PLATO CAPITAL LIMITED
(Company Registration No. 199907443M)

Unaudited Financial Statement And Dividend Announcement For The Financial Year Ended 31 December 2017

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

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group For the financial year ended 31 December 2017	Group For the financial year ended 31 December 2016	Increase/ (Decrease)
	S$'000 (Unaudited)	S$'000 (Audited)	%
Revenue [(1)]	884	1,200	(26.3)
Other income [(2)]	66	32	NM
	950	**1,232**	**(22.9)**
Other items of income/(expense)			
Purchase of software and services	(423)	(544)	(22.2)
Employee benefits expenses	(1,385)	(1,329)	4.2
Depreciation of property, plant and equipment	(18)	(26)	(30.8)
Foreign exchange (loss)/gain, net	(516)	2	NM
Loss on disposal of partial interest in an associate	-	(899)	NM
Gain on disposal of available-for-sale financial assets	354	-	NM
Impairment of available-for-sale financial assets	-	(77)	NM
Impairment of receivables	(7)	-	NM
Bank charges	(4)	(5)	(20.0)
Finance costs	(671)	(640)	4.8
Share based payments expense	(434)	(397)	9.3
Other operating expenses	(771)	(783)	(1.5)
Share of profit from joint venture	11,897	8,820	34.9
Share of (loss)/gain from associates	(551)	635	NM
Profit before tax	**8,421**	**5,989**	**40.6**
Income tax credit	60	39	53.8
Profit for the year	**8,481**	**6,028**	**40.7**
Attributable to:			
Owners of the Company	**8,129**	**5,731**	**41.8**
Non-controlling interests	**352**	**297**	**18.5**
	8,481	**6,028**	**40.7**

NM – not meaningful

Notes:

1 Revenue comprises of the following items:

	Group For the financial year ended 31 December 2017	Group For the financial year ended 31 December 2016	Increase/ (Decrease)
	S$'000	S$'000	%
	(Unaudited)	(Audited)	
Revenue from:			
- Sale of goods	80	*-	NM
- License fees and services	362	568	(36.3)
- Service maintenance	437	529	(17.4)
- Facilitation services	-	13	(100.0)
Interest income from provision of credit facilities	5	71	(93.0)
Dividend income	-	*-	NM
Rental income	-	19	(100.0)
Total	884	1,200	(26.3)

* Amount less than S$1,000.

2 Other income comprises of the following items:

	Group For the financial year ended 31 December 2017	Group For the financial year ended 31 December 2016	Increase/ (Decrease)
	S$'000	S$'000	%
	(Unaudited)	(Audited)	
Interest income from bank deposits	66	26	NM
Miscellaneous income	-	6	(100.0)
Total	66	32	NM

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

	Group For the financial year ended 31 December 2017	Group For the financial year ended 31 December 2016	Increase/ (Decrease)
	S$'000	S$'000	%
	(Unaudited)	(Audited)	
Profit for the year	**8,481**	**6,028**	**40.7**
Other comprehensive income/(loss):			
Item that will not be reclassified to profit or loss:			
Share of other comprehensive loss on re-measurement of the defined benefit obligations of an associate	(6)	(26)	(76.9)

	Group For the financial year ended 31 December 2017	Group For the financial year ended 31 December 2016	Increase/ (Decrease)
	S$'000 (Unaudited)	S$'000 (Audited)	%
Items that may be reclassified subsequently to profit or loss:			
Share of fair value reserve for available-for-sale financial assets of an associate	29	55	(47.3)
Share of foreign currency translation reserve of joint venture	135	(391)	NM
Share of foreign currency translation reserve of associates	(575)	(2,126)	(73.0)
Foreign currency translation	498	18	NM
Other comprehensive income/(loss) for the year, net of tax	**81**	**(2,470)**	**NM**
Total comprehensive income for the year	**8,562**	**3,558**	**NM**
Total comprehensive income attributable to:			
Owners of the Company	**8,407**	**3,482**	**NM**
Non-controlling interests	**155**	**76**	**NM**
	8,562	**3,558**	**NM**

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	
	As at 31 December 2017	As at 31 December 2016	As at 31 December 2017	As at 31 December 2016
	S$'000 (Unaudited)	S$'000 (Audited)	S$'000 (Unaudited)	S$'000 (Audited)
Non-current assets				
Property, plant and equipment	5,674	4,429	-	-
Intangible assets	257	-	-	-
Investment in subsidiaries	-	-	2,545	3,126
Investment in joint venture	31,661	23,718	11,426	15,515
Investment in associates	29,006	30,468	-	-
Available-for-sale financial assets	-*	266	-	-
	66,598	**58,881**	**13,971**	**18,641**

