



Unaudited Financial Statements for the 1st Quarter Ended 30 September 2019

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), 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.

1(a)(i) Statement of comprehensive income for the 1st quarter ended 30 September 2019

	Group		
	1 st quarter ended 30 September		
	2019	2018	+ / (-)
	USD'000	USD'000	%
		(restated)	
<u>Continuing operations</u>			
Revenue	4,086	7,984	(48.8)
Property development expense	(2,028)	(4,154)	(51.2)
Other operating expenses	(127)	(48)	nm
Changes in fair value of investment securities	(971)	(309)	nm
Changes in fair value of derivative financial instruments	389	168	nm
Employee benefits expense	(563)	(1,581)	(64.4)
Depreciation expense	(34)	(31)	9.7
Other expenses	(343)	(280)	22.5
Other losses, net (note 1(a)(ii))	(2,848)	(694)	nm
Finance costs	-	(66)	nm
Share of results of associates	(1,612)	(192)	nm
(Loss)/profit before tax from continuing operations	(4,051)	797	nm
Income tax expense	(196)	(562)	(65.1)
(Loss)/profit from continuing operations, net of tax	(4,247)	235	nm
<u>Discontinued operations</u>			
Profit from discontinued operations, net of tax	-	3,503	nm
(Loss)/profit for the period	(4,247)	3,738	nm
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Financial assets, at FVOCI:			
Changes in fair value	(212)	(477)	(55.6)
Fair value changes reclassified to accumulated profits	(115)	-	nm
Items that may be reclassified subsequently to profit or loss:			
Currency translation	(3,012)	(2,045)	47.3
Share of currency translation reserves of associate	76	(241)	nm
Other comprehensive income for the period, net of tax	(3,263)	(2,763)	18.1
Total comprehensive income for the period	(7,510)	975	nm
Profit/(loss) attributable to:			
Equity holders of the Company			
Continuing operations, net of tax	(4,247)	235	nm
Discontinued operations, net of tax	-	2,686	nm
	(4,247)	2,921	nm
Non-controlling interests			
Discontinued operations, net of tax	-	817	nm
	(4,247)	3,738	nm

nm: not meaningful

1(a)(i) Statement of comprehensive income for the 1st quarter ended 30 September 2019 (cont'd)

	Group		
	1 st quarter ended 30 September		
	2019	2018	+ / (-)
	USD'000	USD'000 (restated)	%
Total comprehensive income attributable to:			
Equity holders of the Company			
Continuing operations, net of tax	(7,510)	(1,912)	nm
Discontinued operations, net of tax	-	2,214	nm
	(7,510)	302	nm
Non-controlling interests			
Discontinued operations, net of tax	-	673	nm
	(7,510)	975	nm

1(a)(ii) Loss for the 1st quarter ended 30 September 2019 included the following items:

	Group		
	1 st quarter ended 30 September		
	2019	2018	+ / (-)
	USD'000	USD'000	%
Other income	-	3	nm
Foreign exchange loss	(2,848)	(697)	nm
Other losses, net	(2,848)	(694)	nm

nm: not meaningful

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

	Group		Company	
	30/9/2019 USD'000	30/6/2019 USD'000	30/9/2019 USD'000	30/6/2019 USD'000
Assets				
Current assets				
Development properties	12,717	15,077	-	-
Trade and other receivables	11,066	15,670	404	331
Tax recoverable	10	7	-	-
Amounts due from subsidiaries	-	-	121,669	164,083
Investment securities	16,762	16,375	15,705	16,375
Derivative financial instruments	4,054	900	450	-
Cash and cash equivalents	119,747	124,641	63,419	27,791
	<u>164,356</u>	<u>172,670</u>	<u>201,647</u>	<u>208,580</u>
Non-current assets				
Plant and equipment	591	609	591	609
Investment properties	54,270	55,455	-	-
Subsidiaries	-	-	26,657	26,657
Associates	34,302	38,350	38,513	38,513
Investment securities	20,478	21,460	1,111	586
Other receivables	2,050	-	-	-
	<u>111,691</u>	<u>115,874</u>	<u>66,872</u>	<u>66,365</u>
Total assets	<u>276,047</u>	<u>288,544</u>	<u>268,519</u>	<u>274,945</u>
Equity and liabilities				
Current liabilities				
Borrowings	30	49	30	49
Trade and other payables	13,156	18,337	6,646	9,914
Amounts due to subsidiaries	-	-	43,272	44,175
Income tax payable	556	353	-	-
Derivative financial instruments	81	-	81	-
	<u>13,823</u>	<u>18,739</u>	<u>50,029</u>	<u>54,138</u>
Non-current liabilities				
Other payables	153	157	-	-
Deferred tax liabilities	342	409	-	-
	<u>495</u>	<u>566</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>14,318</u>	<u>19,305</u>	<u>50,029</u>	<u>54,138</u>
Equity				
Share capital	150,863	150,863	150,863	150,863
Reserves	927	4,075	(2,255)	(1,996)
Accumulated profits	109,939	114,301	69,882	71,940
Total equity	<u>261,729</u>	<u>269,239</u>	<u>218,490</u>	<u>220,807</u>
Total equity and liabilities	<u>276,047</u>	<u>288,544</u>	<u>268,519</u>	<u>274,945</u>

