

Unaudited Financial Statement for the Period Ended 31 Mar 2018

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 2018:

	Period Ended 31 Mar		
	2018 S\$'000	2017 S\$'000 Restated	% Change
Revenue			
Hotel operations and management	35,532	35,281	1%
Rental income from investment properties	4,901	3,468	41%
Total revenue	40,433	38,749	4%
Other income	71	47	51%
	40,504	38,796	4%
Costs and expenses			
Staff costs	(11,307)	(11,165)	1%
Depreciation and amortisation	(5,168)	(5,255)	-2%
Hotel operating expenses	(12,379)	(12,025)	3%
Total costs and expenses	(28,854)	(28,445)	1%
Profit from operating activities	11,650	10,351	13%
Interest expense	(665)	(1,191)	-44%
Interest income	1,107	1,343	-18%
Foreign exchange (loss)/gain	(2,346)	517	n/m
Share of results of associates	(94)	(154)	-39%
Profit before tax	9,652	10,866	-11%
Income tax expense	(2,941)	(2,903)	1%
Net profit attributable to owners of the parent	6,711	7,963	-16%

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

Note 1 The increase in rental income from investment properties in Q1 2018 was mainly due to the revenue contribution from the two new investment properties which were purchased in New Zealand in 2017.

1 (a)(iii) Consolidated Statement of Comprehensive Income for the Period Ended 31 Mar 2018

	Period Ended 31 Mar		
	2018 S\$'000	2017 S\$'000	% Change
Profit net of tax	6,711	7,963	-16%
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Net gain on fair value changes of available-for-sale financial assets	258	762	-66%
Foreign currency translation	(11,255)	2,858	n/m
	(10,997)	3,620	n/m
Other comprehensive income, net of tax	(10,997)	3,620	n/m
Total comprehensive income	(4,286)	11,583	-137%
Total comprehensive income attributable to:			
Owners of the parent	(4,286)	11,583	-137%
	(4,286)	11,583	-137%

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

Note 1 The foreign currency translation loss for Q1 2018 was principally due to the effects of the decrease in the Australia and New Zealand dollar exchange rates on translating the nets assets of the Australia and New Zealand subsidiaries to Singapore dollar as at 31 March 2018 compared to 31 Dec 2017.

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 2018

Note	Group			Company		
	31-Mar-18 S\$'000	31-Dec-17 S\$'000 (Restated)	1-Jan-17 S\$'000 (Restated)	31-Mar-18 S\$'000	31-Dec-17 S\$'000 (Restated)	1-Jan-17 S\$'000 (Restated)
Non-current assets						
Property, plant and equipment	1,014,151	1,027,625	1,049,214	267,408	267,942	270,038
Investment properties	274,205	277,820	208,852	-	-	-
Land use rights	1,098	1,092	1,199	-	-	-
Investment in subsidiaries	-	-	-	329,091	329,091	243,006
Investment in associates	9,312	8,879	10,413	10,867	10,867	11,574
Investment securities	13,799	13,624	10,358	13,799	13,624	10,358
Deferred tax assets	2,977	3,078	3,471	65	65	447
Goodwill	1,384	1,411	1,454	-	-	-
Intangible assets	85	85	90	-	-	-
	<u>1,317,011</u>	<u>1,333,614</u>	<u>1,285,051</u>	<u>621,230</u>	<u>621,589</u>	<u>535,423</u>
Current assets						
Inventories	781	834	832	18	16	32
Trade and other receivables	7,788	8,438	8,806	726	1,023	2,013
Land use rights	46	45	45	-	-	-
Prepaid operating expenses	2,400	2,829	2,453	88	86	109
Property held for sale	1,199	1,240	-	-	-	-
Due from subsidiaries	-	-	-	1,141	512	753
Short - term deposits	191,801	222,591	297,364	123,559	160,739	193,604
Cash and bank balances	42,046	38,411	45,692	8,432	6,860	8,674
	<u>246,061</u>	<u>274,388</u>	<u>355,192</u>	<u>133,964</u>	<u>169,236</u>	<u>205,185</u>
Current liabilities						
Trade and other payables	22,298	22,468	26,706	764	338	539
Accrued operating expenses	8,776	11,184	10,581	6,246	7,240	8,762
Deferred income	507	777	756	-	-	-
Derivatives	-	83	509	-	83	-
Due to subsidiaries	-	-	-	3,797	3,047	2,880
Due to associated companies	70	66	63	70	66	63
Income tax payable	6,192	5,478	12,845	-	-	20
Finance lease obligations	18	18	18	18	18	18
Loans and borrowings	4,016	40,048	8,533	-	35,300	-
	<u>41,877</u>	<u>80,122</u>	<u>60,011</u>	<u>10,895</u>	<u>46,092</u>	<u>12,282</u>
Net current assets	204,184	194,266	295,181	123,069	123,144	192,903
Non-current liabilities						
Derivatives	-	-	318	-	-	318
Finance lease obligations	43	47	65	43	47	65
Loans and borrowings	60,244	60,537	136,594	-	-	38,700
Deferred tax liabilities	143,244	145,346	142,557	4,661	4,597	4,438
Net assets	1,317,664	1,321,950	1,300,698	739,595	740,089	684,805
Equity attributable to owners of the parent						
Issued capital	455,922	455,922	421,997	455,922	455,922	421,997
Fair value reserve	3,817	3,559	663	3,817	3,559	663
Asset revaluation reserve	626,383	626,383	626,679	198,824	198,824	198,590
Translation reserve	(97,823)	(86,568)	(72,859)	-	-	-
Other reserve	1,432	1,432	1,432	-	-	-
Retained earnings	327,933	321,222	322,786	81,032	81,784	63,555
Total equity	1,317,664	1,321,950	1,300,698	739,595	740,089	684,805

