

**Unaudited Third Quarter Financial Statements  
For The Financial Period Ended 30 September 2014**

---

**Table of Contents**

---

1. Consolidated Statement of Comprehensive Income
2. Statement of Financial Position
3. Consolidated Statement of Cash Flows
4. Statement of Changes in Equity
5. Changes in Share Capital
6. Changes in Treasury Shares
7. Group Borrowings and Debt Securities
8. Auditor's Report
9. Accounting Policies
10. Earnings per Share
11. Net Asset Value per Share
12. *Variance from Forecast Statement*
13. Review of Corporate Performance
14. Business Outlook
15. Interested Person Transactions
16. Dividend
17. Negative Confirmation By The Board

## 1. Consolidated Statement of Comprehensive Income

### 1(i) Consolidated Statement of Comprehensive Income For The Financial Period Ended 30 September 2014 ("9M 2014")

|  | Group              |                    | Change<br>% |
|--|--------------------|--------------------|-------------|
|  | 9M 2014<br>S\$'000 | 9M 2013<br>S\$'000 |             |
| <b>Revenue</b>   | <b>380,196</b>     | <b>398,096</b>     | <b>-4%</b>  |
| Materials and subcontract costs                              | (253,175)          | (236,900)          | 7%          |
| Employee benefits  | (35,976)           | (40,517)           | -11%        |
| Depreciation and amortisation                                | (3,915)            | (3,931)            | -           |
| Finance costs  | (12,783)           | (8,274)            | 54%         |
| Other operating expenses                                     | (60,093)           | (51,658)           | 16%         |
| <b>Operating profit</b>                                      | <b>14,254</b>      | <b>56,816</b>      | <b>-75%</b> |
| Interest income from bank balances and affiliated company    | 2,583              | 206                | >300%       |
| Rental income  | 5,583              | 6,037              | -8%         |
| Other income   | 28,505             | 1,465              | >300%       |
| Share of results of associates                               | 3,134              | 23,416             | -87%        |
| <b>Profit before tax</b>                                     | <b>54,059</b>      | <b>87,940</b>      | <b>-39%</b> |
| Taxation   | (5,324)            | (14,129)           | -62%        |
| <b>Profit for the period</b>                                 | <b>48,735</b>      | <b>73,811</b>      | <b>-34%</b> |
| <u><b>Profit attributable to:</b></u>                        |                    |                    |             |
| Shareholders of the Company                                  | 37,654             | 58,217             | -35%        |
| Non-controlling interests                                    | 11,081             | 15,594             | -29%        |
|  | <b>48,735</b>      | <b>73,811</b>      | <b>-34%</b> |
| <b>Other comprehensive income</b>                            |                    |                    |             |
| Net fair value change of available-for-sale financial assets | (178)              | -                  | n.m         |
| Foreign exchange translation                                 | (50)               | -                  | n.m         |
| <b>Total comprehensive income for the period</b>             | <b>48,507</b>      | <b>73,811</b>      | <b>-34%</b> |
| <u><b>Total comprehensive income attributable to:</b></u>    |                    |                    |             |
| Shareholders of the Company                                  | 37,426             | 58,217             | -36%        |
| Non-controlling interests                                    | 11,081             | 15,594             | -29%        |
|  | <b>48,507</b>      | <b>73,811</b>      | <b>-34%</b> |
| <b>Earnings per ordinary share (cents)</b>                   |                    |                    |             |
| -Basic   | 2.13               | 3.54               | -40%        |
| -Diluted   | 2.13               | 3.54               | -40%        |

#### Other information :-

|   | Group              |                    | Change<br>% |
|---|--------------------|--------------------|-------------|
|   | 9M 2014<br>S\$'000 | 9M 2013<br>S\$'000 |             |
| Amortisation of intangible assets and prepaid rent    | 673                | 668                | 1%          |
| Recovery of allowance for doubtful receivables        | (46)               | -                  | n.m         |
| Depreciation of property, plant and equipment         | 3,242              | 3,263              | -1%         |
| Net foreign exchange loss/(gain)                      | 5,478              | (161)              | n.m         |
| Fair value gain on investment properties              | (30,011)           | -                  | n.m         |
| Net gain on disposal of property, plant and equipment | 9                  | -                  | n.m         |
| Manufacturing and melting loss                        | 626                | 554                | 13%         |
| Property, plant and equipment written off             | 196                | 154                | 27%         |

n.m - Not meaningful

## 1. Consolidated Statement of Comprehensive Income (Con't)

1(ii) Consolidated Statement of Comprehensive Income For The Financial Period from 1 July 2014 to 30 September 2014 ("3Q 2014")

