Centurion Corporation Limited
(Company Registration No. 198401088W)

Unaudited Fourth Quarter Financial Statement and Dividend Announcement for the year ended 31 December 2015

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY, HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) Consolidated Income Statement

	Group Fourth Quarter ended 31 December 2015 $ '000	2014 $ '000	Change %	Group Twelve months ended 31 December 2015 $ '000	2014 $ '000	Change %
Revenue	28,288	26,105	8	104,538	84,443	24
Cost of sales	(10,260)	(8,820)	16	(35,718)	(28,659)	25
Gross profit	18,028	17,285	4	68,820	55,784	23
Other gains - miscellaneous	527	306	72	1,549	864	79
Expenses						
- Distribution	(616)	(296)	108	(1,470)	(1,175)	25
- Administrative	(8,170)	(4,275)	91	(20,246)	(14,502)	40
- Finance	(5,279)	(2,896)	82	(15,940)	(8,889)	79
Share of profit of associated companies and joint ventures	1,316	23,940	(95)	5,986	45,332	(87)
	5,806	34,064	(83)	38,699	77,414	(50)
Fair value gain on group's investment properties	3,550	40,308	(91)	3,550	40,308	(91)
Profit before income tax	9,356	74,372	(87)	42,249	117,722	(64)
Income tax expense	(1,767)	(1,444)	22	(8,270)	(6,503)	27
Profit from continuing operations *(Note 1)*	7,589	72,928	(90)	33,979	111,219	(69)
Discontinued operations						
Loss from discontinued operations *(Note 2)*	-	(8)	N/M	-	(69)	N/M
Total profit	7,589	72,920	(90)	33,979	111,150	(69)
Attributable to:						
Equity holders of the Company	7,511	72,970	(90)	34,129	111,200	(69)
Non-controlling interest	78	(50)	N/M	(150)	(50)	200
Equity holders of the Company	7,589	72,920	(90)	33,979	111,150	(69)

Note 1

	Q4 2015	Q4 2014	Change %	FY 2015	FY 2014	Change %
Profit from continuing operations	7,589	72,928	(90)	33,979	111,219	(69)
Adjusted for:						
- Fair value gains on investment properties, including those of joint venture	(3,193)	(62,808)	(95)	(3,193)	(62,808)	(95)
- Write down of investment in associate	4,800	-	N/M	4,800	-	N/M
- Share of profit from joint venture from one-off sale of development properties	-	-	N/M	-	(17,293)	N/M
Profit from core business operations	**9,196**	**10,120**	**(9)**	**35,586**	**31,118**	**14**

Note 2

Loss from discontinued operations arise from the discontinuing of Australian optical business which was sold during FY2014.

1(a)(ii) Consolidated Statement of Comprehensive Income

	Fourth Quarter ended 31 December			Twelve months ended 31 December		
	2015	2014	Change	2015	2014	Change
	$ '000	$ '000	%	$ '000	$ '000	%
Total profit	7,589	72,920	(90)	33,979	111,150	(69)
Items that may be reclassified subsequently to profit or loss:						
Currency translation gain/(loss) arising from consolidation	546	(2,822)	N/M	(8,981)	(5,518)	63
Available-for-sale financial assets						
- Fair value gain/(loss)	26	(42)	N/M	(118)	(206)	(43)
- Reclassification	-	-	N/M	-	153	N/M
Other comprehensive income/(loss), net of tax	572	(2,864)	N/M	(9,099)	(5,571)	63
Total comprehensive income	8,161	70,056	(88)	24,880	105,579	(76)
Attributable to:						
Equity holders of the Company	8,083	70,106	(88)	25,030	105,629	(76)
Non-Controlling Interest	78	(50)	N/M	(150)	(50)	200
Equity holders of the Company	8,161	70,056	(88)	24,880	105,579	(76)

1(a)(iii) Notes to Consolidated Income Statement

The below notes do not include the impact attributed to the discontinued operations:

	Fourth Quarter ended 31 December			Twelve months ended 31 December		
	2015	2014	Change	2015	2014	Change
	$ '000	$ '000	%	$ '000	$ '000	%
After (charging) / crediting:						
Interest expense	(5,279)	(2,896)	82	(15,940)	(8,889)	79
Depreciation and amortisation	(1,911)	(1,728)	11	(7,230)	(6,867)	5
Write back of /(allowance for) doubtful debts (net)	68	(30)	N/M	39	(115)	N/M
Currency exchange (loss)/ gain (net)	(152)	8	N/M	(149)	(93)	60
Adjustments for underprovision of prior year tax	202	-	N/M	39	-	N/M
Net gain/(loss) on sale of property, plant and equipment	32	82	(61)	(20)	48	N/M

The miscellaneous gains (net) comprise the following:

