Net cash (used in)/generated from financing activities	(39,779)	(39,730)
Net increase/(decrease) in cash and cash equivalents	(9,866)	(81,796)
Cash and cash equivalents at beginning of year	213,876	276,026
Exchange differences on translation of cash and cash equivalent at beginning of year	(3,552)	(742)
Cash and cash equivalents at end of year	200,458	193,488

The Group has unused bank facilities of \$191.6M as of 31 October 2016.

The Group generated a net decrease of \$9.9M cash flow during 9 months current year compared to net decrease of \$81.8M during 9 months previous year. The net decrease in cash and cash equivalents was due to net cash generated in operating activities of \$41.7M offset by net cash used in investing and financing activities of \$11.8M and \$39.8M respectively.

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

Note A:

The Group disposed of its subsidiary on 12 May 2016. The carrying value of assets disposed of and liabilities discharged were as follows:

	31 July 2016	31 July 2015
	\$'000	\$'000
Property, plant and equipment	16,105	-
Deferred tax assets	198	-
Inventory	71	-
Trade receivables	1,132	-
Other receivables	657	-
Deferred expenses	147	-
Cash and bank balances	878	-
Trade payables	(733)	-
Other payables	(461)	-
Provision for taxation	(199)	-
Provision for severance pay	(245)	-
Net assets disposed	<u>17,550</u>	-
Gain on disposal	<u>49,875</u>	-
Proceeds received	67,425	-
Less:		-
Cash balance in subsidiary disposed	(878)	-
Cash outflow to settle amount owing by subsidiary	(14,608)	-
Cash outflow on expenses relating to disposal of subsidiary	(2,027)	-
Exchange difference on cash outflow	(37)	-
Net cash inflow on disposal	<u><u>49,875</u></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 year

	Share capital	Reserves	Retained profits	Total			
	\$'000	\$'000	\$'000	\$'000			
The Company							
Balance at 1/2/2016	161,863	622	333,236	495,721			
Total comprehensive income /(expense) for the year	-	206	64,373	64,579			
Balance at 31/10/2016	161,863	828	397,609	560,300			
Balance at 1/2/2015	161,863	1,272	233,186	396,321			
Total comprehensive income /(expense) for the year	-	(616)	26,808	26,192			
Dividends paid in respect of financial year ended 31 January 2014	-	-	(36,941)	(36,941)			
Balance at 31/10/2015	161,863	656	223,053	385,572			
The Group							
	Share capital	Reserves	Retained profits	Exchange fluctuation account	Sub-total	Non-controlling interests	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1/2/2016	161,863	564	467,606	(2,475)	627,558	47,366	674,924
Profit for the year	-	-	49,387	-	49,387	730	50,117
Other comprehensive income/(expense) for the year	-	1,782	3,310	673	5,765	332	6,097
Total comprehensive income /(expense) for the year	-	1,782	52,697	673	55,152	1,062	56,214
Realisation of reserve upon disposal of a subsidiary	-	-	-	(3,310)	(3,310)	-	(3,310)
Dividends paid in respect of financial year ended 31 January 2015	-	-	(29,553)	-	(29,553)	(21,445)	(50,998)
Balance at 31/10/2016	161,863	2,346	490,750	(5,112)	649,847	26,983	676,830
Balance at 1/2/2015	161,863	9,343	448,802	(68)	619,940	39,539	659,479
Notional interest on interest free shareholder loan	-	-	-	-	-	10,007	10,007
Profit for the year	-	-	23,604	-	23,604	-	23,604
Other comprehensive income/(expense) for the year	-	(5,155)	-	(3,910)	(9,065)	1,002	(8,063)
Total comprehensive income /(expense) for the year	-	(5,155)	23,604	(3,910)	14,539	1,002	15,541
Dividends paid in respect of financial year ended 31 January 2014	-	-	(36,941)	-	(36,941)	-	(36,941)
Balance at 31/10/2015	161,863	4,188	435,465	(3,978)	597,538	50,548	648,086

- 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 company's share capital as at 31 October 2016 compared to 31 January 2016.

There were no outstanding executives' share options granted as at 31 October 2016 and 31 January 2016.

There was no treasury share held or issued as at 31 October 2016 and 31 January 2016.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares at the end of the current financial period and as at the end of the immediately preceding financial year**

	As at 31-10-2016	As at 31-01-2016
Number of issued shares excluding treasury shares	738,816,000	738,816,000

- 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.**

There were no sales, transfers, disposal, cancellation and / or use of treasury shares as at 31 October 2016.

- 2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Review Engagements 2400 (Engagements to Review Financial Statements), or an equivalent standard)**

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)**

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 financial period as compared with those used in the audited financial statements for the year ended 31 January 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**

The Group has adopted all the new and revised Financial Reporting Standards ("FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 February 2016. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group's and Company's accounting policies and has no material effect on the amounts reported for the current period or prior years.