	Group		Company	
	As at 31 December 2017	As at 31 December 2016	As at 31 December 2017	As at 31 December 2016
	S$'000 (Unaudited)	S$'000 (Audited)	S$'000 (Unaudited)	S$'000 (Audited)
Current assets				
Trade receivables	197	1,057	-	-
Other receivables and deposits	44	25	-	-
Prepaid operating expenses	38	36	13	12
Deferred maintenance cost	101	178	-	-
Tax recoverable	45	52	-	-
Amounts due from subsidiaries	-	-	19,134	19,645
Cash and cash equivalents	4,321	4,130	1,380	1,058
	4,746	**5,478**	**20,527**	**20,715**
Total assets	**71,344**	**64,359**	**34,498**	**39,356**
Current liabilities				
Trade payables	99	148	-	-
Other payables and accruals	2,263	1,098	225	195
Deferred revenue	162	261	-	-
Amounts due to subsidiaries	-	-	1,726	1,598
Amount due to joint venture	6,369	9,172	6,139	9,172
Loans and borrowings	5,596	6,136	-	-
	14,489	**16,815**	**8,090**	**10,965**
Net current (liabilities)/assets	**(9,743)**	**(11,337)**	**12,437**	**9,750**
Non-current liabilities				
Deferred tax liabilities	190	244	190	244
Redeemable convertible unsecured loan stocks ("RCULS") – liability component	5,084	4,762	5,084	4,762
Amounts due to related parties	2,369	2,322	-	-
	7,643	**7,328**	**5,274**	**5,006**
Total liabilities	**22,132**	**24,143**	**13,364**	**15,971**
Net assets	**49,212**	**40,216**	**21,134**	**23,385**
Equity				
Share capital	40,875	40,875	40,875	40,875
Fair value and other reserve	2,122	1,659	1,995	1,561
Foreign currency translation reserve	(7,222)	(7,475)	-	-
Retained earnings/(accumulated losses)	11,018	2,893	(21,736)	(19,051)
Equity attributable to owners of the Company	**46,793**	**37,952**	**21,134**	**23,385**
Non-controlling interests	2,419	2,264	-	-
Total equity	**49,212**	**40,216**	**21,134**	**23,385**
Total equity and liabilities	**71,344**	**64,359**	**34,498**	**39,356**

* Amount less than S$1,000.

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

Amount repayable in one year or less, or on demand

Group			
As at 31 December 2017 (Unaudited)		As at 31 December 2016 (Audited)	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
-	5,596*	-	6,136*

* Loans and borrowings

Amount repayable after one year

Group			
As at 31 December 2017 (Unaudited)		As at 31 December 2016 (Audited)	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
-	5,084**	-	4,762**

** RCULS – liability component

Details of any collateral

The bank borrowings obtained by two of the subsidiaries are guaranteed by the Company and by personal guarantee of Mr Lim Kian Onn ("**Mr LKO**"), the Chairman, Non-Independent, Non-Executive Director and substantial shareholder of the Company.

Others – Contingent liabilities

The Company has provided proportionate guarantees to two of its investee companies as follows:

1. For a principal sum of up to S$9.46 million in relation to a term loan facility granted by a licensed bank to Epsom College Malaysia Sdn Bhd ("**ECiM**"), a subsidiary of an associate, Educ8 Group Sdn Bhd ("**Educ8**"); and

2. For a principal sum of up to S$8.56 million in relation to a term loan facility and a bank guarantee facility of up to S$0.44 million granted by a licensed bank to TP Sepang Sdn Bhd, a subsidiary of joint venture, TP Real Estate Holdings Pte Ltd ("**TPRE**").

