


GSH CORPORATION LIMITED
Second Quarter and Half Yearly Financial Statements for the Period Ended 30/06/2017
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 2nd Quarter and 6 Months Ended 30 June

	Second Quarter Ended 30 June			Half Year Ended 30 June		
	30.6.2017 Unaudited S\$'000	30.6.2016 Unaudited S\$'000	+/- %	30.6.2017 Unaudited S\$'000	30.6.2016 Unaudited S\$'000	+/- %
Revenue	30,557	17,668	73.0%	51,558	41,129	25.4%
Cost of sales	(16,760)	(9,287)	80.5%	(25,752)	(21,907)	17.6%
Gross profit	13,797	8,381	64.6%	25,806	19,222	34.3%
Gross profit margin	45%	47%	(4.3%)	50%	47%	6.4%
Other income	76,398	608	Nm	76,899	1,030	Nm
Distribution and selling expense	(918)	(1,064)	(13.7%)	(1,708)	(1,630)	4.8%
Administrative expenses	(8,823)	(5,150)	71.3%	(14,648)	(9,945)	47.3%
Other expenses	(31)	(12)	Nm	(47)	(44)	6.8%
Operating profit	80,423	2,763	Nm	86,302	8,633	Nm
Amortisation and depreciation	(2,261)	(1,496)	51.1%	(4,443)	(4,149)	7.1%
Exchange loss	(3,673)	(4,922)	(25.4%)	(12,950)	(14,327)	(9.6%)
Finance expenses	(5,219)	(4,156)	25.6%	(11,234)	(8,039)	39.7%
Finance income	612	1,238	(50.6%)	1,963	2,565	(23.5%)
Net change in fair value of financial derivatives	3,475	4,317	(19.5%)	12,352	16,764	(26.3%)
Share of profit of equity-accounted investee	1,445	-	Nm	1,907	-	Nm
Profit/(Loss) before tax	74,802	(2,256)	Nm	73,897	1,447	Nm
Taxation	(771)	(1,432)	(46.2%)	(1,530)	(2,339)	(34.6%)
Profit/(Loss) for the period	74,031	(3,688)	Nm	72,367	(892)	Nm
Attributable to:						
Owners of the Company	71,677	(3,186)	Nm	70,327	(407)	Nm
Non-controlling interests	2,354	(502)	Nm	2,040	(485)	Nm
	74,031	(3,688)	Nm	72,367	(892)	Nm

	Second Quarter Ended 30 June			Half Year Ended 30 June		
	30.6.2017 Unaudited S\$'000	30.6.2016 Unaudited S\$'000	+/- %	30.6.2017 Unaudited S\$'000	30.6.2016 Unaudited S\$'000	+/- %
Profit/(Loss) for the period	74,031	(3,688)	Nm	72,367	(892)	Nm
Other comprehensive income:						
<u>Items that may be reclassified subsequently to profit or loss:</u>						
Realisation of foreign currency translation reserve arising from disposal of a subsidiary	930	-	Nm	930	-	Nm
Translation differences relating to financial statements of foreign subsidiaries	3,988	(8,680)	Nm	(1,558)	713	Nm
Exchange differences on monetary items forming part of net investments in a foreign operation	1,096	(959)	Nm	(325)	200	Nm
Total comprehensive income for the period	80,045	(13,327)	Nm	71,414	21	Nm
Attributable to:						
Owners of the Company	76,750	(10,909)	Nm	69,667	190	Nm
Non-controlling interests	3,295	(2,418)	Nm	1,747	(169)	Nm
	80,045	(13,327)	Nm	71,414	21	Nm

Nm - Not meaningful

Notes to Group profit and loss account

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

	2nd Quarter Ended 30 June			Half Year Ended 30 June		
	30.6.2017	30.6.2016	+/-	30.6.2017	30.6.2016	+/-
	Unaudited S\$'000	Unaudited S\$'000	%	Unaudited S\$'000	Unaudited S\$'000	%
Personnel expenses	9,220	4,695	96.4%	14,906	9,185	62.3%
Operating lease expenses	199	289	(31.1%)	419	540	(22.4%)
Non-executive directors' fees	76	89	(14.6%)	151	163	(7.4%)
Executive directors' remuneration	359	299	20.0%	659	573	15.0%
Depreciation of property, plant & equipment	2,261	1,496	51.1%	4,443	4,149	7.1%
Foreign exchange loss	3,673	4,922	(25.4%)	12,950	14,327	(9.6%)
Rental income	(543)	(385)	41.0%	(925)	(653)	41.7%
Write back of allowance for inventory obsolescence	(1)	(14)	92.9%	(4)	(15)	(73.3%)
(Reversal)/Provision of impairment loss on trade receivables	-	(12)	Nm	(1)	9	Nm
Gain on disposal of a subsidiary	(74,923)	-	Nm	(74,923)	-	Nm

