



**Second Quarter and Half Year  
Unaudited Financial Statements  
For The Period Ended  
30 June 2017**

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11 August 2017

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**Second Quarter and Half Year Unaudited Financial Statements for the Period Ended 30 June 2016**
**PART I – INFORMATION REQUIRED FOR QUARTERLY AND HALF YEAR ANNOUNCEMENTS**

**1(a) A Statement of comprehensive income (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 second quarter and half year ended 30 June 2017**

	The Group			The Group		
	Second Quarter ended 30 June		Increase/ (Decrease) %	Six Months ended 30 June		Increase/ (Decrease) %
	2017 S\$'000	2016 S\$'000		2017 S\$'000	2016 S\$'000	
Revenue	17,909	26,022	(31%)	43,365	58,289	(26%)
Cost of sales	(12,209)	(19,151)	(36%)	(28,635)	(45,442)	(37%)
Gross profit	5,700	6,871	(17%)	14,730	12,847	15%
Other income	533	558	(4%)	1,073	1,169	(8%)
Other gains/(losses), net	(61)	4	n.m.	(304)	(498)	(39%)
Expenses						
- Distribution and marketing	(1,467)	(1,745)	(16%)	(3,248)	(3,196)	2%
- Administrative	(6,065)	(5,741)	6%	(11,920)	(10,677)	12%
- Finance	(971)	(1,145)	(15%)	(1,943)	(1,970)	(1%)
Share of loss of:						
- Associated company	(53)	(50)	6%	(112)	(50)	n.m.
(Loss)/Profit before income tax	(2,384)	(1,248)	91%	(1,724)	(2,375)	(27%)
Income tax expense	(109)	(239)	(54%)	(319)	(386)	(17%)
<b>(Loss)/Profit for the period</b>	<b>(2,493)</b>	<b>(1,487)</b>	<b>68%</b>	<b>(2,043)</b>	<b>(2,761)</b>	<b>(26%)</b>
<b>Other comprehensive income/(loss)</b>						
Items that may be reclassified subsequently to profit or loss:						
Currency translation differences arising from consolidation	(3,756)	2,545	n.m.	(8,491)	(686)	n.m.
Fair value gain/(losses) on available-for-sale financial assets	63	754	(92%)	158	1,639	(90%)
<b>Total comprehensive income/(loss) for the period</b>	<b>(6,186)</b>	<b>1,812</b>	<b>n.m.</b>	<b>(10,376)</b>	<b>(1,808)</b>	<b>n.m.</b>
<b>(Loss)/Profit attributable to:</b>						
Equity holders of the Company	(2,201)	(1,730)	27%	(1,875)	(2,587)	(28%)
Non-controlling interests	(292)	243	n.m.	(168)	(174)	(4%)
	<b>(2,493)</b>	<b>(1,487)</b>	<b>68%</b>	<b>(2,043)</b>	<b>(2,761)</b>	<b>(26%)</b>
Total comprehensive income/(loss) attributable to:						
Equity holders of the Company	(4,840)	665	n.m.	(7,806)	(1,438)	n.m.
Non-controlling interests	(1,346)	1,147	n.m.	(2,570)	(370)	n.m.
	<b>(6,186)</b>	<b>1,812</b>	<b>n.m.</b>	<b>(10,376)</b>	<b>(1,808)</b>	<b>n.m.</b>

n.m. = not meaningful

## Notes to Consolidated Statement of Comprehensive Income

	Group			Group		
	Second Quarter ended 30 June		Increase/ (decrease)	Six Months ended 30 June		Increase/ (decrease)
	2017	2016		2017	2016	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(A) Revenue include:-						
Rental income	156	949	(84%)	804	1,860	(57%)
Golf and country club	2,053	1,950	5%	4,045	3,862	5%
Hotel	1,108	1,006	10%	2,343	2,218	6%
Revenue of development properties	14,492	22,021	(34%)	35,976	50,114	(28%)

	Group			Group		
	Second Quarter ended 30 June		Increase/ (decrease)	Six Months ended 30 June		Increase/ (decrease)
	2017	2016		2017	2016	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(B) Other income include:-						
Interest income	216	329	(34%)	397	775	(49%)
Late interest penalty	115	-	n.m.	187	-	n.m.

