



G. K. GOH HOLDINGS LIMITED

Financial Statements

And Related Announcement

For The Year Ended 31 December 2017

(Co. Reg. No. 199000184D)

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REVIEW OF PERFORMANCE OF THE GROUP

Results for the Fourth Quarter

The most significant event in the fourth quarter was the sale of the Group's stake in EUN Holdings LLP ("EUN") for S\$106.5 million, resulting in a S\$68.2 million boost to the net asset value of the Group. We believed that the long-term potential of EUN's extensive fibre optic assets in Europe would eventually generate excellent returns, and together with our key partners in EUN, we agreed to monetise our investment when a firm bid was received. Nevertheless, we re-invested 15% of the proceeds (S\$16.1 million) in the acquiring entity to continue to participate in the growth in data transmission in Europe.

The sale was announced on 6 November 2017 and payment was received in January 2018. As such, the transaction was reflected in the fourth quarter financial statements within the S\$56.7 million gain in fair value of available-for-sale financial assets. This figure is lower than the EUN profit because of two reasons: a S\$2.6 million diminution in the value of our investment in Eastern & Oriental Bhd, and the transfer of fair value gain of S\$9.2 million from the sale of our stake in Croesus Retail Trust ("Croesus") upon completion of its disposal.

Overall, total comprehensive income for the quarter amounted to S\$60.8 million (4Q16: S\$14.2 million), boosting the Group's net asset value ("NAV") per share to S\$1.442 (from S\$1.257 in the third quarter and S\$1.189 a year ago).

Fourth quarter Group operating revenue was 10% lower at S\$32.1 million (4Q16: S\$35.8 million), mainly because of a reduction in gains from long-term investments. Net profits were lower at S\$8.5 million (4Q16: S\$23.8 million) in the absence of last year's one-off exceptional gains from Opal Aged Care Group ("Opal"), resulting in earnings per share of 2.43 cents for the quarter (4Q16: 7.27 cents).

Corporate services provider Boardroom Limited ("Boardroom") grew its revenues by 6% to S\$20.1 million, and its net profits by 48% to S\$5.1 million, continuing the steady improvement seen over the past year.

Opal, the Australian aged care company, contributed S\$3.3 million to associate profits, lower than the S\$4.1 million of recurring profits in 4Q16 (the reported profit of S\$20.8 million in 4Q16 included S\$16.7 million from a one-off deferred tax writeback). Opal's profitability has been affected by changes in government funding which were announced in 2016, the full impact of which will be felt progressively over the next two years.

Our other associate companies in aggregate contributed S\$1.0 million to Group profits.

Investment income amounted to S\$11.2 million, of which S\$9.2 million related to the completion of the Croesus sale.

The Group's December 2017 balance sheet shows net current liabilities of S\$20.7 million. However, the Group's liquidity position was substantially strengthened with the receipt of the EUN sale proceeds in January.

Results for the Year

Group total comprehensive income for 2017 totalled S\$93.3 million (2016: S\$27.6 million). Net profits from continuing operations were S\$26.1 million (2016: S\$31.6 million). Most of the gap between the two numbers reflects the S\$68.2 million gain from the sale of EUN, which was announced in November but only completed after the year end, in January. As such, the profit was recognised as a change in the fair value of available-for-sale financial assets, as detailed in the Fourth Quarter report.

In the third and fourth quarters respectively, the Group announced the sale of its stakes in Croesus and EUN, in both cases as a result of third party bids for the companies. Profits from the sales have substantially boosted the Group's NAV to S\$1.442 per share. Inclusive of the 3 cents final dividend paid during the year, this reflects an increase of 24% from the December 2016 NAV of S\$1.189.

REVIEW OF PERFORMANCE OF THE GROUP (CONT'D)

The sales have substantially liquefied the Group's balance sheet, freeing up capital for new investments. In July, our wholly-owned subsidiary Allium Healthcare Holdings Pte Ltd ("Allium") broke ground for a modern 129-bed nursing home at Venus Drive in Singapore, with completion by January 2019. This is the first step in building out a suite of aged-care assets in Singapore. There will be an increase in employee costs in 2018 as we continue to hire staff ahead of the opening of the nursing home.

