



**GOODLAND GROUP LIMITED**

良園集團

Incorporated in the Republic of Singapore  
Company Registration No. 200405522N

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Unaudited Second Quarter and Half Year Financial Statements  
Announcement for the Financial Period Ended 31 March 2017

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**PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), HALF-YEAR AND FULL YEAR RESULTS**

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

**Statement of Comprehensive Income**

	Group			Group		
	3 months ended 31/3/2017 (2Q 2017) S\$'000	3 months ended 31/3/2016 (2Q 2016) S\$'000	Increase/ (Decrease) %	6 months ended 31/3/2017 (1H 2017) S\$'000	6 months ended 31/3/2016 (1H 2016) S\$'000	Increase/ (Decrease) %
<b>Revenue</b>	18,855	8,927	111	36,263	16,389	121
Cost of sales	(15,849)	(7,957)	99	(31,669)	(13,864)	128
<b>Gross profit</b>	<b>3,006</b>	<b>970</b>	210	<b>4,594</b>	<b>2,525</b>	82
Other operating income	223	206	8	407	354	15
Finance income	2	-	N/M	6	-	N/M
Administrative expenses	(1,632)	(1,764)	(7)	(2,983)	(3,293)	(9)
Finance costs	(433)	(354)	22	(784)	(683)	15
Share of results of associated companies	66	(10)	N/M	65	(17)	N/M
<b>Profit/(Loss) before taxation</b>	<b>1,232</b>	<b>(952)</b>	N/M	<b>1,305</b>	<b>(1,114)</b>	N/M
Income tax	(169)	(11)	N/M	(123)	(14)	N/M
<b>Profit/(Loss) for the period</b>	<b>1,063</b>	<b>(963)</b>	N/M	<b>1,182</b>	<b>(1,128)</b>	N/M
<b>Other comprehensive income/(loss):</b>						
Revaluation surplus resulting from the reclassification of property, plant and equipment to investment properties	-	-	N/M	1,525	-	N/M
Foreign currency translation differences	(3,387)	10,759	N/M	(3,136)	12,683	N/M
	<b>(3,387)</b>	<b>10,759</b>	N/M	<b>(1,611)</b>	<b>12,683</b>	N/M
<b>Total comprehensive income</b>	<b>(2,324)</b>	<b>9,796</b>	N/M	<b>(429)</b>	<b>11,555</b>	N/M
<b>Profit/(Loss) attributable to:</b>						
Equity holders of the Company, net of tax	1,065	(965)	N/M	1,193	(1,120)	N/M
Non-controlling interests, net of tax	(2)	2	N/M	(11)	(8)	N/M
	<b>1,063</b>	<b>(963)</b>	N/M	<b>1,182</b>	<b>(1,128)</b>	N/M
<b>Total comprehensive income attributable to:</b>						
Equity holders of the Company, net of tax	(1,308)	6,576	N/M	518	7,770	N/M
Non-controlling interests, net of tax	(1,016)	3,220	N/M	(947)	3,785	N/M
	<b>(2,324)</b>	<b>9,796</b>	N/M	<b>(429)</b>	<b>11,555</b>	N/M

N/M : Not meaningful

<sup>(1)</sup> : Denotes a figure less than \$1,000



**1(a)(ii) Breakdown and explanatory notes to the income statement:**

**Profit after income tax is arrived at:**

	Group			Group		
	3 months ended 31/3/2017 2Q 2017 S\$'000	3 months ended 31/3/2016 2Q 2016 S\$'000	Increase/ (Decrease)  %	6 months ended 31/3/2017 1H 2017 S\$'000	6 months ended 31/3/2016 1H 2016 S\$'000	Increase/ (Decrease)  %
<b>After charging:</b>						
Depreciation of property, plant and equipment	33	133	(75)	183	266	(31)
Finance costs	433	354	22	784	683	15
Fair value loss on financial assets, through profit or loss	-	-	N/M	-	9	N/M
<b>and crediting:</b>						
Finance income	(2)	-	N/M	(6)	-	N/M
Rental income	(87)	(99)	(12)	(168)	(202)	(17)
Management fees	-	(10)	N/M	-	(19)	N/M
Fair value gain on financial assets, through profit or loss	(13)	(9)	N/M	(34)	-	N/M