	Group			Group		
	Second Quarter ended 30 June		Increase/ (decrease)	Six Months ended 30 June		Increase/ (decrease)
	2017	2016		2017	2016	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(C) Other gain/(losses), net include:-						
Allowance for impairment loss on trade receivables	-	(1)	n.m.	-	(6)	n.m.
Foreign exchange (loss)/gain	(96)	15	n.m.	(329)	(552)	(40%)

	Group			Group		
	Second Quarter ended 30 June		Increase/ (decrease)	Six Months ended 30 June		Increase/ (decrease)
	2017	2016		2017	2016	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(D) Distribution and marketing expense include:-						
Marketing cost	1,027	1,322	(22%)	1,963	2,406	(18%)
Entertainment	27	20	34%	47	21	n.m.
Commission	409	400	2%	1,230	763	61%

	Group			Group		
	Second Quarter ended 30 June		Increase/ (decrease)	Six Months ended 30 June		Increase/ (decrease)
	2017	2016		2017	2016	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(E) Administrative expense include:-						
Legal and professional fee	403	93	n.m.	534	229	n.m.
Employee compensation	4,112	4,074	1%	7,955	7,477	6%
Depreciation of property, plant and equipment	523	494	6%	1,066	997	7%
Rental expense	197	178	11%	404	368	10%
Directors' fees	60	60	n.m.	120	120	n.m.

	Group			Group		
	Second Quarter ended 30 June		Increase/ (decrease)	Six Months ended 30 June		Increase/ (decrease)
	2017	2016		2017	2016	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(F) Finance expense include:-						
Interest on bank borrowings	971	1,145	(15%)	1,943	1,970	(1%)

n.m. = not meaningful

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

**STATEMENTS OF FINANCIAL POSITION**

	<b>Group</b>		<b>Company</b>	
	30-Jun-17	31-Dec-16	30-Jun-17	31-Dec-16
	S\$'000	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	52,646	48,403	12,189	3,131
Inventories	319	314	-	-
Trade and other receivables	10,905	21,062	119,085	132,704
Available-for-sale financial assets	23	24	-	-
Development properties	180,204	220,506	-	-
	<b>244,097</b>	<b>290,309</b>	<b>131,274</b>	<b>135,835</b>
<b>Non-current assets</b>				
Investment in subsidiaries	-	-	143,172	142,931
Investment in joint venture	*	*	-	-
Investment in associated company	1,869	1,981	-	-
Investment properties	38,571	10,377	-	-
Available-for-sale financial assets	14,114	16,411	-	-
Development Properties	184,756	190,473	-	-
Property, plant and equipment	37,329	39,181	43	49
Trade and other receivables	6,223	6,087	-	-
Deferred tax asset	4,371	4,298	-	-
	<b>287,233</b>	<b>268,808</b>	<b>143,215</b>	<b>142,980</b>
<b>Total assets</b>	<b>531,330</b>	<b>559,117</b>	<b>274,489</b>	<b>278,815</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	50,192	52,052	8,487	9,714
Current income tax payables	1,936	3,094	-	-
Borrowings	40,205	17,203	4	4
Provision for other liabilities and charges	746	1,100	327	327
	<b>93,079</b>	<b>73,449</b>	<b>8,818</b>	<b>10,045</b>
<b>Non-current liabilities</b>				
Trade and other payables	16,306	1,369	-	-
Borrowings	7,188	58,294	11	12
Deferred income tax liabilities	6,436	6,748	-	-
Post-employment benefits	3,482	3,602	-	-
Provision for other liabilities and charges	617	548	30	30
	<b>34,029</b>	<b>70,561</b>	<b>41</b>	<b>42</b>
<b>Total liabilities</b>	<b>127,108</b>	<b>144,010</b>	<b>8,859</b>	<b>10,087</b>
<b>NET ASSETS</b>	<b>404,222</b>	<b>415,107</b>	<b>265,630</b>	<b>268,728</b>
<b>EQUITY</b>				
<b>Capital and reserves attributable to equity holders of the Company</b>				
Share capital	265,667	265,667	265,667	265,667
Treasure shares	(101)	(91)	(101)	(91)
Other reserves	9,617	15,548	4,914	4,914
Retained profits	(544)	(2,067)	(4,850)	(1,762)
	<b>274,639</b>	<b>279,057</b>	<b>265,630</b>	<b>268,728</b>
Non-controlling interests	129,583	136,050	-	-
<b>Total equity</b>	<b>404,222</b>	<b>415,107</b>	<b>265,630</b>	<b>268,728</b>

