



Hiap Hoe Limited
(Registration No.: 199400676Z)

UNAUDITED FINANCIAL STATEMENTS FOR THE THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2015

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

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

	The Group					
	3 months ended			9 months ended		
	30-Sep-15	30-Sep-14	%	30-Sep-15	30-Sep-14	%
	\$'000	\$'000		\$'000	\$'000	
	(restated)			(restated)		
Revenue	38,354	58,002	(33.9)	83,037	117,014	(29.0)
Cost of sales	(14,089)	(18,512)	(23.9)	(23,668)	(40,531)	(41.6)
Gross profit	<u>24,265</u>	<u>39,490</u>	<u>(38.6)</u>	<u>59,369</u>	<u>76,483</u>	<u>(22.4)</u>
Other items of income/(loss)						
Other income	1,291	1,211	6.6	5,407	7,025	(23.0)
Financial income	142	179	(20.7)	400	670	(40.3)
Fair value changes in financial assets	(2,267)	(2,389)	(5.1)	(3,563)	(3,556)	0.2
Negative goodwill arising from acquisitions	-	-	NM	-	147,544	NM
Gain on remeasurement of investment in joint venture company to fair value upon business combination achieved in stages	-	-	NM	-	200,353	NM
Other items of expenses						
Distribution and selling expenses	(1,359)	(540)	151.7	(3,260)	(1,035)	215.0
Administrative expenses	(20,844)	(28,890)	(27.9)	(55,594)	(57,356)	(3.1)
Other expenses	-	(2)	NM	(19)	(76)	(75.0)
Loss on disposal of subsidiary	-	-	NM	(447)	-	NM
Financial expenses	(3,758)	(4,435)	(15.3)	(12,053)	(11,992)	0.5
Share of results of joint venture	-	-	NM	-	(2)	NM
(Loss)/profit before tax	<u>(2,530)</u>	<u>4,624</u>	<u>(154.7)</u>	<u>(9,760)</u>	<u>358,058</u>	<u>(102.7)</u>
Income tax credit/(expense)	(432)	(4,040)	(89.3)	(2,782)	(8,954)	(68.9)
(Loss)/profit for the period	<u>(2,962)</u>	<u>584</u>	<u>(607.2)</u>	<u>(12,542)</u>	<u>349,104</u>	<u>(103.6)</u>
Attributable to :						
Owners of the Company	(2,978)	581	(612.6)	(12,712)	349,254	(103.6)
Non-controlling interests	16	3	433.3	170	(150)	(213.3)
Total	<u>(2,962)</u>	<u>584</u>	<u>(607.2)</u>	<u>(12,542)</u>	<u>349,104</u>	<u>(103.6)</u>

Statement of Comprehensive Income for the Group for the Third Quarter and Nine Months Ended 30 September 2015

	The Group			
	3 months ended		9 months ended	
	30-Sep-15	30-Sep-14	30-Sep-15	30-Sep-14
	\$'000	\$'000	\$'000	\$'000
	(restated)		(restated)	
(Loss)/profit for the period	(2,962)	584	(12,542)	349,104
Other comprehensive income items that may be reclassified subsequently to profit or loss				
Foreign currency translation	(4,501)	(4,420)	(7,406)	(643)
Fair value gain on net investment hedge	1,395	(3,210)	2,632	(934)
Other comprehensive income for the period, net of tax	(3,106)	(7,630)	(4,774)	(1,577)
Total comprehensive (loss)/income for the period	(6,068)	(7,046)	(17,316)	347,527
Attributable to :				
Owners of the Company	(6,084)	(7,049)	(17,486)	347,677
Non-controlling interests	16	3	170	(150)
Total comprehensive (loss)/income for the period	(6,068)	(7,046)	(17,316)	347,527

Additional Information

Profit/ (loss) from operation is determined after charging / (crediting):

	The Group					
	3 months ended			9 months ended		
	30-Sep-15	30-Sep-14	%	30-Sep-15	30-Sep-14	%
	\$'000	\$'000		\$'000	\$'000	
	(restated)			(restated)		
Depreciation of property, plant and equipment	4,188	2,689	55.7	12,561	8,505	47.7
Depreciation of investment properties	1,477	3,413	(56.7)	4,508	5,204	(13.4)
(Gain)/loss on disposal of property, plant and equipment	-	(65)	NM	(71)	5	NM
Gain on disposal of investment property held for sale	-	-	NM	(1,157)	-	NM
Dividend income, gross	(331)	(254)	30.3	(963)	(718)	34.1
Property, plant and equipment written off	1	1	-	8	6	33.3
Fair value gain on financial instruments - unquoted investments held for trading	(15)	(4)	275.0	(103)	(147)	(29.9)
Fair value loss on financial instruments - quoted investments held for trading	2,982	5,062	(41.1)	5,863	4,808	21.9
Fair value change in derivatives instruments	(700)	(2,669)	(73.8)	(2,197)	(1,105)	98.8
Write back of allowance for doubtful debts	(21)	-	NM	(27)	-	NM
Allowance for doubtful debts (trade)	17	-	NM	30	-	NM
Bad debts	-	4	NM	-	12	NM
Loss/(gain) on disposal of investments	53	(42)	(226.2)	(60)	(130)	(53.8)
Loss on disposal of subsidiary	-	-	NM	447	-	NM