N/M: 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.**

**Statement of Financial Position**

	Group Unaudited 31/3/2017 S\$'000	Group Audited 30/9/2016 S\$'000	Company Unaudited 31/3/2017 S\$'000	Company Audited 30/9/2016 S\$'000
<b>Non-current assets</b>				
Property, plant and equipment	5,606	6,080	-	-
Investment properties	86,048	85,220	-	-
Investment in subsidiaries	-	-	10,517	10,516
Investments in associated companies	2,006	1,941	-	-
Available for sale financial asset	10,485	10,485	-	-
Deferred tax assets	838	855	-	-
	104,983	104,581	10,517	10,516
<b>Current assets</b>				
Trade and other receivables	48,178	51,781	62,180	66,180
Other current assets	107	56	91	23
Development properties for sale	211,797	240,035	-	-
Other financial assets	171	137	-	-
Cash and cash equivalents	21,403	30,231	4,551	600
	281,656	322,240	66,822	66,803
Less:-				
<b>Current liabilities</b>				
Obligations under finance leases	47	47	-	-
Trade and other payables	8,032	9,241	18,834	17,505
Convertible bond	1,699	1,660	1,699	1,660
Bank borrowings	99,003	131,730	-	-
	108,781	142,678	20,533	19,165
Net current assets	172,875	179,562	46,288	47,638
<b>Non-current liabilities</b>				
Obligations under finance leases	66	89	-	-
Bank borrowings	17,907	17,602	-	-
Deferred tax liabilities	25,977	31,033	-	-
	43,950	48,724	-	-
Net assets	233,908	235,419	56,805	58,154
<b>Capital and reserves</b>				
Share capital	63,280	63,280	63,280	63,280
Retained earnings	76,702	76,591	2,653	4,002
Merger reserve	(485)	(485)	-	-
Treasury shares	(9,357)	(9,357)	(9,357)	(9,357)
Currency translation reserve	(23,835)	(21,635)	-	-
Acquisition reserve	78,743	78,743	-	-
Fair value reserve	6	6	-	-
Revaluation surplus reserve	3,224	1,699	-	-
Equity option reserve	229	229	229	229
	188,507	189,071	56,805	58,154
Equity attributable to owners of the Company	188,507	189,071	56,805	58,154
Non-controlling interests	45,401	46,348	-	-
Total equity	233,908	235,419	56,805	58,154



**1(b)(ii) Aggregate amount of group's borrowings and debt securities.**

**Amount repayable in one year or less, or on demand**

As at 31/03/2017		As at 30/09/2016	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
99,050	1,699	131,777	1,660

**Amount repayable after one year**

As at 31/03/2017		As at 30/09/2016	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
17,973	-	17,691	-

**Details of any collateral**

Bank borrowings are secured by:

- 1) Corporate guarantee by Goodland Group Limited.
- 2) Mortgages on the Group's property, plant and equipment, investment properties and development properties for sale.
- 3) Assignment of rights, titles and benefits with respect to the Group's properties.
- 4) Deed of subordination of shareholders' and related corporations' loans for monies up to the full retirement of the credit facilities.
- 5) Assignment of performance bond, insurances, proceeds and construction contract.
- 6) Legal assignment of rental proceeds and charge over bank account(s) into which rental proceeds shall be paid.
- 7) Assignment of developer's rights and benefits in sale and purchase agreements.
- 8) Leased assets for finance leases.



