

Unaudited Financial Statement for the Period Ended 30 Sep 2016

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 30 Sep 2016:

	Note	Quarter Ended 30 Sep			Nine Months Ended 30 Sep		
		2016 S\$'000	2015 S\$'000	% Change	2016 S\$'000	2015 S\$'000	% Change
Revenue							
Hotel operations and management	1	34,873	31,271	12%	104,512	88,782	18%
Rental income from investment properties		2,391	2,244	7%	7,028	7,048	0%
Total revenue		37,264	33,515	11%	111,540	95,830	16%
Other income		277	141	96%	597	287	108%
		37,541	33,656	12%	112,137	96,117	17%
Costs and expenses							
Staff costs		(11,484)	(10,623)	8%	(35,222)	(33,193)	6%
Depreciation and amortisation	2	(4,974)	(3,849)	29%	(16,229)	(10,214)	59%
Sales commission on disposal of subsidiary		-	-	0%	-	(1,736)	-100%
Hotel operating expenses		(12,474)	(12,983)	-4%	(38,186)	(36,863)	4%
Total costs and expenses		(28,932)	(27,455)	5%	(89,637)	(82,006)	9%
		8,609	6,201	39%	22,500	14,111	59%
Gain on disposal of property held for sale		-	63	0%	-	5,811	-100%
Gain on disposal of property, plant and equipment	3	28,124	-	100%	28,124	-	100%
Gain on disposal of subsidiary		-	-	0%	-	70,637	-100%
Profit from operating activities		36,733	6,264	486%	50,624	90,559	-44%
Interest expense	4	(974)	(1,039)	-6%	(3,028)	(2,433)	24%
Interest income		1,359	1,559	-13%	3,889	4,635	-16%
Foreign exchange loss	5	1,970	(1,735)	n/m	(30)	(7,385)	-100%
Share of results of associates		(34)	200	-117%	(193)	643	n/m
Profit before tax		39,054	5,249	644%	51,262	86,019	-40%
Income tax expense	6	(7,519)	(1,739)	332%	(11,860)	(5,562)	113%
Net profit attributable to owners of the parent		31,535	3,510	798%	39,402	80,457	-51%

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

Note 1 Hotel revenue increased in 2016 mainly due to the revenue contribution from Hotel Chancellor @ Orchard and Hotel Grand Central in Singapore which commenced hotel operations in May 2015 and Oct 2015 respectively.

Note 2 The higher depreciation in 2016 was due to the depreciation of the Hotel Chancellor @ Orchard and Hotel Grand Central in Singapore which were only depreciated when they commenced operations in May 2015 and Oct 2015 respectively.

Note 3 The gain on disposal of property, plant and equipment arose from the disposal of Hotel Grand Chancellor, Surfers Paradise during Q3 2016.

Note 4 Interest expense reduced in Q3 2016 due to lower interest rates and loan principal repayments during the year. However, interest expense for the nine months ended 30 Sep 2016 was higher because part of interest expense was capitalised as construction costs of the two Singapore hotels last year.

Note 5 The foreign exchange gain in Q3 2016 was due to the appreciation of the Australia and New Zealand dollar against the Singapore dollar during the period.

Note 6 Income tax for Q3 included capital gains tax attributable to the gain on disposal of Hotel Grand Chancellor Surfers Paradise during the period.

1 (a)(iii) Consolidated Statement of Comprehensive Income for the Period Ended 30 Sep 2016

	Quarter Ended 30 Sep		
	2016 S\$'000	2015 S\$'000	% Change
Profit net of tax	31,535	3,510	798%
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Net gain/(loss) on fair value changes of available-for-sale financial assets	36	(638)	n/m
Reversal of deferred tax liability on Surfers Paradise hotel building	2,122	-	100%
Foreign currency translation	16,967	(13,851)	n/m
	19,125	(14,489)	n/m
Other comprehensive income, net of tax	19,125	(14,489)	n/m
Total comprehensive income	50,660	(10,979)	n/m
Total comprehensive income attributable to:			
Owners of the parent	50,660	(10,979)	n/m
	50,660	(10,979)	n/m