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 June

	Group		Company	
	30.6.2017 Unaudited S\$'000	31.12.2016 Audited S\$'000	30.6.2017 Unaudited S\$'000	31.12.2016 Audited S\$'000
ASSETS				
Property, plant and equipment	395,964	397,415	28,565	21,689
Investment property	5,845	6,158	-	-
Investment in subsidiaries	-	-	21,734	260
Investment in associated company	42,881	-	-	-
Non-current assets	444,690	403,573	50,299	21,949
Development property	210,994	783,370	-	-
Inventories	845	737	-	-
Trade receivables	2,247	5,124	34	1,283
Other receivables, deposits and prepayments	137,210	5,993	5,804	3,284
Amounts due from subsidiaries (non-trade)	-	-	438,836	356,152
Fixed deposits	66,041	303,883	59,500	284,704
Cash and bank balances	12,401	13,232	2,473	2,982
Derivatives financial assets	16	-	16	-
Current assets	429,754	1,112,339	506,663	648,405
Total assets	874,444	1,515,912	556,962	670,354
EQUITY				
Share capital	343,458	343,458	343,458	343,458
Treasury shares	(5,131)	(5,131)	(5,131)	(5,131)
Reserves	77,023	7,356	57,823	(26,258)
Equity attributable to equity holders of the Company	415,350	345,683	396,150	312,069
Non-controlling interests	55,371	92,451	-	-
Total Equity	470,721	438,134	396,150	312,069
LIABILITIES				
Other payables and accruals	-	2,176	-	-
Loans and borrowings	243,131	235,091	80,116	72,559
Redeemable preference shares	417	419	-	-
Deferred tax liabilities	57,179	62,939	-	-
Non current Liabilities	300,727	300,625	80,116	72,559
Trade payables	2,842	8,057	-	-
Other payables and accruals	36,074	41,063	65,874	15,173
Loans and borrowings	62,901	650,511	821	244,268
Amounts due to subsidiaries (non-trade)	-	-	14,001	13,948
Amounts due to related parties	302	64,448	-	-
Provision for taxation	877	737	-	-
Derivatives financial liabilities	-	12,337	-	12,337
Current Liabilities	102,996	777,153	80,696	285,726
Total liabilities	403,723	1,077,778	160,812	358,285
Total equity and liabilities	874,444	1,515,912	556,962	670,354

Note 1

In Q22017, the Group has recognised the gain on disposal of Plaza Ventures Pte Ltd ("PVPL") as it has fulfilled the conditions precedent and other substantive obligations pursuant to the sale and purchase agreement.

Effect of disposal on the financial position of the Group

	S\$'000
Development property	545,194
Trade and other receivables	17,262
Cash and cash equivalents	38,736
Trade and other payables	(156,715)
Loan and borrowings	(359,691)
Deferred tax liabilities	(5,547)
Identified net assets	<u>79,239</u>
Non-controlling interest	(38,827)
Realisation of foreign currency translation reserve	930
Gain on disposal of PVPL	<u>74,923</u>
Total consideration	116,265
Consideration not yet received, to be satisfied in cash	(60,851)
Cash and cash equivalents disposed of	<u>(38,736)</u>
Net cash inflow	<u><u>16,678</u></u>

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 June 2017			As at 31 December 2016		
Secured	Unsecured	Total	Secured	Unsecured	Total
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
62,901	-	62,901	650,511	-	650,511

Amount repayable after one year

As at 30 June 2017			As at 31 December 2016		
Secured	Unsecured	Total	Secured	Unsecured	Total
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
183,882	59,666	243,548	175,512	59,998	235,510

