


GSH CORPORATION LIMITED
Third Quarter and Nine Months Financial Statements for the Period Ended 30/09/2019
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.
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the 3rd Quarter and 9 Months Ended 30 September

	3rd Quarter Ended 30 September			9 Months Ended 30 September		
	30.9.2019	30.9.2018	+/-	30.9.2019	30.9.2018	+/-
	Unaudited S\$'000	Unaudited S\$'000	%	Unaudited S\$'000	Unaudited S\$'000	%
Revenue	45,917	28,045	63.7%	103,263	75,392	37.0%
Cost of sales	(22,997)	(10,214)	Nm	(49,771)	(29,007)	71.6%
Gross profit	22,920	17,831	28.5%	53,492	46,385	15.3%
Gross profit margin	50%	64%	(21.9%)	52%	62%	(16.1%)
Other income	836	612	36.6%	2,229	1,653	34.8%
Distribution and selling expenses	(914)	(793)	15.3%	(2,367)	(2,250)	5.2%
Administrative expenses	(6,708)	(5,977)	12.2%	(19,385)	(18,301)	5.9%
Other expenses	(109)	(27)	Nm	(130)	(39)	Nm
Operating profit	16,025	11,646	37.6%	33,839	27,448	23.3%
Amortisation and depreciation	(2,823)	(2,623)	7.6%	(8,442)	(7,840)	7.7%
Exchange gain/(loss)	1,549	(1,352)	Nm	875	(921)	Nm
Finance expenses	(4,743)	(4,904)	(3.3%)	(15,771)	(13,989)	12.7%
Finance income	295	512	(42.4%)	1,266	1,458	(13.2%)
Net change in fair value of financial derivatives	(876)	708	Nm	(1,515)	1,318	Nm
Share of profit of equity-accounted investee	1,392	1,637	(15.0%)	5,475	5,068	8.0%
Profit before tax	10,819	5,624	92.4%	15,727	12,542	25.4%
Taxation	(2,615)	(2,378)	10.0%	(4,720)	(5,195)	(9.1%)
Profit for the period	8,204	3,246	Nm	11,007	7,347	49.8%
Attributable to:						
Owners of the Company	7,250	2,090	Nm	8,888	5,408	64.3%
Non-controlling interests	954	1,156	(17.5%)	2,119	1,939	9.3%
	8,204	3,246	Nm	11,007	7,347	49.8%

	3rd Quarter Ended 30 September			9 months Ended 30 September		
	30.9.2019 Unaudited S\$'000	30.9.2018 Unaudited S\$'000	+/- %	30.9.2019 Unaudited S\$'000	30.9.2018 Unaudited S\$'000	+/- %
Profit for the period	8,204	3,246	Nm	11,007	7,347	49.8%
Other comprehensive income:						
<u>Items that will not be reclassified to profit or loss:</u>						
Equity investments at fair value through other comprehensive income - net change in fair value	1,428	762	87.4%	5,513	(363)	Nm
<u>Items that are or may be reclassified subsequently to profit or loss:</u>						
Debt investments at fair value through other comprehensive income - net change in fair value	302	(126)	Nm	2,175	(2,263)	Nm
Effective portion of changes in fair value of cash flow hedges	-	(169)	Nm	498	(2,034)	Nm
Exchange differences on monetary items forming part of net investments in a foreign operation	719	(2,410)	Nm	(74)	(1,201)	(93.8%)
Foreign currency translation differences relating to foreign operations	1,900	(6,027)	Nm	(92)	706	Nm
Share of foreign currency translation differences of equity-accounted investees	(1,056)	(2,718)	(61.1%)	(1,051)	(1,686)	(37.7%)
Total comprehensive income for the period	11,497	(7,442)	Nm	17,976	506	Nm
Attributable to:						
Owners of the Company	10,168	(7,174)	Nm	15,944	(1,506)	Nm
Non-controlling interests	1,329	(268)	Nm	2,032	2,012	1.0%
	11,497	(7,442)	Nm	17,976	506	Nm

Notes to Group profit and loss account

1 a(i) Pre-tax profit of the Group is arrived at after charging/(crediting) the following:

	3rd Quarter Ended 30 September			9 Months Ended 30 September		
	30.09.2019	30.09.2018	+/-	30.09.2019	30.09.2018	+/-
	Unaudited	Unaudited		Unaudited	Unaudited	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Personnel expenses*	7,615	6,434	18.4%	21,125	19,527	8.2%
Non-executive directors' fees	181	88	Nm	358	265	35.1%
Depreciation of property, plant & equipment	2,823	2,623	7.6%	8,442	7,840	7.7%
Foreign exchange (gain)/loss	(1,549)	1,352	Nm	(875)	921	Nm
Write back of allowance for inventory obsolescence	(1)	(1)	Nm	(2)	(2)	Nm
Provision/(Reversal) of impairment loss on trade receivables	13	1	Nm	(9)	-	Nm
Dividend income from investments	(273)	(259)	5.4%	(796)	(849)	(6.2%)
Loss on disposal of property, plant and equipment	103	-	Nm	123	4	Nm
Adjustment for under/(over) provision of tax in respective of prior years	(369)	(1,056)	(65.1%)	(369)	(1,056)	(65.1%)