\*Less than S\$1,000

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

Amount repayable in one year or less, or on demand

As at 30.6.2017		As at 31.12.2016	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
40,205	-	17,203	-

Amount repayable after one year

As at 30.6.2017		As at 31.12.2016	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
7,188	-	58,294	-

**Details of any collaterals**

As at 30 June 2017, the borrowings were secured over freehold lands under development properties of S\$153 million (31 December 2016: S\$162 million).

**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**

	<b>The Group</b>		<b>The Group</b>	
	<b>Second Quarter ended 30 June</b>		<b>Six Months ended 30 June</b>	
	2017	2016	2017	2016
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Cash flows from operating activities</b>				
Net (loss)/profit	(2,493)	(1,487)	(2,043)	(2,761)
Adjustments for:				
- Income tax expense	109	239	319	386
- Depreciation of property, plant and equipment	926	868	1,943	1,761
- Allowance for impairment loss on trade receivables	-	1	-	6
- Unrealised currency translation	1,387	287	1,628	(1,827)
- Interest income	(332)	(329)	(584)	(775)
- Finance expense	971	1,145	1,943	1,970
- Share of loss of associated company	53	50	112	50
<b>Operating cash flow before working capital changes</b>	<b>621</b>	<b>774</b>	<b>3,318</b>	<b>(1,190)</b>
<b>Change in working capital</b>				
- Trade and other receivables	19,298	47,177	9,946	42,167
- Inventories	(39)	(47)	(16)	(14)
- Development properties	2,951	5,958	6,772	11,184
- Trade and other payables	(3,384)	(8,644)	14,759	(25,200)
- Post-employment benefits	-	29	-	(8)
- Provision for other liabilities and charges	37	52	(617)	77
<b>Cash generated (used in)/from operations</b>	<b>19,484</b>	<b>45,299</b>	<b>34,162</b>	<b>27,016</b>
- Interest received	264	329	449	775
- Interest paid	-	-	-	(933)
- Income tax paid	(923)	(726)	(1,849)	(1,155)
<b>Net cash generated from/(used in) operating activities</b>	<b>18,825</b>	<b>44,902</b>	<b>32,762</b>	<b>25,703</b>
<b>Cash flows from investing activities</b>				
- Additions to property, plant and equipment	(132)	(233)	(715)	(604)
- Acquisition of non-controlling interests	(500)	-	(500)	-
- Investment in associated company	-	-	-	(2,465)
- Proceeds from sale of available-for-sale asset	-	-	2,365	-
- Loan to a non-related party	-	-	-	(809)
- Loan to an associated company	-	-	-	(800)
<b>Net cash used in investing activities</b>	<b>(632)</b>	<b>(233)</b>	<b>1,150</b>	<b>(4,678)</b>
<b>Cash flows from financing activities</b>				
- Proceeds from additional paid-in capital from non-controlling interest	-	253	-	253
- Purchase of treasury shares	-	-	(10)	-
- Proceeds from borrowings	6,424	4,043	10,120	15,997
- Repayment of borrowings	(22,898)	(34,851)	(37,529)	(36,016)
- Repayment of lease liabilities	(2)	-	(4)	(106)
- Interest paid	(971)	(1,146)	(1,943)	(1,970)
<b>Net cash used in financing activities</b>	<b>(17,447)</b>	<b>(31,701)</b>	<b>(29,366)</b>	<b>(21,842)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>746</b>	<b>12,968</b>	<b>4,546</b>	<b>(817)</b>
Effects of currency translation on cash and cash equivalents	(118)	153	(303)	(316)
Cash and cash equivalents at beginning of the financial period	52,018	54,460	48,403	68,714
<b>Cash and cash equivalents at end of the period</b>	<b>52,646</b>	<b>67,581</b>	<b>52,646</b>	<b>67,581</b>
<b>Cash and cash equivalents consists of:</b>				
Cash and bank balances	52,646	67,581	52,646	67,581
Bank deposits pledged	-	-	-	-
	<b>52,646</b>	<b>67,581</b>	<b>52,646</b>	<b>67,581</b>