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

	3 months ended		9 months ended	
	31-10-2016	31-10-2015	31-10-2016	31-10-2015
Earnings per ordinary share for the period based on net profit attributable to shareholders of the Company:				
(i) Based on weighted average number of ordinary shares in issue	0.41 cents	1.59 cents	6.68 cents	3.19 cents
(ii) On a fully diluted basis	0.41 cents	1.59 cents	6.68 cents	3.19 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

	Group		Company	
	31-10-2016	31-1-2016	31-10-2016	31-1-2016
Net asset value per ordinary share	88 cents	85 cents	76 cents	67 cents
Net tangible assets backing per ordinary share	88 cents	85 cents	76 cents	67 cents

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Construction

Revenue for construction segment decreased by \$18.7M to \$0.6M in 9 months current year from \$19.3M in 9 months previous year. It decreased by \$0.4M to \$0.4M in Q3 current year from \$0.8M in Q3 previous year. The decrease was due to absence of construction activity for third party projects in 9 months current year.

Net profit before tax and non-controlling interests for construction segment decreased by \$29.5M to \$2.2M in 9 months current year from \$31.7M in 9 months previous year. Net profit before tax and non-controlling interests for construction segment decreased by \$14.9M to \$2.9M in Q3 current year from \$17.8M in Q3 previous year. The decrease was mainly due to absence of construction activity for third party projects in Q3 current year.

Hotel and F&B business

Revenue for hotel & F&B businesses decreased by \$8.4M to \$20.9M in 9 months current year from \$29.3M in 9 months previous year. It decreased by \$2.6M to \$7.6M in Q3 current year from \$10.2M in Q3 previous year. The decrease was mainly due to sale of DHS in May 2016 and lower room rates and lower occupancy in Duxton Hotel Perth.

Net profit before tax and non-controlling interests for hotel segment increased by \$42.7M to \$47.2M in 9 months current year from \$4.5M in 9 months previous year. The increase was mainly due to extraordinary gain on sale of DHS completed on 12 May 2016. Net profit before tax and non-controlling interests for hotel segment decreased by \$0.7M to \$1.0M in Q3 current year from \$1.7M in Q3 previous year.

Development

Development revenue decreased by \$1.8M to \$1.8M in 9 months current year from \$3.6M in 9 months previous year. No revenue was recognised in Q3 current year compared to \$3.2M in Q3 previous year. The decrease was due to sale of residential units at Parkland Residences and office units at Paya Lebar Development during Q3 prior year.

Net profit before tax and non-controlling interests for development segment was \$0.2M for 9 months current year compared to negative \$2.5M in 9 months previous year. The improved profitability performance in 9 months current year was due to the write-off of development cost of \$5.9M in 9 months prior year for Vung Tau project. Net loss before tax and non-controlling interest decreased by \$2.8M to \$0.1M in Q3 current year from \$2.9M in Q3 previous year. As at 2 December 2016, four office units at PLS and two residential units at Parkland Residences remained unsold respectively. There was no new sales launches in 9 months current year.

Investments

Investment revenue increased by \$0.1M to \$13.5M in 9 months current year from \$13.6M in 9 months previous year. It decreased by \$0.1M to \$4.4M from \$4.5M in Q3 previous year. PLSRM obtained TOP on 3 November 2014 and commenced operations on 16 December 2014. It achieved committed rental occupancy of 100% as at 2 December 2016.

Net profit before tax and non-controlling interests for investment segment was \$2.0M during 9 months current year compared to negative \$1.9M in 9 months previous year. Net profit before tax and non-controlling interests for investment segment was \$0.3M during Q3 current year compared to negative \$0.5M in Q3 previous year. The improved profitability performance was mainly due to the decrease in share of losses from Westgate Tower. Major tenants at Westgate Tower commenced operations from Q4 previous year and the occupancy at Westgate Tower was 98% as at 2 December 2016.

Net profit attributable to shareholders

Net profit attributable to shareholders increased by \$25.8M to \$49.4M in 9 months current year from \$23.6M in 9 months previous year. The increase was mainly due to higher profit in hotel segment due to the sale of DHS offset by lower profits in construction segment. It decreased by \$8.8M to \$3.0M in Q3 current year from \$11.8M in Q3 previous year. The decrease was mainly due to decrease in construction activity.

Balance Sheet

Group shareholders' funds increased by \$22.3M to \$649.9M as at 31 October 2016 from \$627.6M as at 31 January 2016. Cash and cash equivalents and fixed deposits increased by \$70.1M to \$289.1M as at 31 October 2016 from \$219.0M as at 31 January 2016. The Group's bank borrowings increased by \$21.0M to \$362.1M as at 31 October 2016 from \$341.1M as at 31 January 2016. Gearing was 0.11 as at 31 October 2016 compared to 0.19 as at 31 January 2016.

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 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 cooling measures introduced by the Singapore government and the release of more land for development to cool the residential market continue to slow down the sluggish property market. The Group will continue to be selective in land bidding and investments projects.

11. Dividend

(a) Current Financial Period Reported On

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

Name of Dividend : NIL
Dividend Type : NIL
Dividend Amount : NIL
Tax Rate : NIL

Name of Dividend : NIL
Dividend Type : NIL
Dividend Amount : NIL
Tax Rate : NIL

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

Name of Dividend : NIL
Dividend Type : NIL
Dividend Amount : NIL
Tax Rate : NIL

Name of Dividend : NIL
Dividend Type : NIL
Dividend Amount : NIL
Tax Rate : NIL

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

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

Not applicable

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

14. 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 9 months ended 31 October 2016 to be false or misleading in any material aspect.

15. Confirmation that the issuer has procured undertakings from all its Directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Low Keng Boon
Joint Managing Director

Dato' Marco Low Peng Kiat
Joint Managing Director

8 December 2016