

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

1(a)(i) **An income statement and statement of comprehensive income, or a statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**Consolidated Statement of Comprehensive Income**

	3 months ended 30 September			9 months ended 30 September		
	2017	2016	Increase / (Decrease) %	2017	2016	Increase / (Decrease) %
	<b>S\$'000</b>	<b>S\$'000</b>		<b>S\$'000</b>	<b>S\$'000</b>	
Sales	<b>36,273</b>	45,726	(20.7)	<b>111,699</b>	141,509	(21.1)
Cost of sales	<b>(25,493)</b>	(31,718)	(19.6)	<b>(76,084)</b>	(98,608)	(22.8)
Gross profit	<b>10,780</b>	14,008	(23.0)	<b>35,615</b>	42,901	(17.0)
Other income	<b>845</b>	1,067	(20.8)	<b>2,924</b>	5,363	(45.5)
Other gains – net	<b>480</b>	3,612	(86.7)	<b>1,720</b>	1,072	60.4
Expenses						
- Distribution and marketing	<b>(2,195)</b>	(2,905)	(24.4)	<b>(6,717)</b>	(8,060)	(16.7)
- Administrative	<b>(6,645)</b>	(9,322)	(28.7)	<b>(21,040)</b>	(25,250)	(16.7)
- Finance	<b>(975)</b>	(1,311)	(25.6)	<b>(3,042)</b>	(3,696)	(17.7)
- Other	<b>(17)</b>	(404)	(95.8)	<b>(104)</b>	(857)	(87.9)
Share of profit of						
- joint ventures	<b>1,641</b>	7,398	(77.8)	<b>2,960</b>	64,949	(95.4)
- associated companies	<b>668</b>	666	0.3	<b>2,051</b>	1,959	4.7
Profit before income tax	<b>4,582</b>	12,809	(64.2)	<b>14,367</b>	78,381	(81.7)
Income tax expense	<b>(1,433)</b>	(600)	>100	<b>(4,166)</b>	(10,009)	(58.4)
<b>Total profit</b>	<b>3,149</b>	12,209	(74.2)	<b>10,201</b>	68,372	(85.1)
<b>Other comprehensive income/(loss):</b>						
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Share of other comprehensive (loss)/ income of:						
- joint ventures	<b>(28)</b>	(36)	(22.2)	<b>34</b>	(70)	nm
- associated companies	<b>502</b>	(13)	nm	<b>1,239</b>	(565)	nm
Currency translation differences arising from consolidation	<b>2,969</b>	12,319	(75.9)	<b>8,058</b>	3,540	>100
	<b>3,443</b>	12,270	(71.9)	<b>9,331</b>	2,905	>100
<i>Items that will not be reclassified subsequently to profit or loss:</i>						
Share of other comprehensive (loss)/ income of:						
- joint ventures	-	-	-	<b>4,721</b>	2,108	>100
Tax on share of joint ventures' revaluation gain	-	-	-	<b>(1,037)</b>	(290)	>100
<b>Other comprehensive income, net of tax</b>	<b>3,443</b>	12,270	(71.9)	<b>13,015</b>	4,723	>100
<b>Total comprehensive income</b>	<b>6,592</b>	24,479	(73.1)	<b>23,216</b>	73,095	(68.2)
<b>Total profit attributable to:</b>						
Equity holders of the Company	<b>2,920</b>	10,478	(72.1)	<b>9,526</b>	64,391	(85.2)
Non-controlling interest	<b>229</b>	1,731	(86.8)	<b>675</b>	3,981	(83.0)
	<b>3,149</b>	12,209	(74.2)	<b>10,201</b>	68,372	(85.1)
<b>Total comprehensive income attributable to:</b>						
Equity holders of the Company	<b>5,408</b>	18,999	(71.5)	<b>18,922</b>	67,566	(72.0)
Non-controlling interest	<b>1,184</b>	5,480	(78.4)	<b>4,294</b>	5,529	(22.3)
	<b>6,592</b>	24,479	(73.1)	<b>23,216</b>	73,095	(68.2)