* Personnel expenses inclusive of executive directors' remuneration

Nm - Not meaningful

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

CONSOLIDATED FINANCIAL POSITION as at 30 SEPTEMBER

	Group		Company	
	30.09.2019 Unaudited S\$'000	31.12.2018 Audited S\$'000	30.09.2019 Unaudited S\$'000	31.12.2018 Audited S\$'000
ASSETS				
Property, plant and equipment	409,282	410,011	28,899	29,381
Investment property	5,006	4,952	-	-
Subsidiaries	-	-	291	291
Associate	67,324	62,901	-	-
Other investments	85,348	75,435	85,348	75,435
Other receivables	1,829	1,846	-	-
Non-current assets	568,789	555,145	114,538	105,107
Development properties	337,064	291,007	-	-
Contract costs	33,268	40,654	-	-
Contract assets	22,280	12,777	-	-
Inventories	2,688	946	-	-
Trade receivables	14,078	3,130	15	17
Other receivables, deposits and prepayments	9,866	5,497	2,678	1,174
Amounts due from subsidiaries (non-trade)	-	-	460,786	430,904
Amounts due from related parties	571	567	-	-
Time deposits	5,926	8,989	-	-
Cash and cash equivalents	118,383	126,676	61,837	83,138
Derivatives financial assets	-	41	-	-
Current assets	544,124	490,284	525,316	515,233
Total assets	1,112,913	1,045,429	639,854	620,340
EQUITY				
Share capital	343,458	343,458	343,458	343,458
Treasury shares	(5,131)	(5,131)	(5,131)	(5,131)
Reserves	(31,725)	(38,781)	3,606	(4,580)
Accumulated profits/ (losses)	86,155	77,267	(9,590)	(260)
Equity attributable to equity holders of the Company	392,757	376,813	332,343	333,487
Non-controlling interests	87,558	77,927	-	-
Total equity	480,315	454,740	332,343	333,487
LIABILITIES				
Contract liabilities	975	975	-	-
Loans and borrowings	339,616	306,980	181,529	141,798
Deferred tax liabilities	56,802	58,647	-	-
Non-current liabilities	397,393	366,602	181,529	141,798
Trade payables	23,612	5,278	-	200
Other payables and accruals	42,474	28,898	4,364	2,333
Contract liabilities	5,334	4,881	-	-
Amounts due to subsidiaries (non-trade)	-	-	15,309	14,956
Amounts due to related parties	38,302	38,182	-	-
Derivative financial liabilities	976	-	812	268
Loans and borrowings	122,734	146,386	105,437	127,238
Current tax liabilities	1,773	462	60	60
Current liabilities	235,205	224,087	125,982	145,055
Total liabilities	632,598	590,689	307,511	286,853
Total equity and liabilities	1,112,913	1,045,429	639,854	620,340

1(b)(ii) Aggregate amount of group's borrowings and debt securities**Amount repayable in one year or less, or on demand**

As at 30 September 2019			As at 31 December 2018		
Secured	Unsecured	Total	Secured	Unsecured	Total
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
78,935	43,799	122,734	66,459	79,927	146,386

Amount repayable after one year

As at 30 September 2019			As at 31 December 2018		
Secured	Unsecured	Total	Secured	Unsecured	Total
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
180,082	159,534	339,616	187,712	119,268	306,980

Total borrowings

As at 30 September 2019			As at 31 December 2018		
Secured	Unsecured	Total	Secured	Unsecured	Total
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
259,017	203,333	462,350	254,171	199,195	453,366
- Attributable to owners of the Company		436,012	- Attributable to owners of the Company		424,754
- Attributable to non-controlling interests		26,338	- Attributable to non-controlling interests		28,612

Less: Cash and cash equivalents and time deposit

As at 30 September 2019			As at 31 December 2018		
S\$'000			S\$'000		
124,309			135,665		
- Attributable to owners of the Company		S\$'000	- Attributable to owners of the Company		S\$'000
		121,410			132,679
- Attributable to non-controlling interests		2,899	- Attributable to non-controlling interests		2,986

Net borrowings

As at 30 September 2019			As at 31 December 2018		
S\$'000			S\$'000		
338,041			317,701		
- Attributable to owners of the Company		S\$'000	- Attributable to owners of the Company		S\$'000
		314,602			292,075
- Attributable to non-controlling interests		23,439	- Attributable to non-controlling interests		25,626

Details of any collateral

As at 30 September 2019, the Group's borrowings were secured by legal charges on the Group's development properties of S\$197.3 million (2018: S\$171.9 million), property, plant and equipment of S\$187.7 million (2018: S\$187.6 million), time deposits of S\$6.0 million (2018: 9.0 million) and cash and cash equivalents of S\$32.6 million (2018: S\$34.6 million).

