



Unaudited First Quarter Financial Statement And Dividend Announcement for the Period Ended 31 March 2016

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

1 (a) Consolidated Statement of Comprehensive Income

	Group		
	Three Months		
	31/3/2016	31/3/2015	Change
	\$'000	\$'000	%
Revenue	20,444	23,750	(14)
Other income	411	892	(54)
Changes in inventories of finished goods	(55)	7	NM
Cost of properties sold/consumables used	(1,576)	(4,938)	(68)
Staff costs	(5,851)	(5,726)	2
Depreciation	(1,368)	(1,000)	37
Finance costs	(2,002)	(1,222)	64
Other expenses	(8,523)	(6,979)	22
Share of results of a jointly-controlled entity, net of tax	27,737	-	NM
Profit before tax	29,217	4,784	511
Income tax expense	(753)	(1,123)	(33)
Profit for the period	28,464	3,661	677
Other comprehensive income/(loss), after tax :			
Currency translation differences on translation of financial statements of foreign subsidiaries	(3,664)	3,922	NM
Fair value (loss)/gain on available-for-sale financial assets, net	(4)	33	NM
Other comprehensive (loss)/income for the period, net of tax	(3,668)	3,955	NM
Total comprehensive income for the period	24,796	7,616	226
Profit attributable to :			
Equity holders of the Company	28,481	3,672	676
Non-controlling interests	(17)	(11)	55
	28,464	3,661	677
Total comprehensive income attributable to :			
Equity holders of the Company	24,813	7,627	225
Non-controlling interests	(17)	(11)	55
	24,796	7,616	226

Notes to Consolidated Statement of Comprehensive Income :

Profit before tax is arrived at after (charging)/crediting:

Amortisation of other assets	(28)	(28)	-
Allowance of doubtful non-trade receivables, net	125	-	NM
Gain on disposal of available-for-sale financial assets	-	1	(100)
Property, plant and equipment written off	(2)	-	NM
Income from available-for-sale financial assets	5	3	67
Interest income	72	143	(50)
Net foreign exchange (loss)/gain	(2,052)	578	NM
Over provision of prior year tax	-	(29)	(100)

NM : Not meaningful

	Group		
	Three Months		
	31/3/2016	31/3/2015	Change
	\$'000	\$'000	%
	(28)	(28)	-
	125	-	NM
	-	1	(100)
	(2)	-	NM
	5	3	67
	72	143	(50)
	(2,052)	578	NM
	-	(29)	(100)

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1 (b) (i) Statements of Financial Position

		Group		Company	
	Notes	31/3/2016	31/12/2015	31/3/2016	31/12/2015
		\$'000	\$'000	\$'000	\$'000
Current assets					
Cash and bank balances	A	17,078	13,455	21	64
Trade and other receivables	B	41,257	16,261	42,799	42,794
Inventories		352	407	-	-
Development properties		45,231	43,320	-	-
Other current assets		1,357	1,651	15	5
		105,275	75,094	42,835	42,863
Non-current assets					
Available-for-sale financial assets		1,105	1,109	128	125
Intangible assets		441	409	-	-
Investment in subsidiaries		-	-	40,937	40,937
Investment in a jointly-controlled entity	C	29,613	1,876	-	-
Investment properties		337,002	338,485	-	-
Property, plant and equipment		212,325	207,363	-	-
Land use rights		6,740	7,055	-	-
Goodwill		789	789	-	-
Other assets		6,548	6,576	-	-
Trade and other receivables	B	-	31,292	-	-
Other non-current assets		198	215	-	-
Deferred income tax assets		291	315	-	-
		595,052	595,484	41,065	41,062
Total assets		700,327	670,578	83,900	83,925
Current liabilities					
Trade and other payables		21,392	22,512	365	327
Tax payables		4,805	4,122	-	-
Borrowings	D	67,471	61,924	-	-
		93,668	88,558	365	327
Non-current liabilities					
Trade and other payables		4,947	4,978	-	-
Borrowings	D	225,249	225,421	-	-
Deferred income tax liabilities		5,432	5,386	-	-
		235,628	235,785	-	-
Total liabilities		329,296	324,343	365	327
Net assets		371,031	346,235	83,535	83,598
Capital and reserves attributable to equity holders of the Company					
Share capital		125,646	125,646	125,646	125,646
Treasury shares		(913)	(913)	(913)	(913)
Reserves		246,446	221,633	(41,198)	(41,135)
		371,179	346,366	83,535	83,598
Non-controlling interests		(148)	(131)	-	-
Total equity		371,031	346,235	83,535	83,598