|  | Group             |                   | Change<br>% |
|--|-------------------|-------------------|-------------|
|  | 3Q 2014<br>\$'000 | 3Q 2013<br>\$'000 |             |
| <b>Revenue</b>   | <b>131,177</b>    | <b>143,131</b>    | <b>-8%</b>  |
| Materials and subcontract costs                              | (90,666)          | (87,694)          | 3%          |
| Employee benefits  | (11,502)          | (13,502)          | -15%        |
| Depreciation and amortisation                                | (1,255)           | (1,299)           | -3%         |
| Finance costs  | (2,184)           | (3,977)           | -45%        |
| Other operating expenses                                     | (17,913)          | (17,012)          | 5%          |
| <b>Operating profit</b>                                      | <b>7,657</b>      | <b>19,647</b>     | <b>-61%</b> |
| Interest income from bank balances and affiliated company    | 1,246             | 165               | >300%       |
| Rental income  | 1,957             | 2,052             | -5%         |
| Other income   | (2,767)           | 401               | n.m         |
| Share of results of associates                               | 1,084             | 6,422             | -83%        |
| <b>Profit before tax from continuing operation</b>           | <b>9,177</b>      | <b>28,687</b>     | <b>-68%</b> |
| Taxation   | (361)             | (4,682)           | -92%        |
| <b>Profit for the period</b>                                 | <b>8,816</b>      | <b>24,005</b>     | <b>-63%</b> |
| <u><b>Profit attributable to:</b></u>                        |                   |                   |             |
| Shareholders of the Company                                  | 7,645             | 17,989            | -58%        |
| Non-controlling interests                                    | 1,171             | 6,016             | -81%        |
|  | <b>8,816</b>      | <b>24,005</b>     | <b>-63%</b> |
| <b>Other comprehensive income</b>                            |                   |                   |             |
| Net fair value change of available-for-sale financial assets | (434)             | -                 | n.m         |
| Foreign exchange translation                                 | (53)              | -                 | n.m         |
| <b>Total comprehensive income for the period</b>             | <b>8,329</b>      | <b>24,005</b>     | <b>-65%</b> |
| <u><b>Total comprehensive income attributable to:</b></u>    |                   |                   |             |
| Shareholders of the Company                                  | 7,158             | 17,989            | -60%        |
| Non-controlling interests                                    | 1,171             | 6,016             | -81%        |
|  | <b>8,329</b>      | <b>24,005</b>     | <b>-65%</b> |

n.m - Not meaningful

### NOTES:

1a. - Depreciation of fixed assets in retail outlets is computed on a straight-line basis over 3 to 5 years.

1b. - The Group recognises all inventory, including trade-in stock and sales return stock at their cost values. For finished stocks aged 2 years and above, partial provisions for stock obsolescence were made to take into consideration labour costs for designing and rework.

1c. - Employee benefits expense decreased mainly due to lower provision of directors' performance bonus for property business, partially offset by increase in number of employees for the financial service business.

1d. - The increase in finance cost for 9M 2014 was mainly due to the issuance of multicurrency medium term notes.

1e. - Higher other operating expenses in 2014 was mainly due to the increase in sales and marketing expense for the property business.

1f. - Higher other income was mainly due to fair value gain on investment properties.

1g. - The decline in share of results of associates was mainly due to lower profit from associates for the property business.

