



LOW KENG HUAT (SINGAPORE) LIMITED (Reg. No. 196900209G)

Unaudited First Quarter ("Q1") Financial Statements For the Period Ended 30 April 2016

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY RESULTS

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

	Note	3 months ended		Increase /
		30/04/2016	30/04/2015	(Decrease)
		\$'000	\$'000	%
Revenue	1	15,843	26,750	(41)
Cost of sales	2	(6,447)	(13,827)	(53)
Gross profit		9,396	12,923	(27)
Other income	3	2,649	2,180	22
Rental income		287	567	(49)
Distribution costs		(344)	(553)	(38)
Administrative costs	4	(2,903)	(3,134)	(7)
Changes in fair value of derivative financial instrument		-	304	(100)
Other operating expenses	5	(1,420)	(3,770)	(62)
Finance costs	6	(1,587)	(1,267)	25
Profit/(loss) from operations		6,078	7,250	(16)
Share of results of associated companies and joint ventures	7	(1,537)	(2,107)	(27)
Profit/(loss) before taxation		4,541	5,143	(12)
Taxation	8	(909)	(579)	57
Profit/(loss) after taxation for the period		3,632	4,564	(20)
Attributable to:				
Owners of the parent	9	3,274	3,783	(13)
Non-controlling interests		358	781	(54)
		3,632	4,564	(20)
Earnings per share (cents)				
- basic		0.44	0.51	
- diluted		0.44	0.51	
n.m.: Not Meaningful				

A statement of comprehensive income (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	3 months ended		Increase /
	30/04/2016	30/04/2015	(Decrease)
	\$'000	\$'000	%
Net profit for the period	3,632	4,564	(20)
Other comprehensive income/(expense) after tax			
Items that may be reclassified subsequently to profit and loss:			
Fair value gain/(loss) on available-for-sale financial assets recognised directly to equity	3,864	2,077	86
Exchange differences on translation of the financial statements of foreign entities (net)	135	(112)	n.m.
Other comprehensive income/(expense) for the period, net of tax	3,999	1,965	n.m.
Total comprehensive income/(expense) for the period	<u>7,631</u>	<u>6,529</u>	17
Total comprehensive income/(expense) attributable to:			
Owners of the parent	7,261	5,748	26
Non-controlling interests	370	781	(53)
Total comprehensive income/(expense) for the period	<u>7,631</u>	<u>6,529</u>	17

n.m.: Not Meaningful

1(a)(ii) Notes to the income statement

- Group revenue decreased by \$11.0M to \$15.8M in Q1 current year from \$26.8M in Q1 previous year. The decrease was mainly due to decrease in construction activity as Genting Hotel at Jurong obtained TOP on 31 March 2015 and offset by the sale of one office unit at Paya Lebar Square.
- Cost of sales decreased by \$7.4M to \$6.4M in Q1 current year from \$13.8M in Q1 previous year. The decrease in cost of sales was mainly due to the recognition of cost of sales during previous year for Genting Hotel upon their TOP and the write back of project cost for completed projects upon finalisation of accounts in construction segment.
- Other income increased by \$0.4M to \$2.6M in Q1 current year from \$2.2M in Q1 previous year. The increase was mainly due notional interest income on shareholder loan provided by LKHS for Westgate Tower, interest income for junior bonds subscription in AXA Tower offset by the decrease in fair value of short term quoted equity investment.
- Administrative costs decreased by \$0.2M to \$2.9M in Q1 current year from \$3.1M in Q1 previous year. The decrease was mainly due to lower directors profit sharing, lower warehouse expenses due to the sale of warehouse at Sungei Kadut Loop in Q3 previous year offset by higher expenses in Paya Lebar Square (Retail Mall).
- Other operating expenses decreased by \$2.4M to \$1.4M in Q1 current year from \$3.8M in Q1 previous year. The decrease was mainly due to provision for doubtful debts on shareholder loan interest for Westgate Tower in Q1 previous year.
- Finance costs increased by \$0.3M to \$1.6M in Q1 current year from \$1.3M in Q1 previous year. The increase was due to increased financing for Paya Lebar Square (Retail Mall) as it obtained TOP on 3 November 2014.