	Fourth Quarter ended 31 December			Twelve months ended 31 December		
	2015	2014	Change	2015	2014	Change
	$ '000	$ '000	%	$ '000	$ '000	%
Impairment of investment properties	-	-	N/M	-	-	N/M
Other rental income	70	40	75	316	305	4
Interest income	405	3	13,400	857	246	248
Dividend income	28	28	-	111	111	-
Currency exchange (loss)/gain (net)	(152)	8	N/M	(149)	(93)	60
Others	176	227	(22)	414	295	40
Other miscellaneous gains - net	527	306	72	1,549	864	79

N/M : Not meaningful

1(b)(i) Balance Sheets

	Group		Company	
	31 Dec 15	31 Dec 14	31 Dec 15	31 Dec 14
	$ '000	$ '000	$ '000	$ '000
Current assets				
Cash and cash equivalents	138,435	63,144	87,075	21,680
Trade and other receivables	5,659	4,993	12,396	7,944
Inventories	381	643	-	-
Other assets	3,819	13,666	164	264
Assets held for sales	45	-	-	-
	148,339	82,446	99,635	29,888
Non-current assets				
Trade and other receivables	148	604	262,227	271,245
Other assets	265	265	265	265
Available-for-sale financial assets	2,196	2,314	2,196	2,314
Investments in associated companies / joint ventures	83,097	85,788	1,298	1,298
Investments in subsidiaries	-	-	17,400	18,762
Investment properties	891,471	684,437	-	-
Property, plant & equipment	9,709	6,385	233	265
Deferred income tax assets	19	60	-	-
Intangible assets	6,793	11,734	-	-
	993,698	791,587	283,619	294,149
Total assets	**1,142,037**	**874,033**	**383,254**	**324,037**
Current liabilities				
Trade and other payables	(55,510)	(39,232)	(4,290)	(5,016)
Current income tax liabilities	(9,454)	(7,064)	(478)	(192)
Borrowings	(133,304)	(24,692)	(102,493)	(1,313)
	(198,268)	(70,988)	(107,261)	(6,521)
Non-current liabilities				
Borrowings	(538,289)	(408,081)	(64,539)	(99,125)
Other liabilities	(202)	(276)	-	-
Deferred income tax liabilities	(2,382)	(3,128)	(27)	(26)
	(540,873)	(411,485)	(64,566)	(99,151)
Total liabilities	**(739,141)**	**(482,473)**	**(171,827)**	**(105,672)**
Net assets	**402,896**	**391,560**	**211,427**	**218,365**
Equity				
Share capital	89,837	89,836	201,148	201,147
Treasury shares	(2,107)	-	(2,107)	-
Other reserves	(2,336)	6,763	184	302
Retained profits	316,722	294,031	12,202	16,916
	402,116	390,630	211,427	218,365
Non-controlling Interest	780	930	-	-
Total equity	**402,896**	**391,560**	**211,427**	**218,365**
Total borrowings	671,593	432,773		
Gearing ratio*	63%	52%		
Net gearing ratio**	50%	45%		

* The gearing ratio is computed as borrowings divided by total capital. Total capital is calculated as borrowings plus net assets of the Group.

** The net gearing ratio is computed as borrowings less cash and cash equivalents divided by total capital.

1(b)(ii) Group's borrowings and debt securities

(a) Amount repayable in one year or less, or on demand

	As at 31 Dec 15 $'000	As at 31 Dec 14 $'000
Secured	30,811	23,379
Unsecured	102,493	1,313
Sub Total	**133,304**	**24,692**

(b) Amount repayable after one year

	As at 31 Dec 15 $'000	As at 31 Dec 14 $'000
Secured	413,450	304,836
Unsecured	124,839	103,245
Sub Total	**538,289**	**408,081**
Total Debt	**671,593**	**432,773**

(c) Details of any collateral

The Group's secured borrowings includes bank borrowings and lease liabilities. The borrowings are secured by fixed charges over the investment properties of the subsidiaries.

1 (c) Consolidated Cash Flow Statement

The below consolidated cash flow statement includes the impact on the cash flows of the Group attributed to the discontinued operations in FY2014.