Note: NM – Not meaningful

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

	The Group		The Company	
	30-Sep-15 \$'000	31-Dec-14 \$'000	30-Sep-15 \$'000	31-Dec-14 \$'000
Non-Current Assets				
Property, plant and equipment	696,329	708,368	-	107
Investment properties	324,297	348,132	-	-
Investment in subsidiaries	-	-	160,352	163,102
Investments in joint ventures	-	-	5,228	755
Other assets	24,036	19,126	-	-
Other receivables	37	42	128,234	-
Deferred tax assets	6,624	7,178	-	-
	<u>1,051,323</u>	<u>1,082,846</u>	<u>293,814</u>	<u>163,964</u>
Current Assets				
Cash and short-term deposits	21,788	33,330	104	2,513
Other investments ⁽¹⁾	37,907	34,300	-	-
Trade and other receivables	46,268	54,036	12	-
Other assets	1,365	1,161	29	-
Derivatives assets	3,624	1,383	-	-
Prepaid operating expenses	1,246	1,059	15	1
Due from subsidiaries (trade)	-	-	1,459	1,333
Due from subsidiaries (non-trade)	-	-	234,965	297,997
Due from related companies (trade)	15	16	-	-
Development properties	62,811	88,537	-	-
Properties held for sale	126,091	70,022	-	-
Inventories	2,044	2,062	-	-
	<u>303,159</u>	<u>285,906</u>	<u>236,584</u>	<u>301,844</u>
Assets of disposal group classified as held for sale	-	198,375	-	-
	<u>303,159</u>	<u>484,281</u>	<u>236,584</u>	<u>301,844</u>
Current Liabilities				
Trade and other payables	11,633	14,347	5	81
Other liabilities	23,586	28,306	628	2,379
Derivatives liabilities	1,620	4,228	-	-
Due to subsidiaries (non-trade)	-	-	111,749	86,893
Due to related companies (trade)	151	534	-	-
Due to related companies (non-trade)	-	16	2,659	-
Interest-bearing loans and borrowings	152,168	190,496	-	-
Medium Term Notes	39,884	-	39,884	-
Tax payable	3,502	24,785	333	411
	<u>232,544</u>	<u>262,712</u>	<u>155,258</u>	<u>89,764</u>
Liabilities directly associated with disposal group classified as held for sale	-	114,232	-	-
	<u>232,544</u>	<u>376,944</u>	<u>155,258</u>	<u>89,764</u>
Net Current Assets	70,615	107,337	81,326	212,080
Non-Current Liabilities				
Trade payables	-	323	-	-
Other liabilities	25,718	20,842	-	-
Interest-bearing loans and borrowings	259,016	271,721	-	-
Deferred tax liabilities	93,292	93,332	-	-
Medium Term Notes	75,000	114,801	75,000	114,801
	<u>453,026</u>	<u>501,019</u>	<u>75,000</u>	<u>114,801</u>
Net Assets	668,912	689,164	300,140	261,243
Equity attributable to owners of the Company				
Share capital	84,445	84,445	84,445	84,445
Treasury shares	(1,101)	(1,101)	(1,101)	(1,101)
Reserves	581,354	601,732	216,796	177,899
	<u>664,698</u>	<u>685,076</u>	<u>300,140</u>	<u>261,243</u>
Non-controlling Interests	4,214	4,088	-	-
Total Equity	668,912	689,164	300,140	261,243

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year. (Cont'd)

Notes to the statement of financial position of the Group:

⁽¹⁾ This included short-term commercial papers and trading investments.

1(b)(ii) Aggregate amount of Group's borrowings and debts securities.

Amount repayable in one year or less, or on demand

(\$'000)

As at 30 Sep 15		As at 31 Dec 14	
Secured	Unsecured ⁽¹⁾	Secured	Unsecured ⁽¹⁾
152,168	40,273	190,496	1,766

Amount repayable after one year

(\$'000)

As at 30 Sep 15		As at 31 Dec 14	
Secured	Unsecured ⁽¹⁾	Secured	Unsecured ⁽¹⁾
259,016	75,000	271,721	114,801

Details of any collateral

The above borrowings are from financial institutions and are secured by the following:

- 1) Legal mortgages on the Group's property, plant and equipment and investment properties and properties held for sale;
- 2) First legal mortgage over development properties and properties held for sale;
- 3) First legal assignment of all rights and benefits under the sales & purchase agreements and / or tenancy agreements;
- 4) Assignment of proceeds of the Project Accounts and the rental account maintained with the bank;
- 5) The building contracts of the certain development properties;
- 6) Assignment of all insurance policies for certain development properties;
- 7) Deed of subordination to subordinate all loans and advances from the holding company to the facilities; and
- 8) Corporate guarantees given by the Company.

