



**Second Quarter and Half Year
Unaudited Financial Statements
For The Period Ended
30 June 2018**

26 July 2018

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Second Quarter and Half Year Unaudited Financial Statements for the Period Ended 30 June 2018
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 2018

	The Group			The Group		
	Second Quarter ended 30 June		Increase/ (Decrease)	Six Months ended 30 June		Increase/ (Decrease)
	2018	2017		2018	2017	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	14,510	17,909	(19%)	48,755	43,365	12%
Cost of sales	(8,207)	(12,209)	(33%)	(33,123)	(28,635)	16%
Gross profit	6,303	5,700	11%	15,632	14,730	6%
Other income	439	533	(18%)	1,053	1,073	(2%)
Other gains/(losses), net	145	(61)	n.m.	210	(304)	n.m.
Expenses						
- Distribution and marketing	(1,109)	(1,467)	(24%)	(3,145)	(3,248)	(3%)
- Administrative	(6,157)	(6,065)	2%	(12,825)	(11,920)	8%
- Finance	(542)	(971)	(44%)	(1,079)	(1,943)	(44%)
Share of loss of:						
- Associated company	-	(53)	n.m.	-	(112)	n.m.
- Joint venture	14	-	n.m.	-	-	n.m.
(Loss)/Profit before income tax	(907)	(2,384)	(62%)	(154)	(1,724)	(91%)
Income tax expense	(115)	(109)	6%	(235)	(319)	(26%)
(Loss)/Profit for the period	(1,022)	(2,493)	(59%)	(389)	(2,043)	(81%)
Other comprehensive income/(loss)						
Items that may be reclassified subsequently to profit or loss:						
Currency translation differences arising from consolidation	534	(3,756)	n.m.	(7,877)	(8,491)	(7%)
Fair value gain/(losses) on available-for-sale financial assets	299	63	n.m.	(97)	158	n.m.
Total comprehensive income/(loss) for the period	(189)	(6,186)	(97%)	(8,363)	(10,376)	(19%)
(Loss)/Profit attributable to:						
Equity holders of the Company	(1,756)	(2,201)	(20%)	(1,959)	(1,875)	4%
Non-controlling interests	734	(292)	n.m.	1,570	(168)	n.m.
	(1,022)	(2,493)	(59%)	(389)	(2,043)	(81%)
Total comprehensive income/(loss) attributable to:						
Equity holders of the Company	(1,066)	(4,840)	(78%)	(7,805)	(7,806)	n.m.
Non-controlling interests	877	(1,346)	n.m.	(558)	(2,570)	(78%)
	(189)	(6,186)	(97%)	(8,363)	(10,376)	(19%)

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)
	2018	2017		2018	2017	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(A) Revenue include:-						
Rental income	203	156	30%	421	804	(48%)
Golf and country club	1,651	2,053	(20%)	3,524	4,045	(13%)
Hotel	2,189	1,108	98%	5,132	2,343	n.m.
Revenue of development properties	10,441	14,492	(28%)	39,519	35,976	10%

	Group			Group		
	Second Quarter ended 30 June		Increase/ (decrease)	Six Months ended 30 June		Increase/ (decrease)
	2018	2017		2018	2017	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(B) Other income include:-						
Interest income	243	216	13%	441	397	11%
Late interest penalty	17	115	(85%)	118	187	(37%)

	Group			Group		
	Second Quarter ended 30 June		Increase/ (decrease)	Six Months ended 30 June		Increase/ (decrease)
	2018	2017		2018	2017	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(C) Other gain/(losses), net include:-						
Foreign exchange (loss)/gain	122	(96)	n.m.	66	(329)	n.m.

	Group			Group		
	Second Quarter ended 30 June		Increase/ (decrease)	Six Months ended 30 June		Increase/ (decrease)
	2018	2017		2018	2017	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(D) Distribution and marketing expense include:-						
Marketing cost	927	1,027	(10%)	1,893	1,963	(4%)
Entertainment	56	27	n.m.	78	47	66%
Commission	119	409	(71%)	1,163	1,230	(5%)