Total borrowings*

As at 30 June 2017			As at 31 December 2016		
Secured	Unsecured	Total	Secured	Unsecured	Total
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
246,783	59,666	306,449	826,023	59,998	886,021
- Attributable to owners of the Company		264,614	- Attributable to owners of the Company		664,424
- Attributable to non-controlling interests		41,835	- Attributable to non-controlling interests		221,597

Less: Cash and cash equivalents

As at 30 June 2017			As at 31 December 2016		
S\$'000			S\$'000		
78,442			317,115		
- Attributable to owners of the Company		S\$'000	- Attributable to owners of the Company		S\$'000
- Attributable to non-controlling interests		74,948	- Attributable to non-controlling interests		307,158
		3,494			9,957

Net borrowings

As at 30 June 2017			As at 31 December 2016		
S\$'000			S\$'000		
306,449			568,906		
- Attributable to owners of the Company		S\$'000	- Attributable to owners of the Company		S\$'000
- Attributable to non-controlling interests		189,666	- Attributable to non-controlling interests		357,266
		38,341			211,640

Details of any collateral

As at 30 June 2017, the Group's borrowings were secured by legal charges on certain of the Group's development land, headquartered office and hotel properties, pledge of fixed deposits and bank balances of S\$7,570,000 (FY2016: S\$271,796,000), office equipment and operating equipment with total carrying amount of S\$1,366,000 (FY2016: S\$1,256,000).

*Including redeemable preference shares

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	
	2nd Quarter Ended 30 June 2017	2016	Half Year Ended 30 June 2017	2016
	Unaudited	Unaudited	Unaudited	Unaudited
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Profit/(loss) for the period	74,031	(3,688)	72,367	(892)
Adjustment for:				
Depreciation of property, plant & equipment	2,261	1,496	4,443	4,149
Interest expense	5,219	4,156	11,234	8,039
Interest income	(612)	(1,238)	(1,963)	(2,565)
Write back of allowance for inventory obsolescence	(1)	(14)	(4)	(15)
Loss on disposal of property, plant & equipment	27	(16)	33	(7)
(Reversal)/Provision of impairment loss on trade receivables	-	(12)	(1)	9
Unrealised foreign exchange gain arising from revaluation of fixed deposit pledged	3,470	5,970	12,829	14,850
Gain on disposal of a subsidiary	(74,923)	-	(74,923)	-
Share of profit of equity-accounted investee	(1,445)	-	(1,907)	-
Net change in fair value of financial derivatives	(3,475)	(4,317)	(12,352)	(16,764)
Tax expense	771	1,432	1,530	2,339
Operating profit before working capital changes	5,323	3,769	11,286	9,143
Change in				
Development property	(7,235)	(5,574)	28,978	(20,606)
Inventories	(83)	177	(108)	194
Trade and other receivables	(4,172)	3,451	(14,366)	24,623
Trade and other payables	12,164	(3,776)	10,498	(8,539)
Cash from operations	5,997	(1,953)	36,288	4,815
Tax paid, net	(446)	(218)	(1,275)	(78)
Net cash from/(used in) operating activities	5,551	(2,171)	35,013	4,737
Cash flows from investing activities				
Purchase of property, plant and equipment	(861)	(601)	(1,076)	(859)
Payment for investment in associated company	-	-	(40,974)	-
Payment of remaining consideration on acquisition of subsidiaries	-	-	-	(8,720)
Decrease in deposit pledged	250,762	13,884	251,396	16,218
Interest received	3,818	2,402	4,262	2,551
Proceeds from disposal of property, plant and equipment	-	2	-	2
Disposal of a subsidiary, net of cash disposed of	16,678	-	16,678	-
Net cash from investing activities	270,397	15,687	230,286	9,192

	GROUP		GROUP	
	2nd Quarter Ended 30 June		Half Year Ended 30 June	
	2017	2016	2017	2016
	Unaudited	Unaudited	Unaudited	Unaudited
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from financing activities				
Finance expense paid (including amounts capitalised in development property)	(9,527)	(7,933)	(15,080)	(14,576)
Proceeds of finance lease obligations	251	58	251	216
Payment of finance lease obligations	(91)	(77)	(180)	(153)
Proceeds from borrowings	-	67,892	34,344	83,433
Repayment of borrowings	(251,322)	(22,945)	(259,138)	(47,941)
Purchase of treasury shares	-	(1,536)	-	(1,536)
Dividend paid	-	(988)	-	(988)
Net cash (used in)/from financing activities	(260,689)	34,471	(239,803)	18,455
Net increase in cash and cash equivalents	15,259	47,987	25,496	32,384
Effect of exchange rate changes on balances held in foreign currencies	(99)	178	56	350
Cash and cash equivalents at beginning of the period	55,712	64,349	45,320	79,780
Cash and cash equivalents at end of the period (Note A)	70,872	112,514	70,872	112,514

