

Unaudited Financial Statement for the Period Ended 31 March 2016

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

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

1(a)(i) Consolidated Income Statement for the Period Ended 31 March 2016:

	Note	Period Ended 31 March		
		2016 S\$'000	2015 S\$'000	% Change
Revenue				
Hotel operations and management	1	35,423	31,335	13%
Rental income from investment properties		2,327	2,432	-4%
Total revenue		37,750	33,767	12%
Other income		93	76	22%
		37,843	33,843	12%
Costs and expenses				
Staff costs	2	(11,834)	(11,538)	3%
Depreciation and amortisation		(5,685)	(2,942)	93%
Sales commission on disposal of subsidiary		-	(1,736)	-100%
Hotel operating expenses		(12,872)	(12,546)	3%
Total costs and expenses		(30,391)	(28,762)	6%
		7,452	5,081	47%
Gain on disposal of property held for sale	3	-	5,748	100%
Gain on disposal of subsidiary	4	-	70,637	100%
Profit from operating activities		7,452	81,466	-91%
Interest expense	5	(1,077)	(611)	76%
Interest income		1,361	1,457	-7%
Foreign exchange loss		(1,304)	(1,533)	-15%
Share of results of associates		5	(9)	n/m
Profit before tax		6,437	80,770	-92%
Income tax expense		(2,649)	(4,145)	-36%
Net profit attributable to owners of the parent		3,788	76,625	-95%

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

- Note 1 Hotel revenue increased in 2016 mainly due to the revenue contribution from Hotel Chancellor @ Orchard and Hotel Grand Central in Singapore which commenced hotel operations in May 2015 and Oct 2015 respectively.
- Note 2 The higher depreciation in 2016 was due to the depreciation of the Hotel Chancellor @ Orchard and Hotel Grand Central in Singapore.
- Note 3 The gain on disposal of property held for sale in 2015 relates to the disposal of Hotel Grand Chancellor Auckland Airport in Q1 2015.
- Note 4 This relates to the gain recognised on the disposal of Hotel Grand Chancellor Pte Ltd which owned the Little India hotel at Belilios Road. The disposal was completed in Jan 2015.
- Note 5 The higher interest expense was due to interest expenses charged on the 2 Singapore loans. These expenses were capitalised as part of the two hotels' redevelopment costs in Q1 2015.

1 (a)(iii) Consolidated Statement of Comprehensive Income for the Period Ended 31 March 2016

Profit net of tax

Other comprehensive income:

Items that may be reclassified subsequently
to profit or loss

Net gain on fair value changes of available-for-sale
financial assets
Foreign currency translation

Other comprehensive income, net of tax

Total comprehensive income

Total comprehensive income attributable to:
Owners of the parent

Note	Period Ended 31 March		
	2016 S\$'000	2015 S\$'000	% Change
	3,788	76,625	-95%
	79 (4,773)	46 (10,951)	72% -56%
	(4,694)	(10,905)	-57%
	(4,694)	(10,905)	-57%
	(906)	65,720	n/m
	(906)	65,720	n/m
	(906)	65,720	n/m

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

Statements of Financial Position as at 31 March 2016

Statements of Financial Position as at 31 March 2016		Group		Company	
		31-Mar-16 S\$'000	31-Dec-15 S\$'000	31-Mar-16 S\$'000	31-Dec-15 S\$'000
Note					
Non-current assets					
	Property, plant and equipment	1,089,551	1,097,793	270,058	270,348
	Investment properties	161,219	157,748	-	-
	Land use rights	1,236	1,302	-	-
	Investment in subsidiaries	-	-	225,862	225,862
	Investment in associates	12,928	12,079	12,401	12,401
	Investment securities	6,523	6,143	6,523	6,143
	Deferred tax assets	4,138	4,144	547	547
	Goodwill	1,980	2,009	-	-
	Intangible assets	84	87	-	-
		1,277,659	1,281,305	515,391	515,301
Current assets					
	Inventories	857	920	18	19
	Trade and other receivables	9,061	9,233	1,684	1,192
	Prepaid operating expenses	2,136	2,396	87	96
	Due from subsidiaries	-	-	2,184	824
	Short - term deposits	241,673	268,434	203,750	203,230
	Pledged short-term deposits	37,474	37,335	37,474	37,335
	Cash and bank balances	33,998	30,211	3,951	2,941
		325,199	348,529	249,148	245,637
Current liabilities					
	Trade and other payables	20,331	21,104	275	430
	Accrued operating expenses	9,145	13,954	8,008	8,512
	Deferred income	462	373	-	-
	Derivatives	913	-	436	-
	Due to subsidiaries	-	-	4,498	2,674
	Due to associated companies	103	73	80	73
	Income tax payable	1,883	2,519	243	38
	Loans and borrowings	50,735	71,739	-	-
		83,692	109,762	13,540	11,727
Net current assets		241,507	238,767	235,608	233,910
Non-current liabilities					
	Loans and borrowings	102,890	102,027	38,700	36,000
	Deferred tax liabilities	140,589	141,453	-	-
Net assets		1,275,687	1,276,592	712,299	713,211
Equity attributable to owners of the parent					
	Issued capital	421,997	421,997	421,997	421,997
	Fair value reserve	405	326	405	326
	Asset revaluation reserve	634,735	634,735	199,102	199,103
1	Translation reserve	(85,743)	(80,970)	-	-
	Other reserve	1,432	1,432	-	-
	Retained earnings	302,861	299,072	90,795	91,785
Total equity		1,275,687	1,276,592	712,299	713,211

