



PRESS RELEASE

GSH posts record 2Q17 net profit of S\$71.7 M

- *Group revenue surged 73% to S\$30.6M, led by a 40% increase in revenue from its two hotels in Kota Kinabalu*
- *Proposes a special dividend of one Singapore cent per ordinary share*
- *Expects to launch its second residential project in Malaysia – the Coral Bay @ Sutera in Kota Kinabalu towards the end of FY2017*

SINGAPORE – 4 August 2017 – Mainboard-listed **GSH Corporation Limited** (“GSH” or the “Group”) announced today that its net profit attributable to shareholders for the second quarter of FY2017 (“2Q17”) rose to S\$71.7 million, largely due to a disposal gain of S\$74.9 million from the sale of the entire investment in Plaza Ventures Pte Ltd (“PVPL”).

In the three months ended 30 June 2017, Group revenue rose 73.0% to S\$30.6 million, led by a 40% surge in revenue to S\$17.2 million from rising room occupancy rates and average room rates at its two hotels in Sutera Harbour Resort in Kota Kinabalu, Sabah. Sales of the Group’s residential project in Kuala Lumpur, Eaton Residences, were not recognized in 2Q17 as they will only be recognized at various stages of construction.

Said Mr Gilbert Ee, GSH’s Chief Executive Officer:

“Our two hotels - The Magellan Sutera Resort and The Pacific Sutera Hotel – have benefited from the strong growth of tourism in Sabah. Meanwhile, our first property project in Kuala Lumpur – Eaton Residences – is enjoying strong sales and we will shortly launch our first luxury condominium project in Kota Kinabalu – Coral Bay @ Sutera - later this year.”

In the second quarter ended 30 June 2017, the Group posted S\$1.4 million in the share of profits from an associated company, Henan Zhongyuan, in which the Group acquired a 30% stake on 10 March 2017.

EPS/NAV Per Share

At half year, the Group's earnings per ordinary share, based on the weighted average number of shares, rose to approximately 3.7 cents whilst net asset value per ordinary shares increased by 20% to approximately 21.2 cents as at 30 June 2017. Cash and cash equivalents now stands at about S\$200 million.

Mr Sam Goi, the Group's Executive Chairman said:

"We are pleased that we have strengthened our balance sheet. With the increased war chest, we are in a good position to grow the Group's investments."

Dividend

The Directors have proposed a special dividend of one Singapore cent per ordinary share, which will be paid to shareholders on 6 September 2017.

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