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

GROUP CONSOLIDATED STATEMENT OF CASH FLOWS

	GROUP		GROUP	
	3rd Quarter Ended 30 September 2019	2018	9 Months Ended 30 September 2019	2018
	Unaudited	Unaudited	Unaudited	Unaudited
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Profit for the period	8,204	3,246	11,007	7,347
Adjustment for:				
Depreciation of property, plant & equipment	2,823	2,623	8,442	7,840
Interest expense	4,743	4,904	15,771	13,989
Interest income	(295)	(512)	(1,266)	(1,458)
Write back of allowance for inventory obsolescence	(1)	(1)	(2)	(2)
Loss on disposal of property, plant & equipment	103	-	123	4
Provision/(Reversal) of impairment loss on trade receivables	13	1	(9)	-
Net foreign exchange gain arising from revaluation of fixed deposit pledged	(47)	118	2	(112)
Share of profit of equity-accounted investee	(1,392)	(1,637)	(5,475)	(5,068)
Dividend income	(273)	(259)	(796)	(849)
Net change in fair value of financial derivatives	876	(708)	1,515	(1,318)
Tax expense	2,615	2,378	4,720	5,195
Operating profit before working capital changes	17,369	10,153	34,032	25,568
Change in				
Development properties, contract costs and contracts assets	(22,549)	(4,505)	(51,790)	(15,891)
Inventories	(1,748)	27	(1,740)	89
Trade and other receivables	(7,437)	(17,051)	(15,382)	(15,283)
Trade and other payables and contract liabilities	11,813	(455)	30,802	(7,681)
Balances with related parties	-	-	105	-
Cash from operations	(2,552)	(11,831)	(3,973)	(13,198)
Tax paid, net	(2,426)	(1,208)	(5,238)	(3,559)
Net cash used in operating activities	(4,978)	(13,039)	(9,211)	(16,757)
Cash flows from investing activities				
Acquisition of property, plant and equipment	(2,595)	(1,596)	(7,052)	(4,388)
Acquisition of other investments	-	-	-	(79,517)
Deposits pledged	(579)	(6,289)	11,031	(4,713)
Uplift of bank deposits	50	-	3,063	-
Interest received	435	602	1,356	1,666
Acquisition of subsidiary, net of cash acquired	-	-	-	(55,521)
Dividend received	273	259	796	849
Proceeds from sale of property, plant and equipment	358	-	360	-
Net cash (used in)/from investing activities	(2,058)	(7,024)	9,554	(141,624)

	GROUP		GROUP	
	3rd Quarter Ended 30 September		9 Months Ended 30 September	
	2019	2018	2019	2018
	Unaudited	Unaudited	Unaudited	Unaudited
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from financing activities				
Capital contribution by non-controlling interest	5,692	-	7,598	-
Interest paid	(3,062)	(2,610)	(13,585)	(11,262)
Proceeds of finance lease obligations	-	105	735	105
Payment of lease liabilities	(203)	(118)	(601)	(343)
Proceeds from borrowings	71,131	57,299	200,028	290,742
Repayment of borrowings	(63,138)	(53,175)	(191,775)	(192,982)
Dividends paid	-	-	-	(24,487)
Net cash from financing activities	10,420	1,501	2,400	61,773
Net increase/(decrease) in cash and cash equivalents	3,384	(18,562)	2,743	(96,608)
Effect of exchange rate changes on balances held in foreign currencies	139	(396)	(3)	2
Cash and cash equivalents at beginning of the period	82,325	120,473	83,108	198,121
Cash and cash equivalents at end of the period (Note A)	85,848	101,515	85,848	101,515

	GROUP		GROUP	
	3rd Quarter Ended 30 September		9 Months Ended 30 September	
	2019	2018	2019	2018
	Unaudited	Unaudited	Unaudited	Unaudited
	S\$'000	S\$'000	S\$'000	S\$'000
Note A: Cash and cash equivalents comprise:				
Cash and cash equivalents in the statement of financial position	118,383	144,903	118,383	144,903
Less: fixed deposits and cash balances pledged	(32,535)	(43,388)	(32,535)	(43,388)
Cash and cash equivalents in the statement of cash flows	85,848	101,515	85,848	101,515
Time deposits	5,926	-	5,926	-
Cash and cash equivalents and time deposits	91,774	101,515	91,774	101,515

1(d)(i) A statement (for the company 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.