**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.**

<b>Group</b>	Attributable to Equity holders of the Company									Non-controlling interests S\$'000	Total equity S\$'000
	Share capital S\$'000	Treasury shares S\$'000	Share option reserve S\$'000	Tax amnesty reserve S\$'000	General reserve S\$'000	Translation reserve S\$'000	Fair value reserve S\$'000	Retained profit S\$'000	Total S\$'000		
<b>As at 1 January 2017</b>	265,667	(91)	4,914	63	(51)	5,051	5,571	(2,067)	279,057	136,050	415,107
Total comprehensive (loss)/income for the period	-	-	-	-	-	(6,088)	158	(1,875)	(7,805)	(2,570)	(10,375)
Purchase of treasury shares	-	(10)	-	-	-	-	-	-	(10)	-	(10)
Acquisition of non-controlling interests	-	-	-	-	-	-	-	3,397	3,397	(3,897)	(500)
<b>As at 30 June 2017</b>	<b>265,667</b>	<b>(101)</b>	<b>4,914</b>	<b>63</b>	<b>(51)</b>	<b>(1,037)</b>	<b>5,729</b>	<b>(545)</b>	<b>274,639</b>	<b>129,583</b>	<b>404,222</b>
<b>As at 1 January 2016</b>	265,667	-	4,914	-	(51)	(3,011)	(49)	11,694	279,164	132,937	412,101
Total comprehensive income/(loss) for the period	-	-	-	-	-	(490)	1,639	(2,587)	(1,438)	(370)	(1,808)
Contributions from non-controlling interests pursuant to:											
Additional paid-in capital	-	-	-	-	-	-	-	-	-	253	253
<b>As at 30 June 2016</b>	<b>265,667</b>	<b>-</b>	<b>4,914</b>	<b>-</b>	<b>(51)</b>	<b>(3,501)</b>	<b>1,590</b>	<b>9,107</b>	<b>277,726</b>	<b>132,820</b>	<b>410,546</b>

<b>Company</b>	Share capital S\$'000	Treasury shares S\$'000	Share option reserve S\$'000	Accumulated losses S\$'000	Total equity S\$'000
<b>As at 1 January 2017</b>	265,667	(91)	4,914	(1,762)	268,728
Total comprehensive loss for the period	-	-	-	(3,088)	(3,088)
Purchase of treasury shares	-	(10)	-	-	(10)
<b>As at 30 June 2017</b>	<b>265,667</b>	<b>(101)</b>	<b>4,914</b>	<b>(4,850)</b>	<b>265,630</b>
<b>As at 1 January 2016</b>	265,667	-	4,914	3,040	273,621
Total comprehensive loss for the period	-	-	-	(1,763)	(1,763)
<b>As at 30 June 2016</b>	<b>265,667</b>	<b>-</b>	<b>4,914</b>	<b>1,277</b>	<b>271,858</b>



**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 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.**

There have been no changes in the issued share capital of the Company since 30 June 2016.

There were 4,165,400 outstanding share options as at 30 June 2017 and 30 June 2016.

The total number of issued ordinary shares as at 30 June 2017 was 321,895,299 (30 June 2016: 321,895,299), of which 514,200 (30 June 2016: Nil) were held by the Company as treasury shares.