nm : not meaningful

**1(a)(ii) Other profit and loss items disclosure**

	3 months ended 30 September			9 months ended 30 September		
	2017	2016	Increase / (Decrease) %	2017	2016	Increase / (Decrease) %
	S\$'000	S\$'000		S\$'000	S\$'000	
The following items were credited/(charged) to the income statement:						
<u>Other income</u>						
Interest income from:						
- Bank deposits	502	625	(19.7)	1,706	1,563	9.1
- Advances to joint ventures	148	588	(74.8)	473	2,796	(83.1)
<u>Cost of sales and administrative expenses</u>						
Depreciation of property, plant and equipment	(3,241)	(2,128)	52.3	(8,494)	(6,597)	28.8
Amortisation of intangible assets	(828)	(1,041)	(20.5)	(2,478)	(3,193)	(22.4)
Write-off of property, plant and equipment	-	(5)	nm	(5)	(31)	(83.9)
Allowance made for impairment loss on trade receivables	(19)	(640)	(97.0)	(241)	(1,019)	(76.3)
<u>Other gains – net</u>						
(Loss)/gain on disposal of property, plant and equipment	(4)	(6)	(33.3)	(7)	2	nm
Currency exchange gains - net	484	3,618	(86.6)	1,727	1,070	61.4
<u>Finance expenses</u>						
Interest expense for:						
- Bank borrowings	(640)	(977)	(34.5)	(2,050)	(2,704)	(24.2)
- Advances from non-controlling interest	(335)	(334)	0.3	(992)	(992)	-
<u>Income tax expense</u>						
(Under)/over provision of income tax in prior financial years - net	(3)	569	nm	(10)	979	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.**
**Statements of financial position**

	Group		Company	
	30.09.2017 S\$'000	31.12.2016 S\$'000	30.09.2017 S\$'000	31.12.2016 S\$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	211,050	209,262	146,926	150,219
Trade and other receivables	25,842	33,265	171,364	170,559
Inventories	301	361	12	9
Development properties	26,949	21,753	-	-
Properties held for sale	124,030	124,030	-	-
	<b>388,172</b>	<b>388,671</b>	<b>318,302</b>	<b>320,787</b>
<b>Non-current assets</b>				
Investments in associated companies	13,254	9,964	696	696
Investments in joint ventures	477,584	465,689	300	300
Investments in subsidiaries	-	-	511,691	511,691
Other receivables	18,190	57,147	501,611	493,192
Investment properties	472,897	446,515	124,922	124,922
Property, plant and equipment	563,727	566,726	308,298	308,502
Intangible assets	134,187	136,388	-	-
Deferred income tax assets	102	100	-	-
	<b>1,679,941</b>	<b>1,682,529</b>	<b>1,447,518</b>	<b>1,439,303</b>
<b>Total assets</b>	<b>2,068,113</b>	<b>2,071,200</b>	<b>1,765,820</b>	<b>1,760,090</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	122,707	132,013	14,628	14,011
Current income tax liabilities	7,350	6,299	485	485
Borrowings	182,458	157,008	104,926	80,901
Provisions	607	642	-	-
	<b>313,122</b>	<b>295,962</b>	<b>120,039</b>	<b>95,397</b>
<b>Non-current liabilities</b>				
Other payables	423,018	427,481	633,218	631,805
Deferred income tax liabilities	40,717	39,060	476	476
Borrowings	27,815	46,353	-	-
Provisions	1,753	2,267	-	-
	<b>493,303</b>	<b>515,161</b>	<b>633,694</b>	<b>632,281</b>
<b>Total liabilities</b>	<b>806,425</b>	<b>811,123</b>	<b>753,733</b>	<b>727,678</b>
<b>NET ASSETS</b>	<b>1,261,688</b>	<b>1,260,077</b>	<b>1,012,087</b>	<b>1,032,412</b>
<b>EQUITY</b>				
<b>Capital and reserves attributable to equity holders of the Company</b>				
Share capital	479,244	475,489	479,244	475,489
Revaluation and other reserves	326,203	316,807	278,022	278,022
Retained profits	420,481	436,315	254,821	278,901
	<b>1,225,928</b>	<b>1,228,611</b>	<b>1,012,087</b>	<b>1,032,412</b>
<b>Non-controlling interest</b>	<b>35,760</b>	<b>31,466</b>	<b>-</b>	<b>-</b>
<b>TOTAL EQUITY</b>	<b>1,261,688</b>	<b>1,260,077</b>	<b>1,012,087</b>	<b>1,032,412</b>

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

	As at 30.09.2017		As at 31.12.2016	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less, or on demand (net of transaction costs)	77,532	104,926	76,107	80,901
Amount repayable after one year (net of transaction costs)	27,815	-	46,353	-

**Details of any collaterals**

The secured bank borrowings of the Group are secured over certain investment properties and certain property, plant and equipment.