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

**Consolidated Statement of Cash Flows**

	Group		Group	
	Unaudited 3 months ended 31/3/2017 (2Q2017) S\$'000	Unaudited 3 months ended 31/3/2016 (2Q2016) S\$'000	Unaudited 6 months ended 31/3/2017 (1H2017) S\$'000	Unaudited 6 Months ended 31/3/2016 (1H2016) S\$'000
<b>Cash flows from operating activities</b>				
Profit / (Loss) before income taxation	1,232	(952)	1,305	(1,114)
Adjustments for:-				
Depreciation of property, plant and equipment	33	133	183	266
Change in fair value of financial assets through profit or loss	(13)	(9)	(34)	9
Interest expense	433	354	784	683
Interest income	(2)	- <sup>(1)</sup>	(6)	- <sup>(1)</sup>
Dividend income	-	-	(2)	-
Share of results of associated companies	(94)	10	(93)	17
<b>Operating cash flow before working capital changes</b>	<b>1,589</b>	<b>(464)</b>	<b>2,137</b>	<b>(139)</b>
Trade, other receivables and other current assets	(1,151)	(2,973)	(1,165)	(4,025)
Trade and other payables	(595)	199	(1,629)	(2,284)
Development properties for sale	10,637	4,913	21,601	7,683
<b>Cash generated from operations</b>	<b>10,480</b>	<b>1,675</b>	<b>20,944</b>	<b>1,235</b>
Interest received	2	-	6	-
Income tax refund	-	88	72	88
<b>Net cash generated from operating activities</b>	<b>10,482</b>	<b>1,763</b>	<b>21,022</b>	<b>1,323</b>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment (Note B)	(89)	(13)	(172)	(70)
Payments for investment properties	-	(47)	-	(154)
Repayment to associated companies	-	(238)	-	(476)
Repayment from associated company	5,100	-	5,100	-
Advances to associated companies	(20)	-	(88)	-
Dividend received from an associated company	-	650	-	650
Dividend received from other equity investments	-	-	2	-
<b>Net cash generated from/ (used in) investing activities</b>	<b>4,991</b>	<b>352</b>	<b>4,842</b>	<b>(50)</b>
<b>Cash flows from financing activities</b>				
Gross proceeds from issuance of ordinary shares and exercise of warrants	-	3,553	-	8,752
Purchase of treasury shares	-	(1,600)	-	(7,281)
Proceeds from bank loans	2,900	1,312	4,316	3,191
Advances from associated companies	250	1,226	500	1,226
Repayment of bank loans	(33,080)	(1,133)	(36,738)	(1,367)
Repayment of finance lease liabilities	(11)	(13)	(23)	(27)
Interest paid	(821)	(1,016)	(1,665)	(1,671)
Dividend paid	(1,082)	(1,083)	(1,082)	(1,083)
<b>Net cash generated (used in) / from financing activities</b>	<b>(31,844)</b>	<b>1,246</b>	<b>(34,692)</b>	<b>1,740</b>
<b>Net changes in cash and cash equivalents</b>	<b>(16,371)</b>	<b>3,361</b>	<b>(8,828)</b>	<b>3,013</b>
Cash and cash equivalents at beginning of financial year	37,774	16,160	30,231	16,508
<b>Cash and cash equivalents at end of financial year (Note A)</b>	<b>21,403</b>	<b>19,521</b>	<b>21,403</b>	<b>19,521</b>

<sup>(1)</sup> : Denotes a figure less than \$1,000



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**Note A**

Cash and cash equivalents comprise fixed deposit and cash and bank balances

	<b>As at</b>	<b>As at</b>
	<b>31/3/2017</b>	<b>31/3/2016</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Fixed deposits with banks	1,000	-
Cash and bank balances	20,403	21,137
	<u>21,403</u>	<u>21,137</u>
Fixed deposit with maturity more than 3 months		
Bank overdraft	-	(1,616)
	<u>21,403</u>	<u>19,521</u>

**Note B**

Purchases of property, plant and equipment were financed as follows:

	<b>3 months</b>	<b>3 months</b>	<b>6 months</b>	<b>6 months</b>
	<b>ended</b>	<b>ended</b>	<b>ended</b>	<b>ended</b>
	<b>31/3/2017</b>	<b>31/3/2016</b>	<b>31/3/2017</b>	<b>31/3/2016</b>
	<b>(2Q2017)</b>	<b>(2Q2016)</b>	<b>(1H2017)</b>	<b>(1H2016)</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Additions to property, plant and equipment	89	13	172	70
Acquired under finance lease agreements	-	-	-	-
Cash payments	<u>89</u>	<u>13</u>	<u>172</u>	<u>70</u>



**GOODLAND GROUP LIMITED**  
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**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**