The Company did not have any subsidiary holdings as at 30 June 2017 and 30 June 2016.

**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 30 June 2017	As at 31 December 2016
Total number of issued shares	321,895,299	321,895,299
Less: Treasury shares	(514,200)	(464,200)
Total number of issued shares excluding treasury shares	321,381,099	321,431,099

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

Not applicable. There were no treasury shares during and as at the end of the current financial year reported on.

**1(d)(v) A statement showing all sales, transfers, cancellation and/ or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable. There were no subsidiary holdings during and as at the end of the current financial period reported on.

**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. The figures have not been audited or reviewed by the Company's auditors.

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

The Group has adopted the same accounting policies and methods of computation in the financial statements for the current financial period compared with those in the audited financial statements for the year ended 31 December 2016 as well as all applicable financial reporting standards ("FRS") that become effective for financial year beginning on or after 1 January 2017. The adoption of these standards did not result in substantial changes to the Group's accounting policies, and there is no material impact to the Group's financial statements for the current financial period reported on.

**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.**

Save as disclosed in paragraph 4 above, there are no changes in accounting policies.

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

**(a) Basic earnings/(loss) per share**

	The Group			
	Second Quarter ended 30 June		Six Months ended 30 June	
	2017	2016	2017	2016
Net profit attributable to equity holders of the Company (S\$'000)	(2,201)	(1,730)	(1,875)	(2,587)
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	321,388	321,895	321,388	321,895
Basic earnings per share (cents)	(0.68)	(0.54)	(0.58)	(0.80)

**(b) Diluted earnings/(loss) per share**

	The Group			
	Second Quarter ended 30 June		Six Months ended 30 June	
	2017	2016	2017	2016
Net profit attributable to equity holders of the Company (S\$'000)	(2,201)	(1,730)	(1,875)	(2,587)
Weighted average number of ordinary shares outstanding for diluted earnings per share ('000)	321,388 <sup>#</sup>	321,895 <sup>#</sup>	321,388 <sup>#</sup>	321,895 <sup>#</sup>
Diluted earnings per share (cents)	(0.68)	(0.54)	(0.58)	(0.80)

<sup>#</sup> The number of shares arising of exercise of outstanding share options are excluded from the diluted weighted average number of ordinary shares calculation as their effects would have been anti-dilutive

**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	
	As at 30 June 2017	As at 31 December 2016	As at 30 June 2017	As at 31 December 2016
Net asset value ("NAV") (S\$'000)	274,639	279,057	265,630	268,728
Number of shares ('000)	321,381	321,431	321,381	321,431
NAV per share (Singapore cents)	85.46	86.82	82.65	83.60

The NAV per ordinary share was calculated based on the number of shares in issue of 321,381,099 (31 December 2016: 321,431,099).

**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 period reported on.

**Group performance**

**Revenue**

Revenue of the Group mainly comprises revenue from property development, hospitality management, facility management, investment and others.

The Group recorded S\$17.9 million in revenue for the second quarter ended 30 June 2017 ("2Q2017") as compared to S\$26.0 million in the same corresponding period ("2Q2016"). The decrease of S\$8.1 million was due to:

- i) Decrease in property development revenue of approximately S\$7.5 million consisting of S\$4.3 million lower revenue from Braddell and Bartley projects and S\$3.2 million lower revenue from Indonesian properties sold under the PT Suryamas Group; and
- ii) Decrease in rental revenue of S\$0.8 million mainly due to expiry of the lease for east coast park land managed by the Group; offset by
- iii) Increase in revenue of S\$0.2 million from the Group's hospitality management business.

**Cost of sales**

Cost of sales mainly comprises land costs, construction costs, other development expenditure, borrowing costs and other related expenditure.