Our operating businesses performed satisfactorily in 2018. Boardroom continued to show steady improvement. Its revenues were up by 5% for the year, while profits rose by 46% to S\$10.6 million. For more details, please refer to Boardroom's separately released earnings report.

Opal continued to grow its capacity and now operates over 6,500 residential aged-care beds in Australia. Changes in government funding were announced in 2016 and the impact of the changes will continue to be felt over the next two years. Management has done a commendable job in mitigating these changes while continuing a rapid development program to increase bed capacity. Opal's 2016 profit contribution included S\$16.7 million from a deferred tax writeback, without which it would have contributed S\$17.5 million to our net profits. In 2017, Opal contributed S\$18.5 million to our net profits.

In the second and fourth quarters, Habitat Assets Pte Ltd ("Habitat") raised additional capital from third parties to grow its Australian retirement village business. The Group's stake was thereby diluted from 55% to 36%, and the returns from Habitat were reclassified accordingly as share of profit of associate company from the second quarter. For the full year, Habitat's aggregate contribution to Group profits amounted to S\$2.6 million.

Strong equity markets globally helped to increase returns from our investment portfolio to S\$23.9 million. Of this, S\$9.2 million was derived from the sale of Croesus as noted in the Fourth Quarter report above.

Dividend

The Directors propose a cash dividend of 3 cents per share for 2017, along with a special dividend of 3 cents per share.

VARIANCE BETWEEN PREVIOUS PROSPECT STATEMENT AND ACTUAL RESULTS

None

COMMENTARY ON PROSPECTS

The Group's major operating businesses are expected to continue to perform satisfactorily in 2018. Allium will report initial losses ahead of opening its first nursing home a year from now. Investment income, as always, cannot be predicted.

The profits made in 2017 from asset sales are one-off in nature, and in aggregate Group profits will likely be lower in 2018. It should be noted that under new accounting standards effective in 2018, the fair value gain on EUN will be transferred directly into revenue reserve in the balance sheet and will have no impact on accounting profits upon completion of the sale in January.

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STATEMENT OF COMPREHENSIVE INCOME

(Amounts in Singapore dollars)

(These figures have not been audited)