**2. Statement of Financial Position As At 30 September 2014**

|   | Group                |                      | Company              |                      |
|---|----------------------|----------------------|----------------------|----------------------|
|   | 30-Sep-14<br>S\$'000 | 31-Dec-13<br>S\$'000 | 30-Sep-14<br>S\$'000 | 31-Dec-13<br>S\$'000 |
| <b>NON-CURRENT ASSETS</b>                                 |                      |                      |                      |                      |
| Property, plant and equipment                             | 24,468               | 24,287               | 405                  | 338                  |
| Intangible assets   | 8,112                | 8,495                | 35                   | 35                   |
| Investment properties                                     | 55,974               | -                    | -                    | -                    |
| Investment in subsidiaries                                | -                    | -                    | 78,601               | 77,601               |
| Investment in associates                                  | 57,969               | 54,835               | -                    | -                    |
| Investment in joint ventures                              | 25                   | 25                   | 25                   | 25                   |
| Investment securities                                     | 13,733               | 33                   | 13,700               | -                    |
| Other receivables   | 3,594                | 5,129                | 15                   | -                    |
| Prepaid rent  | 133                  | 143                  | -                    | -                    |
| Deferred tax assets                                       | 1,892                | 1,692                | 251                  | 168                  |
|   | <b>165,900</b>       | <b>94,639</b>        | <b>93,032</b>        | <b>78,167</b>        |
| <b>CURRENT ASSETS</b>                                     |                      |                      |                      |                      |
| Inventories   | 129,754              | 117,219              | -                    | -                    |
| Development properties                                    | 854,007              | 751,921              | -                    | -                    |
| Trade and other receivables                               | 236,677              | 194,468              | 6,120                | 60                   |
| Prepaid rent  | 285                  | 379                  | -                    | -                    |
| Prepayments   | 3,567                | 13,269               | 2,791                | 1,701                |
| Due from subsidiaries (non-trade)                         | -                    | -                    | 481,920              | 368,697              |
| Due from an affiliated company (non-trade)                | 3,611                | 3,486                | -                    | -                    |
| Due from associates (non-trade)                           | -                    | 32,741               | -                    | -                    |
| Investment securities                                     | 95,957               | -                    | -                    | -                    |
| Cash and bank balances                                    | 82,901               | 67,461               | 1,716                | 2,027                |
|   | <b>1,406,759</b>     | <b>1,180,944</b>     | <b>492,547</b>       | <b>372,485</b>       |
| <b>TOTAL ASSETS</b>                                       | <b>1,572,659</b>     | <b>1,275,583</b>     | <b>585,579</b>       | <b>450,652</b>       |
| <b>CURRENT LIABILITIES</b>                                |                      |                      |                      |                      |
| Trade and other payables                                  | 57,384               | 80,168               | 8,525                | 6,998                |
| Due to subsidiaries (non-trade)                           | -                    | -                    | 78                   | 78                   |
| Due to an affiliated company (non-trade)                  | -                    | 1,310                | -                    | -                    |
| Due to associates (non-trade)                             | 34,720               | -                    | -                    | -                    |
| Provision for taxation                                    | 24,757               | 3,358                | 27                   | 38                   |
| Term notes  | 85,000               | 65,000               | 85,000               | 65,000               |
| Interest-bearing loans and borrowings                     | 265,408              | 173,312              | -                    | -                    |
|   | <b>467,269</b>       | <b>323,148</b>       | <b>93,630</b>        | <b>72,114</b>        |
| <b>Net current assets</b>                                 | <b>939,490</b>       | <b>857,796</b>       | <b>398,917</b>       | <b>300,371</b>       |
| <b>NON-CURRENT LIABILITIES</b>                            |                      |                      |                      |                      |
| Interest bearing loans and borrowings                     | 415,662              | 415,315              | -                    | -                    |
| Term notes  | 310,000              | 185,125              | 310,000              | 185,125              |
| Other payables  | 4,475                | -                    | -                    | -                    |
| Deferred tax liabilities                                  | 6,642                | 21,714               | -                    | -                    |
|   | <b>736,779</b>       | <b>622,154</b>       | <b>310,000</b>       | <b>185,125</b>       |
| <b>TOTAL LIABILITIES</b>                                  | <b>1,204,048</b>     | <b>945,302</b>       | <b>403,630</b>       | <b>257,239</b>       |
| <b>Net assets</b>   | <b>368,611</b>       | <b>330,281</b>       | <b>181,949</b>       | <b>193,413</b>       |
| <b>EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY</b> |                      |                      |                      |                      |
| Share capital   | 202,179              | 152,611              | 202,179              | 152,611              |
| Treasury shares   | (2,473)              | (460)                | (2,473)              | (460)                |
| Other reserves  | 5,053                | 4,761                | 1,361                | 842                  |
| Revenue reserves  | 120,283              | 135,597              | (19,118)             | 40,420               |
|   | <b>325,042</b>       | <b>292,509</b>       | <b>181,949</b>       | <b>193,413</b>       |
| Non-controlling interests                                 | 43,569               | 37,772               | -                    | -                    |
| <b>Total equity</b>                                       | <b>368,611</b>       | <b>330,281</b>       | <b>181,949</b>       | <b>193,413</b>       |
| <b>Net asset value per ordinary share (in cents)</b>      | <b>17.54</b>         | <b>17.35</b>         | <b>9.82</b>          | <b>11.47</b>         |

## **2. Statement of Financial Position As At 30 September 2014 (Con't)**

### **2a. - Review of Financial Position**

Group shareholders' funds increased from S\$330.3 million as at 31 December 2013 to S\$368.6 million as at 30 September 2014. The increase in share capital was due to ordinary shares issued under the scrip dividend scheme.

The Group's total assets of S\$1,572.7 million as at 30 September 2014 was S\$297.1 million higher than that as at 31 December 2013 mainly due to the increase in development properties, investment securities, investment properties, trade and other receivables and cash and bank balances, partially offset by the decline in amount due from associates. The increase in development properties was mainly due to purchase of land for development in Australia. The investment securities as at 30 September 2014 were mainly from the Group's investments in bonds. The increase in investment properties was mainly due to reclassification of 8 units of retail units at East Village from development properties to investment properties. The increase in trade and other receivables was mainly due to trade receivables from East Village and Cardiff Residence which had obtained Temporary Occupation Permit ("TOP") this year.

The Group's total liabilities of S\$1,204.0 million as at 30 September 2014 were S\$258.7 million higher than that as at 31 December 2013. The increase was due to the issuance of multicurrency medium term notes, increase in interest-bearing loans and borrowings, amount due to associates and provision for taxation. The increase was partially offset by decline in trade and other payables, deferred tax liabilities and amount due to affiliated company.