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

	As at 30/9/2019		As at 30/6/2019	
	Secured USD'000	Unsecured USD'000	Secured USD'000	Unsecured USD'000
Amount repayable in one year or less, or on demand	30	-	49	-
Amount repayable after one year	-	-	-	-

Details of any collateral

The Group leases certain assets under finance leases, which are secured by a charge over the related leased assets.

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

	1 st quarter ended 30 September	
	2019	2018
	USD'000	USD'000 (restated)
Operating activities		
(Loss)/profit before tax from continuing operations	(4,051)	797
Profit before tax from discontinued operations	-	4,505
(Loss)/profit before tax, total	(4,051)	5,302
Adjustments for:		
Share of results of associates	1,612	192
Depreciation/amortisation expense	34	940
Dividend income	(198)	(667)
Interest income	(767)	(377)
Finance costs	-	66
Unrealised translation loss/(gain)	2,497	(19)
Gain on disposal of plant and equipment	-	(30)
Changes in fair value of investment securities	971	309
Changes in fair value of derivative financial instruments	(389)	(168)
Operating cash flows before changes in working capital	(291)	5,548
Changes in working capital:		
Decrease in development properties	2,360	2,948
Decrease in inventories	-	1,381
Increase in held-for-trading investments	(4,042)	(788)
Decrease in receivables	4,487	4,563
Decrease in payables	(5,190)	(7,682)
Cash flows (used in)/from operations	(2,676)	5,970
Interest paid	-	(66)
Interest received	890	344
Dividends received from held-for-trading investments	179	219
Income tax paid	(42)	(1,305)
Net cash flows (used in)/from operating activities	(1,649)	5,162
Investing activities		
Purchase of plant and equipment	(16)	(715)
Proceeds from disposal of plant and equipment	-	52
Proceeds from disposal of financial assets, at FVOCI	655	80
Dividends received from financial assets, at FVOCI	3	439
Dividends received from an associate	1,126	1,222
Additional investment in an associate	-	(597)
Increase in property development loan to an associate	(2,119)	-
Net cash flows (used in)/from investing activities	(351)	481
Financing activities		
Repayment of bank loan/borrowings	(18)	(69)
Net cash flows used in financing activities	(18)	(69)
Net (decrease)/increase in cash and cash equivalents	(2,018)	5,574
Effect of exchange rate changes on cash and cash equivalents	(2,876)	(828)
Cash and cash equivalents at beginning of the year	124,641	116,958
Cash and cash equivalents at end of the period	119,747	121,704

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.

Consolidated statement of changes in equity for the 1st quarter ended 30 September 2019

Group	Share capital	Currency translation reserve	FVOCI reserve	Accumulated profits	Total equity
	USD'000	USD'000	USD'000	USD'000	USD'000
Balance at 1 July 2019	150,863	(3,871)	7,946	114,301	269,239
Loss for the period	-	-	-	(4,247)	(4,247)
<u>Other comprehensive income</u>					
Financial assets, at FVOCI					
Changes in fair value	-	-	(212)	-	(212)
Fair value changes reclassified to accumulated profits	-	-	-	(115)	(115)
Currency translation	-	(3,012)	-	-	(3,012)
Share of reserves of associate	-	76	-	-	76
Other comprehensive income, net of tax	-	(2,936)	(212)	(115)	(3,263)
Total comprehensive income for the period	-	(2,936)	(212)	(4,362)	(7,510)
Balance at 30 September 2019	150,863	(6,807)	7,734	109,939	261,729

Consolidated statement of changes in equity for the 1st quarter ended 30 September 2018