	Group			Group		
	Second Quarter ended 30 June		Increase/ (decrease)	Six Months ended 30 June		Increase/ (decrease)
	2018	2017		2018	2017	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(E) Administrative expense include:-						
Legal and professional fee	155	403	(62%)	349	534	(35%)
Employee compensation	4,520	4,112	10%	8,831	7,955	11%
Depreciation of property, plant and equipment	115	523	(78%)	1,091	1,066	2%
Rental expense	242	197	23%	440	404	9%
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)
	2018	2017		2018	2017	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(F) Finance expense include:-						
Interest on bank borrowings	542	971	(44%)	1,079	1,943	(44%)

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

	Group		Company	
	30-Jun-18	31-Dec-17	30-Jun-18	31-Dec-17
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	58,995	40,086	29,520	11,171
Inventories	295	272	-	-
Trade and other receivables	7,722	15,517	94,231	117,245
Available-for-sale financial assets	22	22	-	-
Development properties	95,881	123,720	-	-
	162,915	179,617	123,751	128,416
Non-current assets				
Investment in subsidiaries	-	-	143,431	143,431
Investment in joint ventures	44	44	-	-
Investment properties	43,914	42,545	-	-
Available-for-sale financial assets	18,479	17,188	-	-
Development properties	177,729	173,406	-	-
Property, plant and equipment	56,283	59,628	61	71
Trade and other receivables	5,638	5,515	-	-
Deferred income tax assets	1,483	1,422	-	-
Intangible assets	822	822	-	-
	304,392	300,570	143,492	143,502
Total assets	467,307	480,187	267,243	271,918
LIABILITIES				
Current liabilities				
Trade and other payables	47,230	51,290	5,357	7,067
Current income tax liabilities	401	891	-	-
Borrowings	16,618	14,052	4	4
Provisions	18	305	169	169
	64,267	66,538	5,530	7,240
Non-current liabilities				
Trade and other payables	1,158	1,296	-	-
Borrowings	3,584	5,276	7	9
Deferred income tax liabilities	6,040	6,253	-	-
Post-employment benefits	4,005	4,129	-	-
Provisions	825	904	30	30
	15,612	17,858	37	39
Total liabilities	79,879	84,396	5,567	7,279
NET ASSETS	387,428	395,791	261,676	264,639
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	265,667	265,667	265,667	265,667
Treasure shares	(101)	(101)	(101)	(101)
Other reserves	(1,427)	4,419	4,914	4,914
Retained profits	(4,499)	(2,540)	(8,804)	(5,841)
	259,640	267,445	261,676	264,639
Non-controlling interests	127,788	128,346	-	-
Total equity	387,428	395,791	261,676	264,639

*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 30.6.2018		As at 31.12.2017	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
16,618	-	14,052	-

Amount repayable after one year

As at 30.6.2018		As at 31.12.2017	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
3,584	-	5,276	-

Details of any collaterals

As at 30 June 2018, the borrowings were secured over freehold lands under development properties of S\$98million (31 December 2017: S\$121 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

	The Group		The Group	
	Second Quarter ended 30 June		Six Months ended 30 June	
	2018	2017	2018	2017
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Net (loss)/profit	(1,022)	(2,493)	(389)	(2,043)
Adjustments for:				
- Income tax expense	115	109	235	319
- Depreciation of property, plant and equipment	303	926	1,842	1,943
- (Gain)/loss on disposal of PPE	84	-	6	-
- Unrealised currency translation	(513)	1,387	(686)	1,628
- Interest income	(260)	(332)	(559)	(584)
- Finance expense	542	971	1,079	1,943
- Share of loss of joint ventures	(14)	-	-	-
- Share of loss of associated company	-	53	-	112
Operating cash flow before working capital changes	(765)	621	1,528	3,318
Change in working capital				
- Trade and other receivables	18,931	19,298	7,656	9,946
- Inventories	(41)	(39)	(32)	(16)
- Development properties	(787)	2,951	15,506	6,772
- Trade and other payables	(2,780)	(3,384)	(3,013)	14,759
- Post-employment benefits	(1)	-	(1)	-
- Provision for other liabilities and charges	(10)	37	(263)	(617)
Cash generated (used in)/from operations	14,547	19,484	21,381	34,162
- Interest received	198	264	436	449
- Interest paid	-	-	-	-
- Income tax paid	(421)	(923)	(976)	(1,849)
Net cash generated from/(used in) operating activities	14,324	18,825	20,841	32,762
Cash flows from investing activities				
- Additions to property, plant and equipment	(118)	(132)	(427)	(715)
- Acquisition of non-controlling interests	-	(500)	-	(500)
- Investment in associated company	-	-	-	-
- Proceeds from sale of available-for-sale asset	-	-	(1,324)	2,365
- Loan to a non-related party	-	-	-	-
- Loan to an associated company	-	-	-	-
Net cash used in investing activities	(118)	(632)	(1,751)	1,150
Cash flows from financing activities				
- Proceeds from additional paid-in capital from non-controlling interest	-	-	-	-
- Purchase of treasury shares	-	-	-	(10)
- Proceeds from borrowings	912	6,424	(2,516)	10,120
- Repayment of borrowings	(348)	(22,898)	3,618	(37,529)
- Repayment of lease liabilities	44	(2)	21	(4)
- Interest paid	(542)	(971)	(1,079)	(1,943)
Net cash used in financing activities	66	(17,447)	44	(29,366)
Net increase/(decrease) in cash and cash equivalents	14,272	746	19,134	4,546
Effects of currency translation on cash and cash equivalents	16	(118)	(225)	(303)
Cash and cash equivalents at beginning of the financial period	44,707	52,018	40,086	48,403
Cash and cash equivalents at end of the period	58,995	52,646	58,995	52,646
Cash and cash equivalents consists of:				
Cash and bank balances	58,995	52,646	58,995	52,646
Bank deposits pledged	-	-	-	-
	58,995	52,646	58,995	52,646

