


GSH CORPORATION LIMITED
Full Year Financial Statements for the Period Ended 31/12/2015
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 fourth quarter and twelve months ended 31 December

	4th Quarter Ended 31 December			12 months Ended 31 December		
	31.12.2015 Unaudited S\$'000	31.12.2014 Unaudited S\$'000	+/- %	31.12.2015 Unaudited S\$'000	31.12.2014 Audited S\$'000	+/- %
Revenue	58,471	13,923	>100%	161,952	42,677	>100%
Cost of sales	(38,073)	(5,041)	>100%	(99,006)	(17,560)	>100%
Gross profit	20,398	8,882	>100%	62,946	25,117	>100%
Gross profit margin	35%	64%	(45.3%)	39%	59%	(33.9%)
Other income	2,535	7,426	(65.9%)	7,674	11,011	(30.3%)
Distribution and selling expense	(683)	(514)	32.9%	(3,209)	(1,844)	74.0%
Administrative expenses	(3,134)	(5,978)	(47.6%)	(19,941)	(21,190)	(5.9%)
Other expenses	92	(1,007)	Nm	(424)	(1,078)	(60.7%)
Operating profit	19,208	8,809	>100%	47,046	12,016	>100%
Amortisation and depreciation	(2,621)	(2,399)	9.3%	(10,921)	(8,798)	24.1%
Exchange gain/ (loss)	17,281	(7,359)	Nm	19,859	(5,466)	Nm
Finance expenses	(3,915)	(4,402)	(11.1%)	(16,205)	(11,289)	43.5%
Finance income	1,146	816	40.4%	4,506	2,381	89.2%
Net change in fair value of financial derivatives	(19,050)	4,690	Nm	(12,356)	68	Nm
Gain/ (loss) on bargain purchase arising from business combination	-	(9,305)	Nm	-	65,937	Nm
Profit/ (Loss) before tax	12,049	(9,150)	Nm	31,929	54,849	(41.8%)
Taxation	(479)	(2,129)	(77.5%)	(4,477)	(2,054)	>100%
Profit/ (Loss) from continuing operations	11,570	(11,279)	Nm	27,452	52,795	(48.0%)
Discontinued operation						
Profit from discontinued operation (net of tax)	-	4,330	Nm	-	4,754	Nm
Profit/(loss) for the year	11,570	(6,949)	Nm	27,452	57,549	(52.3%)
Attributable to:						
Owners of the Company	6,649	(7,607)	Nm	16,365	58,396	(72.0%)
Non-controlling interests	4,921	658	>100%	11,087	(847)	Nm
	11,570	(6,949)	Nm	27,452	57,549	(52.3%)

	4th Quarter Ended 31 December			12 months Ended 31 December		
	31.12.2015	31.12.2014	+/-	31.12.2015	31.12.2014	+/-
	Unaudited S\$'000	Unaudited S\$'000	%	Unaudited S\$'000	Audited S\$'000	%
Net profit/(loss) for the period	11,570	(6,949)	Nm	27,452	57,549	(52.3%)
Other comprehensive income:						
<u>Items that may be reclassified subsequently to profit or loss:</u>						
Translation differences relating to financial statements of foreign subsidiaries	5,519	(8,045)	Nm	(34,348)	(9,952)	>100%
Exchange differences on monetary items forming part of net investment in a foreign operation	971	-	Nm	(1,942)	-	Nm
Foreign currency translation differences realised on disposal of subsidiaries	-	136	Nm	-	136	Nm
Capital reserve realised on disposal of subsidiaries	-	(784)	Nm	-	(784)	Nm
Total comprehensive income for the period	18,060	(15,642)	Nm	(8,838)	46,949	Nm
Attributable to:						
Owners of the Company	11,789	(15,580)	Nm	(11,748)	49,154	Nm
Non-controlling interests	6,271	(62)	Nm	2,910	(2,205)	Nm
	18,060	(15,642)	Nm	(8,838)	46,949	Nm