Note

Nine Months Ended 30 Sep		
2016 S\$'000	2015 S\$'000	% Change
39,402	80,457	-51%
191	(694)	n/m
2,122	-	100%
5,073	(44,994)	n/m
7,386	(45,688)	n/m
7,386	(45,688)	n/m
46,788	34,769	35%
46,788	34,769	35%
46,788	34,769	35%

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 30 Sep 2016

Statements of Financial Position as at 30 Sep 2016		Group		Company	
	Note	30-Sep-16 S\$'000	31-Dec-15 S\$'000	30-Sep-16 S\$'000	31-Dec-15 S\$'000
Non-current assets					
Property, plant and equipment	1	1,051,410	1,097,793	270,619	270,348
Investment properties	2	190,655	157,748	-	-
Land use rights		1,190	1,302	-	-
Investment in subsidiaries		-	-	243,006	225,862
Investment in associates		11,307	12,079	12,401	12,401
Investment securities	3	9,998	6,143	9,998	6,143
Deferred tax assets		3,305	4,144	547	547
Goodwill		1,435	2,009	-	-
Intangible assets		89	87	-	-
		1,269,389	1,281,305	536,571	515,301
Current assets					
Inventories		808	920	18	19
Trade and other receivables		7,342	9,233	1,594	1,192
Prepaid operating expenses		3,025	2,396	180	96
Due from subsidiaries		-	-	2,389	824
Pledged short-term deposits		36,833	37,335	36,833	37,335
Short - term deposits		260,462	268,434	155,961	203,230
Cash and bank balances		45,609	30,211	7,713	2,941
		354,079	348,529	204,688	245,637
Current liabilities					
Trade and other payables		24,164	21,104	3,763	430
Accrued operating expenses		5,441	13,954	4,177	8,512
Deferred income		553	373	-	-
Derivatives		1,213	-	512	-
Due to subsidiaries		-	-	4,472	2,674
Due to associated companies		22	73	-	73
Income tax payable		11,876	2,519	243	38
Loans and borrowings		51,989	71,739	-	-
		95,258	109,762	13,167	11,727
Net current assets		258,821	238,767	191,521	233,910
Non-current liabilities					
Finance lease obligations		88	-	88	-
Loans and borrowings		102,119	102,027	38,700	36,000
Deferred tax liabilities		135,774	141,453	-	-
Net assets		1,290,229	1,276,592	689,304	713,211
Equity attributable to owners of the parent					
Issued capital		421,997	421,997	421,997	421,997
Fair value reserve		517	326	517	326
Asset revaluation reserve		628,478	634,735	199,103	199,103
Translation reserve	4	(75,897)	(80,970)	-	-
Other reserve		1,432	1,432	-	-
Retained earnings		313,702	299,072	67,687	91,785
Total equity		1,290,229	1,276,592	689,304	713,211

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

- Note 1 Property, plant and equipment reduced mainly due to the sale of Hotel Grand Chancellor Surfers Paradise and depreciation during the period. The reduction was partly offset by the purchase of a hotel asset in Townsville, Australia in Q2 2016. The purchase price allocation exercise on the Townsville hotel is still ongoing.
- Note 2 The increase in investment properties was due to additional construction costs in Christchurch during the period.
- Note 3 The increase in investment securities was mainly due to additional purchase of investment securities during the period.
- Note 4 The decrease in the translation reserve loss was due to the appreciation of the Australia dollar exchange rate against the Singapore dollar at period end compared to the end of last year.

1(b)(iii) Aggregate amount of group's borrowings and debts securities

Amount repayable in one year or less, or on demand

As at 30 Sep 2016		As at 31 December 2015	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
51,989	-	71,739	-

Amount repayable after one year

As at 30 Sep 2016		As at 31 December 2015	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
102,119	-	102,027	-

Details of any collateral

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

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

Statements of Cash Flows for the Period Ended 30 Sep 2016:

	Quarter Ended 30 Sep		Nine Months Ended 30 Sep	
	2016	2015	2016	2015
	S\$'000	S\$'000	S\$'000	S\$'000
Operating activities				
Profit before taxation including share of results of associates	39,054	5,249	51,262	86,018
Adjustments for :-				
Depreciation of property, plant and equipment	4,974	3,849	16,229	10,214
Fair value (gain)/loss on derivatives	(11)	27	1,213	(4)
Gain on disposal of property held for sale	(28,124)	(63)	(28,124)	(5,811)
Gain on disposal of entity held for sale	-	-	-	(70,637)
Interest expense	974	1,039	3,028	2,433
Interest income	(1,359)	(1,559)	(3,889)	(4,635)
Share of results of associates	34	(200)	193	(643)
Operating cash flows before changes in working capital	15,542	8,342	39,912	16,935
Decrease/(increase) in inventories	75	(30)	119	75
Decrease/(increase) in trade and other receivables	1,525	(814)	1,943	1,523
Increase in prepaid operating expenses	(181)	(264)	(613)	(197)
(Decrease)/increase in trade and other payables	(910)	1,132	(5,509)	(5,246)
Cash flows generated from operations	16,051	8,366	35,852	13,090
Interest received	1,359	1,559	3,889	4,635
Interest paid	(974)	(1,039)	(3,028)	(2,433)
Tax paid	(1,689)	(3,174)	(6,660)	(8,098)
Net cash flows generated from operating activities	14,747	5,712	30,053	7,194
Investing activities				
Dividend income from associated companies	-	-	318	346
Proceeds from disposal of property held for sale	81,320	-	81,320	23,601
Net cash inflow from disposal of entity held for sale	-	-	-	248,000
Additions to investment property	(12,344)	(10,065)	(30,284)	(19,127)
Purchase of investment securities	(178)	(691)	(3,664)	(1,959)
Purchase of property, plant and equipment	(3,370)	(7,872)	(20,405)	(39,923)
Net cash flows generated from/ (used in) investing activities	65,428	(18,628)	27,285	210,938
Financing activities				
Cash dividends paid on ordinary shares	-	(9,942)	(33,152)	(9,942)
(Decrease)/increase in short-term deposits pledged	(78)	1,042	502	2,284
Proceeds from loans and borrowings	-	11,499	2,700	54,374
Repayments of loans and borrowings	(1,777)	-	(23,505)	(56,961)
Proceeds from/(repayment) of obligations under finance lease	88	(2)	88	(6)
Net cash flows (used in)/ generated from financing activities	(1,767)	2,597	(53,367)	(10,251)
Net increase / (decrease) in cash and cash equivalents	78,408	(10,319)	3,971	207,881
Effect of exchange rate changes on cash and cash equivalents	4,250	(3,255)	3,454	(9,247)
Cash and cash equivalents at beginning of period	223,412	335,965	298,645	123,757
Cash and cash equivalents at end of period	306,070	322,391	306,070	322,391

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 30 Sep 2016

Group

	Share Capital \$'000	Fair Value Reserve \$'000	Asset Revaluation Reserve \$'000	Translation Reserve \$'000	Other Reserve \$'000	Retained Earnings \$'000	Reserve of disposal entity held for sale \$'000	Total Equity \$'000
Opening balance at 1 July 2016	421,997	481	634,735	(92,864)	1,432	273,788	-	1,239,569
Profit net of tax	-	-	-	-	-	31,535	-	31,535
Other comprehensive income for the year:								
Net gain on fair value changes of available-for-sale financial assets	-	36	-	-	-	-	-	36
Transfer from asset revaluation reserve to retained earnings	-	-	(8,379)	-	-	8,379	-	-
Reversal of deferred tax on revaluation reserve for Surfers Paradise hotel	-	-	2,122	-	-	-	-	2,122
Foreign currency translation	-	-	-	16,967	-	-	-	16,967
Total comprehensive income for the year	-	36	(6,257)	16,967	-	39,914	-	50,660
Closing balance at 30 Sep 2016	421,997	517	628,478	(75,897)	1,432	313,702	-	1,290,229
Opening balance at 1 July 2015	369,764	956	271,320	(84,555)	1,432	187,049	166,036	912,002
Profit net of tax	-	-	-	-	-	3,510	-	3,510
Other comprehensive income for the year:								
Net gain on fair value changes of available-for-sale financial assets	-	(638)	-	-	-	-	-	(638)
Foreign currency translation	-	-	-	(13,851)	-	-	-	(13,851)
Total comprehensive income for the year	-	(638)	-	(13,851)	-	3,510	-	(10,979)
Distributions to owners:								
Scrip dividends	52,233	-	-	-	-	(52,233)	-	-
Cash dividends	-	-	-	-	-	(9,942)	-	(9,942)
Total distributions to owners:	52,233	-	-	-	-	(62,175)	-	(9,942)
Closing balance at 30 Sep 2015	421,997	318	271,320	(98,406)	1,432	128,384	166,036	891,081