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

	Group For the financial year ended 31 December 2017	Group For the financial year ended 31 December 2016
	S$'000	S$'000
	(Unaudited)	(Audited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	**8,421**	**5,989**
Adjustments for:		
Interest income from bank deposits	(66)	(26)
Interest income from provision of credit facilities	(5)	(71)
Interest expenses	671	640
Depreciation of property, plant and equipment	18	26
Loss on disposal of partial interest in an associate	-	899
Gain on disposal of available-for-sale financial assets	(354)	-
Impairment of available-for-sale financial assets	-	77
Impairment of receivables	7	-
Share-based payments expense	434	397
Share of profit from joint venture	(11,897)	(8,820)
Share of loss/(profit) from associates	551	(635)
Dividend income from investment securities	-	-*
Unrealised foreign exchange gain, net	(496)	(172)
Operating loss before working capital changes	**(2,716)**	**(1,696)**
Receivables	931	(671)
Payables	1,034	(219)
Cash flows used in operations	**(751)**	**(2,586)**
Interest income from provision of credit facilities	5	71
Income tax credited/(paid)	14	(3)
Net cash flows used in operating activities	**(732)**	**(2,518)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(1,025)	(176)
Registration of trademark	(257)	-
Advances from joint venture	1,286	9,172
Dividend received from an associate	714	-
Investment in associates	(355)	(17,012)
Proceeds from disposal of shares of an associate	-	2,122
Proceeds from disposal of available-for-sale financial assets	602	-
Dividend income from investment securities	-	-*

	Group For the financial year ended 31 December 2017	Group For the financial year ended 31 December 2016
	S$'000	S$'000
	(Unaudited)	(Audited)
Net cash generated from/(used in) investing activities	**965**	**(5,894)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(368)	(623)
Interest received from bank deposits	66	26
Repayment of amount due to a substantial shareholder	-	(1,662)
Repayment amount due to a company controlled by a substantial shareholder	-	(727)
Issuance from RCULS	-	10,000
RCULS issuance expenses	-	(255)
Repayment of bank borrowings	(661)	(322)
Net cash (used in)/generated from financing activities	**(963)**	**6,437**
Net decrease in cash and cash equivalents	**(730)**	**(1,975)**
Effect of exchange rate changes on cash and cash equivalents	921	131
Cash and cash equivalents at 1 January	**4,130**	**5,974**
Cash and cash equivalents at 31 December	**4,321**	**4,130**

Cash at bank and on hand	2,908	1,133
Short-term deposits	1,413	2,997
Cash and cash equivalents	**4,321**	**4,130**

* Amount is less than S$1,000.

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

	Attributable to owners of the Company									
	Share capital	RCULS – equity component	Share-based payments reserve	Fair value reserve	Capital reserve	Foreign currency translation reserve	Retained earnings	Equity attributable to equity owners of the Company	Non-controlling interests	Total
GROUP (Unaudited)	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Balance as at 1 January 2017	**40,875**	**1,164**	**397**	**55**	**43**	**(7,475)**	**2,893**	**37,952**	**2,264**	**40,216**
Profit for the year	-	-	-	-	-	-	8,129	8,129	352	8,481
Other comprehensive income/(loss):										
Share of other comprehensive loss on re-measurement of the defined benefit obligations of an associate	-	-	-	-	-	-	(4)	(4)	(2)	(6)
Share of fair value reserve for available-for-sale financial assets of an associate	-	-	-	29	-	-	-	29	-	29
Share of foreign currency translation reserve of joint venture	-	-	-	-	-	135	-	135	-	135
Share of foreign currency translation reserve of associates	-	-	-	-	-	(347)	-	(347)	(228)	(575)
Foreign currency translation	-	-	-	-	-	465	-	465	33	498
Other comprehensive income/(loss) for the year, net of tax	**-**	**-**	**-**	**29**	**-**	**253**	**(4)**	**278**	**(197)**	**81**
Total comprehensive income/(loss) for the year	**-**	**-**	**-**	**29**	**-**	**253**	**8,125**	**8,407**	**155**	**8,562**
Transaction with owners:										
Issuance of share options and share awards	-	-	434	-	-	-	-	434	-	434
Total transaction with owners	**-**	**-**	**434**	**-**	**-**	**-**	**-**	**434**	**-**	**434**
Balance as at 31 December 2017	**40,875**	**1,164**	**831**	**84**	**43**	**(7,222)**	**11,018**	**46,793**	**2,419**	**49,212**