1(a)(ii) Notes to the income statement

7 Share of results of associated companies and joint ventures decreased by \$0.6M to \$1.5M in Q1 current year from \$2.1M in Q1 previous year. Our share of loss at Westgate Tower decreased by \$0.9M to \$1.1M in Q1 current year from \$2.0M in Q1 previous year as major tenants commenced operations from Q4 previous year. Westgate Tower achieved an occupancy of 97% as at 10 June 2016. Our share of loss at AXA Tower is \$0.4M in Q1 current year after adjusting its net profit before tax for fair value gain and depreciation. Perennial Group adopted the fair value model as accounting policy for AXA Tower. Our Group adopted the cost model as our accounting policy.

8 The basis of tax computation is set out below:

	3 months ended		Increase
	30/04/2016	30/04/2015	(Decrease)
	\$'000	\$'000	%
Income tax expense:			
- current	(475)	-	100
- foreign tax	(434)	(579)	(25)
	<u>(909)</u>	<u>(579)</u>	57

n.m.: Not Meaningful

Income tax increased by \$0.3M to \$0.9M in Q1 current year from \$0.6M in Q1 previous year. The increase was mainly due to higher tax provision in construction segment.

9 Net profit attributable to shareholders decreased by \$0.5M to \$3.3M in Q1 current year from \$3.8M Q1 in previous year. The decrease was mainly due to lower profits from construction and hotel segments.

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

	Group		Note	Company	
	30/04/2016 \$'000	31/1/2016 \$'000		30/04/2016 \$'000	31/1/2016 \$'000
ASSETS					
Non-current assets					
Investment properties	315,328	315,915	1	18,762	18,812
Property, plant and equipment	161,690	162,463	1	5,051	5,155
Subsidiaries	-	-		305,606	280,257
Joint ventures	91,789	92,019	2	90,377	89,458
Associated companies	49,794	50,124	3	56	56
Long-term quoted equity investments	38,630	34,767	4	1,635	1,395
Other investment	32,000	32,000	16	-	-
Other receivables	67	72		-	-
Deferred tax assets	579	589		-	-
	<u>689,877</u>	<u>687,949</u>		<u>421,487</u>	<u>395,133</u>
Current assets					
Cash and cash equivalents	331,079	213,877	5	224,960	147,634
Fixed deposits	16,542	5,123	5	-	-
Short-term quoted equity investments	4,820	4,764	6	-	-
Amount owing by a non-controlling shareholder	336	350	11	-	-
Trade and other receivables	69,948	132,404	7	12,556	17,476
Inventories	493	487		-	-
Work in progress	-	-		125	114
Properties held for sale	8,576	8,791	15	-	-
Development properties	98,998	96,605	8	-	-
	<u>530,792</u>	<u>462,401</u>		<u>237,641</u>	<u>165,224</u>
Total assets	<u>1,220,669</u>	<u>1,150,350</u>		<u>659,128</u>	<u>560,357</u>
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital	161,863	161,863		161,863	161,863
Capital reserves	(2,005)	(2,005)		-	-
Fair value reserves	6,433	2,569	9	863	622
Retained profits	470,880	467,606		420,884	333,236
Exchange fluctuation account	(2,352)	(2,475)	10	-	-
	<u>634,819</u>	<u>627,558</u>		<u>583,610</u>	<u>495,721</u>
Non-controlling interests	27,236	47,366	13	-	-
Total equity	<u>662,055</u>	<u>674,924</u>		<u>583,610</u>	<u>495,721</u>
LIABILITIES					
Non-current liabilities					
Bank borrowings	357,649	331,715	12	-	-
Amount owing to non-controlling shareholders of subsidiaries	57,042	56,479	11	-	-
Provisions	244	256		-	-
Deferred tax liabilities	991	991		-	-
	<u>415,926</u>	<u>389,441</u>		<u>-</u>	<u>-</u>
Current liabilities					
Trade and other payables	121,745	63,282	14	29,855	40,899
Amount owing to subsidiaries	-	-		36,099	14,478
Joint ventures	846	871	2	597	597
Amount owing to non-controlling shareholders of subsidiaries (non-trade)	421	415	11	-	-
Provisions	154	193		-	-
Provision for directors' fee	306	245		306	245
Provision for taxation	12,016	11,619		8,661	8,417
Bank borrowings	7,200	9,360	12	-	-
	<u>142,688</u>	<u>85,985</u>		<u>75,518</u>	<u>64,636</u>
Total liabilities	<u>558,614</u>	<u>475,426</u>		<u>75,518</u>	<u>64,636</u>
Total equity and liabilities	<u>1,220,669</u>	<u>1,150,350</u>		<u>659,128</u>	<u>560,357</u>