**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.**
**Consolidated Statements of Cash Flows**

	3 months ended 30 September		9 months ended 30 September	
	2017 S\$'000	2016 S\$'000	2017 S\$'000	2016 S\$'000
<b>Cash flows from operating activities</b>				
Total profit	3,149	12,209	10,201	68,372
Adjustments for:				
Income tax expense	1,433	600	4,166	10,009
Depreciation of property, plant and equipment	3,241	2,128	8,494	6,597
Amortisation of intangible assets	828	1,041	2,478	3,193
Write-off of property, plant and equipment	-	5	5	31
Interest income	(650)	(1,213)	(2,179)	(4,359)
Interest expense	975	1,311	3,042	3,696
Loss/(gain) on disposal of property, plant and equipment	4	6	7	(2)
Share of profit of joint ventures	(1,641)	(7,398)	(2,960)	(64,949)
Share of profit of associated companies	(668)	(666)	(2,051)	(1,959)
Unrealised currency translation gains	(294)	(3,574)	(1,440)	(1,062)
	6,377	4,449	19,763	19,567
Change in working capital:				
Trade and other receivables	(3,249)	(4,683)	7,320	37,268
Inventories	22	174	63	213
Development properties	(1,575)	(21,475)	(4,379)	(21,475)
Trade and other payables	(13)	8,435	(14,259)	13,025
Provisions	(159)	(887)	(476)	(2,947)
Cash (used in)/generated from operations	1,403	(13,987)	8,032	45,651
Interest paid	(46)	(45)	(135)	(135)
Income tax paid - net	(792)	(3,161)	(3,031)	(7,998)
<b>Net cash provided/(used in) by operating activities</b>	<b>565</b>	<b>(17,193)</b>	<b>4,866</b>	<b>37,518</b>
<b>Cash flows from investing activities</b>				
Additions to property, plant and equipment	(1,304)	(62)	(2,177)	(11,327)
Additions to investment properties	(5,616)	(19,518)	(22,019)	(38,925)
Disposal of property, plant and equipment	-	-	-	11
Dividends received from joint ventures	-	-	1,600	23,915
Investment in joint ventures	-	-	-	(19,061)
Repayment of advances from joint ventures	39,752	8,430	39,752	19,430
Advances (to)/from joint ventures	(459)	23,722	(659)	23,737
Interest received	1,650	2,689	2,569	3,555
Income tax paid - net	-	-	-	(6,148)
<b>Net cash provided/(used in) investing activities</b>	<b>34,023</b>	<b>15,261</b>	<b>19,066</b>	<b>(4,813)</b>
<b>Cash flows from financing activities</b>				
Proceeds from borrowings	7,677	51,533	39,251	86,856
Repayment of borrowings	(8,909)	(34,847)	(36,509)	(34,847)
Interest paid	(1,654)	(1,355)	(3,863)	(3,912)
Dividend paid to shareholders	-	-	(21,605)	(6,206)
Advances from non-controlling interest	-	2,053	-	2,053
<b>Net cash (used in)/provided by financing activities</b>	<b>(2,886)</b>	<b>17,384</b>	<b>(22,726)</b>	<b>43,944</b>
<b>Net increase in cash and cash equivalents</b>	<b>31,702</b>	<b>15,452</b>	<b>1,206</b>	<b>76,649</b>
<b>Cash and cash equivalents</b>				
Beginning of financial period	179,943	185,794	209,262	127,072
Effects of currency translation on cash and cash equivalents	(595)	1,727	582	(748)
<b>End of financial period</b>	<b>211,050</b>	<b>202,973</b>	<b>211,050</b>	<b>202,973</b>

Included in cash and cash equivalents of the Group is the Group's share of its joint operation's bank balances and deposits amounting to \$3,035,000 (30 September 2016: \$3,416,000) held under the development project rules in Singapore and the use of which is governed by these rules.