Notes:

⁽¹⁾ Unsecured borrowings refers to the drawdown of \$115m from \$500m Multicurrency Medium Term Notes Programme due in two tranches on 5 September 2016 and 18 November 2016 for amount of \$40 million and \$75 million respectively, net of issuance costs.

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

	The Group			
	3 months ended		9 months ended	
	30-Sep-15	30-Sep-14	30-Sep-15	30-Sep-14
	\$'000	\$'000	\$'000	\$'000
	(restated)		(restated)	
Cash flows from operating activities				
(Loss)/profit before taxation	(2,530)	4,624	(9,760)	358,058
Adjustments for:				
Translation difference	1,283	(7,062)	5,915	(10,317)
Depreciation of property, plant and equipment	4,188	2,689	12,561	8,505
Depreciation of investment properties	1,477	3,413	4,508	5,204
(Gain)/loss on disposal of property, plant and equipment	-	(65)	(71)	5
Gain on disposal of investment properties held for sale	-	-	(1,157)	-
Property, plant and equipment written off	1	1	8	6
Loss/(gain) on disposal of investments	53	(42)	(60)	(130)
Amortisation expenses	33	28	83	82
Interest expense	3,758	4,435	12,053	11,992
Interest income	(142)	(179)	(400)	(670)
Dividend income from quoted investments	(331)	(254)	(963)	(718)
Fair value loss on financial instruments - quoted investments held for trading	2,982	5,062	5,863	4,808
Fair value gain on financial instruments - unquoted investments held for trading	(15)	(4)	(103)	(147)
Write back of allowance for doubtful debts	(21)	-	(27)	-
Allowance for doubtful debts (trade)	17	-	30	-
Share of joint ventures' results	-	-	-	2
Negative goodwill arising from acquisitions	-	-	-	(147,544)
Gain on remeasurement of investment in joint venture company to fair value upon business combination achieved in stages	-	-	-	(200,353)
Fair value change in derivatives instruments	(700)	(2,669)	(2,197)	(1,105)
Loss on disposal of subsidiary	-	-	447	-
Operating cash flows before changes in working capital	10,053	9,977	26,730	27,678
Changes in working capital				
(Increase) / decrease in :				
Properties held for sale	-	-	-	1,812
Development properties	(18,290)	125,089	(34,050)	108,000
Inventories	2	(2)	19	(2)
Trade and other receivables	7,552	(122,683)	7,642	(116,196)
Other assets	(234)	63	123	10,193
Prepaid operating expenses	(121)	(816)	(187)	(717)
Due from associate (non-trade)	-	-	-	43,145
Due from related company (trade)	16	-	2	593
Due from related company (non-trade)	-	8	1	9
Due from a joint venture (trade)	-	-	-	15,967
Due from a joint venture (non-trade)	-	-	-	9,068
Due from a hotel operators (other)	-	-	-	194
Increase / (decrease) in :				
Trade and other payables	808	1,499	(2,812)	(7,204)
Other liabilities	1,593	(3,379)	(3,914)	(8,327)
Due to a joint venture (non-trade)	-	-	-	(48,305)
Due to related company (trade)	(94)	211	(383)	(16,133)
Due to related company (non-trade)	(1)	11	(16)	(127)
	1,284	9,978	(6,845)	19,648
Income tax paid	(10,948)	(7,261)	(23,686)	(14,459)
Net cash flows (used in)/generated from operating activities carried forward	(9,664)	2,717	(30,531)	5,189

1(c) **A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd)**

	The Group			
	3 months ended		9 months ended	
	30-Sep-15 \$'000	30-Sep-14 \$'000	30-Sep-15 \$'000	30-Sep-14 \$'000
Net cash flows (used in)/generated from operating activities brought forward	(9,664)	2,717	(30,531)	5,189
Cash flows from investing activities				
Interest income received	149	179	293	670
Dividend income received	331	254	963	718
Proceeds from disposal of investments	993	-	3,229	276
Purchase of property, plant and equipment	(90)	-	(636)	(1,442)
Purchase of investment properties	-	-	-	(105,721)
Proceeds from disposal of property, plant and equipment	-	-	175	-
Proceeds from disposal of investment properties held for sale	-	2	14,280	2
Purchase of unquoted investments	(962)	-	(2,426)	-
Purchase of quoted investments	(4,071)	(2,245)	(9,438)	(2,605)
Net cash effect on disposal/(acquisition) of subsidiaries ⁽¹⁾	-	-	72,307	(197,216)
Net cash flows (used in)/generated from investing activities	(3,650)	(1,810)	78,747	(305,318)
Cash flow from financing activities				
Acquisition of non-controlling interest	(1)	-	(44)	-
Interest paid	(5,167)	(6,408)	(12,339)	(12,820)
Repayment of bank borrowings	(18,302)	(402,150)	(93,007)	(425,387)
Repayment of lease obligations	(8)	(8)	(24)	(50)
Proceeds from loans and borrowings	28,850	412,590	50,352	703,157
Dividend paid	-	-	(4,706)	(3,764)
Dividend (uncashed distribution)	-	-	10	-
Net cash flows generated from/(used in) financing activities	5,372	4,024	(59,758)	261,136
Net (decrease)/increase in cash and cash equivalents	(7,942)	4,931	(11,542)	(38,993)
Cash and cash equivalents at beginning of period	29,730	72,008	33,330	115,932
Cash and cash equivalents at end of period	21,788	76,939	21,788	76,939
<u>Cash and cash equivalents comprise of:</u>				
Cash and bank balances	8,688	57,847	8,688	57,847
Fixed deposits	13,100	19,092	13,100	19,092
	21,788	76,939	21,788	76,939