Notes to the balance sheets

- 1 The net book value of investment properties decreased by \$0.7M to \$315.3M as at 30 April 2016 from \$316.0M as at 31 January 2016. The net book value of property, plant and equipment decreased by \$0.8M to \$161.7M as at 30 April 2016 from \$162.5M as at 31 January 2016. The decrease was mainly due to additions of plant and equipment offset by depreciation.
- 2 Joint ventures decreased by \$0.1M to \$91.0M as at 30 April 2016 from \$91.1M as at 31 January 2016. The decrease is mainly due to share of current year losses and notional interest income from Westgate Tower.
- 3 Associated companies decreased by \$0.4M to \$49.7M as at 30 April 2016 from \$50.1M as at 31 January 2016 due to share of current year losses from AXA Tower.
- 4 Long-term quoted equity investments increased by \$3.8M to \$38.6M as at 30 April 2016 from \$34.8M as at 31 January 2016. The increase was due to the increase in fair value of available-for-sale financial assets.
- 5 Cash and cash equivalents and fixed deposits increased by \$128.6M to \$347.6M as at 30 April 2016 from \$219.0M as at 31 January 2016. The increase was mainly due to sales proceeds received from the disposal of Duxton Hotel Saigon and dividend received from Paya Lebar Development.
- 6 Short-term quoted equity investments increased by \$0.1M to \$4.8M as at 30 April 2016 from \$4.7M as at 31 January 2016 due to increase in fair value of short-term quoted equity investments.
- 7 Trade and other receivables decreased by \$62.4M to \$70.0M as at 30 April 2016 from \$132.4M as at 31 January 2016 mainly due to collections received from Paya Lebar Square upon receiving Certificate of Statutory Completion ("CSC").
- 8 Development properties increased by \$2.4M to \$99.0M as at 30 April 2016 from \$96.6M as at 31 January 2016 mainly due to additional cost incurred for Kismis Residence.
- 9 Fair value reserves increased by \$3.8M to \$6.4M as at 30 April 2016 from \$2.6M as at 31 January 2016 due to increase in fair value for long-term quoted equity investments.
- 10 Exchange fluctuation account decreased by \$0.1M to \$2.4M as at 30 April 2016 from \$2.5M as at 31 January 2016 mainly due to strengthening of the Australian dollar against the Singapore dollar.
- 11 Total amount owing to non-controlling shareholders of subsidiaries increased by \$0.6M to \$57.1M as at 30 April 2016 from \$56.5M as at 31 January 2016. The increase was mainly due to notional interest on shareholders loan for Kismis Residence and Paya Lebar Square during the year.
- 12 The total bank borrowings increased by \$23.7M to \$364.8M as at 30 April 2016 from \$341.1M as at 31 January 2016 due to drawdown of bank loan by Paya Lebar Square upon CSC. Gearing was 0.13 as at 30 April 2016 compared to 0.19 as at 31 January 2016. The lower gearing is due to the increase in cash and cash equivalents and fixed deposits.
- 13 Non-controlling interests decreased by \$20.2M to \$27.2M as at 30 April 2016 from \$47.4M as at 31 January 2016. The decrease was due to dividend issued by Paya Lebar Development to non-controlling shareholders of subsidiaries.
- 14 Trade and other payables increased by \$58.4M to \$121.7M as at 30 April 2016 from \$63.3M as at 31 January 2016. The increase is mainly due to sales proceed from the disposal of Duxton Hotel Saigon deposited in an escrow bank account. The amount of sales proceed was transferred to LKHS upon completion on 12 May 2016.
- 15 Properties held for sale decreased by \$0.2M to \$8.6M as at 30 April 2016 from \$8.8M as at 31 January 2016. As at 10 June 2016, there are four unsold office units and four unsold residential units at Paya Lebar Square and Parkland Residences respectively.
- 16 The amount of \$32.0M is part of the 20% equity investment in AXA Tower. It is invested in the form of junior bonds which are expected to mature in year 2025 with a coupon rate of not less than 10% per annum repayable semi-annually.