Statement of Changes in Equity as at 30 September 2019

Group	Attributable to owners of Company							Non-controlling interest	Total Equity	
	Share capital	Treasury Shares	Asset		Hedging reserves	Fair value reserves	Accumulated profits			Total
			revaluation reserves	Translation reserves						
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
As at 1 January 2019	343,458	(5,131)	4,132	(38,333)	(498)	(4,082)	77,267	376,813	77,927	454,740
Total comprehensive income for the year										
Profit for the period	-	-	-	-	-	-	329	329	951	1,280
Other comprehensive income:										
Foreign currency translation differences relating to foreign operations	-	-	-	1,301	-	-	-	1,301	472	1,773
Exchange differences on monetary items forming part of net investment in a foreign operation	-	-	-	793	-	-	-	793	-	793
Share of foreign currency translation differences of equity-accounted investees	-	-	-	1,617	-	-	-	1,617	-	1,617
Effective portion of changes in fair value of cash flow hedges	-	-	-	-	498	-	-	498	-	498
Net change in fair value:-										
equity investments at fair value through other comprehensive income	-	-	-	-	-	1,927	-	1,927	-	1,927
debt investments at fair value through other comprehensive income	-	-	-	-	-	1,129	-	1,129	-	1,129
Total other comprehensive income, net of tax	-	-	-	3,711	498	3,056	-	7,265	472	7,737
Total comprehensive income for the year	-	-	-	3,711	498	3,056	329	7,594	1,423	9,017
Balances carried forward	343,458	(5,131)	4,132	(34,622)	-	(1,026)	77,596	384,407	79,350	463,757

Statement of Changes in Equity as at 30 September 2019

Group	Attributable to owners of Company									
	Share capital S\$'000	Treasury Shares S\$'000	Asset		Hedging reserves S\$'000	Fair value reserves S\$'000	Accumulated profits S\$'000	Total S\$'000	Non-controlling interest S\$'000	Total Equity S\$'000
			revaluation reserves S\$'000	Translation reserves S\$'000						
Balances brought forward	343,458	(5,131)	4,132	(34,622)	-	(1,026)	77,596	384,407	79,350	463,757
Total comprehensive income for the year										
Profit for the period	-	-	-	-	-	-	1,309	1,309	214	1,523
Other comprehensive income:										
Foreign currency translation differences relating to foreign operations	-	-	-	(2,831)	-	-	-	(2,831)	(934)	(3,765)
Exchange differences on monetary items forming part of net investment in a foreign operation	-	-	-	(1,586)	-	-	-	(1,586)	-	(1,586)
Share of foreign currency translation differences of equity-accounted investees	-	-	-	(1,612)	-	-	-	(1,612)	-	(1,612)
Net change in fair value:-										
equity investments at fair value through other comprehensive income	-	-	-	-	-	2,158	-	2,158	-	2,158
debt investments at fair value through other comprehensive income	-	-	-	-	-	744	-	744	-	744
Total other comprehensive income, net of tax	-	-	-	(6,029)	-	2,902	-	(3,127)	(934)	(4,061)
Total comprehensive income for the year	-	-	-	(6,029)	-	2,902	1,309	(1,818)	(720)	(2,538)
Changes in ownership interests in subsidiaries										
Acquisition of subsidiaries with non-controlling interests	-	-	-	-	-	-	-	-	1,921	1,921
Total changes in ownership interests in a subsidiary	-	-	-	-	-	-	-	-	1,921	1,921
As at 30 June 2019	343,458	(5,131)	4,132	(40,651)	-	1,876	78,905	382,589	80,551	463,140
Total comprehensive income for the year										
Profit for the period	-	-	-	-	-	-	7,250	7,250	954	8,204
Other comprehensive income:										
Foreign currency translation differences relating to foreign operations	-	-	-	1,525	-	-	-	1,525	375	1,900
Exchange differences on monetary items forming part of net investment in a foreign operation	-	-	-	719	-	-	-	719	-	719
Share of foreign currency translation differences of equity-accounted investees	-	-	-	(1,056)	-	-	-	(1,056)	-	(1,056)
Net change in fair value:-										
equity investments at fair value through other comprehensive income	-	-	-	-	-	1,428	-	1,428	-	1,428
debt investments at fair value through other comprehensive income	-	-	-	-	-	302	-	302	-	302
Total other comprehensive income, net of tax	-	-	-	1,188	-	1,730	-	2,918	375	3,293
Total comprehensive income for the year	-	-	-	1,188	-	1,730	7,250	10,168	1,329	11,497
Changes in ownership interests in subsidiaries										
Acquisition of subsidiaries with non-controlling interests	-	-	-	-	-	-	-	-	5,678	5,678
Total changes in ownership interests in a subsidiary	-	-	-	-	-	-	-	-	5,678	5,678
As at 30 September 2019	343,458	(5,131)	4,132	(39,463)	-	3,606	86,155	392,757	87,558	480,315