	Fourth Quarter ended 31 December		Twelve months ended 31 December	
	2015	2014	2015	2014
	$ '000	$ '000	$ '000	$ '000
Cash flows from operating activities				
Total profit	7,589	72,920	33,979	111,150
Adjustment for:				
Income tax expense	1,767	1,445	8,270	6,503
Depreciation and amortisation	1,911	1,728	7,230	6,893
(Write back of)/allowance for impairment of trade and other receivables	(68)	30	(39)	204
Net (gain)/loss on disposal of property, plant and equipment	(32)	(82)	20	(723)
Interest income	(405)	(138)	(857)	(465)
Dividend income	(28)	(28)	(111)	(111)
Interest expense	5,279	2,896	15,940	8,889
Share of profits of associated companies and joint ventures (net)	(1,316)	(23,940)	(5,986)	(45,332)
Write down of investment in associate	4,800	-	4,800	-
Reversal of impairment of property, plant and equipment	(35)	-	(35)	-
Fair value gain on investment properties	(3,550)	(40,308)	(3,550)	(40,308)
Unrealised currency translation differences	1,532	3,438	762	540
Reclassification adjustment from fair value reserve to profit or loss	-	-	-	153
Operating cash flow before working capital changes	17,444	17,961	60,423	47,393
Changes in working capital, net of effects from acquisition of subsidiary				
Inventories	176	26	261	351
Trade and other receivables	(1,909)	(3,697)	(1,891)	3,796
Other assets	1,804	5,972	1,144	5,426
Trade and other payables	(5,056)	(5,065)	1,046	3,028
Cash generated from operations	12,459	15,197	60,983	59,994
Income tax paid - net	(999)	(22)	(6,459)	(6,450)
Net cash provided by operating activities	11,460	15,175	54,524	53,544
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment	120	3	126	797
Additions to investment property	(26,979)	(14,661)	(187,998)	(269,348)
Purchase of property, plant and equipment	(2,702)	(748)	(5,815)	(2,377)
Acquisition of interest in subsidiaries, net of cash acquired	-	-	-	370
Loan to associated company	(195)	(211)	(450)	(668)
Interest received	405	138	857	465
Dividend received	28	28	111	111
Dividend received from an associated company/joint venture	-	4,500	4,050	13,500
Net cash received from reverse acquisition	-	-	-	-
Short term deposits released as security from bank	-	-	-	816
Short-term bank deposits charged as security to bank	(19)	(4,028)	(19)	(4,028)
Deposits paid for acquisition of investment property	(65)	(9,820)	(2,175)	(9,820)
Deposits refunded for acquisition of investment property	-	-	-	2,071
Net cash used in investing activities	(29,407)	(24,799)	(191,313)	(268,111)
Cash flows from financing activities				
Proceeds from borrowings	27,394	24,348	206,426	273,700
Repayment of borrowings	(6,607)	(21,571)	(22,925)	(32,152)
Interest paid	(4,794)	(2,775)	(13,019)	(8,425)
Acquisition of additional interest in a subsidiary	-	-	(85)	-
Proceeds from exercise of warrants	-	-	1	405
Purchase of treasury shares	(650)	-	(2,107)	-
Dividends paid to shareholders	-	-	(11,353)	(8,325)
Cash provided by non-controlling interest	-	5,100	-	5,100
Cash provided by associated company	-	-	56,180	-
Net cash provided by financing activities	15,343	5,102	213,118	230,303
Net (decrease)/increase in cash and cash equivalents held	(2,604)	(4,522)	76,329	15,736
Cash and cash equivalents at beginning of the year	137,326	63,781	59,116	43,558
Effects of exchange rate changes on cash and cash equivalents	(334)	(143)	(1,057)	(178)
Cash and cash equivalents at end of the year	134,388	59,116	134,388	59,116

* The consolidated cash and cash equivalents comprise the following:

Cash and bank balances	138,435	63,144	138,435	63,144
Short-term bank deposits charged as security to bank	(4,047)	(4,028)	(4,047)	(4,028)
	134,388	59,116	134,388	59,116

1(d)(i) **Statement of Changes in Equity**

As at 31 Dec 2015 vs 31 Dec 2014

GROUP 2015	Share Capital $'000	Treasury Shares $'000	Other Reserves $'000	Retained Profits $'000	Total Equity $'000	Non-controlling Interest $'000	Total Equity $'000
	← Attributable to equity holders of the Company →						
Balance as at 1 Jan 2015	89,836	-	6,763	294,031	390,630	930	391,560
Dividends relating to FY2014 paid	-	-	-	(7,569)	(7,569)	-	(7,569)
Dividends relating to FY2015 paid	-	-	-	(3,784)	(3,784)	-	(3,784)
Adjustment on acquisition of additional shares in a subsidiary from non-controlling interest	-	-	-	(85)	(85)	-	(85)
Issuance of shares pursuant to warrants exercised	1	-	-	-	1	-	1
Purchase of treasury shares	-	(2,107)	-	-	(2,107)	-	(2,107)
Profit/(loss) for the year	-	-	-	34,129	34,129	(150)	33,979
Other comprehensive loss for the year	-	-	(9,099)	-	(9,099)	-	(9,099)
Balance as at 31 Dec 2015	**89,837**	**(2,107)**	**(2,336)**	**316,722**	**402,116**	**780**	**402,896**