Notes to Statements of Financial Position:

- A** Net increase was due to balance proceeds from development project sold and draw down of loans partially offset against payment for ongoing projects.
- B** Net increase was mainly due to reclassification of advances from a jointly-controlled entity from non-current assets to current assets.
- C** Net increase was due to higher share of results of a jointly-controlled entity.
- D** Net increase was due to draw down of loans to fund ongoing projects.

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

Amount repayable in one year or less, or on demand

31/3/2016	
\$'000	
Secured	Unsecured
67,471	Nil

31/12/2015	
\$'000	
Secured	Unsecured
61,924	Nil

Amount repayable after one year

31/3/2016	
\$'000	
Secured	Unsecured
225,249	Nil

31/12/2015	
\$'000	
Secured	Unsecured
225,421	Nil

Details of any collateral

The borrowings are secured by the followings:

- (a) first legal mortgages on certain subsidiaries' property, plant and equipment and investment and development property;
- (b) an assignment in escrow of interest in a subsidiary's lease and rental proceeds from its investment properties; a fixed and floating charge over its assets;
- (c) an assignment of certain subsidiaries' interest in sale and purchase agreements, tenancy agreements, insurance policies, building contracts, performance bonds and all monies standing to the credit in a subsidiary's project account in respect of development properties; and
- (d) corporate guarantee given by the Company and debenture over certain subsidiaries' hotels.

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1 (c) Consolidated Statement of Cash Flows

	Notes	Group	
		31/3/2016 \$'000	31/3/2015 \$'000
Cash flows from operating activities			
Profit before tax		29,217	4,784
Adjustments for:			
Amortisation of other assets		28	28
Depreciation of property, plant and equipment		1,368	1,000
Property, plant and equipment written off		2	-
Income from available-for-sale financial assets		(5)	(3)
Gain on disposal of available-for-sale financial assets		-	(1)
Interest income		(72)	(143)
Interest expense		2,002	1,222
Share of results of a jointly controlled entity, net of tax		(27,737)	-
Exchange difference		1,502	(157)
Operating cash flow before working capital changes		6,305	6,730
Changes in operating assets and liabilities :			
Inventories		55	(63)
Receivables		6,571	(1,680)
Payables		(1,151)	(1,800)
Development properties		(1,911)	3,296
Cash generated from operations		9,869	6,483
Income tax paid, net		-	(33)
Net cash generated from operating activities		9,869	6,450
Cash flows from investing activities			
Proceeds from sale of available-for-sale financial assets		-	1
Purchase of intangible assets		(32)	(52)
Payments for property, plant and equipment	A	(10,396)	(8,383)
Proceeds from disposal of property, plant and equipment		-	1
Repayment from a third party		36	36
Income received from quoted equity investments		5	3
Interest received		72	143
Net cash used in investing activities		(10,315)	(8,251)
Cash flows from financing activities			
Interest paid		(2,002)	(1,222)
Purchase of treasury shares		-	(421)
(Repayments)/proceeds of/from finance lease liabilities		(37)	114
Proceeds from bank borrowings	B	41,500	21,796
Repayment from bank borrowings	B	(35,469)	(22,372)
Net cash generated from/(used in) financing activities		3,992	(2,105)
Net increase/(decrease) in cash and cash equivalents held		3,546	(3,906)
Cash and cash equivalents at beginning of financial period		13,455	12,813
Effect of exchange rate changes on cash and cash equivalents		77	2
Cash and cash equivalents at the end of financial period		17,078	8,909

Note to Consolidated Statement of Cash Flows :

Cash and cash equivalents at the end of the financial period comprise the following:

	Group	
	31/3/2016 \$'000	31/3/2015 \$'000
Cash and bank balances	17,078	8,909

Notes to Statement of Cash Flows:

A Net increase was mainly due to payment for ongoing projects.

B Net increase was due to draw down of loans to fund ongoing projects partially offset against repayment of certain facilities.

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- 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.