	Note	Group 3 months ended			Group Year ended		
		31 Dec 2017	31 Dec 2016	+ / (-)	31 Dec 2017	31 Dec 2016	+ / (-)
		\$'000	\$'000	%	\$'000	\$'000	%
CONTINUING OPERATIONS							
Revenue							
Corporate services revenue		20,116	18,896	6	71,154	67,915	5
Investment income		11,223	14,685	(24)	23,903	18,918	26
Other income		806	2,175	(63)	3,404	6,466	(47)
Total revenue		32,145	35,756	(10)	98,461	93,299	6
Cost and expenses							
Employees' compensation and related costs		(21,899)	(13,341)	64	(63,218)	(50,912)	24
Office and equipment rental costs		(1,819)	(1,649)	10	(7,110)	(6,533)	9
Depreciation and amortisation		(782)	(1,622)	(52)	(5,276)	(6,376)	(17)
Technology and information services costs		(469)	(319)	47	(1,294)	(1,258)	3
Gain / (loss) on foreign currency exchange		207	267	(22)	1,986	(876)	NM
Provision for doubtful debts		(434)	(315)	38	(856)	(898)	(5)
Other operating expenses		(2,549)	(3,772)	(32)	(9,450)	(12,874)	(27)
Total cost and expenses		(27,745)	(20,751)	34	(85,218)	(79,727)	7
Profit from operating activities		4,400	15,005	(71)	13,243	13,572	(2)
Finance costs		(983)	(1,482)	(34)	(5,153)	(5,993)	(14)
Share of profit of associates		4,334	20,308	(79)	18,792	34,426	(45)
Profit before tax from continuing operations	B	7,751	33,831	(77)	26,882	42,005	(36)
Taxation	C	789	(9,546)	NM	(831)	(10,367)	(92)
Profit from continuing operations, net of tax		8,540	24,285	(65)	26,051	31,638	(18)
DISCONTINUED OPERATIONS							
Loss from discontinued operations, net of tax		-	(480)	NM	(407)	(2,145)	(81)
Profit for the year		8,540	23,805	(64)	25,644	29,493	(13)
Other comprehensive income / (loss)							
Items that may be reclassified subsequently to profit or loss							
Net gain / (loss) on fair value changes of available-for-sale financial assets							
- fair value gain / (loss)		58,199	(649)	NM	72,911	7,633	855
- transferred to profit or loss on disposal		(1,490)	(12,930)	0	(2,987)	(13,157)	(77)
Share of other comprehensive income of associates		22	1,998	(99)	21	13	62
Net gain / (loss) on hedge of net investment		872	(299)	NM	(241)	(113)	113
Foreign currency translation		(5,342)	2,246	NM	(2,097)	3,706	NM
Other comprehensive income / (loss) for the year, net of tax		52,261	(9,634)	NM	67,607	(1,918)	NM
Total comprehensive income for the year		60,801	14,171	329	93,251	27,575	238
Profit / (loss) attributable to:							
Owners of the Company							
- Profit from continuing operations		7,933	24,230	(67)	25,224	32,126	(21)
- Loss from discontinued operations		-	(480)	NM	(407)	(2,145)	(81)
Non-controlling interests		607	55	1,004	827	(488)	NM
		8,540	23,805	(64)	25,644	29,493	(13)
Total comprehensive income / (loss) attributable to:							
Owners of the Company							
- Total comprehensive income from continuing operations		60,338	14,304	322	92,628	29,625	213
- Total comprehensive loss from discontinued operations		-	(480)	NM	(407)	(2,145)	(81)
Non-controlling interests		463	347	33	1,030	95	984
		60,801	14,171	329	93,251	27,575	238
Earnings per share (basic and diluted)							
- from continuing operations	E	2.43 cents	7.42 cents		7.72 cents	9.83 cents	
- from discontinued operations		-	(0.15) cents		(0.12) cents	(0.65) cents	
- total		2.43 cents	7.27 cents		7.60 cents	9.18 cents	

NM : Not meaningful

Financial Statements

BALANCE SHEETS

(Amounts in Singapore dollars)

(These figures have not been audited)

	Note	Group		Company	
		31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
		\$'000	\$'000	\$'000	\$'000
Non-current assets					
Property, plant and equipment		31,420	17,712	-	-
Intangible assets		96,933	110,419	-	-
Investment properties		3,727	3,727	-	-
Subsidiaries		-	-	70,203	72,802
Associates		208,482	184,073	-	-
Long-term investments		254,542	212,705	5,542	5,802
Other long-term assets		-	15,983	-	-
Deferred tax assets		7,582	5,770	-	-
Current assets					
Amounts receivable from subsidiaries		-	-	254,483	301,240
Assets of disposal group classified as held for sale		-	89,445	-	-
Trade debtors		17,859	15,469	-	-
Other debtors		6,767	15,705	436	403
Short-term investments		44,066	35,097	-	-
Cash and bank balances		29,413	36,032	572	1,263
		98,105	191,748	255,491	302,906
Current liabilities					
Liabilities of disposal group classified as held for sale		-	73,718	-	-
Amounts due to associates		-	2	-	-
Trade creditors		7,951	9,166	-	-
Other creditors		27,632	14,991	522	684
Bank borrowings	D	82,787	90,108	6,249	52,478
Provision for taxation		404	1,588	129	188
		118,774	189,573	6,900	53,350
Net current (liabilities) / assets		(20,669)	2,175	248,591	249,556
Non-current liabilities					
Bank borrowings	D	83,036	104,909	-	-
Amounts due to associates		-	4,046	-	-
Provision for employee benefits		254	352	-	-
Deferred tax liabilities		15,883	24,569	1,050	1,361
Net assets		482,844	418,688	323,286	326,799
Equity attributable to Owners of the Company					
Share capital		191,987	191,987	191,987	191,987
Revenue reserve		210,307	193,469	131,323	134,575
Transactions with non-controlling interests		(9,154)	(7,097)	-	-
Capital reserve		137	137	137	137
Cash flow hedge reserve		(774)	(795)	-	-
Fair value adjustment reserve		96,948	27,024	(161)	100
Foreign currency translation reserve		(18,767)	(16,226)	-	-
		470,684	388,499	323,286	326,799
Non-controlling interests		12,160	30,189	-	-
Total equity		482,844	418,688	323,286	326,799