The Group	Attributable to equity holders of the Company											Non-Controlling Interests S\$'000	Total Equity S\$'000
	Share Capital S\$'000	Warrants Reserve S\$'000	Merger Reserve S\$'000	Treasury Shares S\$'000	Currency Translation Reserve S\$'000	Acquisition Reserve S\$'000	Fair Value Reserve S\$'000	Revaluation Surplus Reserve S\$'000	Equity Option Reserve S\$'000	Retained Earnings S\$'000	Subtotal S\$'000		
<b>At 1 October 2015</b>	53,981	960	(485)	(1,993)	(23,516)	78,743	252	-	229	81,128	189,299	45,566	234,865
<b>Total comprehensive income for the period</b>													
<b>Loss for the period</b>	-	-	-	-	-	-	-	-	-	(155)	(155)	(10)	(165)
<b>Other comprehensive income</b>													
Exchange differences arising from transaction	-	-	-	-	1,349	-	-	-	-	-	1,349	575	1,924
<b>Total other comprehensive income</b>	-	-	-	-	1,349	-	-	-	-	-	1,349	575	1,924
<b>Total comprehensive income for the period</b>	-	-	-	-	1,349	-	-	-	-	(155)	1,194	565	1,759
<b>Transaction with owners, recognised directly in equity</b>													
<b>Contribution by and distributions to owners</b>													
Issuance of ordinary shares upon exercise of warrants	5,524	(325)	-	-	-	-	-	-	-	-	5,199	-	5,199
Purchase of treasury shares	-	-	-	(5,681)	-	-	-	-	-	-	(5,681)	-	(5,681)
<b>Total contribution by and distributions to owners</b>	5,524	(325)	-	(5,681)	-	-	-	-	-	-	(482)	-	(482)
<b>Total transactions with owners</b>	5,524	(325)	-	(5,681)	-	-	-	-	-	-	(482)	-	(482)
<b>Balance as at 31 December 2015</b>	59,505	635	(485)	(7,674)	(22,167)	78,743	252	-	229	80,973	190,011	46,131	236,142
<b>Total comprehensive income for the period</b>													
<b>Loss for the period</b>	-	-	-	-	-	-	-	-	-	(965)	(965)	2	(963)
<b>Other comprehensive income</b>													
Exchange differences arising from transaction	-	-	-	-	7,541	-	-	-	-	-	7,541	3,218	10,759
<b>Total other comprehensive income</b>	-	-	-	-	7,541	-	-	-	-	-	7,541	3,218	9,676
<b>Total comprehensive income for the period</b>	-	-	-	-	7,541	-	-	-	-	(965)	6,576	3,220	8,713
<b>Transaction with owners, recognised directly in equity</b>													
<b>Contribution by and distributions to owners</b>													
Issuance of ordinary shares upon exercise of warrants	3,775	(222)	-	-	-	-	-	-	-	-	3,553	-	3,553
Purchase of treasury shares	-	-	-	(1,600)	-	-	-	-	-	-	(1,600)	-	(1,600)
Dividend paid	-	-	-	-	-	-	-	-	(1,083)	(1,083)	-	-	(1,083)
<b>Total contribution by and distributions to owners</b>	3,775	(222)	-	(1,600)	-	-	-	-	(1,083)	(1,083)	870	-	1,953
<b>Total transactions with owners</b>	3,775	(222)	-	(1,600)	-	-	-	-	(1,083)	(1,083)	870	-	1,953
<b>Balance as at 31 March 2016</b>	63,280	413	(485)	(9,274)	(14,626)	78,743	252	-	229	78,925	197,457	49,351	246,808
<b>At 1 October 2016</b>	63,280	-	(485)	(9,357)	(21,635)	78,743	6	1,699	229	76,591	189,071	46,348	235,419
<b>Total comprehensive income for the period</b>													
<b>Profit for the period</b>	-	-	-	-	-	-	-	-	-	128	128	(9)	119
<b>Other comprehensive income</b>													
Exchange differences	-	-	-	-	173	-	-	-	-	-	173	78	251
Revaluation surplus resulting from reclassification of property, plant and equipment to investment property	-	-	-	-	-	-	-	1,525	-	-	1,525	-	1,525
<b>Total other comprehensive income</b>	-	-	-	-	173	-	-	1,525	-	-	1,698	78	1,776
<b>Total comprehensive income for the period</b>	-	-	-	-	173	-	-	1,525	-	128	1,826	69	1,895
<b>Balance as at 31 December 2016</b>	63,280	-	(485)	(9,357)	(21,462)	78,743	6	3,224	229	76,719	190,897	46,417	237,314
<b>Total comprehensive income for the period</b>													
<b>Profit for the period</b>	-	-	-	-	-	-	-	-	-	1,065	1,065	(2)	1,063
<b>Other comprehensive income</b>													
Exchange differences	-	-	-	-	(2,373)	-	-	-	-	-	(2,373)	(1,014)	(3,387)
Revaluation surplus resulting from reclassification of property, plant and equipment to investment property	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	(1,082)	(1,082)	-	-	(1,082)
<b>Total other comprehensive income</b>	-	-	-	-	(2,373)	-	-	-	(1,082)	(3,455)	(1,014)	(4,469)	
<b>Total comprehensive income for the period</b>	-	-	-	-	(2,373)	-	-	-	(17)	(2,390)	(1,016)	(3,406)	
<b>Balance as at 31 March 2017</b>	63,280	-	(485)	(9,357)	(23,835)	78,743	6	3,224	229	76,702	188,507	45,401	233,908