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**

	Attributable to equity holders of the Company							Total	Non-controlling interest	Total equity
	Share capital	Capital reserve	Asset revaluation reserve	Currency translation reserve	Fair value reserve	Hedging reserve	Retained profits			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance at 1 July 2017</b>	475,489	10,557	331,840	(16,539)	(1,656)	(487)	421,316	1,220,520	34,576	1,255,096
Profit for the period	-	-	-	-	-	-	2,920	2,920	229	3,149
Other comprehensive income for the period	-	-	-	1,890	502	96	-	2,488	955	3,443
<b>Total comprehensive income for the period</b>	-	-	-	1,890	502	96	2,920	5,408	1,184	6,592
Shares issued in-lieu of cash for dividend relating to 2016*	3,755	-	-	-	-	-	(3,755)	-	-	-
<b>Total transactions with owners, recognised directly in equity</b>	3,755	-	-	-	-	-	(3,755)	-	-	-
<b>Balance at 30 September 2017</b>	<b>479,244</b>	<b>10,557</b>	<b>331,840</b>	<b>(14,649)</b>	<b>(1,154)</b>	<b>(391)</b>	<b>420,481</b>	<b>1,225,928</b>	<b>35,760</b>	<b>1,261,688</b>

\* Fully paid New Shares was allotted and issued on 3 July 2017 pursuant to the elections made by eligible Shareholders to receive the FY2016 Dividend in scrip.

	Attributable to equity holders of the Company							Total	Non-controlling interest	Total equity
	Share capital	Capital reserve	Asset revaluation reserve	Currency translation reserve	Fair value reserve	Hedging reserve	Retained profits			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 July 2016	475,489	10,557	335,978	(27,640)	(2,359)	(875)	425,187	1,216,337	18,756	1,235,093
Profit for the period	-	-	-	-	-	-	10,478	10,478	1,731	12,209
Other comprehensive income/(loss) for the period	-	-	-	8,542	(13)	(8)	-	8,521	3,749	12,270
Total comprehensive income/(loss) for the period	-	-	-	8,542	(13)	(8)	10,478	18,999	5,480	24,479
Balance at 30 September 2016	475,489	10,557	335,978	(19,098)	(2,372)	(883)	435,665	1,235,336	24,236	1,259,572

**1(d)(i)** (continued)

**Company's Statement of Changes in Equity**

	Share capital	Asset revaluation reserve	Retained profits	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance at 1 July 2017</b>	475,489	278,022	258,180	1,011,691
Profit for the period	-	-	396	396
<b>Total comprehensive income for the period</b>	-	-	396	396
Shares issued in-lieu of cash for dividend relating to 2016	3,755	-	(3,755)	-
<b>Total transactions with owners, recognised directly in equity</b>	3,755	-	(3,755)	-
<b>Balance at 30 September 2017</b>	<b>479,244</b>	<b>278,022</b>	<b>254,821</b>	<b>1,012,087</b>

	Share capital	Asset revaluation reserve	Retained profits	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 July 2016	475,489	303,752	271,158	1,050,399
Profit for the period	-	-	896	896
Total comprehensive profit for the period	-	-	896	896
Balance at 30 September 2016	475,489	303,752	272,054	1,051,295

**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.**

	3 months ended	
	30.09.2017	30.06.2017
	'000	'000
<u>Ordinary shares fully paid</u>		
Number of shares at beginning of financial period	422,677	422,677
Number of shares issued in-lieu of dividend	2,455	-
Number of shares at end of financial period	<b>425,132</b>	422,677

The Company does not have any convertibles.

The Company does not have any treasury shares.

The Company does not have any subsidiary that holds shares issued by the Company.

**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.**

	As at 30.09.2017	As at 31.12.2016
	'000	'000
Number of issued shares excluding treasury shares	<b>425,132</b>	422,677

The Company does not have any treasury shares.

**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 as the Company does not have any treasury shares.

**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 as the Company does not have any subsidiary that holds shares issued by the Company.

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

The figures have not been audited nor reviewed by the Company's auditor.

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

Not applicable. Refer to item 2 above.

**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 financial information has been prepared in accordance with the same accounting policies and methods of computation adopted in the most recent audited annual financial statements, except where new or amended Financial Reporting Standards ("FRS") and Interpretations to FRS ("INT FRS") became effective from the current financial year.

The adoption of the new or amended FRS and INT FRS did not result in substantial changes to the Group's accounting policies and had no material effect on the financial information.

Certain comparative figures have been reclassified to conform to current period's presentation.

**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.**

Please refer to item 4 above.

**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.**

	3 months ended 30 September		9 months ended 30 September	
	2017 cents	2016 cents	2017 cents	2016 cents
Earnings per ordinary share (EPS) for the period based on net profits attributable to shareholders after deducting any provision for preference dividends: -				
(i) Based on weighted average number of ordinary shares in issue	0.69	2.48	2.25	15.52
(ii) On a fully diluted basis	0.69	2.48	2.25	15.52

**7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year.**

	Group		Company	
	As at 30.09.2017	As at 31.12.2016	As at 30.09.2017	As at 31.12.2016
Net asset value (NAV) per ordinary share based on total number of issued shares excluding treasury shares as at the end of the period/year	\$ 2.88	\$ 2.91	\$ 2.38	\$ 2.44

The Company does not have any treasury shares.