1(c) **A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd)**

⁽¹⁾ Disposal of subsidiary:

The effects of the disposal of Hiap Hoe SuperBowl JV Pte Ltd. on the cash flow of the Group on 26 March 2015 were:

	<u>\$'000</u>
<u>Carrying amounts of assets and liabilities disposed of:</u>	
Cash and cash equivalents	539
Other current assets	96
Properties held for sale	185,000
Total assets	<u>185,635</u>
Trade and other payables	2
Other liabilities	1,106
Due to joint venturer (non-trade)	68,261
Interest-bearing loans and borrowings	113,072
Total liabilities	<u>182,441</u>
Net assets disposed off	3,194
Net assets disposed off (as above)	3,194
- Reclassification of premium for acquisition of non-controlling interest	1,836
- Assignment of Intercompany loan	68,250
	<u>73,280</u>
Loss on disposal of subsidiary	<u>(447)</u>
Cash proceeds from disposal	72,833
Cash & cash equivalents in subsidiary disposed off	<u>(526)</u>
Net cash inflow on disposal	<u><u>72,307</u></u>

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

Statement of changes in equity for the period from 1 July 2015 to 30 September 2015 and 1 July 2014 to 30 September 2014

The Group (All figures in \$'000)	Attributable to equity holders of the Company										Total	Non-controlling interests	Total equity
	Share capital	Treasury shares	Accumulated profits	Dividend reserve	Capital reserve	Foreign currency reserve	Hedging reserve	Gain on reissuance of treasury shares	Other reserve	Total reserves			
At 1 July 2015	84,445	(1,101)	604,891	-	(7,672)	(10,149)	303	52	13	587,438	670,782	4,231	675,013
Loss for the period	-	-	(2,978)	-	-	-	-	-	-	(2,978)	(2,978)	16	(2,962)
Fair value gain on net investment hedge	-	-	-	-	-	-	1,395	-	-	1,395	1,395	-	1,395
Foreign currency translation	-	-	-	-	-	(4,501)	-	-	-	(4,501)	(4,501)	-	(4,501)
Other comprehensive income net of tax	-	-	-	-	-	(4,501)	1,395	-	-	(3,106)	(3,106)	-	(3,106)
Total comprehensive income for the period	-	-	(2,978)	-	-	(4,501)	1,395	-	-	(6,084)	(6,084)	16	(6,068)
<u>Contributions by and distributions to owners</u>													
Dividends on ordinary shares	-	-	-	-	-	-	-	-	-	-	-	-	-
Premium for acquisition of non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	(1)	(1)
Transfer from unappropriated profit for dividend payable to non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	(32)	(32)
Total contributions by and distributions to owners	-	-	-	-	-	-	-	-	-	-	-	(33)	(33)
At 30 September 2015	84,445	(1,101)	601,913	-	(7,672)	(14,650)	1,698	52	13	581,354	664,698	4,214	668,912
At 1 July 2014	84,445	(1,101)	646,742	-	(7,672)	(178)	3,210	52	(1,823)	640,331	723,675	4,285	727,960
Profit for the period	-	-	581	-	-	-	-	-	-	581	581	3	584
Fair value loss on net investment hedge	-	-	-	-	-	-	(3,210)	-	-	(3,210)	(3,210)	-	(3,210)
Foreign currency translation	-	-	-	-	-	(4,420)	-	-	-	(4,420)	(4,420)	-	(4,420)
Other comprehensive income net of tax	-	-	-	-	-	(4,420)	(3,210)	-	-	(7,630)	(7,630)	-	(7,630)
Total comprehensive income for the period	-	-	581	-	-	(4,420)	(3,210)	-	-	(7,049)	(7,049)	3	(7,046)
<u>Contributions by and distributions to owners</u>													
Dividends on ordinary shares	-	-	-	-	-	-	-	-	-	-	-	-	-
Premium for acquisition of non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-controlling interest's share of acquiree's net tangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Total contributions by and distributions to owners	-	-	-	-	-	-	-	-	-	-	-	-	-
At 30 September 2014	84,445	(1,101)	647,323	-	(7,672)	(4,598)	-	52	(1,823)	633,282	716,626	4,288	720,914

Statement of changes in equity for the period from 1 January 2015 to 30 September 2015 and 1 January 2014 to 30 September 2014