	GROUP		GROUP	
	2nd Quarter Ended 30 June		Half Year Ended 30 June	
	2017	2016	2017	2016
	Unaudited	Unaudited	Unaudited	Unaudited
	S\$'000	S\$'000	S\$'000	S\$'000
Note A: Cash and cash equivalents comprise:				
Fixed deposits as shown in the statement of financial position	66,041	354,991	66,041	354,991
Cash and bank balances as shown in the statement of financial position	12,401	13,398	12,401	13,398
	78,442	368,389	78,442	368,389
Less: fixed deposits pledged	(7,570)	(255,875)	(7,570)	(255,875)
Cash and cash equivalents	70,872	112,514	70,872	112,514

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 June 2017

Group	Attributable to owners of Company						Non-controlling interest	Total Equity
	Share capital	Treasury Shares	Asset revaluation reserves	Translation reserves	Accumulated profits	Total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2017	343,458	(5,131)	4,132	(41,011)	44,235	345,683	92,451	438,134
Total comprehensive income for the year								
Loss for the period	-	-	-	-	(1,350)	(1,350)	(314)	(1,664)
Other comprehensive income								
Foreign currency translation differences relating to foreign operations	-	-	-	(4,312)	-	(4,312)	(1,234)	(5,546)
Exchange differences on monetary items forming part of net investment in a foreign operation	-	-	-	(1,421)	-	(1,421)	-	(1,421)
Total other comprehensive income, net of tax	-	-	-	(5,733)	-	(5,733)	(1,234)	(6,967)
Total comprehensive income for the year	-	-	-	(5,733)	(1,350)	(7,083)	(1,548)	(8,631)
As at 31 March 2017	343,458	(5,131)	4,132	(46,744)	42,885	338,600	90,903	429,503
Total comprehensive income for the year								
Profit for the period	-	-	-	-	71,677	71,677	2,354	74,031
Other comprehensive income								
Foreign currency translation differences realised on disposal of a subsidiary	-	-	-	930	-	930	-	930
Foreign currency translation differences relating to foreign operations	-	-	-	3,047	-	3,047	941	3,988
Exchange differences on monetary items forming part of net investment in a foreign operation	-	-	-	1,096	-	1,096	-	1,096
Total other comprehensive income, net of tax	-	-	-	5,073	-	5,073	941	6,014
Total comprehensive income for the year	-	-	-	5,073	71,677	76,750	3,295	80,045
Transactions with owners, recognised directly in equity								
Changes in ownership interests in a subsidiary								
Disposal of a subsidiary with non-controlling interests	-	-	-	-	-	-	(38,827)	(38,827)
Total transactions with owners	-	-	-	-	-	-	(38,827)	(38,827)
As at 30 June 2017	343,458	(5,131)	4,132	(41,671)	114,562	415,350	55,371	470,721