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

	30/04/2016		31/1/2016	
	Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
Amount repayable in one year or less, or on demand	7,200	-	9,360	-
Amount repayable after one year	357,649	-	331,715	-
	<u>364,849</u>	<u>-</u>	<u>341,075</u>	<u>-</u>

Details of any collateral

Borrowings are secured by the mortgages on the borrowing subsidiaries' development and investment properties and assignment of all rights and benefits with respect to the development and investment properties mortgaged.

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

	3 months ended	
	30/04/2016	30/04/2015
	\$'000	\$'000
Cash Flow from Operating Activities		
Profit before taxation	4,541	5,143
Adjustments for:		
Share of results of associated companies and joint ventures	1,537	2,047
Depreciation of:		
-investment properties	756	912
-property, plant and equipment	1,078	1,100
Fair value (gain)/loss on financial assets at fair value through profit or loss	(56)	(337)
Changes in fair value of derivative financial instrument	-	(304)
Provisions:		
-for the year	-	2,951
Interest expense	1,587	1,267
Interest income	(2,267)	(1,178)
Operating profit before working capital changes	7,176	11,601
Inventories	(6)	18
Development properties	(2,178)	(1,872)
Receivables	62,459	13,162
Payables	59,291	(23,280)
Cash generated from/(used in) operations	126,742	(371)
Interest paid	(1,668)	(1,287)
Income tax paid	(593)	(335)
Net cash generated from/(used in) operating activities	124,481	(1,993)
Amount carried forward	124,481	(1,993)

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

	3 months ended	
	30/04/2016	30/04/2015
	\$'000	\$'000
Amount brought forward	124,481	(1,993)
Cash Flows from Investing Activities		
Acquisition of property, plant and equipment	(635)	(1,232)
Acquisition of investment property	(170)	-
Interest received	2,267	1,178
Fixed deposit with maturity more than three months	86	-
Capital contribution made to associated companies and joint ventures	-	(72,960)
Capital contribution made towards non controlling shareholders and associated companies	(1,076)	60,341
Proceeds from disposal of property, plant and equipment	-	10
Net cash (used in)/generated from investing activities	472	(12,352)
Cash Flow from Financing Activities		
Capital contribution from non-controlling shareholders		
Dividends paid to minority shareholder of a subsidiary	(20,500)	-
Proceeds from bank borrowings	26,114	-
Repayment of bank borrowings	(2,340)	(2,250)
Advances from non-controlling shareholders of a subsidiary	-	410
Loans from non-controlling shareholders of a subsidiary	563	-
Fixed deposit pledged	(11,505)	-
Net cash (used in)/generated from financing activities	(7,668)	(1,840)
Net increase/(decrease) in cash and cash equivalents	117,285	(16,185)
Cash and cash equivalents at beginning of year	213,876	280,792
Exchange differences on translation of cash and cash equivalent at beginning of year	(82)	(170)
Cash and cash equivalents at end of year	331,079	264,437

The Group has unused bank facilities of \$185.5M as of 30 April 2016.

The Group generated a net increase of \$117.3M cash flow during current year compared to net decrease of \$16.2M during previous year. The net increase in cash and cash equivalents was due to net cash generated in operating and investing activities of \$124.5M and \$0.5M respectively. Net cash used in financing activities is \$7.6M.

