


GSH CORPORATION LIMITED
Third Quarter Financial Statements for the Period Ended 30/09/2014
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.
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 for the third quarter and nine months ended 30 September

	Third Quarter			Nine Months		
	30.9.2014 Unaudited S\$'000	30.9.2013 Unaudited S\$'000	+/- %	30.9.2014 Unaudited S\$'000	30.9.2013 Unaudited S\$'000	+/- %
Revenue	31,782	23,082	37.7%	92,743	86,128	7.7%
Cost of sales	(22,163)	(22,062)	0.5%	(74,177)	(82,236)	(9.8%)
Gross profit	9,619	1,020	>100%	18,566	3,892	>100%
Gross profit margin	30%	4%	>100%	20%	5%	>100%
Other operating income	2,725	35	>100%	3,281	94	>100%
Distribution and selling income/(expenses), net	(691)	25	Nm	(928)	526	Nm
Administrative expenses	(8,576)	(2,068)	>100%	(17,660)	(6,363)	>100%
Other expenses	(48)	65	Nm	(81)	(131)	(37.8%)
Operating profit/(loss)	3,029	(923)	Nm	3,178	(1,982)	Nm
Amortisation and depreciation	(3,510)	(106)	>100%	(6,332)	(311)	>100%
Exchange gain/(loss)	(3,172)	1,553	Nm	(2,661)	1,512	Nm
Finance expenses	(3,488)	(148)	>100%	(6,724)	(159)	>100%
Finance income	684	913	(25.0%)	2,029	1,215	>100%
Negative goodwill arising from acquisition	(0)	-	Nm	73,095	-	Nm
(Loss)/profit before tax	(6,457)	1,289	Nm	62,585	275	Nm
Taxation	(52)	-	Nm	73	(9)	Nm
(Loss)/profit for the period	(6,509)	1,289	Nm	62,658	266	Nm
Attributable to:						
Owners of the Company	(6,253)	1,289	Nm	64,123	266	Nm
Non-controlling interests	(256)	-	Nm	(1,465)	-	Nm
	(6,509)	1,289	Nm	62,658	266	Nm
Net (loss)/profit for the period	(6,509)	1,289	Nm	62,658	266	Nm
Other comprehensive income:						
Items that may be reclassified subsequently to profit or loss:						
Translation differences relating to financial statements of foreign subsidiaries	2,878	(9)	Nm	2,632	1,004	Nm
Total comprehensive income for the period	(3,631)	1,280	Nm	65,290	1,270	Nm
Attributable to:						
Owners of the Company	(1,517)	1,280	Nm	67,498	1,270	Nm
Non-controlling interests	(2,114)	-	Nm	(2,208)	-	Nm
	(3,631)	1,280	Nm	65,290	1,270	Nm

Notes to Group profit and loss account

1 a(i) Pre-tax profit of the Group is arrived at after charging/ (crediting) the following:

	Third Quarter			Nine Months		
	30.9.2014 Unaudited S\$'000	30.9.2013 Unaudited S\$'000	+/- %	30.9.2014 Unaudited S\$'000	30.9.2013 Unaudited S\$'000	+/- %
Personnel expenses ¹	7,147	842	>100%	13,783	3,575	>100%
Operating lease expenses	566	585	(3.3%)	1,588	1,147	38.4%
Non-executive directors' fees	95	63	50.1%	224	195	14.7%
Executive directors' remuneration	1,923	261	>100%	2,613	733	>100%
Depreciation of property, plant & equipment	3,509	106	>100%	6,331	311	>100%
Foreign exchange loss/(gain) ²	3,172	(1,553)	Nm	2,661	(1,512)	Nm
Negative goodwill arising from acquisition ³	-	-	Nm	(73,095)	-	Nm
Rental income ⁴	(2,327)	(10)	>100%	(2,592)	(16)	>100%
Provision/(write back)						
- Inventories	(16)	-	Nm	(12)	21	Nm
- Doubtful debts	(161)	(3)	>100%	(285)	1	Nm

Commentary:

¹ The increase in personnel expenses was a result of the acquisition of the Sutera Harbour Group, which resulted in an increase in head count.