Statement of changes in Equity as at 30 June 2016

Group	Attributable to owners of Company							Non-controlling interest S\$'000	Total Equity S\$'000
	Share capital S\$'000	Treasury Shares S\$'000	Asset		Accumulated profits S\$'000	Total S\$'000			
			revaluation reserves S\$'000	Translation reserves S\$'000					
At 1 January 2016	343,458	-	4,132	(36,707)	48,861	359,744	93,369	453,113	
Total comprehensive income for the year									
Profit for the period	-	-	-	-	2,779	2,779	17	2,796	
Other comprehensive income									
Foreign currency translation differences relating to foreign operations	-	-	-	7,161	-	7,161	2,232	9,393	
Exchange differences on monetary items forming part of net investment in a foreign operation	-	-	-	1,159	-	1,159	-	1,159	
Total other comprehensive income, net of tax	-	-	-	8,320	-	8,320	2,232	10,552	
Total comprehensive income for the year	-	-	-	8,320	2,779	11,099	2,249	13,348	
As at 31 March 2016	343,458	-	4,132	(28,387)	51,640	370,843	95,618	466,461	
Total comprehensive income for the year									
Profit for the period	-	-	-	-	(3,186)	(3,186)	(502)	(3,688)	
Other comprehensive income									
Foreign currency translation differences relating to foreign operations	-	-	-	(6,764)	-	(6,764)	(1,916)	(8,680)	
Exchange differences on monetary items forming part of net investment in a foreign operation	-	-	-	(959)	-	(959)	-	(959)	
Total other comprehensive income, net of tax	-	-	-	(7,723)	-	(7,723)	(1,916)	(9,639)	
Total comprehensive income for the year	-	-	-	(7,723)	(3,186)	(10,909)	(2,418)	(13,327)	
Transactions with owners, recognised directly in equity									
Contributions by and distributions to owners									
Purchase of treasury shares	-	(1,536)	-	-	-	(1,536)	-	(1,536)	
Dividends declared and paid	-	-	-	-	(988)	(988)	-	(988)	
Total transactions with owners	-	(1,536)	-	-	(988)	(2,524)	-	(2,524)	
As at 30 June 2016	343,458	(1,536)	4,132	(36,110)	47,466	357,410	93,200	450,610	

Statement of changes in Equity as at 30 June 2017**Company**

	Share capital S\$'000	Treasury Share S\$'000	Accumulated losses S\$'000	Total S\$'000
As at 1 January 2017	343,458	(5,131)	(26,258)	312,069
Total comprehensive income for the period				
Loss for the period	-	-	(2,410)	(2,410)
Total comprehensive income for the period	-	-	(2,410)	(2,410)
As at 31 March 2017	343,458	(5,131)	(28,668)	309,659
Total comprehensive income for the period				
Profit for the period	-	-	86,491	86,491
Total comprehensive income for the period	-	-	86,491	86,491
As at 30 June 2017	343,458	(5,131)	57,823	396,150
As at 1 January 2016	343,458	-	(25,678)	317,780
Total comprehensive income for the period				
Profit for the period	-	-	3,444	3,444
Total comprehensive income for the period	-	-	3,444	3,444
As at 31 March 2016	343,458	-	(22,234)	321,224
Total comprehensive income for the period				
Loss for the period	-	-	(1,666)	(1,666)
Total comprehensive income for the period	-	-	(1,666)	(1,666)
Transactions with owners, recognised directly in equity				
Contributions by and distributions to owners				
Purchase of treasury shares	-	(1,536)	-	(1,536)
Dividends declared and paid	-	-	(988)	(988)
Total transactions with owners	-	(1,536)	(988)	(2,524)
As at 30 June 2016	343,458	(1,536)	(24,888)	317,034

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.

Details changes in the company's share capital arising from share buy-backs are as follows:

	Number of shares issued and fully paid	Share capital S\$'000	Number of treasury shares	Treasury shares S\$'000
As at 1 January 2017	1,977,036,050	343,458	(18,102,700)	(5,131)
Purchase of treasury shares	-	-	-	-
As at 31 March 2017	1,977,036,050	343,458	(18,102,700)	(5,131)
Purchase of treasury shares	-	-	-	-
As at 30 June 2017	1,977,036,050	343,458	(18,102,700)	(5,131)

	Number of shares issued and fully paid	Share capital S\$'000	Number of treasury shares	Treasury shares S\$'000
As at 1 January 2016	1,977,036,050	343,458	-	-
Purchase of treasury shares	-	-	-	-
As at 31 March 2016	1,977,036,050	343,458	-	-
Purchase of treasury shares	-	-	(6,072,700)	(1,536)
As at 30 June 2016	1,977,036,050	343,458	(6,072,700)	(1,536)

The percentage of the aggregate number of treasury shares held against the total number of shares issued as at 30 June 2017 is 0.92% (30 June 2016: 0.31%).

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.

	30.06.2017
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>
	30.06.2016
Total number of issued shares	1,977,036,050
Total number of treasury shares	(6,072,700)
Total number of issued shares (excluding treasury shares)	<u>1,970,963,350</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 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 adopted a number of new standards, amendments to standards and interpretations that are effective for annual periods beginning on 1 January 2016. The adoption of these new standards, amendments to standards and interpretations did not result in any significant impact on the financial statements of the Group.