	Attributable to owners of the Company									
GROUP (Audited)	**Share capital**	**RCULS – equity component**	**Share-based payments reserve**	**Fair value reserve**	**Capital reserve**	**Foreign currency translation reserve**	**(Accumulated losses)/ retained earnings**	**Equity attributable to equity owners of the Company**	**Non-controlling interests**	**Total**
	S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Balance as at 1 January 2016	**37,149**	**-**	**-**	**-**	**-**	**(5,352)**	**(2,818)**	**28,979**	**2,349**	**31,328**
Profit for the year	-	-	-	-	-	-	5,731	5,731	297	6,028
Other comprehensive income/(loss):										
Share of other comprehensive loss on re-measurement of the defined benefit obligations of an associate	-	-	-	-	-	-	(20)	(20)	(6)	(26)
Share of fair value reserve for available-for-sale financial assets of an associate	-	-	-	55	-	-	-	55	-	55
Share of foreign currency translation reserve of joint venture	-	-	-	-	-	(391)	-	(391)	-	(391)
Share of foreign currency translation reserve of associates	-	-	-	-	-	(1,901)	-	(1,901)	(225)	(2,126)
Foreign currency translation	-	-	-	-	-	8	-	8	10	18
Other comprehensive income/ (loss) for the year, net of tax	**-**	**-**	**-**	**55**	**-**	**(2,284)**	**(20)**	**(2,249)**	**(221)**	**(2,470)**
Total comprehensive income/ (loss) for the year	**-**	**-**	**-**	**55**	**-**	**(2,284)**	**5,711**	**3,482**	**76**	**3,558**
Transactions with owners:										
Issuance of RCULS	-	2,119	-	-	-	-	-	2,119	-	2,119
RCULS issuance expenses	-	(62)	-	-	-	-	-	(62)	-	(62)
Conversion of RCULS	3,726	(893)	-	-	-	-	-	2,833	-	2,833
Issuance of share options and share awards	-	-	397	-	-	-	-	397	-	397
Accretion of interest in the non-controlling interest of a subsidiary via the acquisition of an associate	-	-	-	-	43	161	-	204	(161)	43
Total transactions with owners	**3,726**	**1,164**	**397**	**-**	**43**	**161**	**-**	**5,491**	**(161)**	**5,330**
Balance as at 31 December 2016	**40,875**	**1,164**	**397**	**55**	**43**	**(7,475)**	**2,893**	**37,952**	**2,264**	**40,216**

	Share capital	RCULS – equity component	Share-based payments reserve	Accumulated losses	Total equity
COMPANY	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
(Unaudited)					
As at 1 January 2017	**40,875**	**1,164**	**397**	**(19,051)**	**23,385**
Loss for the year, representing total comprehensive loss for the year	-	-	-	(2,685)	(2,685)
Transaction with owners:					
Issuance of share options and share awards	-	-	434	-	434
At 31 December 2017	**40,875**	**1,164**	**831**	**(21,736)**	**21,134**
(Audited)					
As 1 January 2016	**37,149**	**-**	**-**	**(15,703)**	**21,446**
Loss for the year, representing total comprehensive loss for the year	-	-	-	(3,348)	(3,348)
Transactions with owners:					
Issuance of RCULS	-	2,119	-	-	2,119
RCULS issuance expenses	-	(62)	-	-	(62)
Conversion of RCULS	3,726	(893)	-	-	2,833
Issuance of share options and share awards	-	-	397	-	397
At 31 December 2016	**40,875**	**1,164**	**397**	**(19,051)**	**23,385**

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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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.

Share Capital

There has been no change in the Company's share capital from 30 June 2017 to 31 December 2017. The Company's share capital as at 30 June 2017 and 31 December 2017 remained at S$40,875,023 and comprised 194,701,333 shares ("**Existing Issued Share Capital**").

Convertibles

Redeemable Convertible Unsecured Loan Stocks ("RCULS")

The Company had on 27 May 2016 issued 100 0.5% RCULS due in 2021, each with a principal value of S$100,000 amounting in aggregate to a principal amount of S$10,000,000 to Mr LKO.

On 15 July 2016, Mr LKO had converted 38 RCULS valued at S$3,800,000 and accrued interest of S$2,498.63 into 29,249,989 ordinary shares of the Company ("**Shares**") based on conversion price of S$0.13 each.

As such, as at 31 December 2017, there are 62 RCULS outstanding convertible into 47,692,307 Shares (31 December 2016: 47,692,307 Shares) and accrued interest of S$49,600 (31 December 2016: S$18,600) convertible into 381,538 Shares (31 December 2016: 143,076 Shares). Accordingly, as at 31 December 2017, the aggregate number of Shares that may be issued on conversion of the RCULS and accrued interest is 48,073,845 Shares (31 December 2016: 47,835,383 Shares), representing approximately 24.7% of the Existing Issued Share Capital.

Employee Share Option Scheme ("Plato ESOS 2016")

Under the Plato ESOS 2016, the Company had on 17 June 2016 granted share options comprising 10,478,584 Shares ("**Share Options**") to directors and employees of the Company. No Share Options have been exercised since they were granted.