² The foreign exchange loss consist of :

(a) S\$4,003,000 exchange loss arising from net changes in fair value of financial derivatives, consisting of forward exchange contract taken by the Group to hedge to its currency exposure in its investments in Malaysia.

(b) S\$1,342,000 exchange gain consisting of revaluation gains from fixed deposits, receivables and payables, arising from the ordinary course of business of the Group.

³ The Group paid approximately S\$194.5m to acquire 77.5% of the Sutera Harbour Resort Group. This acquisition was completed on 26 March 2014. A non-recurring negative goodwill of S\$73.1m was recognised and this was reflected in the Income Statement.

⁴ The increase in rental income was mainly due to rental collections from the existing tenants of Equity Plaza.

As at 30 September 2014, the fair value of identifiable assets and liabilities of the Sutera Harbour Resort Group were determined on a provisional basis as the Group is still in the process of performing the purchase price allocation exercise.

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

CONSOLIDATED FINANCIAL POSITION as at 30 September

	Group		Company	
	30.9.2014 Unaudited S\$'000	31.12.2013 Audited S\$'000	30.9.2014 Unaudited S\$'000	31.12.2013 Audited S\$'000
Non-Current Assets				
Property, plant and equipment	462,145	5,062	169	-
Investment property	4,696	-	-	-
Investment in subsidiaries	-	-	189	187
Investment in associated company	8	8	-	-
Deferred tax assets	-	177	-	-
	466,849	5,247	358	187
Current Assets				
Investment securities	8	8	-	-
Property development costs	794,018	-	-	-
Inventories	10,115	7,998	-	-
Trade receivables	5,901	6,843	6	-
Other receivables, deposits and prepayments	48,910	39,338	931	2,592
Due from subsidiaries (trade)	-	-	20,959	15,473
Due from subsidiaries (non-trade)	-	-	336,841	242,407
Fixed deposits	275,498	465,652	269,389	252,454
Cash and bank balances	28,652	2,951	1,021	175
	1,163,102	522,790	629,147	513,101
Current Liabilities				
Trade payables	4,173	405	-	-
Bills payable	2,057	2,797	-	-
Loans and borrowings	362,801	204,586	304,000	204,586
Other payables and accruals	26,979	2,702	3,557	976
Due to subsidiaries (non-trade)	-	-	15,939	4,600
Due to related parties	85,267	-	-	-
Provision for taxation	360	169	-	-
Finance lease obligations	23	23	23	-
Derivatives financial liabilities	4,518	486	4,518	486
	486,178	211,168	328,037	210,648
Net Current Assets	676,924	311,622	301,110	302,453
Non-Current Liabilities				
Loan and borrowings	559,635	-	-	-
Due to related parties	20,342	-	-	-
Redeemable preference shares	502	-	-	-
Finance lease obligations	11	28	11	-
Deferred tax liabilities	91,348	-	-	-
	671,838	28	11	-
Net Assets	471,935	316,841	301,457	302,640
Equity attributable to equity holders of the Company				
Share capital	331,024	331,024	331,024	331,024
Reserves	53,986	(14,183)	(29,567)	(28,384)
	385,010	316,841	301,457	302,640
Non-controlling interests	86,925	-	-	-
Total Equity	471,935	316,841	301,457	302,640

1(b)(ii) Aggregate amount of group's borrowings and debt securities.**Amount repayable in one year or less, or on demand**

As at 30 September 2014		As at 31 December 2013	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
362,824	2,057	204,609	2,797

Amount repayable after one year

As at 30 September 2014		As at 31 December 2013	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
559,635	11	28	-

Details of any collateral

As at 30 September 2014, the Group's borrowings were secured by legal charges on certain of the Group's development land and hotel properties, pledge of fixed deposits of S\$262,698,000 (FY2013: S\$252,516,000) and motor vehicles with carrying amount of S\$21,000 (FY2013: S\$47,000)