Cost of sales decreased by S\$7.0 million due to the following factors:-

- i) Decrease in cost of sales of the Group's property development by S\$6.4 million of which S\$4.2 million is attributable to Braddell and Bartley projects and S\$2.2 million is attributable to PT Suryamas Group;
- ii) Decrease in cost of sales of the Group's facility management by S\$0.4 million; and
- iii) Decrease in cost of sales of the Group's hospitality business by S\$0.1 million.

**Gross profit**

The Group's gross profit for 2Q2017 decreased by S\$1.2 million due to the lower sales recognition from property development. However, gross profit margin has improved due to lower cost of sales for the property development units sold.

The decrease in cost of sales greater than the decrease in revenue was mainly due to lower carrying value of development properties in 2Q2017 as compared to 2Q2016. The lower carrying value was a result of an impairment on development properties to their net realisable value recognised in the fourth quarter ended 31 December 2016 ("4Q2016").

### **Other gains/losses**

Other losses in 2Q2017 was \$0.06 million as compared to other gains of S\$4,000 in 2Q2016 mainly due to foreign currency translation losses.

### **Distribution and marketing expenses**

Distribution and marketing expenses decreased by S\$0.3 million in 2Q2017 mainly due to the decrease in marketing, advertising and promotion costs of S\$0.3 million.

### **Administrative expenses**

Administrative expenses increased by S\$0.3 million mainly due to:

- i) Increase in management fees paid for residential properties owned by the Group of S\$0.2 million; and
- ii) Increase in employee compensation of S\$0.1 million

### **Finance costs**

Finance costs decreased by S\$0.2 million due to decrease in bank loan balances resulting in lower interest expenses incurred.

## **Consolidated Statement of Financial Position**

### **Total assets**

As of 30 June 2017, the Group's total assets stood at S\$531.3 million which was S\$27.8 million lower than as at 31 December 2016. The decrease was mainly attributable to the following:

- (i) Decrease in trade and other receivables (current and non-current) by S\$10.0 million due to collection of progress billing for Braddell and Bartley projects;
- (ii) Decrease in development properties (current and non-current) of S\$17.8 million due to recognition of costs of development properties net of amount transferred to IP due to acquisition of 17 units in the Bartley project by the fellow subsidiaries within the Group;
- (iii) Decrease in available-for-sale asset of \$2.3 million due to sale; and
- (iv) Decrease in property, plant and equipment of S\$1.9 million due to depreciation net of additions; offset by
- (v) Increase in cash and cash equivalent of S\$4.2 million.

### **Total liabilities**

As of 30 June 2017, the Group's total liabilities stood at S\$127.1 million, which was S\$16.9 million lower than as at 31 December 2016. The decrease was mainly due to the following:

- (i) Decrease in borrowings (current and non-current) by S\$28.0 million due to net repayment of bank loans; and
- (ii) Decrease in current and deferred tax liabilities by S\$1.5 million;
- (iii) Decrease in post-employment benefits of S\$0.1 million; offset by
- (iv) Increase in trade and other payables (current and non-current) by S\$12.7 million arising mainly from deferred revenue for collections in advance for development properties sold.

## **Consolidated Statement of Cash Flows**

Net cash generated from operating activities of S\$18.8 million in 2Q2017 was mainly due to receipt of payments for property development sold, partially offset by payments to contractors.

Net cash deployed in investing activities of S\$0.6 million in 2Q2017 was mainly due to purchase of property, plant and equipment and acquisition of additional shares in PT Suryamas.

Net cash deployed in financing activities of S\$17.4 million in 2Q2017 was mainly due to the net repayment of bank borrowings and interest payments.

As a result of the aforesaid, cash and cash equivalents decreased to S\$52.6 million as at 30 June 2017 from S\$67.6 million as at 30 June 2016.