Statement of Changes in Equity - Group

	Equity attributable to equity holders of the Company									
	Share Capital \$'000	Treasury Shares \$'000	Retained Earnings & Other Reserves* \$'000	Asset Revaluation Reserve \$'000	Foreign Currency Translation Reserve \$'000	Fair Value Reserve \$'000	Total Reserves \$'000	Total \$'000	Non- controlling Interests \$'000	Total Equity \$'000
Balance at 1 January 2016	125,646	(913)	205,031	9,773	6,736	93	221,633	346,366	(131)	346,235
Profit for the period	-	-	28,481	-	-	-	28,481	28,481	(17)	28,464
Other comprehensive loss										
Currency translation differences on translation of financial statements of foreign subsidiaries	-	-	-	-	(3,664)	-	(3,664)	(3,664)	-	(3,664)
Fair value loss on available-for-sale financial assets, net	-	-	-	-	-	(4)	(4)	(4)	-	(4)
Other comprehensive loss for the period, net of tax	-	-	-	-	(3,664)	(4)	(3,668)	(3,668)	-	(3,668)
Total comprehensive income/(loss) for the period	-	-	28,481	-	(3,664)	(4)	24,813	24,813	(17)	24,796
Balance at 31 March 2016	125,646	(913)	233,512	9,773	3,072	89	246,446	371,179	(148)	371,031

* Includes other reserves of \$112,000 as at 31 March 2016.

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Statement of Changes in Equity - Group

	Equity attributable to equity holders of the Company									
	Share Capital \$'000	Treasury Shares \$'000	Retained Earnings & Other Reserves* \$'000	Asset Revaluation Reserve \$'000	Foreign Currency Translation Reserve \$'000	Fair Value Reserve \$'000	Total Reserves \$'000	Total \$'000	Non- controlling Interests \$'000	Total Equity \$'000
Balance at 1 January 2015	125,646	(51)	197,611	9,773	5,111	154	212,649	338,244	(105)	338,139
Profit for the period	-	-	3,672	-	-	-	3,672	3,672	(11)	3,661
Other comprehensive income										
Currency translation differences on translation of financial statements of foreign subsidiaries	-	-	-	-	3,922	-	3,922	3,922	-	3,922
Fair value gain on available-for-sale financial assets, net	-	-	-	-	-	33	33	33	-	33
Other comprehensive income for the period, net of tax	-	-	-	-	3,922	33	3,955	3,955	-	3,955
Total comprehensive income/(loss) for the period	-	-	3,672	-	3,922	33	7,627	7,627	(11)	7,616
Purchase of treasury shares	-	(421)	-	-	-	-	-	(421)	-	(421)
Balance at 31 March 2015	125,646	(472)	201,283	9,773	9,033	187	220,276	345,450	(116)	345,334

* Includes other reserves of \$112,000 as at 31 March 2015.

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Statement of Changes in Equity - Company

	Share Capital \$'000	Treasury Shares \$'000	Accumulated Losses \$'000	Fair Value Reserve \$'000	Other Reserve \$'000	Total Reserves \$'000	Total \$'000
Balance at 1 January 2016	125,646	(913)	(42,060)	(1)	926	(41,135)	83,598
Profit for the period	-	-	(72)	-	-	(72)	(72)
Other comprehensive loss							
Fair value gain on available-for-sale financial assets, net	-	-	-	9	-	9	9
Total comprehensive (loss)/income for the period	-	-	(72)	9	-	(63)	(63)
Balance at 31 March 2016	125,646	(913)	(42,132)	8	926	(41,198)	83,535

	Share Capital \$'000	Treasury Shares \$'000	Accumulated Losses \$'000	Fair Value Reserve \$'000	Other Reserve \$'000	Total Reserves \$'000	Total \$'000
Balance at 1 January 2015	125,646	(51)	(41,118)	25	926	(40,167)	85,428
Loss for the period	-	-	(94)	-	-	(94)	(94)
Other comprehensive loss							
Fair value loss on available-for-sale financial assets, net	-	-	-	(2)	-	(2)	(2)
Total comprehensive loss for the period	-	-	(94)	(2)	-	(96)	(96)
Purchase of treasury shares	-	(421)	-	-	-	-	(421)
Balance at 31 March 2015	125,646	(472)	(41,212)	23	926	(40,263)	84,911

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- 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 changes in the share capital since the end of the previous period reported on.