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

GROUP CONSOLIDATED STATEMENT OF CASH FLOWS

	GROUP		GROUP	
	Nine Months Ended 30 September 2014	2013	3rd Quarter Ended 30 September 2014	2013
	Unaudited S\$'000	Unaudited S\$'000	Unaudited S\$'000	Unaudited S\$'000
Cash flows from operating activities				
Profit/(loss) before tax	62,585	275	(6,457)	1,289
Adjustment for:				
Depreciation of property, plant & equipment	6,331	311	3,509	106
Loss on sale of quoted investments	-	75	-	(95)
Net change in fair value of financial derivatives	4,003	-	(148)	-
Negative goodwill arising from acquisition (Note 1)	(73,095)	-	-	-
Write back of allowance for doubtful receivables, net	(285)	1	(161)	(3)
Allowance for inventory obsolescence	(12)	21	(16)	-
Gain on disposal of property, plant & equipment	5	(17)	8	2
Finance expense	6,724	159	3,488	148
Finance income	(2,029)	(1,215)	(684)	(913)
Operating profit/(loss) before working capital changes	4,227	(390)	(461)	534
Decrease/(increase) in:				
Inventories	(818)	1,446	(587)	(1,196)
Property development costs	(643,662)	-	(626,397)	-
Trade receivables	3,884	(184)	2,558	(20)
Other receivables, deposits and prepayments	(4,871)	(805)	4,682	(1,129)
Increase/(decrease) in:				
Trade payables	(2,731)	1,860	(3,198)	1,210
Other payable and accruals	(10,160)	(416)	(2,157)	(251)
	(654,131)	1,511	(625,560)	(852)
Finance expense paid	(6,078)	(160)	(4,982)	(149)
Taxes paid	(929)	(11)	(349)	2
Net cash flow (used in)/generated from operating activities	(661,138)	1,340	(630,891)	(999)

	GROUP		GROUP	
	Nine Months Ended 30 September		3rd Quarter Ended 30 September	
	2014	2013	2014	2013
	Unaudited	Unaudited	Unaudited	Unaudited
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from investing activities				
Net cash outflow on acquisition of subsidiaries (Note 1)	(194,490)	-	-	-
Issuance of redeemable preference shares	672	-	250	-
Purchase of property, plant and equipment	(4,063)	(189)	(1,539)	(46)
Proceeds from disposal of property, plant and equipment	198	21	-	1
Purchase of investment securities	-	471	-	471
Finance income	1,224	1,216	112	913
Net cash generated from investing activities	(196,459)	1,519	(1,177)	1,339
Cash flows from financing activities				
Proceeds from shares issuance	-	283,559	-	-
Capital contribution by non-controlling interest	22,460	-	-	-
Proceeds from borrowings	666,595	227,178	614,578	227,178
Increase in fixed deposits pledged	(7,496)	(252,454)	64	(244)
Repayment of finance lease obligations	(17)	(17)	(6)	(6)
Proceeds from trust receipts	7,919	-	3,605	-
Payment of trust receipts	(8,685)	(1,632)	(2,803)	(0)
Net cash generated from/(used in) financing activities	680,775	256,634	615,437	226,928
Net (decrease)/increase in cash and cash equivalents	(176,822)	259,493	(16,631)	227,268
Effect of exchange rate changes on balances held in foreign currencies	(2,458)	(7)	1,161	(3)
Cash and cash equivalents at beginning of the period	220,732	14,556	56,922	46,777
Cash and cash equivalents at end of the period (Note A)	41,452	274,042	41,452	274,042

	GROUP		GROUP	
	Nine Months Ended 30 September		3rd Quarter Ended 30 September	
	2014	2013	2014	2013
	Unaudited	Unaudited	Unaudited	Unaudited
	S\$'000	S\$'000	S\$'000	S\$'000
Note A: Cash and cash equivalents comprise:				
Fixed deposits	275,498	522,992	275,498	522,992
Cash on hand and at bank	28,652	3,809	28,652	3,809
	304,150	526,801	304,150	526,801
Less: fixed deposits pledged	(262,698)	(252,759)	(262,698)	(252,759)
Cash and cash equivalents	41,452	274,042	41,452	274,042

Note 1

On 26 March 2014 ("the acquisition date"), the Group acquired the Sutera Harbour Resort Group ("SHR")

The fair value of the identifiable assets and liabilities of the SHR at the acquisition date were:

	Fair value recognised on acquisition S\$'000
Property, plant and equipment	456,894
Trade receivables	2,545
Other receivables	6,191
Inventories	1,185
Cash and cash equivalents	1,205
	<hr/> 468,020
Trade creditors	3,386
Other creditors	189,726
Deferred tax liabilities	59,024
Redeemable preference shares	488
	<hr/> 252,624
Total identifiable net assets at fair value	215,396
Non-controlling interest measured at the non-controlling interest's proportionate share of SHR's net assets at fair value	(48,463)
Assumption of secured creditors' loans	100,276
Negative goodwill arising from acquisition	(73,095)
Effect from translation	376
	<hr/> <hr/> 194,490
 <u>Effect of the acquisition of Sutera Harbour Resort Group on cash flows</u>	
Consideration settled in cash	95,427
Assumption of secured creditors' loans	100,276
Purchase consideration	195,703
Less: cash and cash equivalents of subsidiaries acquired	(1,213)
Net cash outflow on acquisition	<hr/> <hr/> 194,490

1(d)(i) A statement (for the company and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group (\$S'000)

	Share capital	Accumulated (losses)/profits	Capital reserves	Asset revaluation reserves	Translation reserves	Equity attributable to owners of the company	Non controlling interest	Total
2014								
As at 1 January	331,024	(19,584)	736	3,910	755	316,841	-	316,841
Total comprehensive income for the period								
Profit for the period	-	64,560	-	-	-	64,560	-	64,560
Other comprehensive income for the period								
Translation differences relating to financial statements of foreign subsidiaries	-	-	-	-	(1,557)	(1,557)	-	(1,557)
Total comprehensive income for the period attributable to owners	-	64,560	-	-	(1,557)	63,003	-	63,003
Acquisition of subsidiaries with non-controlling interests	-	-	-	-	-	-	67,218	67,218
Total transaction with owners of the Company	-	-	-	-	-	-	67,218	67,218
As at 31 March	331,024	44,976	736	3,910	(802)	379,844	67,218	447,062
Total comprehensive income for the period								
Profit for the period	-	5,816	-	-	-	5,816	(1,209)	4,607
Other comprehensive income for the period								
Translation differences relating to financial statements of foreign subsidiaries	-	-	-	-	196	196	1,115	1,311
Total comprehensive income for the period	-	5,816	-	-	196	6,012	(94)	5,918
Transactions with owners, recognised directly in equity								
Issuance of redeemable preference shares by a subsidiary	-	-	425	-	-	425	-	425
Total contributions by and distributions to owners	-	-	425	-	-	425	-	425
Adjustments on acquisition of subsidiaries with non-controlling interests	-	-	-	-	-	-	(888)	(888)
Capital contribution by non-controlling interests	-	-	-	-	-	-	22,607	22,607
Total transaction with owners of the Company	-	-	425	-	-	425	21,719	22,144
As at 30 June	331,024	50,792	1,161	3,910	(606)	386,281	88,843	475,124
Total comprehensive income for the period								
Loss for the period	-	(6,253)	-	-	-	(6,253)	(256)	(6,509)
Other comprehensive income for the period								
Translation differences relating to financial statements of foreign subsidiaries	-	-	-	-	4,736	4,736	(1,858)	2,878
Total comprehensive income for the period attributable to owners	-	(6,253)	-	-	4,736	(1,517)	(2,114)	(3,631)
Transactions with owners, recognised directly in equity								
Issuance of redeemable preference shares by a subsidiary	-	-	246	-	-	246	196	442
Total transaction with owners of the Company	-	-	246	-	-	246	196	442
As at 30 September	331,024	44,539	1,407	3,910	4,130	385,010	86,925	471,935

Group (S\$'000)