Nm - Not meaningful

Notes to Group profit and loss account

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

	4th Quarter Ended 31 December			12 Months Ended 31 December		
	31.12.2015 Unaudited S\$'000	31.12.2014 Unaudited S\$'000	+/- %	31.12.2015 Unaudited S\$'000	31.12.2014 Unaudited S\$'000	+/- %
Personnel expenses	2,999	5,241	(42.8%)	16,820	19,429	(13.4%)
Operating lease expenses	311	333	(6.6%)	1,793	1,968	(8.9%)
Non-executive directors' fees	66	75	(12.0%)	321	306	4.9%
Executive directors' remuneration	358	1,436	(75.1%)	1,924	4,126	(53.4%)
Depreciation of property, plant & equipment	2,621	2,416	8.5%	10,921	8,933	22.3%
Foreign exchange (gain)/loss, net	(17,281)	6,857	Nm	(19,859)	4,964	Nm
Changes in fair value of investment properties	(2,292)	(472)	>100%	(2,292)	(472)	>100%
Gain on bargain purchase arising from business combination ¹	-	9,305	Nm	-	(65,937)	Nm
Rental income	(26)	(5,152)	(99.5%)	(4,632)	(8,137)	(43.1%)
(Write back of allowance)/allowance for inventory obsolescence	(6)	172	Nm	(27)	159	Nm
Reversal of impairment loss on trade receivables	(1)	(415)	(99.8%)	(44)	(708)	(93.8%)

Nm - Not meaningful

Commentary:

¹The Group acquired 77.5% of the Sutera Harbour Resort Group. This acquisition was completed on 26 March 2014. A non-recurring gain of bargain purchase arising from business combination of \$65.9m was recognised and this was reflected in the income statement.

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 31 December

	Group		Company	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
	Unaudited	Audited	Unaudited	Audited
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Property, plant and equipment	387,064	449,685	782	157
Investment property	8,089	5,370	-	-
Investment in subsidiaries	-	-	193	193
Non-current assets	395,153	455,055	975	350
Development property	757,700	767,827	-	-
Inventories	1,055	1,051	-	-
Trade receivables	23,536	2,421	-	-
Other receivables, deposits and prepayments	6,000	15,510	2,317	11,590
Amount due from subsidiaries (non-trade)	-	-	303,037	262,978
Fixed deposits	343,937	362,286	323,326	303,179
Cash and bank balances	22,786	23,601	2,854	9,263
Current assets	1,155,014	1,172,696	631,534	587,010
Total assets	1,550,167	1,627,751	632,509	587,360
EQUITY				
Share capital	343,458	343,458	343,458	343,458
Reserves	16,286	32,977	(25,678)	(21,894)
Equity attributable to equity holders of the Company	359,744	376,435	317,780	321,564
Non-controlling interests	93,369	90,384	-	-
Total Equity	453,113	466,819	317,780	321,564
LIABILITIES				
Other payables and accruals	871	-	-	-
Loans and borrowings	586,994	687,611	-	6
Amount due to related parties	-	19,787	-	-
Redeemable preference shares	425	488	-	-
Deferred tax liabilities	62,630	67,508	-	-
Non current Liabilities	650,920	775,394	-	6
Trade payables	6,345	2,732	-	-
Other payables and accruals	42,813	25,891	20,830	4,195
Loans and borrowings	312,237	270,882	256,900	254,025
Amount due to subsidiaries (non-trade)	-	-	24,209	7,136
Amount due to related parties	71,867	84,712	-	-
Provision for taxation	82	887	-	-
Derivatives financial liabilities	12,790	434	12,790	434
Current Liabilities	446,134	385,538	314,729	265,790
Total liabilities	1,097,054	1,160,932	314,729	265,796
Total equity and liabilities	1,550,167	1,627,751	632,509	587,360

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 December 2015		As at 31 December 2014	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
312,237	-	270,882	-

Amount repayable after one year

As at 31 December 2015		As at 31 December 2014	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
586,994	-	687,611	-

Details of any collateral

As at 31 December 2015, the Group's borrowings were secured by legal charges on certain of the Group's development land and hotel properties, pledge of fixed deposits and bank balances of S\$286,943,000 (FY2014: S\$268,145,000), office equipment and operating equipment with total carrying amount of S\$972,931 (FY2014: S\$391,000).