As at 31 December 2017, a total of 1,240,885 Shares had been forfeited and the remaining balance of Share Options outstanding is convertible into 9,237,699 Shares (31 December 2016: 10,478,584 shares), representing approximately 4.7% of the Existing Issued Share Capital.

Performance Share Plan ("Plato PSP 2016")

Under the Plato PSP 2016, the Company had on 17 June 2016 granted awards comprising 5,239,296 Shares ("**Share Awards**") to directors and employees of the Company. No Share Awards have been released and vested since its grant.

As at 31 December 2017, a total of 620,443 Shares had been forfeited and the remaining balance of Shares issuable under the Share Awards is 4,618,853 Shares (31 December 2016: 5,239,296), representing approximately 2.4% of the Existing Issued Share Capital.

Based on the foregoing, the total number of Shares that may be issued on conversion of all outstanding convertibles (including Share Options and Share Awards) as at 31 December 2017 is 61,930,397 Shares (31 December 2016: 63,553,263 Shares), representing approximately 31.8% of the Existing Issued Share Capital.

Save as disclosed, the Company did not have any outstanding convertibles as at 31 December 2017 and 31 December 2016.

Treasury shares and subsidiary holdings

The Company did not have any treasury shares or subsidiary holdings as at 31 December 2017 and 31 December 2016.

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 31 December 2017	As at 31 December 2016
Total number of issued shares excluding treasury shares	194,701,333	194,701,333

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. The Company did not have any treasury shares during and as at the end of the current financial period reported on.

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

Not applicable. The Company did not have any subsidiary holdings during and 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 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

Save as disclosed in Paragraph 5 below, the Group has applied the same accounting policies and methods of computation for the current financial year reported on as in the most recently audited annual financial statements for the financial year ended 31 December 2016.

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

The Group has adopted all the new and revised Financial Reporting Standards ("**FRS**") and Interpretations of FRS ("**INT FRS**") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2017.

Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS. The adoption of the new and revised FRS and INT FRS did not result in substantial changes to the Group's accounting policies and has no material effect on the financial results reported for the current or prior reporting periods.

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

	Group	
Earnings per Share ("EPS")	**For the year ended 31 December 2017 (Unaudited)**	**For the year ended 31 December 2016 (Audited)**
Basic Based on weighted average number of ordinary shares in issue (Singapore cents)	4.17[(1)]	3.20[(3)]
Diluted On a fully diluted basis (Singapore cents)	3.44[(2)]	2.83[(4)]

Notes:-

(1) Computed based on the profit net of tax, attributable to owners of the Company of S$8.129 million divided by the weighted average number of ordinary shares in issue of 194,701,333 for the financial year ended 31 December 2017 ("**FY2017**").

(2) Computed based on the profit of S$8.397 million, representing the total of (i) the profit attributable to owners of the Company of S$8.129 million and (ii) savings from reversal of RCULS accrued interest expense of S$0.268 million; divided by 243,980,095 Shares, being (i) the total of the weighted average number of ordinary shares in issue of 194,701,333 and (ii) assuming full conversion of outstanding RCULS and Plato ESOS 2016 into 49,278,762 ordinary shares of which are assumed to be issued on 1 January 2017, for FY2017.

(3) Computed based on the profit net of tax, attributable to owners of the Company of S$5.731 million divided by the weighted average number of ordinary shares in issue of 178,994,489 for the financial year ended 31 December 2016 ("**FY2016**").

(4) Computed based on the profit of S$5.883 million, representing the total of (i) the profit attributable to owners of the Company of S$5.731 million and (ii) savings from reversal of RCULS accrued interest expense of S$0.152 million; divided by 207,795,697 Shares, being (i) the total of the weighted average number of ordinary shares in issue of 178,994,489 and (ii) assuming full conversion of outstanding RCULS and Plato ESOS 2016 into 28,801,208 ordinary shares of which are assumed to be issued on 1 January 2016, for FY2016.

In accordance with the financial reporting standards, the weighted average number of ordinary shares upon full subscription of PSP are not included in the fully diluted EPS computation.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	Group		Company	
	As at 31 December 2017 (Unaudited)	**As at 31 December 2016 (Audited)**	**As at 31 December 2017 (Unaudited)**	**As at 31 December 2016 (Audited)**
Net asset value ("**NAV**") per ordinary share (Singapore cents)	24.03	19.49	10.85	12.01
Number of ordinary shares in issue	194,701,333	194,701,333	194,701,333	194,701,333

The Group's and the Company's NAV per ordinary share as at 31 December 2017 and 31 December 2016 were calculated based on the net assets of the Group and the Company over the number of ordinary shares in issue at the respective balance sheet dates.