**3. Consolidated Statement of Cash Flows For The Financial Period Ended 30 September 2014**

|  | 3Q 2014<br>S\$'000 | 3Q 2013<br>S\$'000 | 9M 2014<br>S\$'000 | 9M 2013<br>S\$'000 |
|--|--------------------|--------------------|--------------------|--------------------|
| <b>OPERATING ACTIVITIES</b>  |                    |                    |                    |                    |
| Profit before taxation   | 9,177              | 28,687             | 54,059             | 87,940             |
| Adjustments for:   |                    |                    |                    |                    |
| Property, plant and equipment written off                                    | 91                 | 135                | 196                | 154                |
| Depreciation of property, plant and equipment                                | 1,026              | 1,062              | 3,242              | 3,263              |
| Changes in fair value of available-for-sale investment                       | 178                | -                  | 178                | -                  |
| Employee Share Award Scheme expenses   | 109                | 78                 | 109                | 78                 |
| Recovery of allowance for doubtful receivables                               | -                  | -                  | (46)               | -                  |
| Interest expense   | 2,184              | 3,977              | 12,783             | 8,274              |
| Interest income  | (1,245)            | (165)              | (2,583)            | (206)              |
| Amortisation of prepaid rent   | 100                | 95                 | 290                | 285                |
| Amortisation of intangible assets  | 128                | 139                | 383                | 383                |
| Fair value gain on investment properties                                     | (4,927)            | -                  | (30,011)           | -                  |
| Gain on disposal of property, plant and equipment                            | 12                 | -                  | 9                  | -                  |
| Share of results of associates   | (1,083)            | (6,422)            | (3,134)            | (23,416)           |
| <b>Operating profit before changes in working capital</b>                    | <b>5,750</b>       | <b>27,586</b>      | <b>35,475</b>      | <b>76,755</b>      |
| (Increase)/decrease in:  |                    |                    |                    |                    |
| Inventories  | (2,544)            | (5,391)            | (12,535)           | (9,054)            |
| Development properties   | (70,264)           | (163,594)          | (128,049)          | (226,292)          |
| Properties held for sale   | -                  | -                  | -                  | 6,382              |
| Trade and other receivables  | 4,057              | (3,578)            | (40,628)           | (16,808)           |
| Prepayments  | 42                 | (586)              | 9,577              | (615)              |
| Increase/(decrease) in:  |                    |                    |                    |                    |
| Trade and other payables   | (4,562)            | (17,362)           | (18,560)           | (33,576)           |
| <b>Net cash used in operations</b>   | <b>(67,521)</b>    | <b>(162,925)</b>   | <b>(154,720)</b>   | <b>(203,208)</b>   |
| Interest paid  | (2,184)            | (3,977)            | (12,783)           | (8,274)            |
| Income taxes (refund)/paid   | (545)              | (5,154)            | 1,345              | (12,287)           |
| <b>Net cash used in operating activities</b>                                 | <b>(70,250)</b>    | <b>(172,056)</b>   | <b>(166,158)</b>   | <b>(223,769)</b>   |
| <b>INVESTING ACTIVITIES</b>  |                    |                    |                    |                    |
| Purchase of property, plant and equipment                                    | (1,453)            | (7,658)            | (3,686)            | (9,818)            |
| Proceeds from sale of property, plant and equipment                          | 58                 | -                  | 58                 | -                  |
| Investment in associates   | -                  | -                  | -                  | 147                |
| Increase in prepaid rent   | (150)              | -                  | (186)              | -                  |
| Interest received  | 1,245              | 165                | 2,583              | 206                |
| Purchase of investment securities  | (16,365)           | -                  | (109,834)          | -                  |
| Due from/(to) associates (non-trade), net                                    | 68,520             | (1,500)            | 67,461             | (14,418)           |
| <b>Net cash generated from/(used in) investing activities</b>                | <b>51,855</b>      | <b>(8,993)</b>     | <b>(43,604)</b>    | <b>(23,883)</b>    |
| <b>FINANCING ACTIVITIES</b>  |                    |                    |                    |                    |
| Dividends paid to shareholders of the Company                                | (18,185)           | -                  | (52,968)           | (11,223)           |
| Dividends paid to non-controlling interests of subsidiaries                  | (8,000)            | -                  | (8,222)            | -                  |
| Proceeds from issuance of shares by the Company:                             |                    |                    |                    |                    |
| -Scrip dividend  | 16,458             | -                  | 49,568             | 10,601             |
| -Rights issue  | -                  | -                  | -                  | 23,725             |
| Expenses in relation to rights issue   | -                  | (29)               | -                  | (29)               |
| Proceeds from issuance of shares by subsidiary to a non-controlling interest | 2,938              | -                  | 2,938              | -                  |
| Purchase of treasury shares  | (2,122)            | -                  | (2,122)            | -                  |
| Proceeds from term notes   | 45,000             | 75,000             | 210,000            | 75,000             |
| Proceeds from term loans   | 25,325             | 149,800            | 130,231            | 221,794            |
| Repayment of term loans  | (85,297)           | (23,956)           | (174,094)          | (66,777)           |
| Proceeds from/(repayment) of short term bank borrowings, net                 | 51,637             | (38,950)           | 71,317             | (1,677)            |
| Repayment of finance lease obligations                                       | -                  | (14)               | (11)               | (41)               |
| Due (from) affiliated company (non-trade), net                               | (1,309)            | (56)               | (1,435)            | (55)               |
| <b>Net cash generated from financing activities</b>                          | <b>26,445</b>      | <b>161,795</b>     | <b>225,202</b>     | <b>251,318</b>     |
| Net increase/(decrease) in cash and cash equivalents                         | 8,050              | (19,254)           | 15,440             | 3,666              |
| Cash and cash equivalents at beginning of period                             | 74,851             | 69,675             | 67,461             | 46,755             |
| <b>Cash and cash equivalents at end of period</b>                            | <b>82,901</b>      | <b>50,421</b>      | <b>82,901</b>      | <b>50,421</b>      |