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

Note 1 The current loan and borrowings for the Company was fully repaid in Q1 2018.

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 2018		As at 31 Dec 2017	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
4,034	-	40,066	-

Amount repayable after one year

As at 31 Mar 2018		As at 31 Dec 2017	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
60,287	-	60,584	-

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.

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

Statement of Cash Flow for the Period Ended 31 Mar 2018:

	Period Ended 31 Mar	
	2018 S\$'000	2017 S\$'000
Operating activities		
Profit before tax	9,652	10,866
Adjustments for :-		
Depreciation of property, plant and equipment	5,157	5,255
Amortisation of land use rights	11	11
Net gain on disposal of investment securities	(19)	-
Fair value gain on derivatives	(83)	(118)
Finance costs	665	1,191
Interest income	(1,107)	(1,343)
Share of results of associates	94	154
Operating cash flows before changes in working capital	14,370	16,016
Decrease in inventories	32	48
Decrease/(increase) in trade and other receivables	549	(1,032)
Decrease in prepaid operating expenses	356	52
Decrease in trade and other payables	(2,487)	(3,324)
Cash flows generated from operations	12,820	11,760
Interest received	1,107	1,343
Finance costs	(665)	(1,191)
Tax paid	(2,010)	(1,752)
Net cash flows generated from operating activities	11,252	10,160
Investing activities		
Proceeds from disposal of investment securities	199	-
Purchase of investment securities	(97)	(22)
Purchase of property, plant and equipment	(1,078)	(1,396)
Net cash flows used in investing activities	(976)	(1,418)
Financing activities		
Repayments of loans and borrowings	(36,009)	(8,792)
Repayment of obligations under finance lease	(4)	(4)
Net cash flows used in financing activities	(36,013)	(8,796)
Decrease in cash and cash equivalents	(25,737)	(54)
Effect of exchange rate changes on cash and cash equivalents	(1,418)	1,033
Cash and cash equivalents at beginning of period	261,002	343,056
Cash and cash equivalents at end of period	233,847	344,035

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 2018

Group

	Share Capital \$'000	Fair Value Reserve \$'000	Asset Revaluation Reserve \$'000	Translation Reserve \$'000	Other Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
Opening balance at 1 Jan 2018	455,922	3,559	626,383	(86,568)	1,432	325,819	1,326,547
Effects of adopting SFRS (I)1	-	-	-	-	-	(4,597)	(4,597)
Opening balance at 1 Jan 2018 (Restated)	455,922	3,559	626,383	(86,568)	1,432	321,222	1,321,950
Profit net of tax	-	-	-	-	-	6,711	6,711
Other comprehensive income for the period:							
Net gain on fair value changes of available-for-sale financial assets	-	258	-	-	-	-	258
Foreign currency translation	-	-	-	(11,255)	-	-	(11,255)
Total comprehensive income for the period	-	258	-	(11,255)	-	6,711	(4,286)
Closing balance at 31 Mar 2018 (Restated)	455,922	3,817	626,383	(97,823)	1,432	327,933	1,317,664
Opening balance at 1 Jan 2017	421,997	663	626,679	(72,859)	1,432	327,224	1,305,136
Effects of adopting SFRS (I)1	-	-	-	-	-	(4,438)	(4,438)
Opening balance at 1 Jan 2017(Restated)	421,997	663	626,679	(72,859)	1,432	322,786	1,300,698
Profit net of tax	-	-	-	-	-	7,963	7,963
Other comprehensive income for the period:							
Net gain on fair value changes of available-for-sale financial assets	-	762	-	-	-	-	762
Foreign currency translation	-	-	-	2,858	-	-	2,858
Total comprehensive income for the period	-	762	-	2,858	-	7,963	11,583
Closing balance at 31 Mar 2017(Restated)	421,997	1,425	626,679	(70,001)	1,432	330,749	1,312,281