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 cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Unaudited FY2017 vs audited FY2016

Income Statement

The overall group turnover decreased by 26.3% from S$1.200 million in FY2016 to S$0.884 million in FY2017 primarily due to a decrease in revenue from license fees and services as well as service maintenance by S$0.298 million, or 27.2% from S$1.097 million to S$0.799 million under the IT division of the Group, caused by the drop in orders from major customers during the year.

The disposal of available-for-sale financial assets at higher market value had resulted in a gain of S$0.354 million.

The Group recorded a foreign exchange loss of S$0.516 million mainly due to the weakening of both the United States Dollar against the Singapore Dollar.

The Group's share of profit from joint venture in TPRE increased to S$11.897 million mainly due to its share of 50% gain on disposal of Tune Hotel Edinburgh in May 2017 of approximately S$10.398 million.

The Group recorded share of loss from associates of S$0.551 million in FY2017 which comprise net share of loss from Educ8 of S$1.953 million (FY2016: S$4.321 million) and share of profits from TYK Capital Sdn Bhd ("**TYKC**") and ECM Libra Financial Group Berhad ("**ECMLIB**") of S$1.336 million (FY2016: S$1.626 million) and S$0.066 million (FY2016: S$3.330 million) respectively. The loss registered by Educ8 was mainly due to high operating costs incurred by Epsom College in Malaysia, as it is still in the process of building up its reputation as an established boarding school with the aim of increasing its intake of new students and was lower for FY2017 as a result of the absence in FY2017 of an impairment on the notional goodwill arising from acquisition of the incremental interest in Educ8. Lower share of profit from TYKC was caused by the drop of non-hard disk ("non-HDD") sales, whilst the lower share of profit from ECMLIB[1] was mainly due to the absence in FY2017 of the one-off recognition of bargain purchase on acquisition of ECMLIB amounting to S$3.267 million. The share of profit from ECMLIB for FY2017 was primarily generated from the provision of asset management services and credit services.

The Group recorded a profit before tax of S$8.421 million in FY2017 largely due to higher share of profit from joint venture resulting from the disposal of Tune Hotel Edinburgh.

Statement of Financial Position

The increase in property, plant and equipment by S$1.245 million as at 31 December 2017 was due to the investments incurred for the development of the Ormond Hotel and its adjoining property in Dublin, Ireland.

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[1] In FY2016, the bargain purchase on acquisition of ECMLIB ("**ECMLIB Acquisition**") was provisionally estimated at S$3.267 million and included as share of profit from ECMLIB. During FY2017, the management had completed the purchase price allocation and concluded that there is no material variance to be adjusted against the provisional bargain purchase.

Investment in joint venture increased to S$31.661 million primarily due to the Group's share of profit of S$11.897 million in FY2017, partially offset by the redemption of redeemable preference shares ("**RPS**") of TPRE of S$4.089 million.

Available-for-sale financial assets have been fully disposed with a gain of S$0.354 million as explained above.

Trade receivables decreased to S$0.197 million mainly due to the full settlement of loan granted in prior year under the Group's provision of credit facilities division.

Other payables and accruals increased to S$2.263 million mainly due to advances from a non-controlling interest of a subsidiary.

Decrease in amount due to joint venture to S$6.369 million was mainly due to the redemption of RPS of TPRE that offsets the amount due to joint venture.

The Group's net current liabilities had improved to S$9.743 million (31 December 2016: S$11.337 million) primarily due to the lower balance owing to TPRE after the redemption of RPS. The net current liabilities has resulted from the short term financing arrangement, in which the Group expects to generate funds from its core investments to further improve its working capital in the future.

Meanwhile, the Directors are of the view that the Group will have continued access to banking facilities made available to the Group supported by Mr LKO as guarantor to those facilities. Mr LKO has committed to the Group to provide and not withdraw such personal guarantees so as to enable the Group to have continuous access to these banking facilities. Further to that, the Directors are of the view that the Group will be able to secure additional borrowings by securing its long-term assets which are currently unencumbered.

Cash Flows Statement

The net cash flows used in operating activities amounted to S$0.732 million was mainly due to operational loss incurred from IT segment, offset by improvement in working capital.