**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.**

**(a) Group performance review for the 3-month period ended 30 September 2017 ("Q3 FY17")**

**Sales**

The Group's sales for Q3 FY17 were \$36.3 million, or 20.7% lower than Q3 FY16. The decline was mainly due to completion of certain onerous lease agreements in Australia and New Zealand in late 2016 and weaker performance from the two hospitality assets in Perth, Australia. This was partially offset by higher revenue contribution from Oasia Suites Kuala Lumpur which ramped up operations following its opening in April 2016.

**Gross profit**

The Group's gross profit for Q3 FY17 was \$10.8 million, or 23.0% lower than Q3 FY16. This was in line with lower sales reported in the quarter. The two hospitality assets in Perth, Australia recorded lower profits in the quarter due to the challenging operating environment.

In addition, depreciation of property, plant and equipment was higher due to revaluation of a hospitality asset in Melbourne, Australia in Q4 FY16.

This was partially offset by a decrease in amortisation expenses of intangible assets.

**Other income**

Other income for Q3 FY17 was \$0.8 million, or 20.8% lower than Q3 FY16. This was mainly due to lower interest income from lower advances to property development joint venture companies.

**Other gains – net**

The Group's other gains – net comprised mainly currency translation gains arising from monetary assets and liabilities denominated in Australian Dollar.

**Expenses**

The Group's total expenses (excluding cost of sales) for Q3 FY17 were \$9.8 million, or 29.5% lower than Q3 FY16. Distribution, marketing and administrative expenses decreased during the period in line with the decrease in sales. Finance expenses decreased during the period due to the repayment of a RM85.0 million bank borrowing (equivalent to S\$27.6 million) in Q2 2017.

**Share of profit of joint ventures**

The Group's share of profit of joint ventures decreased mainly due to the absence of the progressive recognition of profits in Q3 FY16 from the sale of units in a joint venture property development project, RiverTrees Residences, which obtained its Temporary Occupation Permit in May 2017.

**Income tax expense**

Income tax expense of the Group for Q3 FY17 was higher than Q3 FY16 due to a reversal of over-provision of tax expense in Q3 FY16.

**Total profit**

Total profit of the Group for Q3 FY17 was \$3.1 million, or 74.2% lower than Q3 FY16 mainly due to the absence of the progressive recognition of profit from sale of units in a joint venture property development project, RiverTrees Residences, in Q3 FY16 and lower profits from the hospitality assets in Perth, Australia.



8 (continued)

**(b) Cash flow, working capital, assets or liabilities of the Group****Cash flow and working capital**

The Group recorded a net increase in cash and cash equivalents for Q3 FY17 of \$31.7 million compared to a net increase of \$15.5 million in Q3 FY16.

Net cash inflows from operating activities of the Group for Q3 FY17 were \$0.6 million compared to net cash outflows of \$17.2 million for Q3 FY16. Net cash inflows from investing activities of the Group for Q3 FY17 were \$34.0 million compared to \$15.3 million for Q3 FY16. These were mainly due to a repayment of advances from a joint venture property development project, RiverTrees Residences. Net cash outflows from financing activities of the Group for Q3 FY17 were \$2.9 million compared to net cash inflows of \$17.4 million for Q3 FY16. These were due to repayment of a bank borrowing offset by drawdown of bank borrowings to finance the development of student accommodation properties and a residential property in the UK.

**Assets**

Total assets as at 30 September 2017 were \$2,068.1 million. Compared to 31 December 2016, total assets decreased by \$3.1 million mainly due to the cash outflows for repayment of the RM85.0 million bank borrowing and payout of cash dividends, offset by additions to properties in the UK during the period.

**Liabilities**

Total liabilities as at 30 September 2017 were \$806.4 million. Compared to 31 December 2016, total liabilities decreased by \$4.7 million due to repayment of a RM85.0 million bank borrowing partially offset by additional bank borrowings in the UK.

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

The results are in line with comments previously disclosed to shareholders.

**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.****Hospitality**

Near-term outlook for the hospitality sector in Singapore is expected to remain subdued. Revenue per available room ("RevPAR") is likely to be negatively impacted by lower corporate budgets and increased competition arising from further growth in hotel room supply, particularly in the mid-tier category. Figures released by the Singapore Tourism Board in October 2017 showed that for the first eight months of this year, while international visitor arrivals rose 4.0% to 11.7 million year-on-year, room lettings have decreased by approximately 1.5% mainly due to the increase in room supply which is forecasted to increase by 5.8% for the full year.