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The Company	Share Capital S\$'000	Treasury Share S\$'000	Warrants Reserve S\$'000	Equity Reserve S\$'000	Retained Earnings S\$'000	Total Equity S\$'000
<b>At 1 October 2015</b>	53,981	(1,993)	960	229	5,310	58,487
<i>Total comprehensive income for the period</i>						
<b>Loss for the period</b>	-	-	-	-	(189)	(189)
<i>Total comprehensive income for the period</i>	-	-	-	-	(189)	(189)
<i>Transaction with owners, recognised directly in equity</i>						
<b>Contribution by and distributions to owners</b>						
Issuance of ordinary shares arising from acquisition	5,524	-	-	-	-	5,524
Issuance of ordinary shares upon exercise of warrants	-	-	(325)	-	-	(325)
Purchase of treasury shares	-	(5,681)	-	-	-	(5,681)
<b>Total contribution by and distributions to owners</b>	5,524	(5,681)	(325)	-	-	(482)
<b>Total transactions with owners</b>	5,524	(5,681)	(325)	-	-	(482)
<b>Balance as at 31 December 2015</b>	59,505	(7,674)	635	229	5,121	57,816
<i>Total comprehensive income for the period</i>						
<b>Loss for the period</b>	-	-	-	-	(263)	(263)
<i>Total comprehensive income for the period</i>	-	-	-	-	(263)	(263)
<i>Transaction with owners, recognised directly in equity</i>						
<b>Contribution by and distributions to owners</b>						
Issuance of ordinary shares arising from acquisition	3,775	(1,600)	-	-	-	2,175
Issuance of ordinary shares upon exercise of warrants	-	-	(222)	-	-	(222)
Dividend paid	-	-	-	-	(1,083)	(1,083)
<b>Total contribution by and distributions to owners</b>	3,775	(1,600)	(222)	-	(1,083)	870
<b>Total transactions with owners</b>	3,775	(1,600)	(222)	-	(1,083)	870
<b>Balance as at 31 March 2016</b>	63,280	(9,274)	413	229	3,775	58,423
<b>As at 1 October 2016</b>	63,280	(9,357)	-	229	4,002	58,154
<i>Total comprehensive income for the period</i>						
<b>Loss for the period</b>	-	-	-	-	(65)	(65)
<i>Total comprehensive income for the period</i>	-	-	-	-	(65)	(65)
<b>Balance as at 31 December 2016</b>	63,280	(9,357)	-	229	3,937	58,089
<i>Total comprehensive income for the period</i>						
<b>Loss for the period</b>	-	-	-	-	(202)	(202)
<i>Total comprehensive income for the period</i>	-	-	-	-	(202)	(202)
<i>Transaction with owners, recognised directly in equity</i>						
<b>Contribution by and distributions to owners</b>						
Dividend paid	-	-	-	-	(1,082)	(1,082)
<b>Total contribution by and distributions to owners</b>	-	-	-	-	(1,082)	(1,082)
<b>Total transactions with owners</b>	-	-	-	-	(1,082)	(1,082)
<b>Balance as at 31 March 2017</b>	63,280	(9,357)	-	229	2,653	56,805



**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares (excluding treasury shares) 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.**

During the period under review, there were no changes in the Company's share capital.

The Company	Number of shares issued and fully paid	Shares capital S\$'000	Number of Treasury Shares	Treasury Shares S\$'000
As at 1 October 2016	394,066,518	63,280	33,371,600	9,357
Shares repurchased and held as treasury shares	-	-	-	-
<b>As at 31 March 2017</b>	<b>394,066,518</b>	<b>63,280</b>	<b>33,371,600</b>	<b>9,357</b>

The total number of issued shares held as treasury shares of the Company as at 31 March 2017 was 33,371,600 (31 March 2016: 33,022,800).