Attributable to equity holders of the Company

The Group (All figures in \$'000)	Attributable to equity holders of the Company										Total	Non-controlling interests	Total equity
	Share capital	Treasury shares	Accumulated profits	Dividend reserve	Capital reserve	Foreign currency reserve	Hedging reserve	Gain on reissuance of treasury shares	Other reserve	Total reserves			
At 1 January 2015	84,445	(1,101)	614,647	4,706	(7,672)	(7,244)	(934)	52	(1,823)	601,732	685,076	4,088	689,164
Loss for the period	-	-	(12,712)	-	-	-	-	-	-	(12,712)	(12,712)	170	(12,542)
Fair value gain on net investment hedge	-	-	-	-	-	-	2,632	-	-	2,632	2,632	-	2,632
Foreign currency translation	-	-	-	-	-	(7,406)	-	-	-	(7,406)	(7,406)	-	(7,406)
Other comprehensive income net of tax	-	-	-	-	-	(7,406)	2,632	-	-	(4,774)	(4,774)	-	(4,774)
Total comprehensive income for the period	-	-	(12,712)	-	-	(7,406)	2,632	-	-	(17,486)	(17,486)	170	(17,316)
Contributions by and distributions to owners													
Dividends on ordinary shares (uncashed) distribution)	-	-	10	-	-	-	-	-	-	10	10	-	10
Dividends on ordinary shares	-	-	-	(4,706)	-	-	-	-	-	(4,706)	(4,706)	-	(4,706)
Premium for acquisition of non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	(44)	(44)
Transfer from unappropriated profit for dividend payable to non-controlling interest	-	-	(32)	-	-	-	-	-	-	(32)	(32)	-	(32)
Reclassification of premium for acquisition of non-controlling interest upon disposal of subsidiary	-	-	-	-	-	-	-	-	1,836	1,836	1,836	-	1,836
Total contributions by and distributions to owners	-	-	(22)	(4,706)	-	-	-	-	1,836	(2,892)	(2,892)	(44)	(2,936)
At 30 September 2015	84,445	(1,101)	601,913	-	(7,672)	(14,650)	1,698	52	13	581,354	664,698	4,214	668,912
At 1 January 2014													
At 1 January 2014	84,445	(1,101)	298,069	3,764	(7,672)	(3,955)	934	52	-	291,192	374,536	(1,666)	372,870
Profit for the period	-	-	349,254	-	-	-	-	-	-	349,254	349,254	(150)	349,104
Fair value loss on net investment hedge	-	-	-	-	-	-	(934)	-	-	(934)	(934)	-	(934)
Foreign currency translation	-	-	-	-	-	(643)	-	-	-	(643)	(643)	-	(643)
Other comprehensive income net of tax	-	-	-	-	-	(643)	(934)	-	-	(1,577)	(1,577)	-	(1,577)
Total comprehensive income for the period	-	-	349,254	-	-	(643)	(934)	-	-	347,677	347,677	(150)	347,527
Contributions by and distributions to owners													
Dividends on ordinary shares	-	-	-	(3,764)	-	-	-	-	-	(3,764)	(3,764)	-	(3,764)
Premium for acquisition of non-controlling interest	-	-	-	-	-	-	-	-	(1,823)	(1,823)	(1,823)	1,835	12
Non-controlling interest's share of acquiree's net tangible assets	-	-	-	-	-	-	-	-	-	-	-	4,269	4,269
Total contributions by and distributions to owners	-	-	-	(3,764)	-	-	-	-	(1,823)	(5,587)	(5,587)	6,104	517
At 30 September 2014	84,445	(1,101)	647,323	-	(7,672)	(4,598)	-	52	(1,823)	633,282	716,626	4,288	720,914

Statement of changes in equity for the period from 1 July 2015 to 30 September 2015 and 1 July 2014 to 30 September 2014

The Company (All figures in \$'000)	Share capital	Treasury shares	Accumulated profits	Dividend reserve	Gain on reissuance of treasury shares	Total reserves	Total equity
At 1 July 2015	84,445	(1,101)	176,777	-	52	176,829	260,173
Profit for the period	-	-	39,967	-	-	39,967	39,967
Total comprehensive income for the period	-	-	39,967	-	-	39,967	39,967
<u>Contributions by and distributions to owners</u>							
Dividends on ordinary shares	-	-	-	-	-	-	-
Total contributions by and distribution to owners	-	-	-	-	-	-	-
At 30 September 2015	84,445	(1,101)	216,744	-	52	216,796	300,140
At 1 July 2014	84,445	(1,101)	192,831	-	52	192,883	276,227
Profit for the period	-	-	66	-	-	66	66
Total comprehensive income for the period	-	-	66	-	-	66	66
<u>Contributions by and distributions to owners</u>							
Dividends on ordinary shares	-	-	-	-	-	-	-
Total contributions by and distribution to owners	-	-	-	-	-	-	-
At 30 September 2014	84,445	(1,101)	192,897	-	52	192,949	276,293

Statement of changes in equity for the period from 1 January 2015 to 30 September 2015 and 1 January 2014 to 30 September 2014