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	
	12 Months Ended 31 December	
	2015	2014
	Unaudited	Unaudited
	S\$'000	S\$'000
Cash flows from operating activities		
Profit for the period	27,452	57,549
Adjustment for:		
Depreciation of property, plant & equipment	10,921	8,933
Net change in fair value of financial derivatives	12,356	(68)
Gain on bargain purchase arising from business combination (Note 1)	-	(65,937)
Reversal of impairment loss on trade receivables	(44)	(708)
(Write back of allowance)/Allowance for inventory obsolescence	(27)	159
(Gain)/Loss on disposal of property, plant & equipment	(84)	75
Gain on sales of discontinued operations, net of tax	-	(4,657)
Change in fair value of investment properties	(2,292)	(472)
Unrealised foreign exchange gain arising from revaluation of fixed deposit pledged	(11,380)	-
Finance expense	16,205	11,330
Finance income	(4,506)	(2,905)
Tax expense	4,477	2,054
Operating profit before working capital changes	<u>53,078</u>	<u>5,353</u>
Decrease/(increase) in:		
Inventories	23	261
Development property	(1,306)	(625,464)
Trade receivables	(21,071)	2,939
Other receivables, deposits and prepayments	2,262	25,978
Increase/(decrease) in:		
Trade payables	3,967	(2,315)
Other payable and accruals	(14,315)	9,700
	<u>22,638</u>	<u>(583,548)</u>
Tax paid, net	<u>(1,424)</u>	<u>(1,108)</u>
Net cash flow from/ (used in) operating activities	<u>21,214</u>	<u>(584,656)</u>
Cash flows from investing activities		
Net cash outflow on business combination (Note 1)	-	(194,491)
Net cash outflow on acquisition of subsidiaries	-	(22,484)
Receipt of remaining consideration on the disposal of trading and distribution business	9,104	-
Purchase of property, plant and equipment	(4,561)	(6,821)
Disposal of discontinued operation, net of cash disposed of (Note 2)	-	(480)
Proceeds from disposal of property, plant and equipment	89	220
Interest received	2,120	2,905
Net cash from/ (used in) investing activities	<u>6,752</u>	<u>(221,151)</u>

	GROUP	
	12 Months Ended 31 December	
	2015	2014
	Unaudited	Unaudited
	S\$'000	S\$'000
Cash flows from financing activities		
Capital contribution by non-controlling interest	75	22,540
Proceeds from borrowings	56,154	699,676
Increase in fixed deposits pledged	(7,418)	(7,056)
Repayment of borrowings	(80,970)	-
Finance expense paid (including amounts capitalised in development property)	(27,621)	(16,246)
Payment of finance lease obligation	(283)	(26)
Proceeds from trust receipts	-	10,080
Repayment of trust receipts	-	(10,990)
Dividend paid	(4,943)	-
Net cash (used in)/ from financing activities	<u>(65,006)</u>	<u>697,978</u>
Net decrease in cash and cash equivalents	(37,040)	(107,829)
Effect of exchange rate changes on balances hold in foreign currencies	(922)	(253)
Cash and cash equivalents at beginning of the period	117,742	225,824
Cash and cash equivalents at end of the period (Note A)	<u>79,780</u>	<u>117,742</u>

	GROUP	
	12 Months Ended 31 December	
	2015	2014
	Unaudited	Unaudited
	S\$'000	S\$'000
Note A: Cash and cash equivalents comprise:		
Fixed deposits	343,937	360,773
Cash on hand and at bank	22,786	25,114
	<u>366,723</u>	<u>385,887</u>
Less: fixed deposits pledged	(286,943)	(268,145)
Cash and cash equivalents	<u>79,780</u>	<u>117,742</u>