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

Note 1 The increase in the translation reserve loss was due to the depreciation in the New Zealand period end exchange rate against the the Singapore dollar compared to the end of last year.

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

Amount repayable in one year or less, or on demand

As at 31 March 2016		As at 31 December 2015	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
50,855	-	71,739	-

Amount repayable after one year

As at 31 March 2016		As at 31 December 2015	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
102,890	-	102,027	-

Details of any collateral

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

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

Statements of Cash Flows for
the Period Ended 31 March 2016:

	Period Ended 31 March	
	2016	2015
	S\$'000	S\$'000
Operating activities		
Profit before taxation including share of results of associates	6,438	80,770
Adjustments for :-		
Depreciation of property, plant and equipment	5,685	2,942
Fair value loss /(gain) on derivatives	913	(40)
Gain on disposal of property held for sale	-	(5,748)
Gain on disposal of entity held for sale	-	(70,637)
Interest expense	1,077	611
Interest income	(1,361)	(1,457)
Share of results of associates	(5)	9
Operating cash flows before changes in working capital	12,747	6,450
Decrease in inventories	63	55
Decrease in trade and other receivables	172	576
Decrease in prepaid operating expenses	260	585
Decrease in trade and other payables	(4,550)	(8,833)
Cash flows generated from/(used in) operations	8,692	(1,167)
Interest received	1,361	1,457
Interest paid	(1,077)	(611)
Tax paid	(3,292)	(1,033)
Net cash flows generated from/(used in) operating activities	5,684	(1,354)
Investing activities		
Proceeds from disposal of property held for sale	-	23,601
Net cash inflow from disposal of entity held for sale	-	248,000
Additions to investment property	(7,313)	(3,715)
Purchase of investment securities	(301)	(403)
Purchase of property, plant and equipment	(1,523)	(14,508)
Net cash flows (used in)/generated from investing activities	(9,137)	252,975
Financing activities		
Increase in short-term deposits pledged	139	1,289
Proceeds from loans and borrowings	2,700	23,937
Repayments of loans and borrowings	(21,219)	(56,888)
Repayment of obligations under finance lease	-	(2)
Net cash flows used in financing activities	(18,380)	(31,664)
Net (decrease)/increase in cash and cash equivalents	(21,833)	219,957
Effect of exchange rate changes on cash and cash equivalents	(1,261)	(1,662)
Cash and cash equivalents at beginning of period	298,645	123,757
Cash and cash equivalents at end of period	275,551	342,052

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

Statements of Changes in Equity for the Period Ended 31 March 2016

Group

	Share Capital \$'000	Fair Value Reserve \$'000	Asset Revaluation Reserve \$'000	Translation Reserve \$'000	Other Reserve \$'000	Retained Earnings \$'000	Reserve of disposal entity held for sale \$'000	Total Equity \$'000
Opening balance at 1 Jan 2016	421,997	326	634,735	(80,970)	1,432	299,072	-	1,276,592
Profit net of tax	-	-	-	-	-	3,789	-	3,789
Other comprehensive income for the year:								
Net gain on fair value changes of available-for-sale financial assets	-	79	-	-	-	-	-	79
Foreign currency translation	-	-	-	(4,773)	-	-	-	(4,773)
Total comprehensive income for the year	-	79	-	(4,773)	-	3,789	-	(905)
Closing balance at 31 March 2016	421,997	405	634,735	(85,743)	1,432	302,861	-	1,275,687

Opening balance at 1 Jan 2015	369,764	1,012	277,382	(53,412)	1,432	187,058	83,018	866,254
Profit net of tax	-	-	-	-	-	76,625	-	76,625
Other comprehensive income for the year:								
Net gain on fair value changes of available-for-sale financial assets	-	46	-	-	-	-	-	46
Foreign currency translation	-	-	-	(10,951)	-	-	-	(10,951)
Total comprehensive income for the year	-	46	-	(10,951)	-	76,625	-	65,720