GROUP 2014	Share Capital $'000	Treasury Shares $'000	Other Reserves $'000	Retained Profits $'000	Total Equity $'000	Non-controlling Interest $'000	Total Equity $'000
Balance as at 1 Jan 2014	89,431	-	12,334	191,156	292,921	-	292,921
Dividends relating to FY2013 paid	-	-	-	(4,541)	(4,541)	-	(4,541)
Dividends relating to FY2014 paid	-	-	-	(3,784)	(3,784)	-	(3,784)
Non-controlling interest's share in a subsidiary	-	-	-	-	-	980	980
Issuance of shares pursuant to warrants exercised	405	-	-	-	405	-	405
Profit/(loss) for the year	-	-	-	111,200	111,200	(50)	111,150
Other comprehensive loss for the year	-	-	(5,571)	-	(5,571)	-	(5,571)
Balance as at 31 Dec 2014	**89,836**	**-**	**6,763**	**294,031**	**390,630**	**930**	**391,560**

COMPANY 2015	Share Capital $'000	Treasury Shares $'000	Other Reserves $'000	Retained Profits $'000	Total $'000
Balance as at 1 Jan 2015	201,147	-	302	16,916	218,365
Dividends relating to FY2014 paid	-	-	-	(7,569)	(7,569)
Dividends relating to FY2015 paid	-	-	-	(3,784)	(3,784)
Issuance of shares pursuant to warrants exercised	1	-	-	-	1
Purchase of treasury shares	-	(2,107)	-	-	(2,107)
Profit for the year	-	-	-	6,639	6,639
Other comprehensive loss for the year	-	-	(118)	-	(118)
Balance as at 31 Dec 2015	**201,148**	**(2,107)**	**184**	**12,202**	**211,427**

COMPANY **2014**	**Share Capital** $'000	**Treasury Shares** $'000	**Other Reserves** $'000	**Retained Profits** $'000	**Total** $'000
Balance as at 1 Jan 2014	200,742	-	509	9,863	211,114
Dividends relating to FY2013 paid	-	-	-	(4,541)	(4,541)
Dividends relating to FY2014 paid	-	-	-	(3,784)	(3,784)
Issuance of shares pursuant to warrants exercised	405	-	-	-	405
Profit for the year	-	-	-	15,378	15,378
Other comprehensive loss for the year	-	-	(207)	-	(207)
Balance as at 31 Dec 2014	**201,147**	**-**	**302**	**16,916**	**218,365**

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.

	Company	
	No. of shares issued	Share capital $ '000
Issued and fully paid:		
As at 1 Jan 2015	756,872,238	201,147
Issue of new shares pursuant to the warrants exercised	1,100	1
As at 31 December 2015	756,873,338	201,148

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.

	Company	
	31 Dec 15	31 Dec 14
Total number of issued shares excluding treasury shares	751,801,938	756,872,238

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.

	Company	
	No. of shares	
	Twelve months ended 31 December	
	2015	2014
Beginning of financial period	-	-
Purchase of treasury shares	5,071,400	-
Cancellation of shares held in treasury	-	-
As at 31 December 2015	5,071,400	-

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 by the Company's auditors.

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

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Group's and Company's accounting policies and had no material effect on the amounts reported for the current or prior financial periods.

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.**

There are no significant changes in the Group's accounting policies and methods of computation nor any significant impact on the financial statements.

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

		Group			
		Fourth Quarter ended 31 December		Twelve months ended 31 December	
		2015	2014	2015	2014
(a)	Based on weighted average number of ordinary shares on issue	0.99 cents	9.64 cents	4.52 cents	14.70 cents
(b)	On a fully diluted basis	0.99 cents	9.46 cents	4.52 cents	14.42 cents

Note:
The earnings per share is calculated based on weighted average number of ordinary shares in issue of 755,635,482 for Q4 and 755,636,502 for FY2015 (Q4 2014 and FY2014: 756,589,973) ordinary shares.

The weighted average number of shares used for the calculation of EPS based on fully diluted basis is 755,635,482 for Q4 and 755,636,502 for FY 2015 (Q4 2014 : 771,066,199 and FY2014: 771,120,831).

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 period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	31 Dec 15	31 Dec 14	31 Dec 15	31 Dec 14
Net asset value per ordinary share based on existing issued share capital (excluding treasury shares) as at the end of the period reported on	53.49 cents	51.61 cents	28.12 cents	28.85 cents

Note
The Group and Company net asset value per ordinary share is calculated based on the existing issued share capital excluding treasury shares of 751,801,938 (2014: 756,872,238) ordinary shares.

8 Group Performance Review

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)(i) Fourth quarter review – Q4 FY2015 vs Q4 FY2014

The Group recorded a revenue of S$28.3 million in 4Q 2015, an increase of 8% or S$2.2 million from the previous corresponding period in 4Q 2014. Its accommodation business registered a quarter-on-quarter revenue growth of 13% or S$3.2 million from S$24.1 million in 4Q 2014 to S$27.3 million in 4Q 2015.

