

Part 1 - Information required for announcements of quarterly (Q1, Q2, Q3 & Q4), half-year and full year results

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

Consolidated Statement of Comprehensive Income

	----- Group -----		
	Quarter ended 31 March		
	2017	2016	Change
	S\$'000	S\$'000	%
Revenue	5,485	1,930	>100
Cost of sales	(2,610)	(242)	>100
Gross profit	<u>2,875</u>	<u>1,688</u>	70
Other income	2,965	(1,831)	na
Distribution and selling expenses	(240)	(362)	(34)
Administrative expenses	(1,482)	(1,624)	(9)
Other expenses	-	(27)	na
Finance costs	(28)	(256)	(89)
Profit before taxation	<u>4,090</u>	<u>(2,412)</u>	na
Income tax	61	34	81
Net profit for the period (note (i))	<u>4,152</u>	<u>(2,378)</u>	na
Other comprehensive income			
Foreign currency translation	(2,171)	(2,796)	(22)
Total comprehensive income for the period	<u>1,981</u>	<u>(5,174)</u>	na
Net profit attributable to:			
Owners of the parent	<u>4,152</u>	<u>(2,378)</u>	na
	<u>4,152</u>	<u>(2,378)</u>	na
Total comprehensive income			
Owners of the parent	1,981	(5,175)	na
Non-controlling interests	-	1	>100
	<u>1,981</u>	<u>(5,174)</u>	na

na- Not applicable

Note (i) – Net profit for the period

This is determined after charging/(crediting) the followings:

	<----- Group ----->	
	Quarter ended 31 March	
	2017	2016
	S\$'000	S\$'000
Gain on recognition of deferred tax asset	2,875	-
Gain/(loss) on disposal of property, plant and equipment	(4)	10
Interest income	25	3
Net foreign exchange loss	(3)	(1,914)
Depreciation of property, plant and equipment	<u>(493)</u>	<u>(433)</u>

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

Balance Sheets

	Group		Company	
	31.03.2017	31.12.2016	31.03.2017	31.12.2016
	S\$'000	S\$'000	S\$'000	S\$'000
Assets				
Non-current assets				
Property, plant and equipment	33,631	35,619	203	216
Investment properties	88,519	89,448	618	618
Investments in subsidiaries	-	-	77,160	1,000
Deferred tax assets	2,875	-	-	-
	125,025	125,067	77,981	1,834
Current assets				
Development property	17,734	19,902	-	-
Inventories	1,152	687	-	-
Biological assets	5,805	-	-	-
Trade receivables	257	7,837	-	-
Other receivables, deposits and prepayments	1,482	1,173	4	4
Amounts due from subsidiaries	-	-	23,480	99,626
Amounts due from non-controlling shareholders	15	16	-	-
Investment securities	2	2	-	-
Cash and cash equivalents	3,645	6,746	-	272
	30,092	36,363	23,483	99,901
Total assets	155,116	161,430	101,464	101,735
Equity and liabilities				
Current liabilities				
Trade payables	1,148	1,459	-	-
Other payables and accruals	3,175	1,183	452	494
Amounts due to subsidiaries	-	-	8,794	8,594
Provision for taxation	35	36	-	-
Loans and borrowings	1,479	1,783	35	51
	5,837	4,461	9,281	9,139
Net current assets	24,255	31,902	14,202	90,762
Non-current liabilities				
Deferred tax liabilities	14,398	14,891	-	-
Loans and borrowings	4,385	4,530	45	45
Other payables and accruals	-	7,803	-	-
	18,783	27,224	45	45
Total liabilities	24,620	31,685	9,326	9,184
Net assets	130,495	129,745	92,138	92,551
Equity attributable to owners of the parent				
Share capital	94,602	94,602	94,602	94,602
Other reserves	45,851	48,034	(459)	(459)
Accumulated losses	(9,935)	(12,868)	(2,005)	(1,592)
	130,518	129,768	92,138	92,551
Non-controlling interests	(24)	(23)	-	-
Total equity	130,495	129,745	92,138	92,551
Total equity and liabilities	155,116	161,430	101,464	101,735

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

	As at 31.03.2017		As at 31.12.2016	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable in one year or less, or on demand	1,479	-	1,491	-
Amount repayable after one year	4,385	-	4,822	-

Details of any collaterals

As at 31 March 2017, the Group's borrowings were secured by way of the followings:-

- Charge and assignment over all bank accounts of a subsidiary;
- Assignment of all receivables of a subsidiary;
- Charge over all shares of a subsidiary;
- Legal mortgage over freehold land of a subsidiary;
- Charge over specified lists of vehicles, machineries and equipment of two subsidiaries; and
- Assignment of interests in insurance policies of two subsidiaries.