Statement of Changes in Equity as at 30 September 2018

Group	Attributable to owners of Company									Non-controlling interest	Total Equity	
	Share capital	Treasury Shares	Asset			Fair value reserves	Accumulated profits	Total	S\$'000			S\$'000
			revaluation reserves	Translation reserves	Hedging reserves							
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
As at 1 January 2018	343,458	(5,131)	4,132	(34,685)	-	-	112,182	419,956	58,147	478,103		
Total comprehensive income for the year												
Profit for the period	-	-	-	-	-	-	1,108	1,108	585	1,693		
Other comprehensive income:												
Net change in fair value-												
equity investments at FVOCI	-	-	-	-	-	(379)	-	(379)	-	(379)		
debt investments at FVOCI	-	-	-	-	-	(3,037)	-	(3,037)	-	(3,037)		
Translation differences relating to financial statements of foreign subsidiaries	-	-	-	5,734	-	-	-	5,734	1,708	7,442		
Share of foreign currency translation differences of equity-accounted investees	-	-	-	1,001	-	-	-	1,001	-	1,001		
Exchange differences on monetary items forming part of net investment in a foreign operation	-	-	-	3,033	-	-	-	3,033	-	3,033		
Total other comprehensive income, net of tax	-	-	-	9,768	-	(3,416)	-	6,352	1,708	8,060		
Total comprehensive income for the year	-	-	-	9,768	-	(3,416)	1,108	7,460	2,293	9,753		
As at 31 March 2018	343,458	(5,131)	4,132	(24,917)	-	(3,416)	113,290	427,416	60,440	487,856		
Total comprehensive income for the year												
Profit for the period	-	-	-	-	-	-	2,210	2,210	198	2,408		
Other comprehensive income:												
Effective portion of changes in fair value of cash flow hedges	-	-	-	-	(1,865)	-	-	(1,865)	-	(1,865)		
Net change in fair value-												
equity investments at FVOCI	-	-	-	-	-	(746)	-	(746)	-	(746)		
debt investments at FVOCI	-	-	-	-	-	900	-	900	-	900		
Translation differences relating to financial statements of foreign subsidiaries	-	-	-	(499)	-	-	-	(499)	(211)	(710)		
Share of foreign currency translation differences of equity-accounted investees	-	-	-	31	-	-	-	31	-	31		
Exchange differences on monetary items forming part of net investment in a foreign operation	-	-	-	(1,824)	-	-	-	(1,824)	-	(1,824)		
Total other comprehensive income, net of tax	-	-	-	(2,292)	(1,865)	154	-	(4,003)	(211)	(4,214)		
Total comprehensive income for the year	-	-	-	(2,292)	(1,865)	154	2,210	(1,793)	(13)	(1,806)		
Balances carried forward	343,458	(5,131)	4,132	(27,209)	(1,865)	(3,262)	115,500	425,623	60,427	486,050		

Statement of Changes in Equity as at 30 September 2018

Group	Attributable to owners of Company							Total	Non-controlling interest	Total Equity	
	Share capital	Treasury Shares	Asset		Hedging reserves	Fair value reserves	Accumulated profits				Total
			revaluation reserves	Translation reserves							
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
Balances brought forward	343,458	(5,131)	4,132	(27,209)	(1,865)	(3,262)	115,500	425,623	60,427	486,050	
Transactions with owners, recognised directly in equity											
Contributions by and distribution to owners											
Dividend paid	-	-	-	-	-	-	(24,487)	(24,487)	-	(24,487)	
Total contributions by and distributions to owners	-	-	-	-	-	-	(24,487)	(24,487)	-	(24,487)	
Changes in ownership interests in subsidiaries											
Acquisition of non-controlling interests without a change in control	-	-	-	-	-	-	-	-	16,929	16,929	
Total changes in ownership interests in a subsidiary	-	-	-	-	-	-	-	-	16,929	16,929	
As at 30 June 2018	343,458	(5,131)	4,132	(27,209)	(1,865)	(3,262)	91,013	401,136	77,356	478,492	
Total comprehensive income for the year											
Profit for the period	-	-	-	-	-	-	2,090	2,090	1,156	3,246	
Other comprehensive income:											
Effective portion of changes in fair value of cash flow hedges	-	-	-	-	(169)	-	-	(169)	-	(169)	
Net change in fair value-											
equity investments at FVOCI	-	-	-	-	-	762	-	762	-	762	
debt investments at FVOCI	-	-	-	-	-	(126)	-	(126)	-	(126)	
Translation differences relating to financial statements of foreign subsidiaries	-	-	-	(4,603)	-	-	-	(4,603)	(1,424)	(6,027)	
Share of foreign currency translation differences of equity-accounted investees	-	-	-	(2,718)	-	-	-	(2,718)	-	(2,718)	
Exchange differences on monetary items forming part of net investment in a foreign operation	-	-	-	(2,410)	-	-	-	(2,410)	-	(2,410)	
Total other comprehensive income, net of tax	-	-	-	(9,731)	(169)	636	-	(9,264)	(1,424)	(10,688)	
Total comprehensive income for the year	-	-	-	(9,731)	(169)	636	2,090	(7,174)	(268)	(7,442)	
As at 30 September 2018	343,458	(5,131)	4,132	(36,940)	(2,034)	(2,626)	93,103	393,962	77,088	471,050	