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

No forecast or prospect statement has been 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.**

From the real estate statistics for second quarter of 2017 ("2Q2017") released by Urban Redevelopment Authority ("URA"), we have seen an increase in the total number of residential property transactions in the whole of Singapore with 6,905 units transacted compared to first quarter of 2017 ("1Q2017") of 5,202<sup>1</sup>. Pipeline supply of private residential units excluding executive condominiums are down 4.1% from the previous quarter. In addition, government land sales sites sold in this quarter has seen a high level of bidders and aggressive pricing with the Stirling Road site having 13 bids and sold for SGD 1 billion<sup>2</sup> and the Bidadari mixed-use site having 12 bids and sold for SGD 1.1 billion<sup>3</sup>. In response to stronger demand and declining stock in the pipeline, the Singapore government has raised the supply of land for private housing in second half of 2017<sup>4</sup>. These statistics seem to signal a change from the cautious investor sentiments towards Singapore residential market in the recent years. Specifically, the sale of the Bidadari site would hopefully have a positive impact on demand for our unsold units in R Maison and E Maison due to their close proximity to the site and the competitive pricing in relation to the expected breakeven launch price for the units to be launched as well as our units being freehold instead of 99-year leasehold. The Group will continue to focus its efforts to sell the remaining units so as to avoid paying the Qualifying Certificate ("QC") penalties on unsold units after March 2018.

In Indonesia, the residential property continued to be buoyant with the Housing Index in Indonesia increasing to 199.20 Index Points in 2Q2017 from 196.94 Index Points in the 1Q2017<sup>5</sup>. According to a survey by Bank Indonesia, there were signs of slower housing sales in the last quarter and protracted licensing procedures, high lending rates on housing loans, large downpayments, taxes and more expensive building materials are binding constraints to the property business growth. As most consumers are inclined to borrow when purchasing, the credit growth and bank's propensity to lend will have an impact on the demand<sup>6</sup>.

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<sup>1</sup> <https://www.ura.gov.sg/uol/-/media/User%20Defined/URA%20Online/media-room/2017/Jul/pr17-51d.pdf>

<sup>2</sup> <http://www.todayonline.com/business/singapore-land-gets-record-s1-billion-bid-chinese-buyers>

<sup>3</sup> <http://www.todayonline.com/business/sph-submits-s1132-billion-top-bid-bidadari-mixed-commercial-and-residential-site>

<sup>4</sup> <http://www.straitstimes.com/business/property/government-increases-supply-of-land-for-private-housing-amid-stronger-buyer-demand>

<sup>5</sup> <http://www.tradingeconomics.com/indonesia/housing-index>

<sup>6</sup> <http://www.bi.go.id/en/publikasi/survei/harga-properti-primer/Default.aspx>

The Group will continue to monitor the situation and capitalise on its existing land bank in Indonesia to grow. Depending on the take up rates for new residential developments and Indonesian banks' willingness to finance new property projects, the Group may look at exploring potential collaborations to expedite its residential and industrial developments at Rancamaya, Royal Tajur, Harvest City and Royal Balaraja.

**11. If a decision regarding dividend has been made:-**

None

**(a) Whether an interim (final) ordinary dividend has been declared (recommended); and**

None

**(b) (i) Amount per share ..... cents  
(Optional) Rate: ..... %**

Not applicable

**(ii) Previous corresponding period ..... cents  
(Optional) Rate: ..... %**

Not applicable. No dividend has been declared or recommended for the previous corresponding period.

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of the shareholders, this must be stated).**

Not applicable

**(d) The date the dividend is payable.**

Not applicable

**(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividends are determined.**

Not applicable

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

No dividend has been declared for 2Q2017.

**13. Aggregate value of interested person transactions conducted pursuant to shareholders' mandate for the period ended 30 June 2017:**

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
Nil	Nil	N.A. as no IPT mandate has been obtained.

**14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)**

The Company confirms that it has procured undertakings from all of its directors and executive officers in the required format.

**15. Confirmation by the Board**

We, Hano Maeloa and Chang Shyre Gwo, being two directors of the Company do hereby confirm on behalf of the Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial results for the second quarter and half year ended 30 June 2017 to be false or misleading in any material aspect.

On behalf of the board of directors

Hano Maeloa  
Chief Executive Officer

Chang Shyre Gwo  
Director

BY ORDER OF THE BOARD

**Hano Maeloa**  
**Chief Executive Officer**  
11 August 2017