Group	Attributable to equity holders of the Company							Non-controlling interests	Total equity
	Share capital	Currency translation reserve	Investment revaluation reserve	FVOCI reserve	Capital reserve	Accumulated profits	Total		
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000		
Balance at 1 July 2018 (As previously stated)	150,863	(1,485)	(280)	-	343	136,145	285,586	23,476	309,062
Adoption of SFRS(I) 1	-	(273)	-	-	-	273	-	-	-
Adoption of SFRS(I) 9	-	-	280	7,073	-	4,730	12,083	-	12,083
Adoption of SFRS(I) 1-23	-	-	-	-	-	(301)	(301)	-	(301)
Balance at 1 July 2018 (As restated)	150,863	(1,758)	-	7,073	343	140,847	297,368	23,476	320,844
Profit for the period (restated)	-	-	-	-	-	2,921	2,921	817	3,738
<u>Other comprehensive income</u>									
Financial assets, at FVOCI									
Changes in fair value	-	-	-	(477)	-	-	(477)	-	(477)
Currency translation	-	(1,901)	-	-	-	-	(1,901)	(144)	(2,045)
Share of reserves of associate	-	(241)	-	-	-	-	(241)	-	(241)
Other comprehensive income, net of tax	-	(2,142)	-	(477)	-	-	(2,619)	(144)	(2,763)
Total comprehensive income for the period	-	(2,142)	-	(477)	-	2,921	302	673	975
Balance at 30 September 2018	150,863	(3,900)	-	6,596	343	143,768	297,670	24,149	321,819

1(d)(i) Statement of changes in equity for the 1st quarter ended 30 September 2019 (cont'd)

Company	Share capital	FVOCI reserve	Accumulated profits	Total equity
	USD'000	USD'000	USD'000	USD'000
Balance at 1 July 2019	150,863	(1,996)	71,940	220,807
Loss for the period	-	-	(2,058)	(2,058)
<u>Other comprehensive income</u>				
Financial assets, at FVOCI				
Changes in fair value	-	(259)	-	(259)
Other comprehensive income, net of tax	-	(259)	-	(259)
Total comprehensive income for the period	-	(259)	(2,058)	(2,317)
Balance at 30 September 2019	<u>150,863</u>	<u>(2,255)</u>	<u>69,882</u>	<u>218,490</u>

Statement of changes in equity for the 1st quarter ended 30 September 2018

Company	Share capital	Investment revaluation reserve	FVOCI reserve	Accumulated profits	Total equity
	USD'000	USD'000	USD'000	USD'000	USD'000
Balance at 1 July 2018 (As previously stated)	150,863	(2)	-	51,898	202,759
Adoption of SFRS(I) 9	-	2	(2,906)	2,904	-
Balance at 1 July 2018 (As restated)	<u>150,863</u>	<u>-</u>	<u>(2,906)</u>	<u>54,802</u>	<u>202,759</u>
Profit for the period	-	-	-	16,742	16,742
<u>Other comprehensive income</u>					
Financial assets, at FVOCI					
Changes in fair value	-	-	(417)	-	(417)
Other comprehensive income, net of tax	-	-	(417)	-	(417)
Total comprehensive income for the period	-	-	(417)	16,742	16,325
Balance at 30 September 2018	<u>150,863</u>	<u>-</u>	<u>(3,323)</u>	<u>71,544</u>	<u>219,084</u>

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.

Not applicable.

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 September 2019	30 June 2019
Total number of issued shares, excluding treasury shares	928,272,850	928,272,850

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable.

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

The figures have neither been audited nor reviewed by the auditors.

3 Where the figures have been audited or reviewed, the auditors’ 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 Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those of the audited financial statements for the year ended 30 June 2019 except as stated in paragraph 5 below.

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 has adopted the new or revised Singapore Financial Reporting Standards International (“SFRS(I)”) and interpretations (“INT”) that are effective for annual periods beginning on or after 1 July 2019. The adoption of these SFRS(I)s and INTs 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.

	Group	
	1 st quarter ended 30 September	
	2019	2018
Earnings/(loss) per ordinary share for the period based on profit/(loss) attributable to equity holders of the Company after deducting any provision for preference dividends:	US cents	US cents (restated)
<u>Continuing operations</u>		
(i) Based on weighted average number of ordinary shares on issue	(0.46)	0.03
(ii) On a fully diluted basis	(0.46)	0.03
<u>Discontinued operations</u>		
(i) Based on weighted average number of ordinary shares on issue	-	0.29
(ii) On a fully diluted basis	-	0.29

Group basic and fully diluted earnings per ordinary share for the period ended 30 September 2019 are calculated based on the weighted average number of ordinary shares on issue during the period of 928,272,850 (2018: 928,272,850) shares respectively.