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

	2nd Quarter Ended 30 June			6 Months Ended 30 June		
	30.06.2017	30.06.2016	+/- %	30.06.2017	30.06.2016	+/- %
Earnings per ordinary share of the Group based on net profit/(loss) attributable to shareholders:-						
i) Based on weighted average number of shares (cents)	3.659	(0.161)	Nm	3.590	(0.021)	Nm
-Weighted average number of shares ('000)	1,958,933	1,973,842		1,958,933	1,973,842	
ii) On a fully diluted basis (cents)	3.659	(0.161)	Nm	3.590	(0.021)	Nm
-Adjusted weighted average number of shares ('000)	1,958,933	1,973,842		1,958,933	1,973,842	

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		
	30.06.2017 (S\$ cents)	31.12.2016 (S\$ cents)	+/- %	30.06.2017 (S\$ cents)	31.12.2016 (S\$ cents)	+/- %
Net asset value per ordinary share	21.20	17.65	20.1%	20.22	15.93	26.9%

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

The Group recorded revenue of S\$30.6 million in Q22017, compared to S\$17.7 million in Q22016, and an operating profit of S\$80.4 million in Q22017, compared to S\$2.8 million in Q22016. It posted a net profit after tax of S\$74.0 million in Q22017, against a net loss after tax of S\$3.7 million in Q22016.

In Q22017, our property business contributed S\$13.3 million in revenue, compared to S\$5.4 million in Q22016.

Our hospitality business grew by 40% from S\$12.3 million in Q22016 to S\$17.2 million in Q22017, due mainly to the increase in room occupancy and average room rates at our two hotels in Sutera Harbour Resort in Kota Kinabalu, Sabah.

Higher administrative expenses of S\$8.8 million were incurred in Q22017, compared to S\$5.2 million in Q22016, due mainly to the corresponding increase in personnel expenses by S\$4.7 million.

In Q22017, the Group has recognised the gain on disposal of its 51% owned subsidiary, Plaza Ventures Pte Ltd ("PVPL") of S\$74.9 million as it has fulfilled the conditions precedent and other substantive obligations pursuant to the sale and purchase agreement. Hence, other income increased.

Higher finance expenses of S\$5.2 million were recorded in Q22017, compared to S\$4.2 million in Q22016, due mainly to the direct expensing of interest costs incurred for GSH Plaza project after Temporary Occupation Permit ("TOP"). Prior to TOP, interest costs were capitalised under development property in the statement of financial position.

The Group had entered into a loan and deposit arrangement ("LDA") with a bank, which had a foreign exchange exposure. This exposure was fully hedged with a financial derivative. Consequently, the Group recorded a realised exchange loss of S\$3.6 million from the loan and deposit arrangement and a realised fair value gain on financial derivative of S\$3.5 million in Q22017.

After the completion of the Group's investment into the food logistics hub (Henan Zhongyuan) on 10 March 2017 ("Henan Investment"), the Group recorded S\$1.4 million share of profit from the associated company in Q22017.

Balance Sheet

Investment in associated company of S\$42.9 million was recorded as of 30 June 2017, following the legal completion of the Henan Investment in March 2017.

The LDA lapsed in Q22017, consequentially, the loan of S\$243.3 million was repaid from the corresponding deposit. Hence, fixed deposits, and loan and borrowings were reduced.

In Q22017, the Group derecognized the assets and liabilities of PVPL. Consequently, various assets and liabilities items (see page 5) were reduced.

The increase in other receivables, deposits and prepayments, was due mainly to S\$133.5 million receivables in relation to the disposal of PVPL.

Cash Flow Analysis

For the second quarter ended 30 June 2017, the operating profit before working capital changes, was S\$5.3 million. However, after adjusting for working capital changes, the Group recorded a net cash inflow from operating activities, of S\$5.6 million.

The Group registered a net cash inflow from investing activities of S\$270.4 million, which was due mainly to the decrease in deposit pledged of S\$250.8 million.

The Group recorded a net cash outflow from financing activities of S\$260.7 million, which was due mainly to the loan repayment of S\$251.3 million during the financial year.

The large net cash inflow from investing activities and net cash outflow from financing activities was due mainly to the lapse of the LDA as explained above.

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?