The net decrease in cash and cash equivalent by S$0.730 million in FY2017 was mainly due to the payment of professional fees incurred for the development of Ormond Hotel and its adjoining property and repayment of bank borrowings of S$1.025 million and S$0.661 million respectively. This is partially off-set by the dividend received from an associate of S$0.714 million and advance from joint venture.

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

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

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

For the next reporting period, the Group's financials will continue to be driven primarily by its exposure to its three core sectors: hospitality through TPRE, education through Educ8 and precision engineering and manufacturing via the Group's investment in TYKC.

Hospitality Sector

Post disposal of TPRE's Tune Hotel Edinburgh in May 2017, TPRE focuses efforts on improving revenues and operational efficiencies at Tune Hotel KLIA2 whilst finalising planning submission to the authorities in Melbourne for the development of the Finders Street site.

The Group has received planning permission from the authorities in Dublin and development activities of the Ormond Hotel property have commenced with a view to operations commencing at the 120-room property in the second half of 2019.

Education Sector

Student enrolment at ECiM is targeted to exceed 500 students for the next academic year. ECiM continues to aggressively market the school throughout the region and will continue to work with external partners to improve brand visibility and asset utilisation.

Precision Engineering and Manufacturing Sector

Rising demand for cloud storage coupled with the recent stabilization in the laptop market is expected to drive the demand for hard disk drive resulting in TYKC anticipating higher HDD sales moving forward. TYKC continues to explore potential businesses in the laser, automotive and other consumer electronics products with existing as well as new customers to diversify its business and minimize concentration risk. Advanced engineering initiatives that have a long-term lifespan remains the focus of TYKC to drive the business forward.

IT Division

Management continues to focus on cost-efficient delivery of services to customers to remain competitive in the market. Management is also exploring new industry verticals to expand the marketability of enterprise resources planning solution and consulting services.

11. If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared/(recommended); and

None

(b) (i) Amount per share:

Not applicable.

(ii) Previous corresponding period:

None

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)

Not applicable.

(d) Date payable

Not applicable.

(e) Books closure date

Not applicable.

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

No dividend has been declared or recommended during the current financial year reported on.

13. If the Group has obtained a general mandate from shareholders for interested person transactions ("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 Group does not have a general mandate for recurrent interested person transactions.

There were no interested person transactions of S$100,000 or more entered into during FY2017.

14. Use of proceeds from the RCULS ("RCULS Proceeds")

As the Company has completed the ECMLIB Acquisition and RCULS Issue, the remaining proceeds from the RCULS Proceeds of (i) S$0.239 million initially allocated for "To pay the Purchase Consideration for the ECMLIB Acquisition"; and (ii) S$0.246 million initially allocated for "Expenses in connection with the ECMLIB Acquisition and RCULS Issue and general working capital purposes", being an aggregate of S$0.485 million, were re-allocated to "General Working Purposes" ("**First Re-allocation**"). Subsequently, S$11,000 from "General Working Purposes" has been re-allocated to "Expenses in connection with the ECMLIB Acquisition and RCULS Issue" ("**Second Re-allocation**").

The RCULS Proceeds has been fully utilised as at 31 December 2017 is as follows:

Intended Use	Amount initially allocated as set out in the circular dated 5 May 2016 S$'000	Amount allocated pursuant to First Re-allocation S$'000	Amount allocated pursuant to Second Re-allocation S$'000	Amount utilised S$'000	Amount unutilised S$'000
To pay the Purchase Consideration for the ECMLIB Acquisition*	9,510	9,271	9,271	9,271	-
Expenses in connection with the ECMLIB Acquisition and RCULS Issue	490	244	255	255	-
General working capital purposes**	-	485	474	474	-
Total	10,000	10,000	10,000	10,000	-

Notes:

* The difference between the amount initially allocated and utilised represents foreign currency exchange fluctuations between Singapore Dollar and Ringgit Malaysia. Notwithstanding, the amount utilised for the Purchase Consideration is RM27,452,140.