	Number of shares	Amount
	'000	\$'000
Balance at 1 January and 31 March 2016	576,936	125,646

As at 31 March 2016, the number of ordinary shares in issue was 576,936,000 of which 1,800,400 were held by the Company as treasury shares (31 March 2015: 576,936,000 ordinary shares of which 909,900 were held as treasury shares).

There was no conversion of shares during the financial period.

- 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.**

	31/3/2016	31/12/2015
Total issued ordinary shares (including treasury shares)	576,936,000	576,936,000
Less: Treasury shares	(1,800,400)	(1,800,400)
Total issued ordinary shares (excluding treasury shares)	575,135,600	575,135,600

- 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 are no sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on (January to March 2015: purchased 809,900 treasury shares).

- 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 computations as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current period as compared with the audited financial statements for the year ended 31 December 2015 except for the adoption of certain Financial Reporting Standard ("FRS") and Interpretation ("INT FRS") that are mandatory for the financial year beginning on or after 1 January 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 adoption of FRS and INT FRS as highlighted in item 4 has no significant impact on the financial statements.

- 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.**

- (i) Based on the weighted average number of ordinary shares on issue
(ii) On a fully diluted basis

Group	
31/3/2016	31/3/2015
<u>Cents</u>	<u>Cents</u>
4.95	0.64
4.95	0.64

- 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

Net asset value per ordinary share based on issued share capital at the end of the period/year

Group	
31/3/2016	31/12/2015
<u>Cents</u>	<u>Cents</u>
64.54	60.22

Company	
31/3/2016	31/12/2015
<u>Cents</u>	<u>Cents</u>
14.52	14.54

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- 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.

First Quarter 2016 ("1Q 2016") vs First Quarter 2015 ("1Q 2015")

Group revenue for 1Q 2016 decreased by 14% to \$20.4 million, from \$23.8 million in 1Q 2015. This was due to absence of development property sold in 1Q 2016.

Other income for 1Q 2016 decreased by 54% to \$0.4 million, from \$0.9 million in 1Q 2015. This was due to absence of foreign exchange gain in 1Q 2016.

Cost of properties sold / consumables used for 1Q 2016 decreased by 68% to \$1.6 million, from \$4.9 million in 1Q 2015. The decrease was due to absence of development property sold in 1Q 2016.

Depreciation charge for 1Q 2016 increased by 37% to \$1.4 million, from \$1 million in 1Q 2015. This was due to additions of property, plant and equipment.

Higher interest rates on loans and higher loan draw down caused finance costs for 1Q 2016 to increase by 64% to \$2 million, from \$1.2 million in 1Q 2015.

Other expenses for 1Q 2016 increased by 22% to \$8.5 million, from \$7 million in 1Q 2015. This was mainly due to foreign exchange loss partially offset against lower operational cost.

Share of results of a jointly-controlled entity, net of tax in 1Q 2016 was from a development project.

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

The results of first quarter 2016 are generally in line with the statement made in the last results announcement.

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

The hospitality scene remains challenging with the uncertain global economic climate and the increased supply of inventory coming on stream in 2016. According to Singapore Tourism Board, they are forecasting 0%-3% growth in visitor arrivals and they intend to invest S\$700 million over the next five years to boost tourism. We remain cautiously optimistic about the performance of our properties.

- 11 Dividend

- | | |
|--|------------------|
| (a) Current Financial Period Reported On | : None |
| (b) Corresponding Period of the Immediately Preceding Financial Year | : None |
| (c) Date payable | : Not applicable |
| (d) Books closure date | : Not applicable |

- 12 If no dividend has 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.

There is no general mandate from shareholders for IPTs.

- 14 STATEMENT BY DIRECTORS

Pursuant to SGX Listing Rule 705(5)

To the best of the directors' knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited first quarter 2016 financial results to be false or misleading in all material aspects.

- 15 CONFIRMATION OF PROCUREMENT OF UNDERTAKINGS FROM ALL DIRECTORS AND EXECUTIVE OFFICERS

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

BY ORDER OF THE BOARD

Ms Susan Teo Geok Tin / Ms Foo Soon Soo

Company Secretaries

12 May 2016