The total number of issued shares excluding treasury shares of the Company as at 31 March 2017 was 360,694,918 (31 March 2016: 361,043,718).

The Company had no outstanding warrants as at 31 March 2017 as the expiry date for the conversion of the Company's warrants was on 17 February 2016 (31 March 2016: 57,467,124).

As part of the purchase consideration for the acquisition of a subsidiary, namely Citrine Assets Pte Ltd, the Company issued non-interest bearing convertible bonds amounting to \$1.74 million. The convertible bonds will mature on 30 September 2017 and convertible into an aggregate 4,577,426 ordinary shares at the price of \$0.38 per share.

**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.**

	<b>31/03/2017</b>	<b>30/09/2016</b>
Total number of issued shares	394,066,518	394,066,518
Total number of treasury shares	(33,371,600)	(33,371,600)
Total number of issued shares excluding treasury shares	<u>360,694,918</u>	<u>360,694,918</u>

**1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current period reported on.**

As at 31 March 2017, there were no sales, transfers, disposals, cancellation and/or use of treasury shares.

**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 auditor.

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

Not applicable as the figures have not been audited or reviewed.



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

Save as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as those applied in the most recently audited financial statements of the Group for the financial year ended 30 September 2016.

**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 Group has adopted all new and/or revised Singapore Financial Reporting Standards ("FRSs") and interpretation of FRSs ("INT FRSs") that are relevant to its operations and effective for the financial period beginning on or after 1 October 2016.

The adoption of these new/revised FRSs and INT FRSs does not result in changes in the Group's accounting policies and has no material impact on the financial statements reported for the current financial period or prior financial periods.

**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.**

	<b>Group (Unaudited)</b>			
	3 months ended 31/03/2017 (2Q2017)	3 months ended 31/03/2016 (2Q2016)	6 months ended 31/03/2017 (1H2017)	6 months ended 31/03/2016 (1H2016)
Earnings per ordinary share for the period based on the Group's net profit:				
(a) Basic (cents)	0.30	(0.27)	0.33	(0.32)
Weighted average number of ordinary shares in issue (excluding treasury shares)	360,694,918	354,076,198	360,694,918	346,716,501
(b) Diluted <sup>(1)</sup> (cents)	0.29	(0.27)	0.33	(0.32)
Weighted average number of ordinary shares in issue (excluding treasury shares)	365,272,344	354,076,198	365,272,344	346,716,501

<sup>(1)</sup> Diluted earnings per ordinary share in Item 6(b) was computed based on the weighted average issued ordinary shares, which is adjusted for the effects of all dilutive potential ordinary shares, which comprise warrants and number of shares to be issued upon redemption of convertible bonds, where applicable.

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year**

	<b>Group</b>		<b>Company</b>	
	31/03/2017	30/09/2016	31/03/2017	30/09/2016
Net asset value per ordinary share, based on issued share capital (excluding treasury shares)	52.26 cents	52.42 cents	15.75 cents	16.12 cents
Number of issued shares (excluding treasury shares)	360,694,918	360,694,918	360,694,918	360,694,918

Net asset value is represented as equity attributable to owners of the Company.



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.

### **Revenue**

#### **2Q2017 vs 2Q2016**

The revenue increased by \$10.0 million to \$18.9 million in 2Q2017 from \$8.9 million in 2Q2016, mainly due to the recognition of revenue using the percentage of completion method, from progress made in the construction of a residential project, The Bently Residences@Kovan and a mixed residential/commercial project, The Citron and Citron Residences.

#### **1H2017 vs 1H2016**

The revenue increased by \$19.9 million to \$36.3 million in 1H2017 from \$16.4 million in 1H2016, mainly due to the recognition of revenue using the percentage of completion method, from progress made in the construction of a residential project, The Bently Residences@Kovan and a mixed residential/commercial project, The Citron and Citron Residences, as well as the sale of a detached landed house.

### **Cost of sales and Gross profit**

#### **2Q2017 vs 2Q2016**

Cost of sales increased by \$7.9 million to \$15.8 million in 2Q2017 from \$7.9 million in 2Q2016, in line with increase in revenue. Therefore, gross profit for 2Q2017 was \$3.0 million compared to \$1.0 million in 2Q2016. Gross profit margin increased by 5.0% to 15.9% in 2Q2017 from 10.9% in 2Q2016, mainly due to better margins on the sales of development properties.