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STATEMENTS OF CHANGES IN EQUITY

(Amounts in Singapore dollars)

(These figures have not been audited)

Group 2017	Attributable to Owners of the Company									Total Equity \$'000
	Share Capital	Revenue Reserve	Transactions with Non-controlling Interests	Capital Reserve	Cash Flow Hedge Reserve	Fair Value Adjustment Reserve	Foreign Currency Translation Reserve	Equity Attributable to Owners of the Company	Non- controlling Interests	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Balance at 1 January 2017	191,987	193,469	(7,097)	137	(795)	27,024	(16,226)	388,499	30,189	418,688
Profit for the year	-	24,817	-	-	-	-	-	24,817	827	25,644
Other comprehensive income / (loss)										
Net gain on fair value changes of available-for-sale financial assets	-	-	-	-	-	69,924	-	69,924	-	69,924
Share of other comprehensive income of associates	-	-	-	-	21	-	-	21	-	21
Net loss on hedge of net investment	-	-	-	-	-	-	(241)	(241)	-	(241)
Foreign currency translation	-	-	-	-	-	-	(2,300)	(2,300)	203	(2,097)
Other comprehensive income / (loss) for the year	-	-	-	-	21	69,924	(2,541)	67,404	203	67,607
Total comprehensive income / (loss) for the year	-	24,817	-	-	21	69,924	(2,541)	92,221	1,030	93,251

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STATEMENTS OF CHANGES IN EQUITY (Continued)

Group 2017	Attributable to Owners of the Company									Total Equity \$'000
	Share Capital \$'000	Revenue Reserve \$'000	Transactions with Non-controlling Interests \$'000	Capital Reserve \$'000	Cash Flow Hedge Reserve \$'000	Fair Value Adjustment Reserve \$'000	Foreign Currency Translation Reserve \$'000	Equity Attributable to Owners of the Company \$'000	Non- controlling Interests \$'000	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Contributions by and distributions to Owners										
Unclaimed dividend	-	7	-	-	-	-	-	7	-	7
Dividend on ordinary shares	-	(9,801)	-	-	-	-	-	(9,801)	-	(9,801)
Shares re-purchased	-	(215)	-	-	-	-	-	(215)	-	(215)
Total contributions by and distributions to Owners	-	(10,009)	-	-	-	-	-	(10,009)	-	(10,009)
Changes in ownership interests in subsidiaries										
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(495)	(495)
Disposal of subsidiary	-	2,030	(2,030)	-	-	-	-	-	(18,488)	(18,488)
Acquisition of non-controlling interests w ithout a change in control	-	-	(27)	-	-	-	-	(27)	(76)	(103)
Total changes in ownership interests in subsidiaries	-	2,030	(2,057)	-	-	-	-	(27)	(19,059)	(19,086)
Total transactions with Owners in their capacity as Owners	-	(7,979)	(2,057)	-	-	-	-	(10,036)	(19,059)	(29,095)
Balance at 31 December 2017	191,987	210,307	(9,154)	137	(774)	96,948	(18,767)	470,684	12,160	482,844