	Share capital	Accumulated (losses)/profits	Capital reserves	Asset revaluation reserves	Translation reserves	Equity attributable to owners of the company	Non controlling Interest	Total
2013								
As at 1 January	47,465	(18,113)	736	2,934	(254)	32,768	-	32,768
Total comprehensive income for the period								
Profit for the period	-	(1,499)	-	-	-	(1,499)	-	(1,499)
Other comprehensive income for the period								
Translation differences relating to financial statements of foreign subsidiaries	-	-	-	-	1,007	1,007	-	1,007
Total comprehensive income for the period	-	(1,499)	-	-	1,007	(492)	-	(492)
Transactions with owners, recognised directly in equity								
Issuance of new shares	37,966	-	-	-	-	37,966	-	37,966
Total transaction with owners of the Company	37,966	-	-	-	-	37,966	-	37,966
As at 31 March	85,431	(19,612)	736	2,934	753	70,242	-	70,242
Total comprehensive income for the period								
Profit for the period	-	476	-	-	-	476	-	476
Other comprehensive income for the period								
Translation differences relating to financial statements of foreign subsidiaries	-	-	-	-	6	6	-	6
Total comprehensive income for the period	-	476	-	-	6	482	-	482
Transactions with owners, recognised directly in equity								
Issuance of new shares	245,593	-	-	-	-	245,593	-	245,593
Total transaction with owners of the Company	245,593	-	-	-	-	245,593	-	245,593
As at 30 June	331,024	(19,136)	736	2,934	759	316,317	-	316,317
Total comprehensive income for the period								
Profit for the period	-	1,289	-	-	-	1,289	-	1,289
Other comprehensive income for the period								
Translation differences relating to financial statements of foreign subsidiaries	-	-	-	-	(9)	(9)	-	(9)
Total comprehensive income for the period	-	1,289	-	-	(9)	1,280	-	1,280
Transactions with owners, recognised directly in equity								
Issuance of new shares	-	-	-	-	-	-	-	-
Total transaction with owners of the Company	-	-	-	-	-	-	-	-
As at 30 September	331,024	(17,847)	736	2,934	750	317,597	-	317,597

Company (S\$'000)

	Share capital	Accumulated losses	Translation reserves	Total
2014				
As at 1 January	331,024	(28,938)	554	302,640
Total comprehensive income for the period				
Loss for the period	-	(2,150)	-	(2,150)
Other comprehensive income for the period				
Exchange differences arising from translation of functional currency to presentation currency	-	-	(1,041)	(1,041)
Total comprehensive income for the period	-	(2,150)	(1,041)	(3,191)
As at 31 March	331,024	(31,088)	(487)	299,449
Total comprehensive income for the period				
Profit for the period	-	2,829	-	2,829
Other comprehensive income for the period				
Exchange differences arising from translation of functional currency to presentation currency	-	-	(1,964)	(1,964)
Total comprehensive income for the period	-	2,829	(1,964)	865
As at 30 June	331,024	(28,259)	(2,451)	300,314
Total comprehensive income for the period				
Profit for the period	-	(4,762)	-	(4,762)
Other comprehensive income for the period				
Exchange differences arising from translation of functional currency to presentation currency	-	-	5,905	5,905
Total comprehensive income for the period	-	(4,762)	5,905	1,143
As at 30 September	331,024	(33,021)	3,454	301,457

Company (S\$'000)

	Share capital	Accumulated losses	Translation reserves	Total
2013				
As at 1 January	47,465	(29,450)	(10)	18,005
Total comprehensive income for the period				
Loss for the period	-	(901)	-	(901)
Other comprehensive income for the period				
Exchange differences arising from translation of functional currency to presentation currency	-	-	553	553
Total comprehensive income for the period	-	(901)	553	(348)
Transactions with owners, recognised directly in equity				
Issuance of new shares	37,966	-	-	37,966
Total transaction with owners of the Company	37,966	-	-	37,966
As at 31 March	85,431	(30,351)	543	55,623
Total comprehensive income for the period				
Loss for the period	-	(989)	-	(989)
Other comprehensive income for the period				
Exchange differences arising from translation of functional currency to presentation currency	-	-	(6)	(6)
Total comprehensive income for the period	-	(989)	(6)	(995)
Transactions with owners, recognised directly in equity				
Issuance of new shares	245,593	-	-	245,593
Total transaction with owners of the Company	245,593	-	-	245,593
As at 30 June	331,024	(31,340)	537	300,221
Total comprehensive income for the period				
Profit for the period	-	1,180	-	1,180
Other comprehensive income for the period				
Exchange differences arising from translation of functional currency to presentation currency	-	-	7	7
Total comprehensive income for the period	-	1,180	7	1,187
As at 30 September	331,024	(30,160)	544	301,408

- 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 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 were no changes to the Company's share capital since 31 Dec 2013.