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 year

	Share capital \$'000	Reserves \$'000	Retained profits \$'000	Total \$'000
The Company				
Balance at 1/2/2016	161,863	622	333,236	495,721
Total comprehensive income and loss for the period	-	241	87,648	87,889
Balance at 30/4/2016	<u>161,863</u>	<u>863</u>	<u>420,884</u>	<u>583,610</u>
Balance at 1/2/2015	161,863	1,272	233,186	396,321
Total comprehensive income and loss for the period	-	(10)	(1,167)	(1,177)
Dividends paid in respect of financial year ended 31 January 2014	-	-	-	-
Balance at 30/4/2015	<u>161,863</u>	<u>1,262</u>	<u>232,019</u>	<u>395,144</u>

	Share capital \$'000	Reserves \$'000	Retained profits \$'000	Exchange fluctuation account \$'000	Sub-total \$'000	Non- controlling interests \$'000	Total \$'000
The Group							
Balance at 1/2/2016	161,863	564	467,606	(2,475)	627,558	47,366	674,924
Dividends paid to minority shareholder of a subsidiary	-	-	-	-	-	(20,500)	(20,500)
Total comprehensive income and loss for the period	-	3,864	3,274	123	7,261	370	7,631
Balance at 30/4/2016	<u>161,863</u>	<u>4,428</u>	<u>470,880</u>	<u>(2,352)</u>	<u>634,819</u>	<u>27,236</u>	<u>662,055</u>
Balance at 1/2/2015	161,863	9,343	448,802	(68)	619,940	39,539	659,479
Capital contributions on non controlling shareholders	-	5,498	-	-	5,498	-	5,498
Total comprehensive income and loss for the period	-	2,089	3,783	(199)	5,673	856	6,529
Balance at 30/4/2015	<u>161,863</u>	<u>16,930</u>	<u>452,585</u>	<u>(267)</u>	<u>631,111</u>	<u>40,395</u>	<u>671,506</u>

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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

There was no change in the company's share capital as at 30 April 2016 compared to 31 January 2016.

There were no outstanding executives' share options granted as at 30 April 2016 and 31 January 2016.

There was no treasury share held or issued as at 30 April 2016 and 31 January 2016.

1(d)(iii) To show the total number of issued shares excluding treasury shares at the end of the current financial period and as at the end of the immediately preceding financial year

	As at 30-4-2016	As at 31-01-2016
Number of issued shares excluding treasury shares	738,816,000	738,816,000

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

There were no sales, transfers, disposal, cancellation and / or use of treasury shares as at 30 April 2016.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Review Engagements 2400 (Engagements to Review Financial Statements), or an equivalent standard)

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)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as compared with those used in the audited financial statements for the year ended 31 January 2016.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

The Group has adopted all the new and revised Financial Reporting Standards ("FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 February 2015. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group's and Company's accounting policies and has no material effect on the amounts reported for the current period or prior years.

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	
	30-04-2016	30-04-2015
Earnings per ordinary share for the period based on net profit attributable to shareholders of the Company:		
(i) Based on weighted average number of ordinary shares in issue	0.44 cents	0.51 cents
(ii) On a fully diluted basis	0.44 cents	0.51 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

	Group		Company	
	30/4/2016	31/1/2016	30/4/2016	31/1/2016
Net asset value per ordinary share	86 cents	85 cents	79 cents	67 cents
Net tangible assets backing ordinary share	86 cents	85 cents	79 cents	67 cents

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, 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 cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Construction

There was no revenue recognised during Q1 current year as compared to \$12.8M in Q1 previous year as there is no construction activity from third party projects in Q1 current year. Net profit before tax and non-controlling interests for construction segment decreased by \$1.1M to \$2.5M in Q1 current year from \$3.6M in Q1 previous year. The profit was mainly due to write back of project cost from Paya Lebar Square upon finalisation of accounts.

Hotel and F&B business

Revenue for hotel & F&B businesses decreased by \$0.3M to \$9.5M in Q1 current year from \$9.8M in Q1 previous year. The decrease was mainly due to lower rates and occupancy in Duxton Perth. Net profit before tax and non-controlling interests for hotel segment decreased by \$1.0M to \$0.2M in Q1 current year from \$1.2M in Q1 previous year. The decrease was mainly due to reduced profitability at Duxton Perth as well as exchange losses.