** Mainly utilised for repayment of loan principal and interest.

This aforementioned utilisation is in accordance with the intended use of proceeds stated in the Company's announcement dated 25 February 2016, the Circular to Shareholders dated 5 May 2016 and the Second Re-allocation.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

15. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately proceeding year

Business segments

Group As at 31 December 2017 (Unaudited)	IT operations S$'000	Investment activities S$'000	Corporate and others S$'000	Total S$'000	Eliminations and adjustments S$'000	Consolidated S$'000
Revenue						
Sales to external customers and total revenue	879	5	-	884	-	884
Results						
Interest income from bank deposits	1	57	8	66	-	66
Finance costs	-	(671)	-	(671)	-	(671)
Depreciation of property, plant and equipment	(17)	(1)	-	(18)	-	(18)
Impairment of receivables	-	(7)	-	(7)	-	(7)
Share of profit from associates and joint venture, net	-	11,346	-	11,346	-	11,346
Segment (loss)/profit before tax	(579)	9,490	(490)	8,421	-	8,421
Assets						
Additions to non-current assets	6	1,631	-	1,637	-	1,637
Investment in associates and joint venture	-	60,667	-	60,667	-	60,667
Segment assets	422	67,496	3,381	71,299	-	71,299
Segment liabilities	514	15,037	6,391	21,942	-	21,942

Group As at 31 December 2016 (Audited)	IT operations S$'000	Investment activities S$'000	Corporate and others S$'000	Total S$'000	Eliminations and adjustments S$'000	Consolidated S$'000
Revenue						
Sales to external customers and total revenue	1,097	103	-	1,200	-	1,200
Results						
Interest income from bank deposits	1	16	9	26	-	26
Finance costs	-	(640)	-	(640)	-	(640)
Depreciation of property, plant and equipment	(23)	(3)	-	(26)	-	(26)
Impairment of available-for-sale financial assets	-	(77)	-	(77)	-	(77)
Share of profit from associates and joint venture, net	-	9,455	-	9,455	-	9,455
Segment (loss)/profit before tax	(673)	6,725	(63)	5,989	-	5,989
Assets						
Additions to non-current assets	7	15,091	-	15,098	-	15,098
Investment in associates and joint venture	-	54,186	-	54,186	-	54,186
Segment assets	745	60,449	3,113	64,307	-	64,307
Segment liabilities	649	13,858	9,392	23,899	-	23,899

Geographic segments

Revenue from external customers

	Malaysia S$'000	Asia and others S$'000	Consolidated S$'000
31 December 2017 (Unaudited)			
Sales to external customers and total revenue	884	-	884
31 December 2016 (Audited)			
Sales to external customers and total revenue	1,181	19	1,200

The revenue information above is based on the location of the customers. There are no revenues derived from Singapore, the country domicile of the Company.

Location of non-current assets

	Malaysia S$'000	Ireland S$'000	Consolidated S$'000
31 December 2017 (Unaudited)			
Non-current assets	27	5,647	5,674
31 December 2016 (Audited)			
Non-current assets	38	4,391	4,429

Non-current assets consist of property, plant and equipment.

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments

Please refer to Paragraph 8.

17. A breakdown of sales

	Group		
	Financial year ended 31 December 2017 $'000 (Unaudited)	**Financial year ended 31 December 2016 S$'000 (Audited)**	**Increase / (Decrease) %**
(a) Sales reported for the first half year	379	518	(26.8)
(b) Profit after tax before deducting minority interests reported for the first half year	9,682	7,333	32.0
(c) Sales reported for the second half year	505	682	(26.0)
(d) Loss after tax before deducting minority interests reported for the second half year	(1,201)	(1,305)	(8.0)

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

Not applicable. No dividends have been declared during the financial years ended 31 December 2017 and 31 December 2016.

19. Confirmation of Undertakings from Directors and Executive Officers under Rule 720(1) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("Listing Manual")

The Company has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7H) under Rule 720(1) of the Listing Manual.

20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Gareth Lim Tze Xiang	35	Son of Mr LKO	Alternate Director to Mr LKO since 2009 Chief Executive Officer since 2010 Duties include overseeing the investments & development of the Group's businesses; provide insight & strategic direction to the Group's business entities.	No change in duties and position held during the year.
Lim Kian Fah	51	Sister of Mr LKO	Director of Legal since 2017. Duties include overseeing all legal and regulatory compliance matters pertaining to the Group.	Her position has changed from Head of Legal and Corporate Affairs to Director of Legal. There has no significant changes to her duties during the year.
Philippe Michel Staatz	38	Son in law of Mr LKO	Director of Investment since 2017 Duties include overseeing the Group's hospitality portfolio and pursuing the Group's strategy with regards to new projects in the hospitality and broader real estate sector.	His position has changed from Head of Strategy and Corporate Development to Director of Investment. There has no significant changes to his duties during the year.

BY ORDER OF THE BOARD

Lim Kian Onn
Director
23 February 2018

Oh Teik Khim
Director

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Keng Yeng Pheng, Associate Director, Continuing Sponsorship (Mailing address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).