Note 1

On 26 March 2014 ("the acquisition date"), the Group acquired the Sutera Harbour Resort Group ("SHR"). The fair value of the identified assets and liabilities of the SHR at the acquisition date were:

	Fair value recognised on acquisition S\$'000
Property, plant and equipment	460,467
Trade receivables	2,561
Other receivables	6,230
Inventories	1,193
Cash and cash equivalents	1,213
	<hr/> 471,664
Trade creditors	3,407
Other creditors	190,957
Deferred tax liabilities	68,598
Redeemable preference shares	491
	<hr/> 263,453
Total identifiable net assets at fair value	208,211
Non-controlling interest measured at the non-controlling interest's proportionate share of SHR's fair value	(46,847)
Assumption of secured creditors' loans	100,277
Negative goodwill arising from acquisition	(65,937)
	<hr/> 195,704
	<hr/>
<u>Effect of the acquisition of SHR on cash flows</u>	SGD\$'000
Consideration settled in cash	95,427
Assumption of secured creditors' loans	100,277
Purchase consideration	195,704
Less: cash and cash equivalents of subsidiary acquired	(1,213)
Net cash outflow on acquisition	<hr/> 194,491

Note 2

On 31 December 2014, the Group has disposed its entire trading and distribution segment to Serial System Ltd ("the buyer").

The value of assets and liabilities of trading and distribution segment recorded in the consolidated financial statements as at 31 December 2014 and the cash flow effect of the disposal were:

	2014
	S\$'000
Property, plant and equipment	188
Inventories	7,958
Investment in securities	8
Investment in associate	8
Trade and other receivables	9,188
Cash and cash equivalents	2,461
Deferred tax assets	182
Trade and other payables	(20,037)
Net assets	(44)
Transfer from capital reserve	(784)
Transfer from translation reserve	134
	<u>(694)</u>
Total consideration	3,963
Less: Deferred payment from the buyer	(1,982)
Consideration received, satisfied in cash	1,981
Cash and cash equivalents disposed of	(2,461)
Net cash outflow from disposal of the trading and distribution segment	<u>(480)</u>

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	Share	Capital	Asset	Translation	Accumulated	Total	Non-	Total
	capital	reserves	revaluation	reserves	profits		controlling	Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2015	343,458	-	4,132	(8,594)	37,439	376,435	90,384	466,819
Total comprehensive income for the year								
Profit for the period	-	-	-	-	16,365	16,365	11,087	27,452
Other comprehensive income								
Foreign currency translation differences relating to foreign operations	-	-	-	(26,171)	-	(26,171)	(8,177)	(34,348)
Exchange differences on monetary items forming part of net investment in a foreign operation	-	-	-	(1,942)	-	(1,942)	-	(1,942)
Total other comprehensive income, net of tax	-	-	-	(28,113)	-	(28,113)	(8,177)	(36,290)
Total comprehensive income for the year	-	-	-	(28,113)	16,365	(11,748)	2,910	(8,838)
Transactions with owners, recognised directly in equity								
Contributions by and distributions to owners								
Capital contribution by non-controlling interests	-	-	-	-	-	-	75	75
Dividends declared	-	-	-	-	(4,943)	(4,943)	-	(4,943)
Total transactions with owners	-	-	-	-	(4,943)	(4,943)	75	(4,868)
As at 31 December 2015	343,458	-	4,132	(36,707)	48,861	359,744	93,369	453,113