In Australia, outlook for the hospitality industry remains positive. Deloitte Access Economics forecasts international visitor nights and domestic visitor nights to grow 6.4% and 3.3% per annum over the next three years<sup>1</sup>. However, the pace of growth is expected to vary amongst the different cities that the Group operates in. The Sydney hotel accommodation market is expected to continue to be the top performer. A substantial pipeline supply of rooms is expected to soften performance in Melbourne and continue to negatively impact RevPAR in Perth and Brisbane.

The Group plans to continue to grow its hospitality businesses by increasing the number of management contracts, acquiring strategic assets and divesting properties to recycle capital for re-deployment towards higher yielding growth opportunities.

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<sup>1</sup> Tourism and hotel market outlook, Deloitte Access Economics, 26 August 2017

10 (continued)

**Property**

The Group's joint venture property development project, Woods Square, is on track. The Singapore commercial and residential property markets are anticipated to benefit from improved business sentiments. However, an uncertain economic outlook will continue to weigh on the growth of the Singapore property market in the near-term.

In Sydney, Australia, the Group's 50-50 joint venture with Toga Group for a mixed-use 121 residential units and retail/commercial development – Harbourfront Balmain, is expected to be completed by Q4 2017.

Development of the Group's student accommodation properties in Newcastle upon Tyne - Marshall Court and Bryson Court, was completed in August 2017. While the overall outlook for the sector remains positive, cities with a large volume of existing supply and new development pipelines, such as Newcastle upon Tyne, are expected to witness modest growth, according to Knight Frank. The Group continues to monitor market developments and review its strategy accordingly.

The Group's first residential project in the UK is progressing as planned. There are plans to refurbish the heritage property located in the prime central borough of the City of Westminster, London, into a mixed-use development comprising 17 residential units and a restaurant. A new residential building will also be developed on the site. The Group remains confident about the long-term fundamentals of the UK property market and continues to closely monitor developments in the UK as the country engages in Brexit negotiations with the European Union.

The Group will continue to seek suitable real estate opportunities that fit its strategy as a diversified real estate group.

11 **Dividend**

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

None.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

None.

**(c) Date payable**

Not applicable.

**(d) Book closure date**

Not applicable.

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

Not applicable.

**13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company had obtained approval for a shareholders' mandate for interested person transactions under Rule 920(1)(a)(ii) as set out in the circular to shareholders dated 24 June 2013.

Name of interested person	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual (excluding transactions less than \$100,000) 9 months ended 30 September 2017 S\$'000
Boo Han Holdings Pte Ltd Hospitality management income	366
Dollar Land Singapore Private Limited Hospitality management income	247
Far East Hospitality Real Estate Investment Trust Rental expense on operating leases - offices - hotels and serviced residences	(1,013) (16,714)
Far East Management (Private) Limited Management service fees Hospitality services	(1,792) (1,591)
Far East Organization Centre Pte Ltd Hospitality management income	1,636
Far East Property Sales Pte Ltd Sales and marketing service fees	(146)
Far East Soho Pte Ltd Hospitality management income	1,062
Golden Development Private Limited Hospitality management income	2,073
Golden Landmark Pte Ltd Hospitality management income	1,052
Orchard Mall Pte Ltd Hospitality management income	661
Orchard Parksuites Pte Ltd Hospitality management income	1,121
Oxley Hill Properties Pte Ltd Hospitality management income	436
Riverland Pte Ltd Hospitality management income	319
Serene Land Pte Ltd Hospitality management income	1,274
Transurban Properties Pte Ltd Hospitality management income	1,361

**By Order of the Board**

Mr Lui Chong Chee  
Director  
6 November 2017

**Confirmation Pursuant to Rule 705(5) of the Listing Manual**

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of Far East Orchard Limited which may render the unaudited financial statements for the period ended 30 September 2017 to be false or misleading in any material respect.

**Confirmation Pursuant to Rule 720(1) of the Listing Manual**

Far East Orchard Limited confirms that undertakings under Rule 720(1) have been obtained from all its directors and executive officers in the format set out in Appendix 7.7.

On behalf of the Board of Directors

Koh Boon Hwee  
Chairman

6 November 2017

Lui Chong Chee  
Group CEO & Managing Director

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, availability of real estate properties, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.