Status on the use of proceeds raised from the issue of securities in the past two years

Date	Type of Securities Issued	Net Proceeds Raised (\$\$ 'million)	Intended Use		Proceeds Used (\$\$ 'million)
			Description	(\$\$ 'million)	
10-Jul-12	Issue of Subscription	13.8	Working Capital	5.8	5.8 *
7-Mar-13	Issue of Subscription	37.5	Property and Construction Businesses	292.3	292.3 **
3-Jun-13	Rights Issue	246.8			
		298.1		298.1	298.1

* - Proceeds was used entirely for the purchase of inventories

** - S\$73.1m was invested in Malaysia and Singapore property development projects. S\$219.2m was used for the Sutera Harbour Resorts Group and Sutera Harbour land parcels acquisition/investment.

The proceeds were used for the intended purposes.

- 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.**

	<u>As at 30 September 2014</u>	<u>As at 31 December 2013</u>
Total Number of issued shares	9,885,180,250	9,885,180,250

- 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.**

Not applicable.

- 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. The Negative Goodwill as disclosed under clause 1(a) is subjected to Purchase Price Allocation review from auditors.

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

From 30th June 2014, the Company had changed its presentation currency from US Dollar to Singapore Dollar and accordingly the financial statements of the group had been presented in Singapore Dollar instead of US Dollar.

Apart from the above change and as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements as at 31 December 2013.

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 following are changes in accounting standards applicable and effective for the Group for the financial year beginning 1 January 2014.

1. Revised FRS 27 Separate Financial Statements
2. Revised FRS 28 Investments in Associates and Joint Ventures
3. FRS 110 Consolidated Financial Statements
4. FRS 111 Joint Arrangements
5. FRS 112 Disclosure of Interests in Other Entities
6. Amendments to FRS 32 Offsetting Financial Assets and Financial Liabilities
7. Amendments to FRS 36 Recoverable Amount Disclosures for Non-financial Assets
8. Amendments to FRS 39 Novation of Derivatives and Continuation of Hedge Accounting
9. INT FRS 121 Levies
10. Amendments to FRS 19 Defined Benefit Plans: Employee Contributions

The changes in accounting standards above have no significant impact on the Group.

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.

	Third Quarter			Nine Months		
	30.9.2014	30.9.2013	+/- %	30.9.2014	30.9.2013	+/- %
Earnings per ordinary share of the Group based on net profit attributable to shareholders:-						
i) Based on weighted average number of shares	(0.06) cts	0.01 cts	Nm	0.65 cts	0.00 cts	>100%
-Weighted average number of shares ('000)	9,885,180	9,885,180		9,885,180	9,885,180	
ii) On a fully diluted basis	(0.06) cts	0.02 cts	Nm	0.65 cts	0.00 cts	>100%
-Adjusted weighted average number of shares ('000)	9,885,180	9,885,180		9,885,180	9,885,180	

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

	Group			Company		
	30.9.2014 (S\$ cents)	31.12.2013 (S\$ cents)	+/- %	30.9.2014 (S\$ cents)	31.12.2013 (S\$ cents)	+/- %
Net asset value per ordinary share *	3.89	3.21	21.2%	3.05	3.06	-0.4%

* Based on share capital of 9,885,180,250 ordinary shares as at end of the period (31 Dec 2013: 9,885,180,250).

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Profit and Loss

For the nine months ending 30 September 2014, the Group recorded a revenue of S\$92.7 million, operating profit (before depreciation, exchange gain/loss, finance income/expense and negative goodwill) of S\$3.2 million and net profit after tax of S\$62.7 million.

Hospitality segment

In general, tourist arrivals continued to be affected by the two MH incidents and the spate of kidnappings in eastern Sabah resulting in a 32% drop in guests from China, affecting the overall occupancy of the two hotels.

Property segment

As at 30 September 2014, the Group's property development projects are still in preliminary stages which are still incurring start-up costs, and we do not expect revenue contributions to be significant until after the projects are launched.

Balance Sheet

The substantial increase of the Group's property, plant and equipment, property development costs, loans and borrowings and deferred tax liabilities, was due to the acquisition of the Sutera Harbour Resort Group, the 2 adjoining plots of development land in Sabah, Malaysia, a plot of development land in Kuala Lumpur, Malaysia and the Equity Plaza building in Singapore.

The amount due to related parties (current and non-current) of S\$105.6 million, consisted mainly of amount due to shareholders of the Group's subsidiaries.