### 3. Consolidated Statement of Cash Flows (Con't)

#### Cash and cash equivalents

Cash and cash equivalents included in the consolidated cash flow statements comprise the following amounts:-

|  | 9M 2014<br>S\$'000 | 9M 2013<br>S\$'000 |
|--|--------------------|--------------------|
| Amounts held under the "Project Account (Amendment) Rules - 1997" withdrawals of which are restricted to payments for expenditure incurred on projects | 26,700             | 35,047             |
| Cash at bank   | 56,201             | 15,384             |
| Bank overdrafts  | -                  | (10)               |
| <b>Cash and cash equivalents</b>   | <b>82,901</b>      | <b>50,421</b>      |

#### 3a. - Cashflow Analysis

##### 3Q 2014

Net cash used in operating activities for 3Q 2014 was S\$70.3 million compared to S\$172.1 million for the corresponding quarter in the previous year. The increase in development properties was mainly due to acquisition of land in Australia for development.

Net cash generated from investing activities of S\$51.9 million in 3Q 2014 was mainly due to payment made by associates of property business, partially offset by increase of investment in bonds.

Net cash generated from financing activities was S\$26.4 million compared to S\$161.8 million in 3Q 2013. This was mainly due to the issuance of term notes, increase in short term borrowings and issuance of ordinary shares under the Company's scrip dividend scheme, partially offset by repayment of term loans, dividends paid to shareholders of the Company and non-controlling interests of subsidiaries.

##### 9M 2014

Net cash used in operating activities for 9M 2014 was S\$166.2 million compared to S\$223.8 million for the corresponding 9M in the previous year. The increase in development properties was mainly due to acquisition of land for development in Australia. The increase in trade and other receivables was mainly due to trade receivables from East Village and Cardiff Residence which had obtained TOP in 2014.

Net cash used in investing activities of S\$43.6 million in 9M 2014 was mainly due to investment in bonds, partially offset by repayment of loan by an associate of property business.

Net cash generated from financing activities was S\$225.2 million compared to S\$251.3 million in 9M 2013. This was mainly due to the issuance of term notes, increase in short term borrowings and issuance of ordinary shares under the Company's scrip dividend scheme, partially offset by dividends paid to shareholders of the Company and non-controlling interests of subsidiaries.

As a result, free cash flow increased to S\$82.9 million as at 30 September 2014 from S\$50.4 million as at 30 September 2013.