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

Consolidated Cash Flow Statement

	<----- Group ----->			
	Quarter ended			
	31 March			
	2017	2016		
	S\$'000	S\$'000		
Cash flows from operating activities				
Profit before taxation	4,090	(2,412)		
<u>Adjustments for:</u>				
Interest expense	19	28		
Depreciation of property, plant and equipment	493	433		
Gain/(loss) on disposal of property, plant and equipment	(4)	10		
Foreign exchange adjustments	(289)	1,913		
Transfer to fixed assets	(1,245)	-		
Gain on recognition of deferred tax asset	(2,875)	-		
Interest income	(25)	(3)		
Operating cashflow before working capital changes	<u>165</u>	<u>(31)</u>		
<u>Changes in working capital</u>				
Trade and other receivables	7,203	(1,079)		
Development properties	2,169	(460)		
Inventories and biological assets	(6,280)	154		
Amounts due from non-controlling shareholders	-	1,051		
Trade and other payables	(5,919)	486		
Cash flows (used in)/from operations	<u>(2,663)</u>	<u>121</u>		
Interest paid	(19)	(28)		
Income tax received	-	48		
Interest received	25	3		
Net cash flows (used in)/from operating activities	<u>(2,658)</u>	<u>144</u>		
Cash flows from investing activities				
Purchase of property, plant and equipment	(3)	(238)		
Proceeds from sale of property, plant and equipment	7	121		
Net cash flows (used in)/from investing activities	<u>5</u>	<u>(117)</u>		
Cash flows from financing activities				
Repayment of loans	(415)	(531)		
Net cash flows used in financing activities	<u>(415)</u>	<u>(531)</u>		
Net decrease in cash and cash equivalents	(3,067)	(504)		
Cash and cash equivalents at beginning of period	6,747	3,419		
Effect of exchange rate changes	(35)	(138)		
Cash and cash equivalents at end of period	<u>3,645</u>	<u>2,775</u>		
<u>Cash and cash equivalent at end of period</u>				
			31.03.2017	31.03.2016
			S\$'000	S\$'000
Cash at bank and in hand			2,886	686
Fixed deposits with financial institutions			759	2,089
			<u>3,645</u>	<u>2,775</u>

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.

Statements of Changes in Equity

	Attributable to owners of the parent						Equity total S\$'000
	Share Capital	Accumulated losses	Capital reserve	Asset revaluation reserve	Currency translation reserve	Non-controlling interests	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
Group							
Balance at 1 January 2016	76,897	(17,516)	481	40,521	5,703	76	106,162
Net foreign exchange difference arising on consolidation	-	-	-	-	(2,797)	1	(2,796)
Net loss	-	(2,378)	-	-	-	-	(2,378)
Total comprehensive loss	-	(2,378)	-	-	(2,797)	1	(5,174)
Balance at 31 March 2016	76,897	(19,894)	481	40,521	2,906	77	100,988
Group							
Balance at 1 January 2017	94,602	(12,856)	414	40,521	7,087	(23)	129,745
Net foreign exchange difference arising on consolidation	-	(1,231)	-	-	(2,171)	(1)	(3,403)
Net profit	-	4,152	-	-	-	-	4,152
Total comprehensive income	-	2,921	-	-	(2,171)	(1)	749
Balance at 31 March 2017	94,602	(9,935)	414	40,521	4,916	(24)	130,494

	Share Capital	Accumulated losses	Capital reserve	Equity total
	S\$'000	S\$'000	S\$'000	S\$'000
Company				
Balance at 1 January 2016	76,897	(826)	(459)	75,612
Net loss	-	(101)	-	(101)
Total comprehensive loss	-	(101)	-	(101)
Balance at 31 March 2016	76,897	(927)	(459)	75,511
Balance at 1 January 2017	94,602	(1,592)	(459)	92,551
Net loss	-	(413)	-	(413)
Total comprehensive loss	-	(413)	-	(413)
Balance at 31 March 2017	94,602	(2,005)	(459)	92,138

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.

There were no shares issued for the period under review.

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.

The total number of issued shares excluding treasury shares as at 31 March 2017 and 31 December 2016 were 6,658,068,582 ordinary shares.

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.

The Company has no treasury shares.

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

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

3. Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of 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.

The same accounting policies and methods of computation adopted in the most recently audited financial statements have been applied in the preparation for this interim financial statements except for the percentage of completion recognition of the property development.

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

The effect of the change resulted in the revenue recognition of the property development. This is an early adoption of International Financial Reporting Standard 15.

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 ----->	
Quarter ended	
31 Mar	
2017	2016
in cents	in cents
0.062	(0.060)
0.062	(0.060)

Profit per ordinary share attributable to owners of the parent

Basic

Diluted

The basic and diluted earnings per share are calculated based on the weighted average number of shares in issue of 6,658,068,582 (comparative: 3,957,211,329).