On 23 March 2016 Dalton Investments Pte. Ltd. ("Dalton"), a wholly owned subsidiary of LKHS, entered into a capital assignment agreement ("CAA") to sell the entire charter capital of subsidiary Vinametric Limited ("Vinametric") to a third party New Life Real Estate Business Company Limited ("New Life") for an aggregate consideration of US\$49.0M. Vinametric owns and operate Duxton Hotel Saigon while New Life is a Vietnamese incorporated company and its principal activities are in real estate business.

The aggregate consideration is made up of the initial consideration of US\$38.4M as adjusted for current assets and current liabilities of Vinametric on the closing date and the repayment of shareholder loan of US\$10.6M to Dalton. New Life will pay all Vietnamese specific taxes to the Vietnamese tax authorities in respect of the proposed disposal. The sale was completed on 12 May 2016.

Development

Development revenue is \$1.8M in Q1 current year compared to negative \$0.4M in Q1 previous year. Net profit before tax and non-controlling interests for development segment increase by \$0.9M to \$1.4M in Q1 current year from \$0.5M in Q1 previous year. The increase was due to the sale of office unit at Paya Lebar Square during Q1 current year. Paya Lebar Square obtained TOP on 3 November 2014 while Kismis Residence is in planning stage and has not yet been launched.

Investments

Investment revenue increased by \$0.1M to \$4.6M in Q1 current year from \$4.5M in Q1 previous year. The increase was due to the commencement of operations at Paya Lebar Square (Retail Mall) on 16 December 2014. Paya Lebar Square (Retail Mall) obtained TOP on 3 November 2014 and it is 99% leased as of 10 June 2016.

Net profit before tax and non-controlling interests for investment segment increased to \$0.5M during Q1 current year. The increase was mainly due to the decrease in share of losses from Westgate Tower. Major tenants at Westgate Tower commenced operations from Q4 previous year and the occupancy at Westgate Tower is 97% as of 10 June 2016.

Net profit attributable to shareholders

Net profit attributable to shareholders decreased by \$0.5M to \$3.3M in Q1 current year from \$3.8M Q1 in previous year. The decrease was mainly due to lower profits from construction and hotel segments.

Balance Sheet

Group shareholders' funds increased by \$7.2M to \$634.8M as at 30 April 2016 from \$627.6M as at 31 January 2016. Cash and cash equivalents and fixed deposits increased by \$128.6M to \$347.6M as at 30 April 2016 from \$219.0M as at 31 January 2016. The Group's bank borrowings increased by \$23.7M to \$364.8M as at 30 April 2016 from \$341.1M as at 31 January 2016 due additional loans obtained for Paya Lebar Square during the year. Gearing was 0.13 as at 30 April 2016 compared to 0.19 as at 31 January 2016. The lower gearing is due to the increase in cash and cash equivalents and fixed deposits.

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

Not applicable

10. A commentary at the date of the announcement of the 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 cooling measures introduced by the Singapore government and the release of more land for development to cool the residential market continue to slow down the sluggish property market. The Group will continue to be selective in land bidding and investments projects.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared/recommended for the current financial period reported on? No

Name of Dividend : NIL
Dividend Type : NIL
Dividend Amount : NIL
Tax Rate : NIL

Name of Dividend : NIL
Dividend Type : NIL
Dividend Amount : NIL
Tax Rate : NIL

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

Name of Dividend : NIL
Dividend Type : NIL
Dividend Amount : NIL
Tax Rate : NIL

Name of Dividend : NIL
Dividend Type : NIL
Dividend Amount : NIL
Tax Rate : NIL

(c) Date payable

Not applicable

(d) Books 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.

Not applicable

14. 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 3 months ended 30 April 2016 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Low Keng Boon
Joint Managing Director

Dato' Marco Low Peng Kiat
Joint Managing Director

15 June 2016