Others:

Transfer of reserve attributable to disposal entity classified as held for sale	-	-	-	-	-	(83,018)	83,018	-
Transfer from asset revaluation reserve to retained earnings	-	-	(6,062)	-	-	6,062	-	-
Total others	-	-	(6,062)	-	-	(76,956)	83,018	-

Closing balance at 31 March 2015	369,764	1,058	271,320	(64,363)	1,432	186,727	166,036	931,974
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Company	Share Capital \$'000	Fair Value Reserve \$'000	Asset Revaluation Reserve \$'000	Translation Reserve \$'000	Other Reserve \$'000	Retained Earnings \$'000	Reserve of disposal entity held for sale \$'000	Total Equity \$'000
Opening balance at 1 Jan 2016	421,997	326	199,103	-	-	91,785	-	713,211
Profit net of tax	-	-	-	-	-	(991)	-	(991)
<u>Other comprehensive income for the year:</u>								
Net gain on fair value changes of available-for-sale financial assets	-	79	-	-	-	-	-	79
Total comprehensive income for the year	-	79	-	-	-	(991)	-	(912)
Closing balance at 31 March 2016	<u>421,997</u>	<u>405</u>	<u>199,103</u>	<u>-</u>	<u>-</u>	<u>90,794</u>	<u>-</u>	<u>712,299</u>
Opening balance at 1 Jan 2015	369,764	1,012	69,325	-	-	6,740	-	446,841
Profit net of tax	-	-	-	-	-	152,501	-	152,501
<u>Other comprehensive income for the year:</u>								
Net gain on fair value changes of available for sale financial assets	-	46	-	-	-	-	-	46
Total comprehensive income for the year	-	46	-	-	-	152,501	-	152,547
Closing balance at 31 Mar 2015	<u>369,764</u>	<u>1,058</u>	<u>69,325</u>	<u>-</u>	<u>-</u>	<u>159,241</u>	<u>-</u>	<u>599,388</u>

- 1(d)(ii) Details of any changes in the company's share capital arising from right issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There was no change in the number of issued shares in the capital of the Company which stood at 663,033,129 shares since the end of the last financial year.

The Company does not have any treasury shares as at 31 March 2016. There was no sale, transfer, disposal, cancellation and/or use of treasury shares for the period ended 31 March 2016.

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

The figures have not been audited or reviewed.

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

N.A.

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with those of the audited financial statements as at 31 December 2015.

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

N.A.

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

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

Period Ended 31 March	
2016	2015
0.57 cents	12.32 cents
0.57 cents	12.32 cents

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

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

Group	
31-Mar-16	31-Dec-15
S\$ 1.92	S\$ 1.93

Company	
31-Mar-16	31-Dec-15
S\$ 1.07	S\$ 1.08

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

A) Group Revenue Commentary

The Group's revenue in Q1 2016 increased by 12% compared to Q1 2015 mainly due to full quarter contribution to revenue in 2016 by Hotel Chancellor @ Orchard and Hotel Grand Central which soft opened in May and October 2015 respectively.

B) Group Profit Commentary

The decrease in the Group's net profit was mainly due to the gains reported in Q1 2015 on disposal of:

- a) property held for sale from the sale of the Auckland Airport hotel of \$5.7 million
- b) Hotel Grand Chancellor Pte Ltd of \$70.6 million

The Group's Q1 profit was also affected by higher depreciation and higher loan interest expense. Please refer to Notes 2 and 5 under section 1(a)(i).

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

Nil

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

The hotel markets where the Group operates in are expected to be affected by the uncertainty in the global economy. In addition, the Singapore market is expected to face a slowdown in terms of room occupancy and average room rates due to an increase in hotel room supply.

11. **(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on ? None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year ? None

(c) Date payable

N.A

(d) Book closure date

N.A.

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

No dividend has been declared or recommended for the quarter ended 31 March 2016.

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

13. **Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

N.A.

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

N.A.

15. **A breakdown of revenue**

N.A.

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

Total annual dividend, net of tax

	Latest Full Year	Previous Full Year
	S\$'000	S\$'000
Ordinary - Scrip	0	0
Ordinary - Cash	0	0
Total	0	0

17. **Interested Person Transactions**

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

18. **Confirmation By Directors**

The Board of Directors of the Company hereby confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited consolidated financial results for the period ended 31 March 2016 to be false or misleading.

BY ORDER OF THE BOARD

Lim Bee Lian Eliza
Secretary
13 May 2016