#### 4. Statement of Changes in Equity For The Financial Period Ended 30 September 2014

|   | Attributable to shareholders of the Company |                 |                  |                | Non-controlling interests | Total          |
|---|---|-----------------|------------------|----------------|---------------------------|----------------|
|   | Share capital                               | Treasury shares | Revenue reserves | Other reserves |                           |                |
|   | S\$'000                                     | S\$'000         | S\$'000          | S\$'000        | S\$'000                   | S\$'000        |
| <b>Group</b>  |   |                 |                  |                |                           |                |
| Balance as at 1 January 2014                              | 152,611                                     | (460)           | 135,597          | 4,761          | 37,772                    | 330,281        |
| Profit for the period                                     | -   | -               | 37,654           | -              | 11,081                    | 48,735         |
| Other comprehensive income for the period                 | -   | -               | -                | (227)          | -                         | (227)          |
| Dividends on ordinary shares                              | -   | -               | (52,968)         | -              | (8,222)                   | (61,190)       |
| Ordinary shares issued under scrip dividend               | 49,568                                      | -               | -                | -              | -                         | 49,568         |
| Treasury shares reissued pursuant to employee share award | -   | 109             | -                | 519            | -                         | 628            |
| Purchase of treasury shares                               | -   | (2,122)         | -                | -              | -                         | (2,122)        |
| Acquisition of non-controlling interests in a subsidiary  | -   | -               | -                | -              | 2,938                     | 2,938          |
| <b>Balance as at 30 September 2014</b>                    | <b>202,179</b>                              | <b>(2,473)</b>  | <b>120,283</b>   | <b>5,053</b>   | <b>43,569</b>             | <b>368,611</b> |
| <b>Balance as at 1 January 2013</b>                       | <b>76,801</b>                               | <b>(538)</b>    | <b>122,662</b>   | <b>4,419</b>   | <b>28,359</b>             | <b>231,703</b> |
| Total comprehensive income for the period                 | -   | -               | 58,217           | -              | 15,594                    | 73,811         |
| Dividends on ordinary shares                              | -   | -               | (29,320)         | -              | (3,509)                   | (32,829)       |
| Ordinary shares issued under rights issue                 | 23,697                                      | -               | -                | -              | -                         | 23,697         |
| Ordinary shares issued under scrip dividend               | 32,205                                      | -               | -                | -              | -                         | 32,205         |
| Employee share award expenses                             | -   | 78              | -                | 342            | -                         | 420            |
| <b>Balance as at 30 September 2013</b>                    | <b>132,703</b>                              | <b>(460)</b>    | <b>151,559</b>   | <b>4,761</b>   | <b>40,444</b>             | <b>329,007</b> |
| <b>Company</b>  |   |                 |                  |                |                           |                |
| Balance as at 1 January 2014                              | 152,611                                     | (460)           | 40,420           | 842            | -                         | 193,413        |
| Total comprehensive income for the period                 | -   | -               | (6,570)          | -              | -                         | (6,570)        |
| Total other comprehensive income for the period           | -   | -               | -                | -              | -                         | -              |
| Dividends on ordinary shares                              | -   | -               | (52,968)         | -              | -                         | (52,968)       |
| Ordinary shares issued under rights issue                 | -   | -               | -                | -              | -                         | -              |
| Ordinary shares issued under scrip dividend               | 49,568                                      | -               | -                | -              | -                         | 49,568         |
| Treasury shares reissued pursuant to employee share award | -   | 109             | -                | 519            | -                         | 628            |
| Purchase of treasury shares                               | -   | (2,122)         | -                | -              | -                         | (2,122)        |
| <b>Balance as at 30 September 2014</b>                    | <b>202,179</b>                              | <b>(2,473)</b>  | <b>(19,118)</b>  | <b>1,361</b>   | <b>-</b>                  | <b>181,949</b> |
| <b>Balance as at 1 January 2013</b>                       | <b>76,801</b>                               | <b>(538)</b>    | <b>27,602</b>    | <b>500</b>     | <b>-</b>                  | <b>104,365</b> |
| Total comprehensive income for the period                 | -   | -               | 25,267           | -              | -                         | 25,267         |
| Ordinary shares issued under rights issue                 | 23,697                                      | -               | -                | -              | -                         | 23,697         |
| Ordinary shares issued under scrip dividend               | 32,205                                      | -               | -                | -              | -                         | 32,205         |
| Employee share award expenses                             | -   | 78              | -                | 342            | -                         | 420            |
| Dividends on ordinary shares                              | -   | -               | (29,321)         | -              | -                         | (29,321)       |
| <b>Balance as at 30 September 2013</b>                    | <b>132,703</b>                              | <b>(460)</b>    | <b>23,548</b>    | <b>842</b>     | <b>-</b>                  | <b>156,633</b> |

#### 5. Changes in Share Capital

| No. of shares   | Company          |                  |
|---|------------------|------------------|
|   | 2014<br>'000     | 2013<br>'000     |
| <b>Issued and fully paid share capital</b>                      |                  |                  |
| <b>Balance at 1 January</b>                                     | 1,745,099        | 1,546,065        |
| Ordinary shares issued under Scrip Dividend Scheme (Note 1) (#) | 117,563          | 136,383          |
| Ordinary shares issued under Rights Issue                       | -                | 62,651           |
| <b>Balance at 30 September /31 December</b>                     | <b>1,862,662</b> | <b>1,745,099</b> |

Note 1 - On 26 June 2014, the Company issued 77,905,132 new shares at an issue price of S\$0.425 to eligible Shareholders who have elected to participate in Company's scrip dividend scheme.

# Included 39,657,890 shares which were issued on 13 October 2014 under the Company's scrip dividend scheme.

## 6. Changes in Treasury Shares

There were \$1,411,000 (30 September 2013: 1,013,000) treasury shares transferred to employees under the Aspial Share Award Scheme during the financial period.

| No. of shares                       | Company      |              |
|-------------------------------------|--------------|--------------|
|                                     | 2014<br>'000 | 2013<br>'000 |
| Balance at 1 January                | 5,950        | 6,963        |
| Distributed as staff benefits       | (1,411)      | (1,013)      |
| Share buyback through open market   | 5,044        | -            |
| Balance at 30 September/31 December | 9,583        | 5,950        |

## 7. Group Borrowings and Debt Securities

Amount repayable in one year or less, or on demand

| As at 30-Sep-14    |                      | As at 31-Dec-13    |                      |
|--------------------|----------------------|--------------------|----------------------|
| Secured<br>S\$'000 | Unsecured<br>S\$'000 | Secured<br>S\$'000 | Unsecured<br>S\$'000 |
| 265,408            | 85,000               | 173,312            | 65,000               |

Amount repayable after one year

| As at 30-Sep-14    |                      | As at 31-Dec-13    |                      |
|--------------------|----------------------|--------------------|----------------------|
| Secured<br>S\$'000 | Unsecured<br>S\$'000 | Secured<br>S\$'000 | Unsecured<br>S\$'000 |
| 415,662            | 310,000              | 415,315            | 185,125              |

### Details of collateral

The Group's borrowings and debt securities are secured as follows:-

- i) legal mortgages over subsidiaries' development properties;
- ii) legal assignment of subsidiaries' interest under the Sale and Purchase agreements and tenancy agreements in respect of development properties or units;
- iii) legal assignment of subsidiaries' interest in the Project Account and Rental Account;
- iv) corporate guarantee by the Company;
- v) fixed and floating charge on all current assets of certain subsidiaries.