The Company (All figures in \$'000)	Share capital	Treasury shares	Accumulated profits	Dividend reserve	Gain on reissuance of treasury shares	Total reserves	Total equity
At 1 January 2015	84,445	(1,101)	173,142	4,705	52	177,899	261,243
Profit for the period	-	-	43,602	-	-	43,602	43,602
Total comprehensive income for the period	-	-	43,602	-	-	43,602	43,602
<u>Contributions by and distributions to owners</u>							
Dividends on ordinary shares	-	-	-	(4,705)	-	(4,705)	(4,705)
Total contributions by and distribution to owners	-	-	-	(4,705)	-	(4,705)	(4,705)
At 30 September 2015	84,445	(1,101)	216,744	-	52	216,796	300,140
At 1 January 2014	84,445	(1,101)	195,271	3,765	52	199,088	282,432
Loss for the period	-	-	(2,374)	-	-	(2,374)	(2,374)
Total comprehensive income for the period	-	-	(2,374)	-	-	(2,374)	(2,374)
<u>Contributions by and distributions to owners</u>							
Dividends on ordinary shares	-	-	-	(3,765)	-	(3,765)	(3,765)
Total contributions by and distribution to owners	-	-	-	(3,765)	-	(3,765)	(3,765)
At 30 September 2014	84,445	(1,101)	192,897	-	52	192,949	276,293

- 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 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.**

Ordinary Shares (excluding Treasury Shares)

	<u>Number of Ordinary Shares</u>
Balance as at 1 July and 30 September	<u>470,557,541</u>

Treasury Shares

	<u>Number of Treasury Shares</u>
Balance as at 1 July and 30 September	<u>3,999,850</u>

During the period ended 30 September 2015, there was no change to the issued share capital of the Company.

- 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.**

The number of issued shares as at 30 September 2015 is 470,557,541 (31 December 2014: 470,557,541).

- 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.**

These 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 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.**

Except as disclosed in Note 5, the Group and the Company have adopted the same accounting policies and methods of computation for the current financial period as those for the financial year ended 31 December 2014.

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.

In the current financial period, the Group and the Company adopted the new Financial Reporting Standards ("FRS") and Amendments to FRS that are effective for annual periods beginning on or after 1 January 2015.

The adoption of the new FRSs and Amendments to FRSs did not result in any substantial change to the Group and the Company's accounting policies or any material impact on the financial statements of 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.

	The Group			
	3 months ended		9 months ended	
	30-Sep-15	30-Sep-14	30-Sep-15	30-Sep-14
Earning per share (cents)				
Basic	(0.63)	0.12	(2.70)	74.22
Diluted	(0.63)	0.12	(2.70)	74.22
Weighted average number of shares				
Basic	470,557,541	470,557,541	470,557,541	470,557,541
Diluted	470,557,541	470,557,541	470,557,541	470,557,541

Earnings per share are calculated based on the net profit attributable to ordinary shareholders divided by the weighted average number of shares.

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.

	The Group		The Company	
	30-Sep-15	31-Dec-14	30-Sep-15	31-Dec-14
Net assets value per share (cents)	141.26	145.59	63.78	55.52
Based on number of shares	470,557,541	470,557,541	470,557,541	470,557,541

Net assets value per share is calculated based on the equity attributable to the equity holders of the parent excluding the non-controlling interests divided by the number of shares excluding treasury shares.

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

Consolidated Income Statement – third quarter ended 30 September 2015 (“3Q2015”) performance

Revenue

	3 months ended 30-Sep-15		3 months ended 30-Sep-14		
	\$'000	%	\$'000	%	
Development properties	15,221	39.7	34,480	59.4	(55.9)
Rental	9,328	24.3	9,890	17.1	(5.7)
Hotel operations	11,873	31.0	11,375	19.6	4.4
Leisure business	1,932	5.0	2,257	3.9	(14.4)
	<u>38,354</u>	100	<u>58,002</u>	100	(33.9)

The Group recorded revenue of \$38.4m in the 3 months ended 30 September 2015 (“3Q2015”), declined by 33.9% or \$19.6m from \$58.0m recorded in the previous corresponding 3 months ended 30 September 2014 (“3Q2014”).

Despite the sales revenue recognition for HH@Kallang of \$15.2m, our revenue for 3Q2015 declined by \$19.3m compared to 3Q2014 due to the absence of revenue from Waterscape at Cavenagh.

Rental revenue decreased by \$0.6m from \$9.9m in 3Q2014 to \$9.3m in 3Q2015. Despite the increase in rental income from Skyline 360° At St Thomas Walk, this was offset by the weakened Australian Dollar which affected the recognition of rental income from the investment properties in Australia.

Hotel operations recorded an increase of \$0.5m in 3Q2015 as compared to 3Q2014 due to higher occupancy rates in our two hotels at Zhongshan Park.

Leisure business decreased by \$0.3m in 3Q2015 as compared to 3Q2014 as certain leases were not renewed upon their expiry in 2014.

Profit

Gross profit for 3Q2015 decreased by \$15.2m or 38.6% from \$39.5m in 3Q2014 to \$24.3m due to lower revenue.

Other income increased by \$0.1m in 3Q2015 due mainly to higher dividend income from trading investments compared to 3Q2014.

Finance income decreased by \$0.1m due to lower fixed deposit interests earned.