Note: Group basic earnings per share was the same as the fully diluted earnings per share as the Group did not have any potential dilutive ordinary shares outstanding as at 30 September 2019 and 2018.

7 Net asset value (for the issuer and the 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	
	30/9/2019	30/6/2019	30/9/2019	30/6/2019
	US cents	US cents	US cents	US cents
Net asset value per ordinary share based on existing issued share capital	28.20	29.00	23.54	23.79

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 ended 30 September 2019 ("1Q20") vs first quarter ended 30 September 2018 ("1Q19")

For the first quarter ended 30 September 2019, the Group achieved revenue of USD 4.09 million. The Group revenue reduced by 48.8% as compared to the same period last year mainly due to lower property sales. In 1Q20, property sales were recognised from sale of Concerto apartment units while in 1Q19, contributors included Concerto and Unison on Tenth apartment units, as well as one-off sale of land.

Loss from continuing operations of USD 4.25 million was recorded in 1Q20, as compared with a net profit after tax of USD 3.74 million in 1Q19. This was mainly due to lower profit contribution from property sales, share of associate's losses, exchange loss of USD 2.85 million from weaker Singapore dollar and Australian dollar against US dollar and fair value loss on financial investments of USD 0.58 million.

Employee benefits expense of USD 0.56 million had decreased 64.4% due to lower provision for staff cost. Other loss comprised mainly exchange loss on the back of a weaker Singapore dollar and Australian dollar against US dollar.

Other comprehensive income of USD 3.26 million comprises mainly currency translation loss, similarly as a result of a weaker Singapore dollar and Australian dollar against US dollar.

Loss per share was US cents 0.46, compared to earnings per share of US cents 0.03 in 1Q19 for continuing operations.

Share of results of associates

Share of results of associates recorded a loss of USD 1.61 million due to share of results of Pacific Star Development Limited ("PSDL"). Share of Finbar Group Limited's results was not recorded in 1Q20 as its financial results are only available for periods ended 31 December and 30 June when the related announcements are made on the Australian Stock Exchange.

Review of financial position and cash flow

As at 30 September 2019, the Group continued to be in a healthy position. Net assets attributable to equity holders of the Company decreased by 2.8% to USD 261.73 million. The decrease was mainly attributable to loss from operations and currency translation losses in 1Q20.

Cash and cash equivalents had decreased 3.9% to USD 119.75 million from the previous year end. Net cash flows used in working capital was USD 1.65 million. Net cash used in investing activities was USD 0.35 million. This was mainly attributable to a new property development loan granted to an associate, partly offset by dividends received from the associate.

Group total assets of USD 276.05 million as at 30 September 2019 had decreased by USD 12.50 million from 30 June 2019. The decrease in non-current assets of USD 4.18 million was mainly due to a decrease in investment in associates due to share of losses from PSDL, partly offset by an increase in other receivables related to the new property development loan granted to an associate. The decrease in current assets of USD 8.31 million was mainly due to reduced trade receivables as a result of lower property sales and a decrease in cash balance, partly offset by an increase in investment in derivative financial instruments.

Group total liabilities of USD 14.32 million as at 30 September 2019 had decreased by USD 4.99 million from 30 June 2019. This was mainly due to a decrease in trade and other payables from lower accrual for property development costs and staff cost.

Net asset value per share was US cents 28.20, compared to US cents 29.00 as at 30 June 2019.

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.

The Group maintains a cautious business outlook given the slowdown in global economy and the ongoing US-China trade tensions.

The directors will continue to exercise prudence when considering new investments. Save as disclosed herein, there are no known material factors or events which may affect the earnings of the Group between this date up to which the report refers and the date on which the report is issued.

11 If a decision regarding dividend has been made:-

(a) Whether an interim (final) ordinary dividend has been declared (recommended);

No

(b)(i) Amount per share

Not applicable.

(b)(ii) Previous corresponding period

Not applicable

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Not applicable.

12 If no dividend has been declared (recommended), a statement to that effect.

No dividend has been declared for the period ended 30 September 2019.

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.

Not applicable as the Group has not obtained a general mandate from shareholders for Interested Person Transactions.

14 Confirmation pursuant to Rule 705(5) of the Listing Manual

The Board of Directors of the Company hereby confirms that to the best of its knowledge, nothing has come to the attention of the Directors of the Company which may render the unaudited financial results for the first quarter ended 30 September 2019 to be false or misleading, in any material respect.

15 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 hereby 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

Valerie Tan
Company Secretary
14 November 2019