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STATEMENTS OF CHANGES IN EQUITY (Continued)

Group 2016	Attributable to Owners of the Company									Total Equity \$'000
	Share Capital \$'000	Revenue Reserve \$'000	Transactions with Non-controlling Interests \$'000	Capital Reserve \$'000	Cash Flow Hedge Reserve \$'000	Fair Value Adjustment Reserve \$'000	Foreign Currency Translation Reserve \$'000	Equity Attributable to Owners of the Company \$'000	Non- controlling Interests \$'000	
Balance at 1 January 2016	191,987	176,552	(6,911)	207	(808)	32,548	(19,306)	374,269	24,532	398,801
Profit / (loss) for the year	-	29,981	-	-	-	-	-	29,981	(488)	29,493
Other comprehensive income / (loss)										
Net loss on fair value changes of available-for-sale financial assets	-	-	-	-	-	(5,524)	-	(5,524)	-	(5,524)
Share of other comprehensive income of associates	-	-	-	-	13	-	-	13	-	13
Net loss on hedge of net investment	-	-	-	-	-	-	(113)	(113)	-	(113)
Foreign currency translation	-	-	-	(70)	-	-	3,193	3,123	583	3,706
Other comprehensive income / (loss) for the year	-	-	-	(70)	13	(5,524)	3,080	(2,501)	583	(1,918)
Total comprehensive income / (loss) for the year	-	29,981	-	(70)	13	(5,524)	3,080	27,480	95	27,575

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STATEMENTS OF CHANGES IN EQUITY (Continued)

Group 2016	Attributable to Owners of the Company								
	Share Capital	Revenue Reserve	Transactions with Non-controlling Interests	Capital Reserve	Cash Flow Hedge Reserve	Fair Value Adjustment Reserve	Foreign Currency Translation Reserve	Equity Attributable to Owners of the Company	Non-controlling Interests
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Contributions by and distributions to Owners									
Unclaimed dividend	-	3	-	-	-	-	-	3	-
Dividend on ordinary shares	-	(13,067)	-	-	-	-	-	(13,067)	-
Total contributions by and distributions to Owners	-	(13,064)	-	-	-	-	-	(13,064)	-
Changes in ownership interests in subsidiaries									
Issuance of shares to non-controlling interests	-	-	681	-	-	-	-	681	7,919
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(518)
Equity contribution	-	-	-	-	-	-	-	-	426
Acquisition of non-controlling interests without a change in control	-	-	(867)	-	-	-	-	(867)	(2,265)
Total changes in ownership interests in subsidiaries	-	-	(186)	-	-	-	-	(186)	5,562
Total transactions with Owners in their capacity as Owners	-	(13,064)	(186)	-	-	-	-	(13,250)	5,562
Balance at 31 December 2016	191,987	193,469	(7,097)	137	(795)	27,024	(16,226)	388,499	30,189
									418,688

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STATEMENTS OF CHANGES IN EQUITY (Continued)

Company 2017	Share Capital \$'000	Revenue Reserve \$'000	Capital Reserve \$'000	Fair Value Adjustment Reserve \$'000	Total Equity \$'000
Balance at 1 January 2017	191,987	134,575	137	100	326,799
Profit for the year	-	6,757	-	-	6,757
Other comprehensive income / (loss)					
Net loss on fair value changes of available-for-sale financial assets	-	-	-	(261)	(261)
Total comprehensive income / (loss) for the year	-	6,757	-	(261)	6,496
Contributions by and distributions to Owners					
Unclaimed dividend	-	7	-	-	7
Dividend on ordinary shares	-	(9,801)	-	-	(9,801)
Shares re-purchased	-	(215)	-	-	(215)
Total transactions with Owners in their capacity as Owners	-	(10,009)	-	-	(10,009)
Balance at 31 December 2017	191,987	131,323	137	(161)	323,286