#### **1H2017 vs 1H2016**

Cost of sales increased by \$17.8 million to \$31.7 million in 1H2017 from \$13.9 million in 1H2016, in line with increase in revenue. Therefore, gross profit for 1H2017 was \$4.6 million compared to \$2.5 million in 1H2016. Gross profit margin decreased by 2.7% to 12.7% in 1H2017 from 15.4% in 1H2016, mainly due to sales of development properties with lower margins.

### **Other Operating Income**

#### **2Q2017 vs 2Q2016**

Other operating income increased by \$0.01 million from \$0.21 million in 2Q2016 to \$0.22 million in 2Q2017 due mainly to increase in fair value gain on financial assets, through profit or loss.

#### **1H2017 vs 1H2016**

Other operating income increased by \$0.06 million from \$0.35 million in 1H2016 to \$0.41 million in 1H2017 due mainly to increase in government grants.

### **Administrative expenses**

#### **2Q2017 vs 2Q2016**

Administrative expenses decreased by \$0.1 million to \$1.6 million in 2Q2017 from \$1.7 million in 2Q2016, mainly due to lower property taxes and professional fees incurred in 2Q2017.

#### **1H2017 vs 1H2016**

Administrative expenses decreased by \$0.3 million to \$3.0 million in 1H2017 from \$3.3 million in 1H2016, mainly due to lower property taxes and professional fees incurred in 1H2017.



### **Profit before taxation**

#### 2Q2017 vs 2Q2016

Profit before taxation was \$1.2 million in 2Q2017, compared to loss before taxation of \$1.0 million in 2Q2016. This was mainly attributable to higher revenue recognised from the sales of development properties in 2Q2017.

#### 1H2017 vs 1H2016

Profit before taxation was \$1.3 million in 1H2017, compared to loss before taxation of \$1.1 million in 1H2016. This was mainly attributable to higher revenue recognised from the sales of development properties in 1H2017.

### **Other comprehensive income**

#### 2Q2017 vs 2Q2016

Foreign currency translation differences in 2Q2016 and 2Q2017 arose mainly from investments in Malaysian entities.

#### 1H2017 vs 1H2016

In 1H2017, reclassification of property, plant and equipment to investment properties resulted in a revaluation surplus of \$1.5 million. Foreign currency translation differences in 1H2016 and 1H2017 arose mainly from investments in Malaysian entities.

### **Assets**

Trade and other receivables decreased by \$3.6 million to \$48.2 million as at 31 March 2017 from \$51.8 million as at 30 September 2016 mainly due to collections from buyers of development properties and repayment of advances made to an associated company, partially offset by progress billings made to buyers and increase in receivables from progressive completion of development properties.

Development properties for sale decreased by \$28.2 million to \$211.8 million as at 31 March 2017 from \$240.0 million as at 30 September 2016 mainly due to the recognition of development properties sold and translation differences arising from Malaysian development properties, offset by costs incurred on on-going projects.

Property, plant and equipment decreased by \$0.5 million to \$5.6 million as at 31 March 2017 from \$6.1 million as at 30 September 2016 mainly due to depreciation for the period and transfer of property, plant and equipment to investment properties.

Investment properties increased by \$0.8 million to \$86.0 million in 31 March 2017 from \$85.2 million in 30 September 2016, mainly due to transfer of property, plant and equipment to investment properties, offset by translation differences arising from Malaysian development properties.

### **Liabilities**

Trade and other payables decreased by \$1.2 million to \$8.0 million as at 31 March 2017 from \$9.2 million as at 30 September 2016 mainly due to decrease in amounts payable to suppliers and subcontractors.

Bank borrowings decreased by \$32.4 million to \$116.9 million as at 31 March 2017 from \$149.3 million as at 30 September 2016 mainly due to repayment of bank loans of development properties.

Deferred tax liabilities decreased by \$5.0 million to \$26.0 million as at 31 March 2017 from \$31.0 million as at 30 September 2016 mainly due to translation differences arising from Malaysian development properties.

### **Net Working Capital**

The Group's net working capital decreased by \$6.7 million to \$172.9 million as at 31 March 2017 from \$179.6 million as at 30 September 2016 mainly due to the decrease in development properties for sale partially offset by decrease in borrowings.