Statements of Changes in Equity as at 30 September 2019

Company

	Share capital S\$'000	Treasury Share S\$'000	Hedging reserves S\$'000	Fair value reserves S\$'000	Accumulated (losses)/profit S\$'000	Total S\$'000
As at 1 January 2019	343,458	(5,131)	(498)	(4,082)	(260)	333,487
Total comprehensive income for the year						
Loss for the period	-	-	-	-	(3,528)	(3,528)
Other comprehensive income						
Effective portion of changes in fair value of cash flow hedges	-	-	498	-	-	498
Net change in fair value-						
equity investments at FVOCI	-	-	-	1,927	-	1,927
debt investments at FVOCI	-	-	-	1,129	-	1,129
Total other comprehensive income, net of tax	-	-	498	3,056	-	3,554
Total comprehensive income for the year	-	-	498	3,056	(3,528)	26
As at 31 March 2019	343,458	(5,131)	-	(1,026)	(3,788)	333,513
Total comprehensive income for the year						
Loss for the period	-	-	-	-	(3,034)	(3,034)
Other comprehensive income						
Net change in fair value-						
equity investments at FVOCI	-	-	-	2,158	-	2,158
debt investments at FVOCI	-	-	-	744	-	744
Total other comprehensive income, net of tax	-	-	-	2,902	-	2,902
Total comprehensive income for the year	-	-	-	2,902	(3,034)	(132)
As at 30 June 2019	343,458	(5,131)	-	1,876	(6,822)	333,381
Total comprehensive income for the year						
Loss for the period	-	-	-	-	(2,768)	(2,768)
Other comprehensive income						
Net change in fair value-						
equity investments at FVOCI	-	-	-	1,428	-	1,428
debt investments at FVOCI	-	-	-	302	-	302
Total other comprehensive income, net of tax	-	-	-	1,730	-	1,730
Total comprehensive income for the year	-	-	-	1,730	(2,768)	(1,038)
As at 30 September 2019	343,458	(5,131)	-	3,606	(9,590)	332,343

Statements of changes in Equity as at 30 September 2018

Company

	Share capital S\$'000	Treasury Share S\$'000	Hedging reserves S\$'000	Fair value reserves S\$'000	Accumulated (losses)/profit S\$'000	Total S\$'000
As at 1 January 2018	343,458	(5,131)	-	-	33,640	371,967
Total comprehensive income for the year						
Loss for the period	-	-	-	-	(2,131)	(2,131)
Other comprehensive income						
Net change in fair value-						
equity investments at FVOCI	-	-	-	(379)	-	(379)
debt investments at FVOCI	-	-	-	(3,037)	-	(3,037)
Total other comprehensive income, net of tax	-	-	-	(3,416)	-	(3,416)
Total comprehensive income for the year	-	-	-	(3,416)	(2,131)	(5,547)
As at 31 March 2018	343,458	(5,131)	-	(3,416)	31,509	366,420
Total comprehensive income for the year						
Loss for the period	-	-	-	-	(1,699)	(1,699)
Other comprehensive income						
Effective portion of changes in fair value of cash flow hedges	-	-	(1,865)	-	-	(1,865)
Net change in fair value-						
equity investments at FVOCI	-	-	-	(746)	-	(746)
debt investments at FVOCI	-	-	-	900	-	900
Total other comprehensive income, net of tax	-	-	(1,865)	154	-	(1,711)
Total comprehensive income for the year	-	-	(1,865)	154	(1,699)	(3,410)
Transactions with owners, recognised directly in equity						
Contributions by and distribution to owners						
Dividend paid	-	-	-	-	(24,487)	(24,487)
Total contributions by and distributions to owners	-	-	-	-	(24,487)	(24,487)
As at 30 June 2018	343,458	(5,131)	(1,865)	(3,262)	5,323	338,523
Total comprehensive income for the year						
Loss for the period	-	-	-	-	(3,311)	(3,311)
Other comprehensive income						
Effective portion of changes in fair value of cash flow hedges	-	-	(169)	-	-	(169)
Net change in fair value-						
equity investments at FVOCI	-	-	-	762	-	762
debt investments at FVOCI	-	-	-	(126)	-	(126)
Total other comprehensive income, net of tax	-	-	(169)	636	-	467
Total comprehensive income for the year	-	-	(169)	636	(3,311)	(2,844)
As at 30 September 2018	343,458	(5,131)	(2,034)	(2,626)	2,012	335,679

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 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 is no change in the Company's share capital since 1 January 2017.

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 30.09.2019/ 30.09.2018
Total number of issued shares	1,977,036,050
Total number of treasury shares	(18,102,700)
Total number of issued shares (excluding treasury shares)	<u>1,958,933,350</u>

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 the end of the current financial period reported on.