Company 2016	Share Capital \$'000	Revenue Reserve \$'000	Capital Reserve \$'000	Fair Value Adjustment Reserve \$'000	Total Equity \$'000
Balance at 1 January 2016	191,987	136,081	137	-	328,205
Profit for the year	-	11,558	-	-	11,558
Other comprehensive income					
Net gain on fair value changes of available-for-sale financial assets	-	-	-	100	100
Total comprehensive income for the year	-	11,558	-	100	11,658
Contributions by and distributions to Owners					
Unclaimed dividend	-	3	-	-	3
Dividend on ordinary shares	-	(13,067)	-	-	(13,067)
Total transactions with Owners in their capacity as Owners	-	(13,064)	-	-	(13,064)
Balance at 31 December 2016	191,987	134,575	137	100	326,799

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CONSOLIDATED CASH FLOW STATEMENT

(Amounts in Singapore dollars)

(These figures have not been audited)

	Group	
	Year ended	
	31 Dec 2017	31 Dec 2016
	\$'000	\$'000
Cash flows from operating activities		
Profit before tax from continuing operations	26,882	42,005
Loss before tax from discontinued operations	(407)	(2,145)
Profit before tax, total	26,475	39,860
Adjustments for :-		
Depreciation and amortisation	5,283	6,463
Loss on disposal of property, plant and equipment	-	124
Gain on disposal of subsidiary	(2,817)	-
Finance costs	5,153	5,993
Interest income	(340)	(691)
Dividend income	(3,757)	(2,833)
Gain on sale of long-term investments	(13,199)	(8,270)
Provision for doubtful debts	856	898
Fair value adjustment	(875)	(6,812)
Share of profit of associates	(18,792)	(34,426)
Operating (loss) / profit before reinvestment in working capital	(2,013)	306
Increase in debtors	(3,430)	(7,100)
Increase in short-term investments	(4,946)	(16,802)
Increase / (decrease) in creditors	12,542	(9,754)
Cash flows from / (used in) operations	2,153	(33,350)
Interest paid	(5,093)	(5,845)
Interest received	330	676
Income tax paid	(1,924)	(1,899)
Net cash flows used in operating activities	(4,534)	(40,418)

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CONSOLIDATED CASH FLOW STATEMENT (Continued)

	Group	
	Year ended	
	31 Dec 2017	31 Dec 2016
	\$'000	\$'000
Cash flows from investing activities		
Purchase of property, plant and equipment	(30,311)	(1,496)
Proceeds from disposal of property, plant and equipment	-	17
Purchase of intangible assets	(1,826)	(1,913)
Purchase of long-term investments	(23,277)	(59,665)
Proceeds from sale of long-term investments	49,535	55,921
Acquisition of subsidiary, net of cash acquired	(1,921)	-
Disposal of subsidiaries, net of cash	(63,948)	-
Net dividend received from associates	18,715	16,139
Dividend income received	3,429	2,467
Net cash flows (used in) / from investing activities	(49,604)	11,470
Cash flows from financing activities		
Unclaimed dividend	7	3
Dividend paid	(9,801)	(13,067)
Shares re-purchased	(215)	-
Proceeds from issuance of shares to non-controlling interests	-	8,600
Dividend paid to non-controlling interests	(495)	(518)
Acquisition of non-controlling interests	(103)	(3,132)
(Repayment of) / proceeds from bank borrowings	(18,495)	39,060
Net cash flows (used in) / from financing activities	(29,102)	30,946
Net (decrease) / increase in cash and cash equivalents	(83,240)	1,998
Effect of exchange rate changes in opening cash and cash equivalents	(801)	81
Cash and cash equivalents at beginning of year	113,454	111,375
Cash and cash equivalents at end of year	29,413	113,454

Notes

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise the following at the end of the year:

	Group	
	Year ended	
	31 Dec 2016	31 Dec 2016
	\$'000	\$'000
Cash and bank balances: -		
Continuing operations	29,413	36,032
Discontinued operations	-	77,422
Cash and cash equivalents	29,413	113,454

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NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2017

(Amounts in Singapore dollars)

(These figures have not been audited)

A. SHARE CAPITAL

In the year ended 31 December 2017, 202,200 (2016: Nil) shares were purchased by the Company and no (2016: Nil) shares were issued. The total number of issued shares as at 31 December 2017 was 326,484,337 (2016: 326,686,537). There were no treasury shares or subsidiary holdings as at 31 December 2017 and 2016.