The increase in distribution and selling expenses of \$0.8m was mainly due to the agent sales commission for sale of the residential units in Marina Tower in Australia.

Administrative expenses decreased by \$8.1m to \$20.8m in 3Q2015 compared to \$28.9m in 3Q2014. The decreases were due mainly to the absence of \$7.5m stamp duty provision in 3Q2014 and lower foreign exchange loss of \$3.6m recorded in 3Q2015, despite the inclusion in 3Q2015 an early lease termination fee of \$3.6m in relation to a tenancy in Australia.

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 cash flow, working capital, assets or liabilities of the group during the current financial period reported on. (Cont'd)

Profit (Cont'd)

Other expenses in 3Q2014 comprises loss on disposal of property, plant and equipment, and property, plant and equipment written off.

Finance expenses decreased by \$0.6m from \$4.4m in 3Q2014 to \$3.8m in 3Q2015 due to repayment of bank borrowings.

Tax Expense

Tax expense was lower at \$0.4m in 3Q2015 compared to \$4.0m in 3Q2014 mainly due to the higher tax provision recorded in 3Q2014 in relation to the sale of properties in the Group.

Net Loss

Taking into consideration the above factors, the Group registered a net loss after tax of \$2.9m in 3Q2015 compared to a net profit after tax of \$0.6m in 3Q2014.

Consolidated Income Statement – nine months ended 30 September 2015 (“9M2015”) performance

Revenue

	9 months ended 30-Sep-15		9 months ended 30-Sep-14		
	\$'000	%	\$'000	%	
Development properties	15,264	18.4	62,033	53.0	(75.4)
Rental	28,076	33.8	24,749	21.2	13.4
Hotel operations	34,152	41.1	24,526	21.0	39.2
Leisure business	5,545	6.7	5,706	4.8	(2.8)
	<u>83,037</u>	<u>100</u>	<u>117,014</u>	<u>100</u>	<u>(29.0)</u>

The Group recorded revenue of \$83.0m for the nine months ended 30 September 2015 (“9M2015”), a 29.0% decrease from \$117.0m recorded in the previous corresponding period ended 30 September 2014 (“9M2014”).

Despite the sales revenue recognition for HH@Kallang of \$15.2m, our revenue for 9M2015 declined by \$46.8m compared to 9M2014 due to the absence of revenue from Waterscape at Cavenagh.

Rental revenue recorded an increase of \$3.4m from \$24.7m in 9M2014 to \$28.1m in 9M2015. This increase was contributed from Zhongshan Mall and the office tower by \$1.8m and Skyline 360° At St Thomas Walk of \$0.7m. The impact on consolidating nine months results of SuperBowl Holdings Limited versus seven months (as the acquisition was completed on 28 February 2014) also further contributed to the increase in revenue in 9M2015.

Hotel operations recorded increased revenue of \$9.6m mainly due to improved occupancy while the Leisure business saw a slight decrease in revenue of \$0.2m in 9M2015.

Profit

Gross profit for 9M2015 decreased by 22.4% from \$76.5m in 9M2014 to \$59.4m due to lower revenue.

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 cash flow, working capital, assets or liabilities of the group during the current financial period reported on. (Cont'd)**

Profit (Cont'd)

Other income decreased by \$1.7m in 9M2015 due to the absence of foreign exchange gain of \$3.3m recorded in 9M2014. However, this was partly mitigated by the profit of \$1.2m on the disposal of investment properties in 9M2015.

Finance income decreased by \$0.3m due to lower fixed deposit interest earned.

Higher distribution and selling expenses of \$3.3m in 9M2015 compared to \$1.0m in 9M2014 were mainly due to the agent sales commission for sale of the residential units in Marina Tower in Australia.

Administrative expenses decreased by \$1.8m to \$55.6m in 9M2015 from \$57.4m in 9M2014 despite higher depreciation expenses of \$3.4m and a higher foreign exchange loss of \$1.1m compared to 9M2014. Included in 9M2015 was an early lease termination fee of \$3.6m incurred in relation to a tenancy in Australia. These increases were offset by the absence of \$13.0m stamp duties incurred in connection with the acquisition of a new investment property in Australia, Stirling Street, and sale of residential property units to a related company in 9M2014.

Other expenses include loss on disposal of property, plant and equipment, as well as property, plant and equipment written off.

The Group recorded a loss on disposal of subsidiary of \$0.5m following the disposal of 100% of the issued and paid up share capital of Hiap Hoe SuperBowl JV Pte Ltd to Hiap Hoe Holdings Pte Ltd on 26 March 2015.

Finance expenses increased by \$0.1m in 9M2015 compared to 9M2014 mainly due to the mark-to-market valuation on the interest rate swap position.

Tax Expense

Tax expense decreased by \$6.1m from \$8.9m in 9M2014 to \$2.8m in 9M2015 mainly due to the higher tax provision recorded in 9M2014 in relation to the sale of properties in the Group.

Net Loss

Taking into consideration the above factors, the Group registered a net loss after tax of \$12.5m in 9M2015 as compared to \$349.1m net profit after tax in 9M2014.

