

Unaudited Financial Statement for the Period Ended 31 Mar 2015

PART I - Information required for announcements of quarterly (Q1, Q2 & Q3), half year and full year results

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

1(a)(i) Consolidated Income Statement for the Period Ended 31 Mar 2015:

	Note	Period Ended 31 Mar		
		2015 S\$'000	2014 S\$'000	% Change
Revenue				
Hotel operations and management	1	31,335	35,581	-12%
Rental income from investment properties		2,432	2,564	-5%
Total revenue		33,767	38,145	-11%
Other income		76	23	230%
		33,843	38,168	-11%
Costs and expenses				
Staff costs	2	(11,538)	(12,022)	-4%
Depreciation and amortisation		(2,942)	(4,464)	-34%
Hotel operating expenses		(14,282)	(14,122)	1%
Total costs and expenses		(28,762)	(30,608)	-6%
Profit from operating activities before fair value gain		5,081	7,560	-33%
Gain on disposal of property held for sale	3	5,748	1,048	448%
Gain on disposal of subsidiary		70,637	-	-100%
Profit from operating activities		81,466	8,608	846%
Interest expense		(611)	(684)	-11%
Interest income		1,457	875	67%
Foreign exchange (loss)/ gain	4	(1,533)	2,822	-154%
Share of results of associates		(9)	(10)	-10%
Profit before tax		80,770	11,611	596%
Income tax expense		(4,145)	(1,745)	138%
Net profit attributable to owners of the parent		76,625	9,866	677%

1 (a)(ii) Notes to the Income Statement

- Note 1 Hotel revenue decreased in 2015 due to the lower contribution resulting from the disposal of Hotel Grand Chancellors Little India and Auckland Airport . Hotel revenue also decreased in 2015 due to the impact of lower average rates for New Zealand and Australia dollars.
- Note 2 Depreciation for 2015 reduced compared to last year mainly due to lower depreciation from the Little India and Auckland Airport hotels as they have been disposed.
- Note 3 The gain on disposal of property held for sale in 2015 relates to the disposal of Hotel Grand Chancellor Auckland Airport. The 2014 gain relates to the disposal of the Penang hotel.
- Note 4 The unrealized foreign exchange loss for the period ended 31 Mar 2015 was mainly due to the translation of Australian and New Zealand dollar fixed deposits at lower exchange rates vis a vis the Singapore dollar between 31 Mar 2015 and 31 Dec 2014 .

1 (a)(iii) Consolidated Statement of Comprehensive Income for the Period Ended 31 Mar 2015

	Period Ended 31 Mar		
	2015 S\$'000	2014 S\$'000	% Change
Profit net of tax	76,625	9,866	677%
Items that may be reclassified subsequently to profit or loss			
Net fair value changes on available for sale quoted investments	46	(164)	n/m
Foreign currency translation	(10,951)	14,012	n/m
	(10,905)	13,848	n/m
Other comprehensive income, net of tax	(10,905)	13,848	n/m
Total comprehensive income	65,720	23,714	177%
Total comprehensive income attributable to:			
Owners of the parent	65,720	23,714	n/m
	65,720	23,714	177%

n/m = Not meaningful

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

Statements of Financial Position as at 31 Mar 2015

	Note	Group		Company	
		31-Mar-15 S\$'000	31-Dec-14 S\$'000	31-Mar-15 S\$'000	31-Dec-14 S\$'000
Non-current assets					
Property, plant and equipment		658,297	656,284	128,142	123,770
Investment properties		121,001	119,790	-	-
Land use rights		1,363	1,321	-	-
Investment in subsidiaries		-	-	224,162	228,374
Investment in associates		25,542	26,078	17,498	17,498
Investment securities		5,048	4,599	5,048	4,599
Deferred tax assets		4,087	4,230	-	-
Goodwill		2,069	2,122	-	-
Intangible assets		92	93	-	-
		817,499	814,517	374,850	374,241
Current assets					
Inventories		879	959	10	16
Trade and other receivables		8,610	9,357	1,780	2,182
Prepaid operating expenses		1,846	2,492	73	52
Derivatives		36	-	36	-
Due from subsidiaries		-	-	253	248
Short - term deposits	1	312,207	90,473	237,511	40,336
Pledged short-term deposits		36,857	38,146	36,857	38,146
Cash and bank balances		30,025	33,284	5,969	6,509
		390,460	174,711	282,489	87,489
Property held for sale	2	-	18,008	-	-
Assets of disposal entity held for sale	3	-	196,143	-	38,000
		390,460	388,862	282,489	125,489
Current liabilities					
Trade and other payables		15,197	20,785	1,068	4,018
Accrued operating expenses		2,011	5,467	991	1,864
Deferred income		542	725	-	-
Derivatives		-	4	-	4
Due to subsidiaries		-	-	2,601	2,595
Due to associated companies		167	163	64	65
Income tax payable		6,005	2,937	1,527	243
Finance lease obligations		4	6	-	-
Loans and borrowings	4	118,424	97,568	51,700	44,100
Bank overdrafts		180	-	-	-
		142,530	127,655	57,951	52,889
Liabilities of disposal entity held for sale	3	-	73,081	-	-
		142,530	200,736	57,951	52,889
Net current assets		247,930	188,126	224,538	72,600
Non-current liabilities					
Loans and borrowings		49,588	50,779	-	-
Deferred tax liabilities		83,867	85,610	-	-
Net assets		931,974	866,254	599,388	446,841
Equity attributable to owners of the parent					
Issued capital		369,764	369,764	369,764	369,764
Fair value reserve		1,058	1,012	1,058	1,012
Asset revaluation reserve		271,320	277,382	69,325	69,325
Translation reserve	5	(64,363)	(53,412)	-	-
Other reserve		1,432	1,432	-	-
Reserve of disposal entity held for sale	3	-	83,018	-	-
Retained earnings		352,763	187,058	159,241	6,740
Total equity		931,974	866,254	599,388	446,841