Cash flow Analysis

In 3Q2014, the net cash outflow from operating activities of S\$630.1 million was mainly due to acquisition of development properties. The net cash inflow from financing activities of S\$615.2 million was mainly due to proceeds received from borrowings.

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.**

The hospitality business is likely to be weaker, due to the slowdown of tourist arrivals from China.

11. **Dividend**

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year. Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

12. **If no dividend have been declared/recommendeded, a statement to that effect.**

Not applicable.

13. Segment Analysis**SEGMENT ANALYSIS****Nine months ended 30 Sep 2014**

	<u>Hospitality</u> S\$'000	<u>Property</u> S\$'000	<u>Trading and distribution</u> S\$'000	<u>Corporate</u> S\$'000	<u>Adjustment and Elimination</u> S\$'000	<u>Total</u> S\$'000
Revenue						
External customers	27,934	-	64,809	-	-	92,743
Inter-segment	23	-	7,728	1,902	(9,653)	-
Total revenue	27,957	-	72,537	1,902	(9,653)	92,743
Results:						
Finance income	46	43	509	1,470	(39)	2,029
Finance expenses	(3,768)	(1,758)	(33)	(1,184)	19	(6,724)
Depreciation and amortisation	(6,198)	-	(115)	(19)	-	(6,332)
Other non-cash expenses	403	-	-	-	-	403
Exchange loss	(58)	(2,012)	(8)	(583)	-	(2,661)
Segment (loss)/profit	(2,021)	(3,901)	(293)	(4,135)	73,008	62,658
Other Information:						
Segment assets	481,174	961,466	38,465	629,504	(480,658)	1,629,951
Segment liabilities	(360,177)	(899,119)	(41,636)	(328,048)	470,964	(1,158,016)
Net assets	120,997	62,347	(3,171)	301,456	(9,694)	471,935

Geographical Information

	<u>Malaysia</u> S\$'000	<u>Central Asia</u> S\$'000	<u>Singapore</u> S\$'000	<u>Vietnam</u> S\$'000	<u>Others</u> S\$'000	<u>Total</u> S\$'000
Revenue from external customers	27,934	16,133	13,909	16,515	18,253	92,743
Non-current assets	461,774	4,795	255	-	25	466,849

Nine months ended 30 Sep 2013

	<u>Hospitality</u> S\$'000	<u>Property</u> S\$'000	<u>Trading and distribution</u> S\$'000	<u>Corporate</u> S\$'000	<u>Adjustment and Elimination</u> S\$'000	<u>Total</u> S\$'000
Revenue						
External customers	-	-	86,128	-	-	86,128
Inter-segment	-	-	11,532	-	(11,532)	-
Total revenue	-	-	97,660	-	(11,532)	86,128
Results:						
Finance income	-	-	441	774	-	1,215
Finance expenses	-	-	(11)	(148)	-	(159)
Depreciation and amortisation	-	-	(311)	-	-	(311)
Other non-cash expenses	-	-	(25)	-	-	(25)
Exchange (loss)/gain	-	-	(267)	1,779	-	1,512
Segment (loss)/profit	-	(1,174)	1,022	402	16	266
Other Information:						
Segment assets	-	26	308,329	534,007	(293,065)	549,297
Segment liabilities	-	(33)	(308,091)	(232,599)	309,024	(231,699)
Net assets	-	(7)	238	301,408	15,959	317,598

Geographical Information

	<u>Malaysia</u> S\$'000	<u>Central Asia</u> S\$'000	<u>Singapore</u> S\$'000	<u>Vietnam</u> S\$'000	<u>Others</u> S\$'000	<u>Total</u> S\$'000
Revenue from external customers	-	15,410	33,023	20,009	17,686	86,128
Non-current assets	-	3,797	383	-	42	4,222

- 14. 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.,**

There was no IPT mandate obtained.

- 15. Negative Assurance Confirmation Under Rule 705(5) of the Listing Manual**

We, Gilbert Ee Guan Hui and Kenneth Goi Kok Ming, being the two Executive Directors of GSH Corporation Limited, do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the 3Q2014 financial results to be false or misleading in any material respect.

BY ORDER OF THE BOARD

**Lee Ellen
Company Secretary
07 November 2014**