This positive growth in revenue from the accommodation business stemmed largely from Westlite Woodlands workers accommodation obtaining its temporary occupation permit ("TOP") in July 2015 as well as higher rental rate and occupancy in its existing workers accommodation portfolio.

The revenue gain from the accommodation business was slightly offset by the drop in revenue of approximately S$1.0 million from the optical disc business due to continued reduced market demand for physical optical disc storage media.

The Group's gross profit in 4Q 2015 increased by 4% from S$17.3 million to S$18.0 million primarily due to the higher turnover. Gross profit margin, however, declined 2% quarter-on-quarter from 66% in 4Q 2014 to 64% in 4Q 2015 due to the fixed operating cost of Westlite Woodlands and CSL Selegie student accommodation which started operations in July and September 2015 respectively. Both accommodation assets are still in the midst of ramping up their occupancy.

Administrative expenses in 4Q 2015 increased S$3.9 million as it included a reassessment of S$4.8 million (FY2014: S$Nil) on the carrying value of the investment in an associated company, Lian Beng-Centurion (Mandai) Pte Ltd. The reassessment was made with reference to the Group's share of net assets, which included the joint venture's investment properties that are measured at their fair value. The increase was mainly offset by the absence of the one-off legal and professional costs incurred in 4Q 2014 of S$0.7 million for the setting up of the student accommodation business in the UK.

Finance costs increased by S$2.4 million, mainly due to the financing cost for Westlite Woodlands which received its temporary occupation permit in July 2015. Additional interest costs were also incurred for the S$65 million Multicurrency Medium Term Note ("MTN") issued in July 2015.

The share of operational gains from associated companies and joint venture in 4Q 2015 included a fair value loss S$0.4 million from an investment property in Malaysia as compared to a fair valuation gain of S$22.5 million from investment properties in 4Q 2104. Excluding fair valuation adjustments, the Group's share of operational profits was S$1.7 million, an increase of S$0.2 million from the corresponding quarter last year.

The Group's investment properties comprising workers and student accommodation were fair valued as at 31 December 2015, resulting in a fair valuation gain of S$3.6 million recognised in Q4 2015 as compared to a S$40.3 million fair valuation gain in Q4 2014.

Accordingly, the Group's net profit after tax for 4Q 2015 was S$7.6 million, as compared S$72.9 million for 4Q 2014. This was mainly due to the absence of similar level of fair valuation gains last year.

Excluding the net fair valuation gains of S$3.2 million from the investment properties of the Group and associated companies and the investment reassessment of S$4.8 million, the Group's net profit after tax from its core business operations for 4Q 2015 was S$9.2 million (4Q 2014: S$10.1 million). The reduction of approximately S$0.9 million was mainly due to the higher financing cost which arose from additional bank loans and the new MTN issue to fund the expansion of the Group's accommodation business.

Majority of the profits were contributed by the Group's accommodation business. The Group's optical disc business breakeven for 4Q 2015. This included the cost of S$0.3 million in ceasing its Indonesian optical disc manufacturing operations.

(a)(ii) 12 months 2015 review – 12M FY2015 vs 12M FY2014

The Group registered an increase of 24% in revenue from S$84.4 million in FY2014 to S$104.5 million in FY2015. The Group's accommodation business achieved a 30% growth or S$23.0 million increase in revenue compared to last year due to the continued expansion of the Group's accommodation business. The Group's optical disc business, however, experienced a decrease in revenue by 37% or S$2.9 million, due to continued weak demand from its customers for physical optical disc media and the scaling down of the Group's Indonesian plant starting September 2015, which eventually ceased manufacturing operations on 31 December 2015.

Gross profit for the Group in FY2015 improved by S$13.0 million, which was an increase of 23% compared to FY2014, on the back of revenue growth from the expansion of the accommodation business.

Administrative expenses rose by S$5.7 million mainly due to the reassessment of investment in an associated company , Lian Beng-Centurion (Mandai) Pte Ltd by S$4.8 million. The remaining increase was attributed to the Group's expansion into the UK student accommodation business as well as professional fees and expenses incurred in the evaluation of the proposed establishment of a Workers Accommodation Real Estate Investment Trust earlier this year.

Finance costs, which increased by S$7.1 million, were mainly due to the additional interest costs incurred for the financing of the expanded accommodation businesses as well as the bank facility fee incurred in financing the development of ASPRI-Westlite Papan.

Share of the results of associated companies and joint venture fell by S$39.3 million in FY2015. In FY2014, the Group recorded a one-off gain of S$17.3 million from the sale of industrial factory units at M-Space as well as fair value gains of S$22.5 million. Excluding this one-off gain, the Group's share of operational profits derived from Westlite Mandai's workers accommodation operations increased by S$0.8 million from S$5.5 million in FY2014 to S$6.3 million in FY2015 due to an increase in occupancy and rental rates.