1 (b)(ii) Notes to the Statements of Financial Position

- Note 1 The increase in the short - term deposits was mainly due to the placement of the sale proceeds of the Little India and Auckland Airport hotels to short - term deposits.
- Note 2 The property held for sale in 2014 relates to the Auckland Airport hotel. The sale of the hotel was completed on 5 March 2015.
- Note 3 This relates to the assets, liabilities and reserves of Hotel Grand Chancellor Pte Ltd ("HGPL"). The company entered into a sales and purchase agreement on 30 June 2014 to sell its entire shareholding in HGCP. HGCP was the owner and operator of Hotel Grand Chancellor located in Bellios Road, Little India, Singapore. The sale was completed on 15 January 2015.
- Note 4 The current loans and borrowings increased in 2015 due to additional drawdowns of the development loans in Singapore.
- Note 5 The increase in the translation reserve loss was due the significant depreciation in the Australia and New Zealand period end exchange rate compared to the end of last year.

1(b)(iii) Aggregate amount of group's borrowings and debts securities**Amount repayable in one year or less, or on demand**

As at 31 Mar 2015		As at 31 December 2014	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
118,608	-	97,574	-

Amount repayable after one year

As at 31 Mar 2015		As at 31 December 2014	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
49,588	-	50,779	-

Details of any collateral

The Group's borrowings are principally secured by land, hotel buildings and investment properties owned by the Company and various subsidiaries and certain fixed deposits of the Company.

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

Statements of Cash Flows for the Period Ended 31 Mar 2015:

	Period Ended 31 Mar	
	2015 S\$'000	2014 S\$'000
Operating activities		
Profit before taxation including share of results of associates	80,770	11,611
Adjustments for :-		
Depreciation of property, plant and equipment	2,942	4,464
Fair value gain on derivatives	(40)	(2)
Gain on disposal of property held for sale	(5,748)	(1,048)
Gain on disposal of a subsidiary	(70,637)	-
Interest expense	611	684
Interest income	(1,457)	(875)
Share of results of associates	9	10
Operating cash flows before changes in working capital	6,450	14,844
Decrease in inventories	55	54
Increase in trade and other receivables	576	707
Decrease in prepaid operating expenses	585	549
Increase in trade and other payables	(8,833)	(4,581)
Cash flows from operations	(1,167)	11,573
Interest received	1,457	875
Interest paid	(611)	(684)
Tax paid	(1,033)	(2,392)
Net cash flows from operating activities	(1,354)	9,372
Investing activities		
Proceeds from disposal of property, plant and equipment	23,601	16,972
Net cash inflow from disposal of subsidiary	248,000	-
Receipt from other long-term receivables	-	30
Purchase of investment property	(3,715)	(1)
Purchase of investment securities	(403)	(81)
Purchase of property, plant and equipment	(14,508)	(8,598)
Net cash flows used in investing activities	252,975	8,322
Financing activities		
Decrease in short-term deposits pledged	1,289	-
Proceeds from loans and borrowings	23,937	5,750
Repayments of loans and borrowings	(56,888)	(4,573)
Repayment of obligations under finance lease	(2)	(2)
Net cash flows from financing activities	(31,664)	1,175
Net increase in cash and cash equivalents	219,957	18,869
Effect of exchange rate changes on cash and cash equivalents	(1,662)	1,659
Cash and cash equivalents at beginning of year	123,757	132,022
Cash and cash equivalents at end of year	342,052	152,550

1(d)(i) A statement for the issuer and the Group showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statements of Changes in Equity for the Period Ended 31 Mar 2015