Name of Dividend	Special
Dividend Type	Cash
Dividend Amount per Share	1 Singapore cent per ordinary share
Tax Rate	One-Tier Tax exempt

(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

Date payable is on 6 September 2017

(d) Books closure date

Books closure date is on 28 August 2017

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

Not Applicable.

- 13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company does not have a general mandate for IPTs.

14. Segment Analysis

SEGMENT ANALYSIS

	3 Months Ended 30 June 2017				3 Months Ended 30 June 2016			
	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	17,204	13,272	965	31,441	12,255	5,413	1,267	18,935
Elimination of inter-segment revenue	-	-	(884)	(884)	-	-	(1,267)	(1,267)
External revenue	17,204	13,272	81	30,557	12,255	5,413	-	17,668
Interest income	90	24	498	612	99	108	1,031	1,238
Interest expense	(2,098)	(1,567)	(1,554)	(5,219)	(2,329)	(692)	(1,135)	(4,156)
Depreciation	(2,023)	(155)	(83)	(2,261)	(1,444)	(3)	(49)	(1,496)
Reportable segment profit/(loss) before tax	3,201	77,428	(5,827)	74,802	48	637	(2,941)	(2,256)
Tax expense	(973)	202	-	(771)	(1,290)	(142)	-	(1,432)
Reportable segment profit/(loss) after tax	2,228	77,630	(5,827)	74,031	(1,242)	495	(2,941)	(3,688)
Share of profit of equity-accounted investee	-	1,445	-	1,445	-	-	-	-
Reportable segment assets	387,380	393,534	93,530	874,444	397,925	822,198	338,004	1,558,127
Reportable segment liabilities	(211,631)	(45,280)	(146,812)	(403,723)	(225,164)	(562,056)	(320,297)	(1,107,517)

* General corporate activities

Geographical Information

	Revenue 3 months ended 30 June		Non-current assets 3 months ended 30 June	
	2017 S\$'000	2016 S\$'000	2017 S\$'000	2016 S\$'000
Malaysia	17,204	12,255	370,012	386,452
China	-	-	42,881	-
Singapore	13,353	5,413	25,952	702
Middle East	-	-	5,845	7,776
Total	30,557	17,668	444,690	394,930

SEGMENT ANALYSIS

	Half Year Ended 30 June 2017				Half Year Ended 30 June 2016			
	<u>Hospitality</u>	<u>Property</u>	<u>Others*</u>	<u>Total</u>	<u>Hospitality</u>	<u>Property</u>	<u>Others*</u>	<u>Total</u>
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Segment revenue	34,941	17,185	1,716	53,842	27,531	13,598	2,017	43,146
Elimination of inter-segment revenue	-	(650)	(1,634)	(2,284)	-	-	(2,017)	(2,017)
External revenue	34,941	16,535	82	51,558	27,531	13,598	-	41,129
Interest income	193	59	1,711	1,963	215	234	2,116	2,565
Interest expense	(4,211)	(3,578)	(3,445)	(11,234)	(4,719)	(1,308)	(2,012)	(8,039)
Depreciation	(4,003)	(307)	(133)	(4,443)	(4,047)	(5)	(97)	(4,149)
Reportable segment profit/(loss) before tax	6,934	75,518	(8,555)	73,897	1,678	8	(239)	1,447
Tax expense	(2,037)	507	-	(1,530)	(2,077)	(262)	-	(2,339)
Reportable segment profit/(loss) after tax	4,897	76,025	(8,555)	72,367	(399)	(254)	(239)	(892)
Share of profit of equity-accounted investee	-	1,907	-	1,907	-	-	-	-
Reportable segment assets	387,380	393,534	93,530	874,444	397,925	822,198	338,004	1,558,127
Reportable segment liabilities	(211,631)	(45,280)	(146,812)	(403,723)	(225,164)	(562,056)	(320,297)	(1,107,517)

* General corporate activities

Geographical Information

	Revenue		Non-current assets	
	Half Year ended 30 June		Half Year ended 30 June	
	2017	2016	2017	2016
	S\$'000	S\$'000	S\$'000	S\$'000
Malaysia	34,941	27,531	370,012	386,452
China	-	-	42,881	-
Singapore	16,617	13,598	25,952	702
Middle East	-	-	5,845	7,776
Total	51,558	41,129	444,690	394,930

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

We, Gilbert Ee Guan Hui and Kenneth Goi Kok Ming, 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 2Q2017 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
4 August 2017