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.

	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/ (Accumulated losses) S\$'000			Total S\$'000
Group											
As at 1 January 2018	265,667	(101)	4,914	63	(51)	(11,267)	10,760	(2,540)	267,445	128,346	395,791
Total comprehensive (loss)/income for the period	-	-	-	-	-	(5,749)	(97)	(1,959)	(7,805)	(558)	(8,363)
Purchase of treasury shares	-	-	-	-	-	-	-	-	-	-	-
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-
As at 30 June 2018	265,667	(101)	4,914	63	(51)	(17,016)	10,663	(4,499)	259,640	127,788	387,428
As at 1 January 2017	265,667	(91)	4,914	63	(51)	5,051	5,571	(2,067)	279,057	136,050	415,107
Total comprehensive income/(loss) 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)
As at 30 June 2017	265,667	(101)	4,914	63	(51)	(1,037)	5,729	(545)	274,639	129,583	404,222

	Share capital S\$'000	Treasury shares S\$'000	Share option reserve S\$'000	Accumulated losses S\$'000	Total equity S\$'000
Company					
As at 1 January 2018	265,667	(101)	4,914	(5,841)	264,639
Total comprehensive loss for the period	-	-	-	(2,963)	(2,963)
Purchase of treasury shares	-	-	-	-	-
As at 30 June 2018	265,667	(101)	4,914	(8,804)	261,676
As at 1 January 2017	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)
As at 30 June 2017	265,667	(101)	4,914	(4,850)	265,630

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 were 4,165,400 outstanding share options as at 30 June 2018 and 30 June 2017.

The total number of issued ordinary shares as at 30 June 2018 was 321,895,299 (30 June 2017: 321,895,299), of which 514,200 (30 June 2017: 514,200) were held by the Company as treasury shares.

The Company did not have any subsidiary holdings as at 30 June 2018 and 30 June 2017.

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 2018	As at 31 December 2017
Total number of issued shares	321,895,299	321,895,299
Less: Treasury shares	(514,200)	(514,200)
Total number of issued shares excluding treasury shares	321,381,099	321,381,099

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 2017 as well as all applicable financial reporting standards ("FRS") that become effective for financial year beginning on or after 1 January 2018. 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	
	2018	2017	2018	2017
Net profit attributable to equity holders of the Company (S\$'000)	(1,756)	(2,201)	(1,959)	(1,875)
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	321,381	321,388	321,381	321,388
Basic earnings per share (cents)	(0.55)	(0.68)	(0.61)	(0.58)

(b) Diluted earnings/(loss) per share

	The Group			
	Second Quarter ended 30 June		Six Months ended 30 June	
	2018	2017	2018	2017
Net profit attributable to equity holders of the Company (S\$'000)	(1,756)	(2,201)	(1,959)	(1,875)
Weighted average number of ordinary shares outstanding for diluted earnings per share ('000)	321,381 [#]	321,388 [#]	321,381 [#]	321,388 [#]
Diluted earnings per share (cents)	(0.55)	(0.68)	(0.61)	(0.58)

[#] As loss was recorded, the dilutive potential shares from share options are anti-dilutive and no changes is made to the diluted loss per share.