	Share Capital \$'000	Fair Value Reserve \$'000	Asset Revaluation Reserve \$'000	Translation Reserve \$'000	Other Reserve \$'000	Reserve of Disposal Entity Held For Sale \$'000	Retained Earnings \$'000	Total Equity \$'000
Opening balance at 1 Jan 2015	369,764	1,012	277,382	(53,412)	1,432	83,018	187,058	866,254
Total comprehensive income for the year	-	46	-	(10,951)	-	-	76,625	65,720
Transfer of reserves to retained earnings due to disposal of subsidiary	-	-	-	-	-	(83,018)	83,018	-
Transfer of reserves to retained earnings due to disposal of property	-	-	(6,062)	-	-	-	6,062	-
Closing balance at 31 Mar 2015	369,764	1,058	271,320	(64,363)	1,432	-	352,763	931,974
Opening balance at 1 Jan 2014	343,260	852	372,764	(39,747)	1,432	-	177,236	855,797
Total comprehensive income for the year	-	(164)	-	14,012	-	-	9,866	23,714
Transfer from asset revaluation reserve	-	-	(10,257)	-	-	-	10,257	-
Closing balance at 31 Mar 2014	343,260	688	362,507	(25,735)	1,432	-	197,359	879,511
Company								
Opening balance at 1 Jan 2015	369,764	1,012	69,325	-	-	-	6,740	446,841
Total comprehensive income for the year	-	46	-	-	-	-	152,501	152,547
Closing balance at 31 Mar 2015	369,764	1,058	69,325	-	-	-	159,241	599,388
Opening balance at 1 Jan 2014	343,260	852	69,325	-	-	-	26,712	440,149
Total comprehensive income for the year	-	(164)	-	-	-	-	2,861	2,697
Closing balance at 31 Mar 2014	343,260	688	69,325	-	-	-	29,573	442,846

- 1(d)(ii) **Details of any changes in the company's share capital arising from right issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There was no change in the number of issued shares in the capital of the Company which stood at 621,775,091 shares since the end of the last financial year.

The Company does not have any treasury shares as at 31 Mar 2015. There was no sale, transfer, disposal, cancellation and/or use of treasury shares for the period ended 31 Mar 2015.

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

The figures have not been audited or reviewed.

3. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

N.A.

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 compared with those of the audited financial statements as at 31 December 2014.

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**

N.A.

6. **Earnings per ordinary share of the Group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

Earnings per ordinary share of the Group based on net profit attributable to owners of the parent:
(a) based on the weighted average number of shares
(b) on a fully diluted basis

Period Ended 31 Mar	
2015	2014
12.32 cents	1.65 cents
12.32 cents	1.65 cents

7. **Net asset value (for the issuer and Group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year**

Net asset value backing per ordinary share based on issued share capital at the end of the period reported on:

Group	
31-Mar-15	31-Dec-14
S\$ 1.50	S\$ 1.39

Company	
31-Mar-15	31-Dec-14
S\$ 0.96	S\$ 0.72

8. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss 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. It must also discuss any material factors that affected the cashflow, working capital, assets or liabilities of the Group during the current financial period reported on**

A) Group Revenue Commentary

The decrease in the Group's revenue in Q1 2015 was mainly due to sale of the Hotel Grand Chancellors Little India and Auckland Airport and impact of lower average exchange rates for the Australia and New Zealand dollars.

B) Group Profit Commentary

The increase in the Group's net profit was mainly due to the following:-

- a) A higher gain on disposal of asset from the sale of the Auckland Airport hotel
- b) A gain arising from the disposal of Hotel Grand Chancellor Pte Ltd of \$68.6 million

The Group's profit was partly offset by an unrealised exchange loss of \$1.5 million (2014 - Gain of \$2.8 million)

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

Nil

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 hotel markets where the Group operates in, are generally expected to remain competitive for 2015.

The increase in hotel room supply in Singapore is expected to exert downward pressure on room occupancy and average room rates. In addition, the hotels in Brisbane and Palm Cove are currently facing weak trading due to weak economic factors there.

11. **(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on ? None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year ? None

(c) Date payable

N.A

(d) Book closure date

N.A.

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

No dividend has been declared or recommended for the quarter ended 31 Mar 2015.

Part II - Additional Information Required for the Full Year Announcement
(This part is not applicable to Q1, Q2, Q3 and Half Year Results)

13. **Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

N.A.

14. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

N.A.

15. **A breakdown of revenue**

N.A.

16. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year**

Total annual dividend, net of tax

	Latest Full Year	Previous Full Year
	S\$'000	S\$'000
Ordinary - Scrip	0	0
Ordinary - Cash	0	0
Total	0	0

17. **Interested Person Transactions**

The Company does not have a shareholders' mandate for interested person transactions.

18. **Confirmation By Directors**

The Board of Directors of the Company hereby confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited consolidated financial results for the period ended 31 Mar 2015 to be false or misleading.

BY ORDER OF THE BOARD

Lim Bee Lian Eliza
Secretary
14 May 2015