Statement of changes in Equity as at 31 December 2014

Group	Attributable to owners of Company						Non-controlling interest S\$'000	Total Equity S\$'000
	Share capital S\$'000	Capital reserves S\$'000	Asset		Accumulated profits S\$'000	Total S\$'000		
			revaluation reserves S\$'000	Translation reserves S\$'000				
At 1 January 2014	343,458	784	4,132	(136)	(20,957)	327,281	-	327,281
Total comprehensive income for the year								
Profit for the period	-	-	-	-	58,396	58,396	(847)	57,549
Other comprehensive income								
Foreign currency translation differences relating to foreign operations	-	-	-	(8,594)	-	(8,594)	(1,358)	(9,952)
Foreign currency translation differences realised on disposal of subsidiaries	-	-	-	136	-	136	-	136
Capital reserve realised on disposal of subsidiaries	-	(784)	-	-	-	(784)	-	(784)
Total other comprehensive income, net of tax	-	(784)	-	(8,458)	-	(9,242)	(1,358)	(10,600)
Total comprehensive income for the year	-	(784)	-	(8,458)	58,396	49,154	(2,205)	46,949
Transactions with owners, recognised directly in equity								
Contributions by and distributions to owners								
Capital contribution by non-controlling interests	-	-	-	-	-	-	22,540	22,540
Acquisition of subsidiaries with non-controlling interests	-	-	-	-	-	-	70,049	70,049
Total transactions with owners	-	-	-	-	-	-	92,589	92,589
As at 31 December 2014	343,458	-	4,132	(8,594)	37,439	376,435	90,384	466,819

Statement of changes in Equity as at 31 December 2015**Company**

	Share capital S\$'000	Retained Earnings/ (Accumulated losses) S\$'000	Total S\$'000
As at 1 January 2015	343,458	(21,894)	321,564
Total comprehensive income for the period			
Profit for the period	-	1,159	1,159
Total comprehensive income for the period	-	1,159	1,159
Transactions with owners, recognised directly in equity			
Contributions by and distributions to owners			
Dividends declared	-	(4,943)	(4,943)
Total transactions with owners	-	(4,943)	(4,943)
As at 31 December 2015	343,458	(25,678)	317,780
As at 1 January 2014	343,458	(30,843)	312,615
Total comprehensive income for the period			
Profit for the period	-	8,949	8,949
Total comprehensive income for the period	-	8,949	8,949
As at 31 December 2014	343,458	(21,894)	321,564

- 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.**

On 1 September 2015, the Company completed a share consolidation exercise and every five (5) existing shares were consolidated to constitute one (1) New Consolidated Share. Accordingly, the issued share capital of the Company now comprises 1,977,036,050 new consolidated shares.

- 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.**

As at 31 December 2014

Total Number of issued shares (Before shares consolidation)	9,885,180,250
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As at 31 December 2015

Total Number of issued shares (After shares consolidation)	1,977,036,050
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- 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.

- 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 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 Group's most recently audited financial statements for the 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 early adopted FRS 115 Revenue from Contracts with Customers.

FRS 115 Revenue from Contracts with Customers establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including FRS 11 Construction Contracts, FRS 18 Revenue, INT FRS 113 Customer Loyalty Programmes, and INT FRS 115 Agreements for the Construction of Real Estate, INT FRS 118 Transfers of Assets from Customers and INT FRS 31 Revenue . Barter Transactions Involving Advertising Services. FRS 115 is effective for annual reporting periods beginning on or after 1 January 2017, with early adoption permitted.

The standard has been applied retrospectively and there has been no material financial impact on the results and financial position to the Group for the year ended 31 December 2014.

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.

	Fourth Quarter			12 Months		
	31.12.2015	31.12.2014	+/- %	31.12.2015	31.12.2014	+/- %
Earnings per ordinary share of the Group based on net (loss)/profit attributable to shareholders:-						
i) Based on weighted average number of shares	0.336	(0.385)	Nm	0.828	2.954	-72.0%
-Weighted average number of shares ('000)	1,977,036	1,977,036*		1,977,036	1,977,036*	
ii) On a fully diluted basis	0.336	(0.385)	Nm	0.828	2.954	-72.0%
-Adjusted weighted average number of shares ('000)	1,977,036	1,977,036*		1,977,036	1,977,036*	

* As the share consolidation exercise was completed on 1 September 2015, accordingly, the weighted average number of shares was adjusted retrospectively.