The Group's investment properties comprising workers and student accommodation were fair valued as at 31 December 2015, resulting in a fair valuation gain of S$3.6 million recorded in FY 2105 as compared to a S$40.3 million fair valuation gain in FY 2015.

Accordingly, with the absence of one-off gains in the sale of industrial factory units and the similar level of fair valuation gains from investment properties in FY2015, the net profit for FY2015 decreased 69% from S$111.2 million to S$34.0 million. Excluding the one-off gain on sales of factory units, fair value gains and the reassessment of investment in an associated company, the net profit after tax derived from the Group's core business operations recorded a growth of 14% or S$4.5 million, from S$31.1 million to S$35.6 million in FY2015. The Group's accommodation business contributed substantially to the net profit, and the optical disc business contributed a net profit of S$0.4m and cash flow of S$0.6m to the Group in FY2015.

(b)(i) Review of Group Balance Sheet

Assets

Cash and cash equivalents increased by S$75.3 million largely due to the issue of the S$65 million MTN in July 2015 as well as net cash generated from operations.

Other current assets decreased by S$9.8 million mainly due to the deposit of S$9.8 million for the development of ASPRI-Westlite Papan, which was transferred and recorded as investment properties.

Investment properties increased by S$207.0 million, mainly due to the acquisitions and development of accommodation projects in Singapore, Malaysia, Australia and the United Kingdom as well as S$3.6 million net fair value gains for the year.

Liabilities

Trade and other payables increased by S$16.3 million mainly due to payables arising from the development of ASPRI-Westlite Papan.

The Group was in a net current liabilities position of S$50 million due to the reclassification of the MTN of S$100 million, which is maturing in October 2016, from long term borrowings to current liabilities. The Group currently has sufficient cash resources and banking facilities (both in aggregate of approximately S$213 million) available to meet the financing needs of the maturing MTN and its current liabilities.

Borrowings increased by S$238.8 million largely due to bank loans obtained in FY2015 to finance the development of the Group's workers accommodation projects as well as the issuance of S$65 million MTN in 3Q 2015. Accordingly, the Group's net gearing ratio as at 31 December 2015 increased from 45% to 50%.

The Group's operational workers and student accommodation assets continued to generate stable and strong operating cash flow of S$60.4 million, a 27% increase from S$47.4 million in FY2014. Despite the higher gearing ratio, the 4 times interest cover continues to be adequate and is within the Group's interest cover threshold.

The Group's development and acquired operating assets are primarily funded through long term bank debt with a maturity profile averaging 12 years. With active debt and capital management policies in place, the Group continues to generate a net operating cash flow surplus of S$18.0 million (after deducting income tax paid, interest and loan principal repayments) for FY2015.

The Group's balance sheet remains healthy and robust with S$138.4 million cash and cash equivalents. Given the strong and stable operating cashflow, the Group has adequate debt headroom for further growth and expansion. To ensure sustainable growth in the long run, the Group will carefully balance between acquiring operating assets which will contribute to the current income and investing in development projects for future growth.

(b)(ii) Review of Company Balance Sheet

Cash and cash equivalent increased by S$65.4 million mainly due to the issuance of the S$65 million MTN.
Borrowings increased by S$66.6 million due to the newly issued MTN as well as the accrued interest in association with the notes.

(b)(iii) Review of Cash Flow Statement

During FY2015, net cash provided by operating activities was S$54.5 million where the Group generated a positive operating cash flow before working capital of S$60.4 million. This was an increase of S$13.0 million as compared to S$47.4 million in FY2014 due to continued business growth.

Net cash of S$191.3 million was used for the acquisition and development of the Group accommodation assets, in particular for ASPRI-Westlite Papan and Westlite Woodlands.

Net cash of provided by financing activities of S$213.1 million was mainly due to new bank loans, new MTN issued and cash provided by associated company to finance acquisitions and project developments in particular those in Singapore. This financing proceeds was offset by the regular principal and interest paid and dividends paid to shareholders during the year.

As a result of the above activities, the Group recorded a total net increase in cash and cash equivalents of S$76.3 million.

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 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.

(i) Accommodation Business

The Group's expansion into the student accommodation business in 2014 was part of its diversification strategy to widen its revenue stream across more countries and industries. The Group will continue to evaluate asset enhancement opportunities to enhance the value of its existing assets and selectively explore opportunities for strategic expansion in existing and new markets, while strengthening its operational capability in both the workers and student accommodation business.

(a) Workers Accommodation

The Group expects the long-term demand for quality workers accommodation in Singapore to remain positive, in view of the Singapore government's vision to provide foreign workers with appropriate accommodation and efforts to house them in purpose-built workers accommodation.