## 8. Auditor's Report

The figures have not been audited nor reviewed by the auditors.

## 9. Accounting Policies

The Group has applied the same accounting policies and methods of computation in the first quarter announcement for the current financial period as those of the audited financial statements for the year ended 31 December 2013, as well as all applicable Financial Reporting Standards ("FRS") which became effective for financial years beginning on or after 1 January 2014. The adoption of these new and revised FRSs has no material effect on the financial performance or financial position of the Group and the Company for the current financial period.

## 10. Earning Per Share

|   | Group              |                    |                    |                    |
|---|--------------------|--------------------|--------------------|--------------------|
|   | 3Q                 | 3Q                 | 9M                 | 9M                 |
|   | 30-Sep-14<br>cents | 30-Sep-13<br>cents | 30-Sep-14<br>cents | 30-Sep-13<br>cents |
| i) Basic earnings per share   |                    |                    |                    |                    |
| ii) Diluted earnings per share  | 0.42               | 1.06               | 2.13               | 3.54               |
| -Weighted average number of shares (excluding treasury shares) ('000) | 0.42               | 1.06               | 2.13               | 3.54               |
|   | 1,816,924          | 1,684,104          | 1,766,786          | 1,645,336          |

## 11. Net Asset Value Per Share

|   | Group     |           | Company   |           |
|---|-----------|-----------|-----------|-----------|
|   | 30-Sep-14 | 31-Dec-13 | 30-Sep-14 | 31-Dec-13 |
| Net asset value per ordinary share (in cents)                         | 17.54     | 17.35     | 9.82      | 11.47     |
| Number of ordinary shares in issue (excluding treasury shares) ('000) | 1,853,079 | 1,686,062 | 1,853,079 | 1,686,062 |

## 12. Variance from Forecast Statement

No forecast for the period ended 30 September 2014 was previously provided.

## 13. Review of Corporate Performance

Group revenue for the nine months ended 30 September 2014 was S\$380.2 million compared with S\$398.1 million for the corresponding period in 2013, due mainly to lower revenue from the Jewellery Business and the Property Business. For 3Q 2014, Group revenue decreased by S\$12.0 million or 8.4% to S\$131.2 million.

For 9M 2014, revenue contribution from the Property Business decreased by S\$7.0 million from S\$198.0 million to S\$191.0 million. The lower revenue was primarily due to lesser progress sales recognition from its current projects as compared to previous projects in 9M 2013.

Revenue from Jewellery Business in 9M 2014 declined 10.1% from S\$122.3 million to S\$110.0 million due to lower gold jewellery sales. Sales for gem-set jewellery were generally stable despite the weaker retail sentiment in Singapore and lesser number of stores in 9M 2014.

The Financial Service Business recorded a marginal drop in revenue in 9M 2014 due mainly to lower revenue from the retail and trading of pre-owned jewellery and watches. Revenue decreased by S\$1.6 million to S\$83.5 million.

The increase in operating expense was mainly due to higher sales and marketing expenses for the Property Business as the Group launched a number of projects in 9M 2014.

At the pre-tax level, Group profit of S\$54.1 million for 9M 2014 was 38.5% below that of the same period in 2013.

The Property Business registered a pre-tax profit of S\$57.7 million, 35.7% lower than the corresponding period in 2013. The lower pre-tax profit was due to higher sales and marketing expenses for the new project launches in 9M 2014, exchange loss due to unfavorable exchange rate of Singapore dollar against Australian dollar and lower profits of associated companies offset by fair value gain on investment properties.

Despite the challenging environment posed by weaker retail sales and rising store operating costs such as rental and staff costs, the Jewellery Business pre-tax profit was up by S\$0.9 million or 75.0% over that of the previous corresponding period.

The Financial Service Business recorded pre-tax profit of S\$1.0 million in 9M 2014 as compared to S\$2.0 million in 9M 2013. The lower pre-tax profit was due to higher operating expenses such as rental and staff costs as the Group opened more new stores in 9M 2014.

For 3Q 2014, the Group registered a pre-tax profit of S\$9.2 million as compared to S\$28.7 million in 3Q 2013. The decline in profit was due to foreign exchange loss for overseas property investment, lower revenue contribution from the Property Business, higher sales and marketing expenses for new property launches in Singapore and higher interest expense.

## 14. Business Outlook

### Property Business

According to the real estate statistics released by URA, prices of private residential properties continued to drop in 3Q 2014. It recorded the fourth straight quarter of price decline in 3Q 2014 with a further 0.7% decrease in private home prices.