Company

	Share Capital \$'000	Fair Value Reserve \$'000	Asset Revaluation Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
Opening balance at 1 Jan 2018	455,922	3,559	198,824	86,381	744,686
Effects of adopting SFRS (I)1	-	-	-	(4,597)	(4,597)
Opening balance at 1 Jan 2018 (Restated)	455,922	3,559	198,824	81,784	740,089
Profit net of tax	-	-	-	(752)	(752)
Other comprehensive income for the period:					
Net gain on fair value changes of available-for-sale financial assets	-	258	-	-	258
Total comprehensive income for the period	-	258	-	(752)	(494)
Closing balance at 31 Mar 2018(Restated)	<u>455,922</u>	<u>3,817</u>	<u>198,824</u>	<u>81,032</u>	<u>739,595</u>
Opening balance at 1 Jan 2017	421,997	663	198,590	67,993	689,243
Effects of adopting SFRS (I)1	-	-	-	(4,438)	(4,438)
Opening balance at 1 Jan 2017(Restated)	421,997	663	198,590	63,555	684,805
Profit net of tax	-	-	-	1,880	1,880
Other comprehensive income for the period:					
Net gain on fair value changes of available for sale financial assets	-	762	-	-	762
Total comprehensive income for the period	-	762	-	1,880	2,642
Closing balance at 31 Mar 2017(Restated)	<u>421,997</u>	<u>1,425</u>	<u>198,590</u>	<u>65,435</u>	<u>687,447</u>

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 690,314,991 shares since the end of the last financial year.

The Company does not have any treasury shares as at 31 Mar 2018. There was no sale, transfer, disposal, cancellation and/or use of treasury shares for the period ended 31 Mar 2018.

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

In December 2017, the Accounting Standards Council (ASC) issued the Singapore Financial Reporting Standards(International) (SFRS(I). SFRS(I) comprises standards and interpretations that are equivalent to International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board(IASB).

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as that of the audited financial statements for the year ended 31 December 2017 except for the adoption of the SFRS(I) applicable for the financial period beginning 1 January 2018 as follows:

- SFRS(I)(1) First - Time Adoption of Singapore Financial Reporting Standards(International)
- SFRS(I)(9) Financial Instruments
- SFRS(I)(15) Revenue from Contracts with Customers

a) Application of SFRS(I) (1)

Under the transition requirements of SFRS(I)1 First-time Adoption of Singapore Financial Reporting Standards(international), the date of transition is on 1 January 2017 and accordingly the statement of financial position has been restated from 1 January 2017.

On transition to SFRS(I), the Group recognised deferred tax liabilities of \$4,438,622 arising from unremitted foreign-sourced interest income with the corresponding entry recognised in opening retained earnings as at 1 January 2017.

The effects of adopting SFRS(I)(1) are as follow:

(Decrease)/increase in:

Consolidated balance sheet

	Group and Company	
	31-Dec-17	1-Jan-17
	S\$'000	S\$'000
Deferred tax liabilities	4,597	4,438
Retained earnings	(4,597)	(4,438)

Consolidated income statement

	Group
	Period ended
	31 March 2017
Increase in:	
Income tax expense	40

b) Application of SFRS(I) (9)

SFRS(I)(9) introduces new requirements for classification and measurement of financial assets, impairment of financial assets and hedge accounting. The Group does not expect a significant change to the measurement basis arising from adopting the new classification and measurement model under SFRS(I) (9) on the Group's financial statements.

SFRS(I)(9) requires the Group to record expected credit losses on all its loans and trade receivables. The Group adopts the simplified approach and does not have a significant impact on the Group's financial statements.

c) Application of SFRS(I) (15)

SFRS(I)(15) establishes a new comprehensive framework for determining whether, how much and when revenue is recognised. Under this standard, revenue is recognised at an amount that reflects the consideration which an entity expects to be entitled in exchange for transferring goods or services to a customer. The adoption of SFRS(I)(15) does not have a material impact on the Group's financial statements.

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**

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	
2018	2017 Restated
0.97 cents	1.20 cents
0.97 cents	1.20 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-18	31-Dec-17 Restated
S\$1.91	S\$ 1.92

Company	
31-Mar-18	31-Dec-17 Restated
S\$ 1.07	S\$ 1.07

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 increase in the Group's revenue in Q1 2018 was mainly due to the increase in rental income from investment properties due to the two new investment properties in Christchurch and Hamilton, New Zealand respectively.

B) Group Profit Commentary

The decrease in the Group's net profit in Q1 2018 was impacted by a foreign exchange loss during the quarter of \$2.34 million. (Q1 2017 - gain of \$517,000) The foreign exchange loss arose principally due to the translation of Australia and New Zealand dollar fixed deposits held by the Company at lower Australia and New Zealand dollar exchange rates respectively against the Singapore dollar.

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**

Subject to the sustained improvement in the global economic growth and barring unforeseen circumstances, the hotel markets where the Group primarily operates in are generally expected to improve in 2018.

Whilst the outlook in the Australia and New Zealand hotels are expected to be stable in 2018, the Singapore hotels are expected to operate in a competitive market due to the increases in hotel room supply in recent years.

In addition, the Group's two new investment properties in New Zealand are expected to contribute a full year's contribution to 2018 earnings compared to a partial year contribution to 2017 earnings.

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 2018.

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
Scrip dividend	0	0
Cash dividend	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 2018 to be false or misleading.

BY ORDER OF THE BOARD

Lim Bee Lian Eliza
Secretary
14 May 2018