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		
	31.12.2015 (S\$ cents)	31.12.2014 (S\$ cents)	+/- %	31.12.2015 (S\$ cents)	31.12.2014 (S\$ cents)	+/- %
Net asset value per ordinary share	18.20	19.04**	-4.4%	16.07	16.26**	-1.2%

* Based on share capital of 1,977,036,050 ordinary shares as at end of the period.

** Based on share capital of 1,977,036,050 ordinary shares as at 31 December 2014. As the share consolidation exercise was completed on 1 September 2015, accordingly, the number of ordinary shares was adjusted retrospectively.

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

Continuing operations

The Group divested its trading and distribution business in FY2014, consequently, the income statement of this business was presented under discontinued operations for the 12 months period ended 2014.

The Group recorded a revenue of S\$58.5 million in Q42015, compared to S\$13.9 million in Q42014; an operating profit (before depreciation, exchange gain/loss, finance income/expense and net change in fair value of financial derivatives) of S\$19.2 million in Q42015, compared to S\$8.8 million in Q42014; and a net profit after tax of S\$11.6 million in Q42015, compared to a net loss after tax of \$11.3 million in Q42014.

The property business in Q42015 contributed to the significant increase in revenue and operating profit.

Since the acquisition of the Sutera Harbour Resort Group (%SHR+) in March 2014, operating efficiency in the hospitality business has improved, as can be seen from a reduction in the administrative expenses, from an average of S\$3.5 million per quarter in FY2014 to an average of S\$3.1 million per quarter in FY2015.

GSH Plaza ceased its rental business in March 2015, to facilitate its redevelopment. Consequently, other income and administrative expenses decreased accordingly.

The Group had entered into a loan and deposit arrangement with a bank, which has a foreign exchange exposure. This exposure was fully hedged with a financial derivative. Consequentially, the Group recorded an unrealized exchange gain of S\$12.3 million from the loan and deposit arrangement and unrealized fair value loss of financial derivative of S\$12.8 million.

Separately, the Group recorded a realized exchange gain of S\$5.2 million, from the forward contracts entered by the Group, as part of its foreign exchange hedging strategy.

Balance Sheet

The increase in trade receivables, from S\$2.4 million as at 31 December 2014, to S\$23.5 million as at 31 December 2015, was due mainly to sales of office units in GSH Plaza in Q42015.

The decrease in other receivables, from S\$15.5 million as at 31 December 2014, to S\$6.0 million as at 31 December 2015, was due mainly to the receivables of S\$9.1 million as at 31 December 2014, arising from the disposal of its trading and distribution business in FY2014, which were received in Q12015.

The increase in other payables and accruals, from S\$25.9 million as at 31 December 2014, to S\$43.7 million as at 31 December 2015, was due mainly to deposits received for property sales.

The decrease in loans and borrowings, from S\$958.5 million as at 31 December 2014, to S\$899.2 million as at 31 December 2015, was due mainly to repayment of bank borrowings during the year.

The Group's subsidiaries in Malaysia are denominated in Ringgit. With the weaker Ringgit, various balance sheet items, such as property, plant and equipment, development property, loan and borrowings and deferred tax liabilities, had decreased accordingly.

Cash flow Analysis

For the financial year ended 31 December 2015, the operating profit before working capital changes, was S\$53.1 million, but after adjustment for the working capital changes, the Group recorded a net cash inflow from operating activities, of S\$21.2 million.

The Group recorded a net cash inflow from investing activities of S\$6.8 million, which was due mainly to the receipt of remaining consideration on the disposal of trading and distribution business of S\$9.1 million and interest received of S\$2.1 million, offset by the purchase of property, plant and equipment of S\$4.6 million.

The Group recorded a net cash outflow from financing activities of S\$65.0 million, which was due mainly to net repayment of borrowings of \$24.8 million and payment made to finance expenses and dividend of S\$27.6 million and S\$4.9 million respectively.

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.

Hospitality Industry

There has been gradual recovery in the tourist arrivals to Sabah, which is also supported by the weaker Ringgit.

Property Industry

Singapore

With the ongoing volatility in global equity markets and rising interest rates, the outlook for commercial properties is expected to remain subdued.