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**Capital and reserves**

Retained earnings increased by \$0.1 million to \$76.7 million as at 31 March 2017 from \$76.6 million as at 30 September 2016. This was mainly due to profit attributable to equity holders partially offset by dividend paid.

**Statement of cash flows**

**2Q2017**

The net cash flows generated from operating activities for 2Q2017 was \$10.5 million. This was mainly due to decrease in development properties for sale of \$10.6 million, profit before tax of \$1.2 million and adjustments amounting to \$0.4 million for interest expense, partially offset by increase in trade and trade receivables of \$1.2 million and decrease in trade and other payables of \$0.6 million.

The net cash flow generated from investing activities for 2Q2017 was \$5.0 million. This was mainly due to repayment from associated company of \$5.1 million and purchase of property, plant and equipment of \$0.1 million.

The net cash flow used in financing activities for 2Q2017 was \$31.8 million. This was mainly due to repayment of bank loans of \$33.1 million, interest paid of \$0.8 million and dividend payment of \$1.1 million, partially offset by advances from associated companies of \$0.3 million and proceeds from bank loans of \$2.9 million.

**1H2017**

The net cash flows generated from operating activities for 1H2017 was \$21.0 million. This was mainly due to decrease in development properties for sale of \$21.6 million, profit before tax of \$1.3 million and adjustments amounting to \$0.8 million for interest expense, partially offset by increase in trade and trade receivables of \$1.2 million and decrease in trade and other payables of \$1.6 million.

The net cash flow generated from investing activities for 1H2017 was \$4.8 million. This was mainly due to repayment from associated company of \$5.1 million and purchase of property, plant and equipment of \$0.2 million.

The net cash flow used in financing activities for 1H2017 was \$34.7 million. This was mainly due to repayment of bank loans of \$36.7 million, interest paid of \$1.7 million and dividend payment of \$1.1 million, partially offset by advances from associated companies of \$0.5 million and proceeds from bank loans of \$4.3 million.

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

Not applicable.

**10. A commentary at the date of the announcement of the 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 Government had announced on 10 March 2017 the easing of some regulatory controls, namely changes to the seller's stamp duty and total debt servicing ratio framework, while retaining the additional buyer's stamp duties and loan to value limits. However, according to the Urban Redevelopment Authority's real estate statistics released on 28 April 2017, prices of private residential properties in 1<sup>st</sup> quarter 2017 decreased by 0.4%, following a 0.5% decline in the previous quarter. We believe the outlook for Singapore property market remains challenging in the next 12 months. The Group will continue to refine its investment strategy whilst actively exploring opportunities locally and overseas to enhance shareholders' value, including replenishing the Group's land bank.



**11. Dividend**

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

Dividend declared for the current financial period reported on:

Name of Dividend	Interim
Type of Dividend	Cash
Dividend amount per ordinary share	0.3 Singapore cent
Tax Rate	Tax exempt (one-tier)

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

No dividend was declared/recommended for the corresponding period of the immediately preceding financial year.

**(c) Date payable**

30 May 2017

**(d) Books closure date**

Notice is hereby given that the Share Transfer Books and Register of Members of the Company will be closed on 23 May 2017 for the purpose of determining members' entitlements to the interim tax exempt (one-tier) dividend of 0.3 Singapore cent ("Interim Dividend").

Duly completed registrable transfers in respect of the shares in the Company received up to the close of business at 5.00 p.m. on 23 May 2017 by the Company's Share Registrar, B.A.C.S. Private Limited, 8 Robinson Road, #03-00 ASO Building, Singapore 048544 will be registered to determine members' entitlements to the Interim Dividend. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares in the Company as at 5.00 p.m. on 23 May 2017 will be entitled to the Interim Dividend.

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

Not applicable.

**13. Interested Person Transactions**

There were no interested person transactions for the period under review. The Company does not have a general mandate from its shareholders for the interested person transaction.

**14. Confirmation by the Board pursuant to Rule 705(5) of the SGX Listing Manual**

The Directors of the Company confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results of the Group and the Company to be false or misleading in any material aspect.

**15. Confirmation pursuant to Rule 720(1) of the SGX-ST Listing Manual**

Pursuant to Rule 720(1) of the SGX Listing Manual, the Company has procured undertakings from all its directors and executive officers.

**BY ORDER OF THE BOARD**

Alvin Tan Chee Tiong  
Chief Executive Officer

15 May 2017