Despite the challenging private residential market in Singapore due to slower sales and declining prices, the Group continued to record encouraging sales for all its projects. To date, the Group has achieved 100% sales for all its residential units in Urban Vista and Kensington Village which were launched in 2013 and The Hillford which was launched in January 2014. The Group has also recorded encouraging sales for its Waterfront@Faber and Citygate projects launched in the last 6 months.

## 14. Business Outlook (continue)

### Property Business (continue)

The table below provides an overview of the ongoing projects of the Group:

| Project            | Type        | Total Units | Launch Date | Units Launched | % Sold based on units launched |
|--------------------|-------------|-------------|-------------|----------------|--------------------------------|
| 8 Bassein          | Residential | 74          | 2Q 2012     | 74             | 100%                           |
| Urban Vista*       | Residential | 582         | 1Q 2013     | 582            | 100%                           |
| Kensington Square* | Retail      | 57          | 3Q 2013     | 57             | 58%                            |
| Kensington Square* | Residential | 141         | 3Q 2013     | 141            | 100%                           |
| The Hillford       | Commercial  | 20          | 1Q 2014     | 20             | 80%                            |
| The Hillford       | Residential | 281         | 3Q 2014     | 281            | 100%                           |
| Waterfront@Faber   | Residential | 210         | 3Q 2014     | 175            | 55%                            |
| CityGate*          | Residential | 311         | 3Q 2014     | 167            | 69%                            |
| CityGate*          | Commercial  | 188         | 3Q 2014     | 155            | 50%                            |

\*Parc Rosewood, Urban Vista and Citgate are jointly developed with Fragrance Group Limited. Parc Rosewood is 40% owned while Urban Vista and CityGate are 50% owned by a subsidiary of the Group.

The Group has commenced construction works for all the projects launched to date except Citygate and will be booking revenue and profit for the units sold progressively in accordance with the stage of completion from FY2014 to FY2016.

In the next twelve months, the Group will focus on the planning and launching of the following projects:

| Project/Tenure              | Proposed Development     | Location/ Country    | Land Area (Sq ft) | Potential GFA (Sq ft) | Group's Interest |
|-----------------------------|--------------------------|----------------------|-------------------|-----------------------|------------------|
| King Street (Freehold)      | Residential & Commercial | Melbourne, Australia | 23,737            | 300,000               | 100%             |
| A'Beckett Street (Freehold) | Residential & Commercial | Melbourne, Australia | 13,934            | 420,000               | 100%             |
| Albert Street (Freehold)    | Residential & Commercial | Brisbane , Australia | 21,595            | 950,000               | 65%              |
| 240 Margaret St (Freehold)  | Residential & Commercial | Brisbane , Australia | 18,453            | 810,000               | 100%             |
| Central Park (Freehold)     | Residential & Commercial | Cairns, Australia    | 259,413           | 1,200,000             | 100%             |

At current market prices, the Group expects to make **substantial** profits from its development projects, both locally and in Australia, due to the healthy margins for most of these projects.

The Property Business is expected to continue to contribute significantly to the Group's revenue and profitability due to the following reasons:-

First, based on the units sold in its property projects as at the date of this announcement, the Group has locked in total revenue of more than S\$600 million which will be progressively recognised in accordance with the stage of construction.

Second, at current market prices, the potential sales revenue from local and overseas projects is estimated to be in excess of S\$3 billion.

### Jewellery Business

According to the data provided by the Department of Statistics Singapore, retail sales for watches and jewellery were generally weaker in 9M 2014 as compared to 9M 2013.

Despite the weaker retail sales in Singapore, the Group will continue its efforts to improve operational and rental efficiency and to achieve higher sales by constantly reviewing and consolidating its retail network.

### Financial Service Business

Despite the challenging business environment as a result of fluctuations in gold price, the Group is cautiously optimistic about the prospects of the pawnbroking industry in Singapore.

The Group will continue to capitalize on its largest retail network and pledge book to capture more market share. The Group's branding effort coupled with its modern, professional and innovative business approaches are expected to continue to drive its growth in 2014.

### The Group

Barring unforeseen circumstances, the Group expects to remain profitable in 2014.

## 15. Interested Person Transactions

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920(1)(a)(ii).

| Name of interested person | Aggregate value of all Interested Person Transactions during the year under Review (excluding Transactions less than \$100,000 and Transactions Conducted under Shareholders' Mandate Pursuant to Rule 920 of SGX-ST Listing Manual) |                      |
|---------------------------|--|----------------------|
|                           | 30-Sep-14<br>S\$'000   | 30-Sep-13<br>S\$'000 |
| 8G Investment Pte Ltd     |  |                      |
| -Rental                   | 279  | 279                  |
| -Sale of property         | 1,551  | -                    |

## 16. Dividend

(i) Any dividend declared for the current financial period reported on?

No

(ii) Any dividend declared for the preceding financial period?

No

## 17. Negative Confirmation By The Board

On behalf of the Board of Directors of the Company, we hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the nine months ended 30 September 2014 to be false or misleading in any material respect.

On behalf of the Board of Directors,

Koh Wee Seng  
CEO

Ko Lee Meng  
Director

06-Nov-14