Malaysia

The property market will continue to be soft in the light of the current uncertain economic conditions.

With the weaker Ringgit, building construction costs are expected to increase particularly for projects with high import content.

11. Dividend**(a) Current Financial Period Reported On****Any dividend recommended for the current financial period reported on?**

Name of Dividend	Final (Proposed)
Dividend Type	Cash
Dividend Amount per Share (in SGD cents)	0.05 cent per ordinary share
Tax Rate	One-Tier Tax exempt

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

Nil

(c) Date payable

Date of proposed final dividend payment will be announced at a later date.

(d) Books closure date

Notice of books closure date will be announced at a later date.

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

The proposed final dividend as stated in 11(a) above is subject to shareholders approval at the forthcoming Annual General Meeting.

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.

The Company does not have a general mandate for IPTs.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited financial statements, with comparative information for the immediate preceding year.

SEGMENT ANALYSIS

	3 Months Ended 31 December 2015				3 Months Ended 31 December 2014					
	Hospitality S\$'000	Property S\$'000	Others* S\$'000	Total S\$'000	Hospitality S\$'000	Property S\$'000	Trading and distribution (Discontinued operation) S\$'000	Others* S\$'000	Total S\$'000	
Segment revenue	13,047	45,424	1,398	59,869	13,962	-	22,194	1,346	37,502	
Elimination of inter-segment revenue	-	-	(1,398)	(1,398)	(39)	-	(1,807)	(1,346)	(3,192)	
Elimination of discontinued operations	-	-	-	-	-	-	(20,387)	-	(20,387)	
External revenue	13,047	45,424	-	58,471	13,923	-	-	-	13,923	
Interest income	110	169	867	1,146	90	54	(1)	672	815	
Elimination of discontinued operations	-	-	-	-	-	-	1	-	1	
	110	169	867	1,146	90	54	-	672	816	
Interest expense	(2,335)	(693)	(887)	(3,915)	(2,055)	(1,712)	(7)	(635)	(4,409)	
Elimination of discontinued operations	-	-	-	-	-	-	7	-	7	
	(2,335)	(693)	(887)	(3,915)	(2,055)	(1,712)	-	(635)	(4,402)	
Depreciation	(2,572)	(1)	(48)	(2,621)	(2,379)	(35)	17	(19)	(2,416)	
Reportable segment profit/(loss) before tax	1,705	12,476	(2,132)	12,049	2,161	2,017	(326)	(8,672)	(4,820)	
Tax expense	1,235	(1,714)	-	(479)	(1,481)	(647)	-	(1)	(2,129)	
Reportable segment profit/(loss) after tax	2,940	10,762	(2,132)	11,570	680	1,370	(326)	(8,673)	(6,949)	
Reportable segment assets	404,877	816,009	329,281	1,550,167	468,759	834,803	-	324,189	1,627,751	
Reportable segment liabilities	(226,473)	(580,065)	(290,516)	(1,097,054)	(257,701)	(644,571)	-	(258,660)	(1,160,932)	
* General corporate activities										
Geographical Information										
	3 Months Ended 31 December 2015				3 Months Ended 31 December 2014					
	Malaysia S\$'000	Central Asia S\$'000	Singapore S\$'000	Total S\$'000	Malaysia S\$'000	Central Asia S\$'000	Singapore S\$'000	Others S\$'000	Trading and distribution (discontinued operation) S\$'000	Total S\$'000
External customers	13,047	-	45,424	58,471	13,923	4,961	2,867	12,559	(20,387)	13,923
Non-current assets	386,280	8,091	782	395,153	449,524	5,374	157	-	-	455,055