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 financial period reported on and (b) immediately preceding financial year.

Group		Company	
31.03.2017	31.12.2016	31.03.2017	31.12.2016
in cents	in cents	in cents	in cents
1.960	1.949	1.384	1.390

Net asset value per ordinary share based on issued share capital

The computation of net asset value per share is based on the number of issued ordinary shares as at the respective balance sheet dates amounting to 6,658,068,582 (comparative: 6,658,068,582) shares.

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.

Revenue and gross profit

The Group's revenue increased from \$1.9 million in the first quarter 2016 ("3M 2016") to \$5.4 million for the first quarter 2017 ("3M 2017") primarily due to the revenue recognition of the D'Seaview mixed development.

The Group's gross profit increased from \$1.6 million in 3M 2016 to \$2.8 million in 3M 2017 due to higher revenue achieved.

Other income

The Group's other income was \$2.9 million in 3M 2017 substantially due to the gain on recognition of deferred tax asset.

Distribution and selling expenses

Marketing expenses of \$0.2 million incurred in 3M 2017 relates to the sales and marketing activities for the property development.

Administrative expenses

Administrative expenses of the Group was stable at \$1.4 million.

Finance costs

Finance costs in 3M 2017 has reduced to \$0.028 million due to the absence of loan from director.

Review of Financial Results

The Group recorded net profit of \$4.1 million in 3M 2017 compared to a loss of \$2.3 million in 3M 2016, primarily due to the revenue recognition in the D'Seaview mixed development and the gain on deferred tax asset recognition.

Review of Financial Position

The Group's non-current asset was stable at \$125 million as the recognition of deferred tax asset offset the depreciation and the translation difference.

The Group's development properties reduced from \$19 million as at end 2016 to \$17 million in 3M 2017 due to the revenue recognition of the D'Seaview mixed development

Inventories as at end 3M 2017 increased to \$1.1 million from \$0.6 million due to the starch production.

Trade debtors decreased from \$7.8 million at the end of 2016 to \$0.2 million as at 3M 2017 due primarily to the settlement of the account receivable through the takeover of the existing mature fresh cassava plantation.

Trade creditors decreased to \$1.1 million for 3M 2017 due to the payment of suppliers.

Other payables and accruals decreased from \$8 million at the end of 2016 to \$3 million for 3M 2017 due to the revenue recognition for the D'Seaview mixed development.

Loans and borrowings for the Group decreased to \$5.8 million due to loan repayments.

The company paid-up share capital was unchanged at \$94.6 million.

The loans granted by the company to its subsidiaries worth \$76 million has also been capitalised in order to streamline the capital and debt structure within the Group.

The net assets of the Group increased to \$130 million due to the net profit of \$4.1 million for 3M 2017

Review of Cash Flow Statement

Net cash flows used in operating activities was \$2.6 million in 3M 2017 due to the increase in inventory and biological asset.

Net cash flows from investing activities in 3M 2017 was a reversal of the net cashflow used in investing activities as capital expenditures was largely reduced from \$0.2 mil incurred in 3M 2016. Net cashflow used in financing activities of \$0.4 million was due to the repayment of term loans.

The proceeds from the shares issuance through the placement of \$4.5 million has been fully utilised for agricultural planting, harvesting activities and property development construction as part of the general working capital expenditures.

Overall, cash and cash equivalents of the Group stood at \$3.6 million as at 3M 2017.

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.

AGRICULTURE DIVISION

The Group's Agriculture Division focuses on the cultivation of cassava (tapioca) and the production of cassava starch through its factory, that has the capacity of producing 120 tons of starch on a daily basis. As previously disclosed, 2,400 hectare were relocated to be directly cultivated by the Agriculture Division.

To further enhance the fresh cassava yield, the remaining 5,100 hectare under the joint cooperation agreement were also taken over from 24 April 2017.

PROPERTY DEVELOPMENT DIVISION

HLH's first overseas mixed development project, D'Seaview mixed development achieved approximately 15% construction progress as at end March 2017 and the expected completion is on schedule for end 2018.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial year reported on?

No.

(b) Corresponding period of the Immediately Preceding Financial Year?

Any dividend declared for the corresponding period of the Immediately Preceding Financial Year?

No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared or recommended.

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 did not seek and does not have a shareholders general mandate pursuant to Rule 920 of the Listing Manual.

14. Negative assurance confirmation on interim financial results under Rule 705(5) of the Listing Manual.

The Board of Directors of the Company confirm that, to the best of their knowledge, nothing has come to their attention which may render the interim financial statements to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

HELEN CAMPOS
COMPANY SECRETARY
8 May 2017