Company

	Share Capital \$'000	Fair Value Reserve \$'000	Asset Revaluation Reserve \$'000	Translation Reserve \$'000	Other Reserve \$'000	Retained Earnings \$'000	Reserve of disposal entity held for sale \$'000	Total Equity \$'000
Opening balance at 1 July 2016	421,997	481	199,103	-	-	58,748	-	680,329
Profit net of tax	-	-	-	-	-	8,939	-	8,939
<u>Other comprehensive income for the year:</u>								
Net gain on fair value changes of available-for-sale financial assets	-	36	-	-	-	-	-	36
Total comprehensive income for the year	-	36	-	-	-	8,939	-	8,975
Closing balance at 30 Sep 2016	<u>421,997</u>	<u>517</u>	<u>199,103</u>	<u>-</u>	<u>-</u>	<u>67,687</u>	<u>-</u>	<u>689,304</u>
Opening balance at 1 July 2015	369,764	956	69,325	-	-	155,838	-	595,883
Profit net of tax	-	-	-	-	-	(1,433)	-	(1,433)
<u>Other comprehensive income for the year:</u>								
Net gain on fair value changes of available for sale financial assets	-	(638)	-	-	-	-	-	(638)
Total comprehensive income for the year	-	(638)	-	-	-	(1,433)	-	(2,071)
<u>Distributions to owners:</u>								
Scrip dividends	52,233	-	-	-	-	(52,233)	-	-
Cash dividends	-	-	-	-	-	(9,942)	-	(9,942)
Total distributions to owners:	52,233	-	-	-	-	(62,175)	-	(9,942)
Closing balance at 30 Sep 2015	<u>421,997</u>	<u>318</u>	<u>69,325</u>	<u>-</u>	<u>-</u>	<u>92,230</u>	<u>-</u>	<u>583,870</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 663,033,129 shares since the end of the last financial year.

The Company does not have any treasury shares as at 30 Sep 2016. There was no sale, transfer, disposal, cancellation and/or use of treasury shares for the period ended 30 Sep 2016.

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

The figures have not been audited or reviewed.

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

N.A.

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with those of the audited financial statements as at 31 December 2015.

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

N.A.

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

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

Quarter Ended 30 Sep	
2016	2015
4.76 cents	0.55 cents
4.76 cents	0.55 cents

Nine Months Ended 30 Sep	
2016	2015
5.94 cents	12.57 cents
5.94 cents	12.57 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	
30-Sep-16	31-Dec-15
S\$ 1.95	S\$ 1.93

Company	
30-Sep-16	31-Dec-15
S\$ 1.04	S\$ 1.08

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 Group's revenue in Q3 2016 increased by 11% compared to Q3 2015 mainly due to full quarter contribution to revenue in 2016 by Hotel Chancellor @ Orchard and Hotel Grand Central which soft opened in May and October 2015 respectively.

B) Group Profit Commentary

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

- a) full contribution to net profit by Hotel Grand Central and Hotel Chancellor @ Orchard during the quarter.
- b) foreign exchange gain of \$1,970,000 compared to a loss of \$1,735,000 in the corresponding period last year.
- b) gain of disposal of Hotel Grand Chancellor Surfers Paradise of \$28,124,000 during the quarter.

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

Nil

10. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months**

The hotel markets where the Group operates in are expected to be affected by the uncertainty in the global economy. In addition, the Singapore market is expected to face a slowdown in terms of room occupancy and average room rates due to an increase in hotel room supply.

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 30 Sep 2016.

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

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

N.A.

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

N.A.

15. **A breakdown of revenue**

N.A.

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

Total annual dividend, net of tax

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

17. **Interested Person Transactions**

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

18. **Confirmation By Directors**

The Board of Directors of the Company hereby confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited consolidated financial results for the period ended 30 Sep 2016 to be false or misleading.

BY ORDER OF THE BOARD

Lim Bee Lian Eliza
Secretary
14 November 2016