SEGMENT ANALYSIS

	12 Months Ended 31 December 2015				12 Months Ended 31 December 2014					
	<u>Hospitality</u> S\$'000	<u>Property</u> S\$'000	<u>Others*</u> S\$'000	<u>Total</u> S\$'000	<u>Hospitality</u> S\$'000	<u>Property</u> S\$'000	<u>Trading and distribution (Discontinued operation)</u> S\$'000	<u>Others*</u> S\$'000	<u>Total</u> S\$'000	
Segment revenue	53,719	108,236	2,231	164,186	42,716	-	96,862	3,304	142,882	
Elimination of inter-segment revenue	(3)	-	(2,231)	(2,234)	(39)	-	(9,762)	(3,304)	(13,105)	
Elimination of discontinued operations	-	-	-	-	-	-	(87,100)	-	(87,100)	
External revenue	53,716	108,236	-	161,952	42,677	-	-	-	42,677	
Interest income	332	469	3,705	4,506	117	98	523	2,166	2,904	
Elimination of discontinued operations	-	-	-	-	-	-	(523)	-	(523)	
	332	469	3,705	4,506	117	98	-	2,166	2,381	
Interest expense	(9,609)	(3,779)	(2,817)	(16,205)	(5,933)	(3,522)	(41)	(1,834)	(11,330)	
Elimination of discontinued operations	-	-	-	-	-	-	41	-	41	
	(9,609)	(3,779)	(2,817)	(16,205)	(5,933)	(3,522)	-	(1,834)	(11,289)	
Depreciation	(10,780)	(3)	(138)	(10,921)	(8,758)	(35)	(101)	(39)	(8,933)	
Reportable segment profit/(loss) before tax	(392)	33,493	(1,172)	31,929	(594)	(254)	97	60,354	59,603	
Tax expense	306	(4,889)	106	(4,477)	(826)	(955)	-	(273)	(2,054)	
Reportable segment profit/(loss) after tax	(86)	28,604	(1,066)	27,452	(1,420)	(1,209)	97	60,081	57,549	
Reportable segment assets	404,877	816,009	329,281	1,550,167	468,759	834,803	-	324,189	1,627,751	
Reportable segment liabilities	(226,473)	(580,065)	(290,516)	(1,097,054)	(257,701)	(644,571)	-	(258,660)	(1,160,932)	
* General corporate activities										
Geographical Information										
	<u>Malaysia</u> S\$'000	<u>Central Asia</u> S\$'000	<u>Singapore</u> S\$'000	<u>Total</u> S\$'000	<u>Malaysia</u> S\$'000	<u>Central Asia</u> S\$'000	<u>Singapore</u> S\$'000	<u>Others</u> S\$'000	<u>Trading and distribution (discontinued operation)</u> S\$'000	<u>Total</u> S\$'000
External customers	53,716	-	108,236	161,952	42,677	21,608	17,200	48,292	(87,100)	42,677
Non-current assets	386,280	8,091	782	395,153	449,524	5,374	157	-	-	455,055

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

With the commencement of the property business in FY2015, the property business segment contributed 67% of the Group's revenue and was the main contributor to profit after tax for the Group.

16. A breakdown of sales.

Breakdown for revenue

	Group		
	Full Year Ended 31 December		
	2015	2014	Increase/ (Decrease)
	Unaudited	Audited	(Decrease)
	S\$'000	S\$'000	%
<u>First Half</u>			
Revenue reported for the first half year	79,627	62,751	26.9%
Profit after tax reported for the first half year	8,255	71,199	(88.4%)
<u>Second Half</u>			
Revenue reported for the second half year	82,325	67,026	22.8%
Profit/(loss) after tax reported for the second half year	19,197	(13,650)	Nm

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

Breakdown for dividend

	Group	
	Full Year Ended 31 December	
	2015	2014
	Unaudited	Audited
	S\$'000	S\$'000
Ordinary	989	4,943
Preference	Nil	Nil
	989	4,943

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

Pursuant to Rule 704(13) of the Listing Manual, we confirm that there is no person occupying managerial positions in the Company or any of its principal subsidiaries who is a relative of a Director or Chief Executive Officer or Substantial Shareholder of the Company.

BY ORDER OF THE BOARD

**Lee Tiong Hock
Company Secretary
29 February 2016**