B. REVENUE AND EXPENSES

Profit before tax includes the following:

	Group Year ended	
	31 Dec 2017 \$'000	31 Dec 2016 \$'000
Corporate services revenue	71,154	67,915
Investment income –		
Fair value adjustment for short-term investments	4,023	(1,005)
Fair value adjustment for long-term investments	(3,148)	7,817
Gain on sale of short-term investments	2,915	312
Gain on sale of long-term investments	13,199	8,270
Dividend income	3,757	2,833
Interest income:		
- Bank deposits	318	594
- Others	22	97
Gain on disposal of subsidiary	2,817	-
Other income –		
Deferred management fee income	1,263	4,529
Rental income	854	380
Finance costs –		
Interest expense -		
Bank loans and overdrafts	(5,100)	(5,969)
Others	(53)	(24)

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS (Continued)

C. TAX

	Group Year ended	
	31 Dec 2017 \$'000	31 Dec 2016 \$'000
Current income tax		
Current year	(3,503)	(3,682)
Overprovision in respect of prior years	490	71
Deferred tax	2,182	(6,756)
	<u>(831)</u>	<u>(10,367)</u>

D. AGGREGATE AMOUNT OF GROUP'S BORROWINGS

	Secured		Unsecured	
	31 Dec 2017 \$'000	31 Dec 2016 \$'000	31 Dec 2017 \$'000	31 Dec 2016 \$'000
Amount due within one year	37,208	12,106	45,579	78,002
Amount due after one year	76,036	96,409	7,000	8,500
	<u>113,244</u>	<u>108,515</u>	<u>52,579</u>	<u>86,502</u>

Secured borrowings are secured by charges on bank accounts, shares of investee companies, land and buildings owned by the borrowing subsidiaries.

E. EARNINGS PER SHARE

Basic and diluted earnings per share ("EPS") are calculated by dividing the profit attributable to Owners of \$24,817,000 (2016: \$29,981,000) by the weighted average number of ordinary shares in issue during the period of 326,660,220 (2016: 326,686,537).

There were no outstanding share options as at 31 December 2017 and 2016.

F. NET ASSET VALUE PER SHARE

	Group		Company	
	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
Net asset value per share based on existing issued share capital as at the end of the respective period	144.17 cts	118.92 cts	99.02 cts	100.03 cts
	<u>144.17 cts</u>	<u>118.92 cts</u>	<u>99.02 cts</u>	<u>100.03 cts</u>

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS (Continued)

G. SEGMENTAL RESULTS

2017	Investment Holding \$'000	Corporate Services \$'000	Financial Services (Discontinued operation) \$'000	Adjustments and Eliminations \$'000	Consolidated \$'000
Revenue					
External revenue	26,177	72,284	313	(313)	98,461
Inter-segment revenue	8	120	3	(131)	-
Total revenue	26,185	72,404	316	(444)	98,461
Results					
Interest income	102	246	11	(19)	340
Finance costs	3,769	1,384	10	(10)	5,153
Depreciation and amortisation	635	4,641	7	(7)	5,276
Fair value adjustments	875	-	-	-	875
Share of profit of associates	18,792	-	-	-	18,792
Segment profit / (loss)	17,344	9,357	(226)	407	26,882
Assets					
Investment in associates	208,482	-	-	-	208,482
Additions to non-current assets	28,582	3,555	-	-	32,137
Segment assets	552,033	141,200	-	(24)	693,209
Unallocated assets					7,582
Total assets					700,791
Liabilities					
Segment liabilities	130,344	71,340	-	(24)	201,660
Unallocated liabilities					16,287
Total liabilities					217,947