The Group continues to hold a strong leadership position in the workers accommodation industry. As at 31 December 2015, the Group had a total of 27,600 beds across four operating workers accommodation in Singapore. The Group's dormitories in Toh Guan, Mandai and Tuas continue to operate at close to full occupancy, while the fourth dormitory, Westlite Woodlands, has secured more than 50% occupancy since it opened in the third quarter of 2015. With the slowdown in the marine and oil and gas sectors, the occupancy for Westlite Woodlands is expected to take longer than the usual six to nine months to ramp up. The construction sector, however, continues to hold up.

Looking ahead, the anticipated softening of the Singapore economy, together with a new supply of approximately 57,000 purpose-built dormitory beds progressively entering the market this year, may add pressure on the industry's rental rates. However, this is mitigated by a number of short-term purpose-built dormitories with leases that are expiring in 2016 and may not be renewed by the government. Continued enforcement actions by the government, to ensure that foreign workers' living conditions and welfare are addressed by employers, will continue to shift demand towards purpose-built dormitories. Notwithstanding the mixed challenges in the industry, the overall occupancy rates for the Group's assets are expected to remain relatively healthy, given the competitive strengths of the Group's dormitories.

In Malaysia, the Group's bed capacity in Johor, Malaysia, has grown to 25,300 beds with the recent completion of Westlite Senai II in January 2016. Although the overall occupancy rates for the Group's Malaysian assets continue to be healthy, it has recently seen a softening of occupancy rates, mainly due to the slowdown in the manufacturing sector. Employers are also facing challenges in retaining and recruiting foreign workers because of the weaker ringgit while trying to manage cost. To overcome these challenges, companies in the manufacturing sector are currently looking to diversify their source of recruitment for foreign workers. To further diversify its business, the Group has also expanded beyond Johor to Penang which is another important hub for multi-national companies.

The upcoming pipeline of 19,000 beds from the completion of Westlite Papan in Singapore in 2016, and Westlite Bukit Minyak and Westlite Juru in Penang Malaysia in 2017 and 2018 respectively, will provide the Group with continued earnings growth in the near future. As one of the largest purpose-built dormitory owner-operators in Singapore and Malaysia, the Group believes it is well-positioned to strengthen its operational performance and position in the market.

(b) Students Accommodation

The Group's expansion into the student accommodation business has successfully broadened and diversified the Group's earnings base and performance. The student accommodation business in the United Kingdom ("UK") and Australia has strong potential for growth given the continued growth in higher education enrolments in these countries.

According to The Universities and Colleges Admissions Service ("UCAS"), the 2015 cycle was another record year for UK higher education. There was a 3.9% year-on-year increase to 532,300 students starting their studies in 2015, with growth in international recruitment, particularly from EU countries. This was the highest number of acceptances recorded in any cycle, for the third year running.

Meanwhile, in Australia, the Australian Government Department of Education and Training reported a 3.1% increase in the number of higher education student enrolments to reach 1.2 million students in the first half of 2015. The QS World Ranking for Best Student Cities 2015 has also placed Melbourne as the second best student city.

These industry trends bode well for the Group's student accommodation assets. In Australia, the 456-bed RMIT Village is expected to operate at close to full occupancy for the 2016 academic year. In the UK, the Group's portfolio of 1,901 beds across three student accommodation assets in Manchester and one asset in Liverpool is also expected to operate at close to full occupancy.

In Singapore, CSL Selegie has completed its second and final phase of refurbishment in October 2015. The accommodation is currently being marketed and is expected to achieve healthy occupancy in six to twelve months.

The overall outlook for the Group's student accommodation business remains strong, underpinned by the attractive location of its assets and strong demand for quality purpose-built student accommodation in the educational hubs of Australia and the UK.

(ii) Optical Disc Business

After the cessation of the Group's optical disc manufacturing in Indonesia, the operations of optical disc business segment was further scaled down and contributions to the Group will not be significant. As planned, the Group will be focusing its effort in managing and expanding its Accommodation Business.

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11 Dividend

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

Any dividend declared for the current financial period reported on ?

Name of Dividend:	Interim 1-tier tax exempt dividend	Final dividend
Dividend Type:	Cash	Cash
Dividend Amount per Share (in cents)	0.5 cent per ordinary share	1.0 cent per ordinary share
Tax Rate:	1-tier tax exempt	1-tier tax exempt

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

Any dividend declared for the corresponding period of the immediately preceding financial year ?

Name of Dividend:	Special interim 1-tier tax exempt dividend	Final dividend
Dividend Type:	Cash	Cash
Dividend Amount per Share (in cents)	0.5 cent per ordinary share	1.0 cent per ordinary share
Tax Rate:	1-tier tax exempt	1-tier tax exempt

(c) Date Payable

The proposed final dividend, if approved at the Annual General Meeting to be held in April 2016, will be paid on 20 May 2016.

(d) Book Closure Date

Notice is hereby given that the Share Transfer Books and the Register of Members of the Company will be closed on 6 May 2016 for the preparation of dividend warrants.