1(d)(v) A statement showing all sales, transfers, disposal, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

There were no sales, transfers, disposal, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

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

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

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as disclosed in Note 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as those applied in the Group's most recently audited financial statements for the year ended 31 December 2018.

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.

SFRS(I) 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use (ROU) asset representing its rights to use the underlying asset and a lease liability representing its obligation to make lease payments. Remaining lease payments under the operating leases will be recognised at their present value discounted using an appropriate discount rate and the nature of expenses will now change as SFRS(I) 16 replaces the straight-line operating lease expense with depreciation charge of ROU assets and interest expense on lease liabilities.

As a lessee, the Group had adopted SFRS(I) 16 using the modified retrospective approach. Therefore, the cumulative effect of adoption SFRS(I) 16 will be recognised as an adjustment to the opening balance of accumulative profits at 1 January 2019, with no restatement of comparative information. The Group had applied the practical expedient to grandfather the definition of a lease on transition and the practical expedient to recognise ROU assets equal to its lease liabilities as at 1 January 2019.

The adoption of SFRS(I) 16 resulted in adjustments to the statement of financial position of the Group as at 1 January 2019.

Statement of financial position

	1.1.2019
	S\$'000
Increase in ROU assets	695
Increase in lease liabilities	<u>(695)</u>
	<u>-</u>

In relation to those leases under SFRS(I) 16, the Group has recognised depreciation and interest costs, instead of operating lease expense. During the nine months ended 30 September 2019, the Group recognised depreciation charge of S\$341,000 and interest costs of S\$24,000 from these leases.

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.

	3rd Quarter Ended 30 September			9 Months Ended 30 September		
	30.09.2019	30.09.2018	+/- %	30.09.2019	30.09.2018	+/- %
Earnings per ordinary share of the Group based on net profit/(loss) attributable to shareholders:-						
i) Based on weighted average number of shares (cents)	0.370	0.107	246%	0.454	0.276	64.4%
-Weighted average number of shares ('000)	1,958,933	1,958,933		1,958,933	1,958,933	
ii) On a fully diluted basis (cents)	0.370	0.107	246%	0.454	0.276	64.4%
-Adjusted weighted average number of shares ('000)	1,958,933	1,958,933		1,958,933	1,958,933	

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

	Group			Company		
	30.09.2019 (S\$ cents)	31.12.2018 (S\$ cents)	+/- %	30.09.2019 (S\$ cents)	31.12.2018 (S\$ cents)	+/- %
Net asset value per ordinary share	20.05	19.24	4.2%	16.97	17.02	-0.3%

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.**

Profit and Loss

Group revenue for Q3 2019 rose by 64% to S\$45.9 million, generating an operating profit of S\$16.0 million (Q3 2018: S\$11.6 million), and a net profit after tax of S\$8.2 million (Q3 2018: S\$3.2 million).

On a segmental basis, the Group's property business registered an 299% increase in revenue to S\$22.0 million, boosted by the progressive sales recognised from the Group's Eaton Residences project in Kuala Lumpur, Malaysia.

Despite the increased competition from newly-opened hotels in Kota Kinabalu, Sabah, our hospitality business maintained its revenue at S\$22.4 million in Q3 2019, compared to S\$22.5 million in Q3 2018.

Balance Sheet

The increase in other investments, from S\$75.4 million as at 31 December 2018, to S\$85.3 million as at 30 September 2019, was due to upward fair valuations of the Group's treasury investments and various fixed-tenure principal-protected securities.

The increase in development properties and contract assets, from S\$303.8 million as at 31 December 2018, to S\$359.3 million as at 30 September 2019, was due mainly to capitalization of construction costs incurred for the Group's property development projects.

The increase in trade receivables, from S\$3.1 million as at 31 December 2018, to S\$14.1 million as at 30 September 2019, was due mainly to increase in progressive billings to customers for our property development projects.

The increase in other payables and accruals, from S\$28.9 million as at 31 December 2018, to S\$42.5 million as at 30 September 2019, was due mainly to the accrual of construction costs for the Group's property development projects.

Cash Flow Analysis

For the third quarter ended 30 September 2019, the operating profit before working capital changes, was S\$17.4 million. However, after adjusting for working capital changes, the Group recorded a net cash outflow from operating activities of S\$5.0 million.

The Group registered a net cash outflow from investing activities of S\$2.1 million, which was due mainly to the acquisition of property, plant and equipment of S\$2.6 million.

A net cash inflow from financing activities of S\$10.4 million was recorded in Q32019, following the net proceeds of borrowings amounting to S\$8.0 million.

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.

There are no new significant trends and competitive conditions.

11. Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

No

(b) Corresponding Period of the Immediately Preceding Financial Year. Any dividend declared for the corresponding period of the immediately preceding financial year?

No

(c) Date payable

Not Applicable

(d) Books closure date

Not Applicable

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

No dividend has been declared as the Group is reserving its funds for working capital.