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS (Continued)

G. SEGMENTAL RESULTS (CONTINUED)

2016	Investment Holding \$'000	Corporate Services \$'000	Financial Services (Discontinued operation) \$'000	Adjustments and Eliminations \$'000	Consolidated \$'000
Revenue					
External revenue	24,582	68,717	5,312	(5,312)	93,299
Inter-segment revenue	94	108	36	(238)	-
Total revenue	24,676	68,825	5,348	(5,550)	93,299
Results					
Interest income	536	249	130	(224)	691
Finance costs	4,388	1,605	119	(119)	5,993
Depreciation and amortisation	1,898	4,478	87	(87)	6,376
Fair value adjustments	6,812	-	-	-	6,812
Share of profit of associates	34,426	-	-	-	34,426
Segment profit / (loss)	36,238	5,833	(2,211)	2,145	42,005
Assets					
Investment in associates	184,073	-	-	-	184,073
Additions to non-current assets	287	2,988	134	-	3,409
Segment assets	514,408	136,166	89,445	(3,652)	736,367
Unallocated assets					5,770
Total assets					742,137
Liabilities					
Segment liabilities	149,706	73,880	77,358	(3,652)	297,292
Unallocated liabilities					26,157
Total liabilities					323,449

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

G. SEGMENTAL RESULTS (CONTINUED)

	Revenue from External Customers		Non-current Assets	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Singapore	52,765	45,349	66,970	38,883
Australia	28,438	30,901	51,546	78,938
Malaysia	7,095	7,038	9,557	9,583
Hong Kong	8,524	8,263	3,962	4,413
China	1,639	1,748	45	41
Total	98,461	93,299	132,080	131,858

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

H. BREAKDOWN OF SALES

	Group Year ended		+/(⁻) %
	31 Dec 2017 \$'000	31 Dec 2016 \$'000	
<u>First Half</u>			
Sales reported for first half year	45,994	36,730	25
Operating profit after tax before deducting minority interests reported for first half year	12,249	3,492	251
<u>Second Half</u>			
Sales reported for second half year	52,467	56,569	(7)
Operating profit after tax before deducting minority interests reported for second half year	13,802	28,146	(51)

I. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). Other than the adoption of the new and revised FRS which took effect from the current financial year, the accounting policies have been consistently applied by the Company and by the Group and are consistent with those used in the previous financial year. The adoption of the new and revised FRS has no impact on the financial position and financial performance of the Company.

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DIVIDENDS

	Group and Company Year ended	
	31 Dec 2017 \$'000	31 Dec 2016 \$'000
Final dividends paid, 3.0 cents per ordinary share, one-tier tax exempt (2016: 4.0 cents per ordinary share)	9,801	13,067

The Directors recommend a final dividend of 3 cents per ordinary share (one-tier tax exempt), and a special dividend of 3 cents per ordinary share (one-tier tax exempt), be paid in respect of the current financial year. The proposed final and special dividends will amount to approximately \$19,582,000.

AUDIT

These Financial Statements have not been audited or reviewed by the Auditor.

INTERESTED PERSON TRANSACTIONS

The Company does not have an Interested Person Transactions mandate.

DISCLOSURE OF PERSONS OCCUPYING MANAGERIAL POSITIONS WHO ARE RELATED TO A DIRECTOR, CEO OR SUBSTANTIAL SHAREHOLDER

Name	Age	Family relationship with any director, CEO, 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
Goh Geok Khim	85	Father of Goh Yew Lin	Executive Chairman since 1990	No change
Goh Yew Lin	58	Son of Goh Geok Khim	(1) Executive Director - Oversee the group's investments since 1990 (2) Managing Director - Overall management of the group since 2008	No change

CONFIRMATION PURSUANT TO RULE 720(1)

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

BY ORDER OF THE BOARD

Thomas Teo Liang Huat
Chief Financial Officer

26 February 2018
Singapore