Consolidation Statement of Financial Position as at 30 September 2015

Non-current assets

Non-current assets comprised the increases in deposits held in trust by our lawyers arising from the sale of Marina Tower in Australia. This increase was offset by the depreciation of property, plant and equipment, and investment properties which reduces the overall non-current assets by 2.9%.

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 cash flow, working capital, assets or liabilities of the group during the current financial period reported on. (Cont'd)**

Current assets

The decrease in current assets of \$181.1m or 37.4% from \$484.3m as at 31 December 2014 to \$303.2m as at 30 September 2015 was mainly due to:

- Disposal of assets classified as held for sale \$198.4m in 1Q2015 in relation to Hiap Hoe SuperBowl JV Pte Ltd.

The above decrease was offset by the increase in 9M2015:

- Other investments by \$3.6m to \$37.9m due to higher investments held for trading.
- Development properties by \$30.3m to \$188.9m due to additional development costs for Marina Tower in Australia and HH@Kallang.

Current liabilities

The decrease in current liabilities of \$144.4m or 38.3% from \$376.9m as at 31 December 2014 to \$232.5m as at 30 September 2015 were mainly due to:

- Liabilities associated with disposal group classified as held for sale \$114.2m in relation to Hiap Hoe SuperBowl JV Pte Ltd.
- Decrease in trade and other payables of \$2.7m due to release of retention sum for the completed projects and payment made to suppliers.
- Decrease in other liabilities of \$4.7m due to payment of accrued expenses.
- Decrease in tax payable mainly due to payment made in that period.

Current liabilities also include a reclassification of medium term notes of \$39.8m from non-current liabilities which is due on 5 September 2016.

Non-current liabilities

The decrease in non-current liabilities of \$48.0m from \$501.0m as at 31 December 2014 to \$453.0m as at 30 September 2015 was mainly due to the decrease in interest-bearing loans and borrowings by \$12.7m and the reclassification of medium term notes of \$39.8m to current liabilities. This was partially offset by the increase in deposits received in relation to the sale of residential units in Marina Tower in Australia.

Consolidated Statement of Cash Flows Position as at 30 September 2015

The Group recorded net cash used in operating activities of \$9.7m and \$30.5m for 3Q2015 and 9M2015 respectively, mainly comprising increase cash outflow for development properties and income tax.

Net cash generated from investing activities amounted to \$78.7m in 9M2015. This was mainly attributed to cash inflow from the disposal of subsidiary of \$72.3m and proceeds from the disposal of investment properties held for sale of \$14.3m.

The Group recorded net cash used in financing activities of \$59.8m in 9M2015, mainly attributed to repayment of bank borrowings and interest paid.

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

There is no forecast, or prospect statement previously disclosed to shareholders.

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 Group expects the residential property market in Singapore to remain soft for 2015 as the property cooling measures remain in place.

The Group will maintain a prudent approach in its land banking in Singapore. Despite a challenging market environment, the Group's well diversified sources of revenue, with a greater proportion from hotel, property investment and leisure activities presently, will continue to generate recurring revenue.

The construction of development project, Marina Tower in Australia is well in progress and the hotel, Four Points® by Sheraton, is expected to commence operations in first quarter 2017 while the residential units at Marina Tower is expected to complete by first quarter 2018. As of 5 November 2015, the residential units have been fully sold with a total sales value of A\$269m.

11. Dividend

(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

Not applicable.

(d) Book closure date

Not applicable.

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

No dividend has been declared / recommended during the financial period.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	
	3 months ended 30 September 2015	9 months ended 30 September 2015	3 months ended 30 September 2015	9 months ended 30 September 2015
Hiap Hoe Holdings Pte Ltd	Nil	Nil	Nil	Disposal of 100% of the issued and paid up share capital of: - Hiap Hoe SuperBowl JV Pte Ltd (value of transactions amounting to \$72,833,151)
Hiap Hoe & Co. Pte. Ltd. (A subsidiary of the ultimate holding company, Hiap Hoe Holdings Pte Ltd)	Provision of Project and Construction Management Service to the Company's wholly-owned subsidiary: - WestBuild Construction Pte. Ltd. (value of transactions amounting to \$242,000)	Provision of Project and Construction Management Service to the Company's wholly-owned subsidiary: - WestBuild Construction Pte. Ltd. (value of transactions amounting to \$1,121,000)	Nil	Nil

14 Confirmation Pursuant to rule to Rule 705(5) of the Listing Manual

We, on behalf of the directors of Hiap Hoe Limited, hereby confirm that, to the best of our knowledge, nothing has come to the attention of the board of directors of Hiap Hoe Limited which may render the unaudited financial results of Hiap Hoe Limited for the third quarter ended 30 September 2015 to be false or misleading in any material respect.

15 Confirmation Pursuant to rule to Rule 720(1) of the Listing Manual

The Company hereby confirms that it has procured undertaking from all the directors and executive officers under Rule 720(1).

By Order of the Board

Teo Ho Beng
Executive Chairman / Chief Executive Officer
11 November 2015