Duly completed registrable transfers received by the Company's Share Registrar, B.A.C.S. Private Limited at 8 Robinson Road #03-00, ASO Building, Singapore 048544, up to 5.00 p.m. on 5 May 2016 will be registered to determine shareholders' entitlements to the proposed final dividend.

Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with the Company's ordinary shares at 5.00 p.m. on 5 May 2016 will be entitled to the proposed final dividend.

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

Not applicable

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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.

Primary reporting format - geographical segments by location of assets

Year ended 31 December 2015	Optical $'000	Workers Accomodation $'000	Students Accomodation $'000	Total $'000
Total segment sales	5,828	72,098	27,374	105,300
Inter-segment sales	(762)	-	-	(762)
Sales to external parties	5,066	72,098	27,374	104,538
Segment results	562	36,393	10,730	47,685
Finance expense	(16)	(8,634)	(7,290)	(15,940)
Interest income				857
Dividend income				111
Fair value (loss)/gain on investment properties	-	(2,657)	6,207	3,550
Share of profit of associated companies and joint venture	37	5,949	-	5,986
Profit before tax				42,249
Income tax expense				(8,270)
Net profit				33,979
Segment assets	8,987	669,835	260,310	939,132
Short-term bank deposits				117,149
Available-for-sale, financial assets				2,196
Tax recoverable				444
Deferred income tax assets				19
Investments in associated companies				83,097
Consolidated total assets				1,142,037
Segment liabilities	2,302	45,183	8,227	55,712
Borrowings	164	461,484	209,945	671,593
Current income tax liabilities				9,454
Deferred income tax liabilities				2,382
Consolidated total liabilities				739,141
Capital expenditure	1	208,241	10,567	218,809
Depreciation	362	1,607	321	2,290
Amortisation	-	4,940	-	4,940

Year ended 31 December 2014	Optical $'000	Workers Accomodation $'000	Students Accomodation $'000	Total for continuing operations $'000
Total segment sales	8,538	61,909	14,551	84,998
Inter-segment sales	(555)	-	-	(555)
Sales to external parties	7,983	61,909	14,551	84,443
Segment results	455	33,766	6,287	40,508
Finance expense	(4)	(4,046)	(4,839)	(8,889)
Interest income				352
Dividend income				111
Fair value gain/(loss) on investment properties	-	43,276	(2,968)	40,308
Share of profit of associated companies and joint venture	48	45,284	-	45,332
Profit before tax				117,722
Income tax expense				(6,503)
Net profit				111,219
Segment assets	17,939	488,576	244,822	751,337
Short-term bank deposits				34,227
Available-for-sale, financial assets				2,314
Tax recoverable				307
Deferred income tax assets				60
Investments in associated companies				1,371
Investments in joint venture				84,417
Consolidated total assets				874,033
Segment liabilities	5,438	27,928	6,682	40,048
Borrowings	409	228,758	202,293	431,460
Current income tax liabilities				7,064
Deferred income tax liabilities				3,128
Consolidated total liabilities				481,700
Capital expenditure	9	39,659	234,973	274,641
Depreciation	433	1,403	92	1,928
Amortisation	-	4,939	-	4,939

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.**

As explained in note 8.

15 **Sales and Profit Breakdown**

		2015 $ '000 **Group**	2014 $ '000 **Group**	+ /(-) % **Group**
	Continuing operation:			
15 (a)	Sales reported for first half year	51,672	37,439	38
15 (b)	Profit after tax reported for first half year	19,030	30,374	(37)
15 (c)	Sales reported for second half year	52,866	47,004	12
15 (d)	Profit after tax reported for second half year	14,949	80,845	(82)

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

	2015 $'000	2014 $'000
Ordinary shares	11,353	11,353
Preference	-	-
Total	11,353	11,353

17 **Interested Person Transactions ("IPTs")**

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

18 **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any during the year
Tony Bin Hee Din	57	Brother-in-law of Loh Kim Kang, David, a Non-Executive Director and substantial shareholder of the Company.	Executive Director of the Accomodation Business since 1 August 2011.	Ceased as Executive Director of the Company on 8 May 2015 and remains as Executive Director of the Accomodation Business.

19 **Use of Proceeds - Warrants conversion**

The Company had on 28 October 2013 issued 75,605,231 warrants pursuant to the issue of Bonus Warrants on the basis of 1 Warrants for every 10 existing ordinary shares in the capital of the Company held by entitled shareholders. Each Warrant shall carry the right to subscribe for 1 new Share (the "New Share") at an exercise price of S$0.50 per new share. The warrants are for a period of four years and expires on 27 October 2017.

The net proceeds of S$406,249 in relation to the new shares issued pursuants to warrants exercised, have not been utilised to date.

BY ORDER OF THE BOARD
Kong Chee Min
Chief Executive Officer
23 February 2016