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.

The Company does not have a general mandate for IPTs.

14. Segment Analysis

SEGMENT ANALYSIS

	3 Months Ended 30 September 2019				3 Months Ended 30 September 2018			
	Hospitality S\$'000	Property S\$'000	Others* S\$'000	Total S\$'000	Hospitality S\$'000	Property S\$'000	Others* S\$'000	Total S\$'000
Segment revenue	22,394	21,995	2,578	46,967	22,527	5,518	1,050	29,095
Elimination of inter-segment revenue	-	-	(1,050)	(1,050)	-	-	(1,050)	(1,050)
External revenue	22,394	21,995	1,528	45,917	22,527	5,518	-	28,045
Interest income	111	146	38	295	154	135	223	512
Interest expense	(1,689)	(381)	(2,673)	(4,743)	(1,982)	(272)	(2,650)	(4,904)
Depreciation	(2,380)	(264)	(179)	(2,823)	(2,121)	(332)	(170)	(2,623)
Reportable segment profit/(loss) before tax	7,370	7,687	(4,238)	10,819	7,835	2,559	(4,770)	5,624
Tax expense	(1,831)	(784)	-	(2,615)	(1,952)	(426)	-	(2,378)
Reportable segment profit/(loss) after tax	5,539	6,903	(4,238)	8,204	5,883	2,133	(4,770)	3,246
Share of profit of equity-accounted investee	-	1,392	-	1,392	-	1,637	-	1,637
Reportable segment assets	399,307	520,317	193,289	1,112,913	394,471	465,131	199,474	1,059,076
Reportable segment liabilities	(186,711)	(150,801)	(295,086)	(632,598)	(203,486)	(117,364)	(267,175)	(588,025)

* Including general corporate activities

Geographical Information

	Revenue 3 months ended 30 Sep		Non-current assets As at 30 September	
	2019 S\$'000	2018 S\$'000	2019 S\$'000	2018 S\$'000
Malaysia	44,389	28,045	382,843	374,701
China	1,528	-	67,456	62,022
Singapore	-	-	26,307	26,905
Middle East	-	-	5,006	5,384
Total	45,917	28,045	481,612	469,012

*Non-current assets relate to the carrying amounts of investment properties, property, plant and equipment and associate.

Segment Analysis

	9 Months Ended 30 September 2019				9 Months Ended 30 September 2018			
	Hospitality S\$'000	Property S\$'000	Others* S\$'000	Total S\$'000	Hospitality S\$'000	Property S\$'000	Others* S\$'000	Total S\$'000
Segment revenue	58,221	43,517	4,844	106,582	60,563	14,829	3,095	78,487
Elimination of inter-segment revenue	(3)	-	(3,316)	(3,319)	-	-	(3,095)	(3,095)
External revenue	58,218	43,517	1,528	103,263	60,563	14,829	-	75,392
Interest income	320	396	550	1,266	343	384	731	1,458
Interest expense	(5,406)	(1,485)	(8,880)	(15,771)	(6,145)	(771)	(7,073)	(13,989)
Depreciation	(6,998)	(934)	(510)	(8,442)	(6,408)	(931)	(501)	(7,840)
Reportable segment profit/(loss) before tax	13,240	16,393	(13,906)	15,727	15,863	7,684	(11,005)	12,542
Tax expense	(2,363)	(2,357)	-	(4,720)	(4,349)	(846)	-	(5,195)
Reportable segment profit/(loss) after tax	10,877	14,036	(13,906)	11,007	11,514	6,838	(11,005)	7,347
Share of profit of equity-accounted investee	-	5,475	-	5,475	-	5,068	-	5,068
Reportable segment assets	399,307	520,317	193,289	1,112,913	394,471	465,131	199,474	1,059,076
Reportable segment liabilities	(186,711)	(150,801)	(295,086)	(632,598)	(203,486)	(117,364)	(267,175)	(588,025)

* Including general corporate activities

Geographical Information

	Revenue		Non-current assets	
	9 months ended 30 Sep		As at 30 September	
	2019 S\$'000	2018 S\$'000	2019 S\$'000	2018 S\$'000
Malaysia	101,735	75,392	382,843	374,701
China	1,528	-	67,456	62,022
Singapore	-	-	26,307	26,905
Middle East	-	-	5,006	5,384
Total	103,263	75,392	481,612	469,012

*Non-current assets relate to the carrying amounts of investment properties, property, plant and equipment and associate.

15. Negative Assurance Confirmation Under Rule 705(5) of the Listing Manual

We, Gilbert Ee Guan Hui and Goi Kok Ming (Wei Guoming), being the two Executive Directors of GSH Corporation Limited, do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the 3Q2019 financial results to be false or misleading in any material respect.

16. 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).

The Company confirms it has procured the undertakings.

BY ORDER OF THE BOARD

Lee Tiong Hock
Company Secretary
11 November 2019