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 2018	As at 31 December 2017	As at 30 June 2018	As at 31 December 2017
Net asset value ("NAV") (S\$'000)	259,640	267,445	261,676	264,639
Number of shares ('000)	321,381	321,381	321,381	321,381
NAV per share (Singapore cents)	80.79	83.22	81.42	82.34

The NAV per ordinary share was calculated based on the number of shares in issue (excluding treasury shares) of 321,381,099 (31 December 2017: 321,381,099).

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\$14.5 million in revenue for the second quarter ended 30 June 2018 ("2Q2018") as compared to S\$17.9 million in the same corresponding period ("2Q2017"). The decrease of S\$3.4 million was due to:

- i) Decrease revenue from sale of development properties from Braddell and Bartley projects by S\$5.6 million; and
- ii) Decrease in other revenue by S\$0.4 million; offset by
- iii) Increase revenue from sale of development properties from the Group's subsidiary group in Indonesia, Suryamas Dutamakmur Tbk ("Suryamas") by S\$1.5 million; and
- iv) Increase in hospitality revenue by S\$1.1 million, mainly due to acquisition of 5Footway group.

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\$4.0 million due to the following factors:-

- i) Decrease in cost of sales for development properties of S\$4.6 million due to decreased sales from Braddell and Bartley projects; offset by
- ii) Increase in cost of sales for hospitality business by \$0.6 million, mainly due to acquisition of 5Footway group.

Gross profit

The Group's gross profit for 2Q2018 increased by S\$0.6 million and the gross profit margins in 2Q2018 was higher as compared to 2Q2017. The increase in gross profit margin was mainly due higher profit margin obtained from sale of development properties in 2Q2018 as compared to 2Q2017.

Other gains/losses

Other gains in 2Q2018 was S\$0.1 million as compared to other losses of S\$0.06 million in 2Q2017 mainly due to foreign currency translation gains.

Distribution and marketing expenses

Distribution and marketing expenses decreased by S\$0.4 million in 2Q2018 mainly due to the decreased sales commission paid to agents for sales of development properties.

Administrative expenses

Administrative expenses increased by S\$0.09 million mainly due to:

- i) Increase in employee compensation of S\$0.4 million mainly due to additional staff costs after the acquisition of 5Footway group; offset by
- ii) Decrease in other expenses of S\$0.31 million.

Finance costs

Finance costs decreased by S\$0.4 million in 2Q2018 were mainly due to:

- i) Decrease in finance costs incurred on Braddell and Bartley projects by S\$0.2 million as bank loan has been fully repaid; and
- ii) Lower finance costs incurred by its subsidiary, Pt Suryamas Dutamakmur, Tbk. ("Suryamas") of S\$0.2 million.

Consolidated Statement of Financial Position

Total assets

As of 30 June 2018, the Group's total assets stood at S\$467 million which was S\$12.9 million lower than as at 31 December 2017. The decrease was mainly attributable to the following:

- (i) Decrease in development properties (current and non-current) of S\$23.5 million, of which, S\$1.2 million was a transfer of land to investment properties; and
- (ii) Decrease in property, plant and equipment of S\$3.3 million due to depreciation net of additions and disposals;
- (iii) Decrease in trade and other receivables of \$7.7 million mainly due to collection of progress billing for Braddell project; offset by
- (iv) Increase in available-for-sale assets (non-current) of S\$1.3 million; and
- (v) Increase in investment properties of S\$1.4 million mainly due to the transfer of land from development properties; and
- (vi) Increase in cash and cash equivalent of S\$18.9 million.

Total liabilities

As of 30 June 2018, the Group's total liabilities stood at S\$80.0 million, which was S\$4.5 million lower than as at 31 December 2017. The decrease was mainly due to the following:

- (i) Decrease in trade and other payables (current and non-current) by S\$4.2 million arising mainly from decrease in advance received from development projects in Indonesia following the handover of the development projects; and
- (ii) Decrease in provisions of S\$0.4 million;
- (iii) Decrease in current and deferred tax liabilities by S\$0.7 million;
- (iv) Decrease in estimated liabilities for employee benefits of S\$0.1 million; offset by
- (v) Increase in borrowings (current and non-current) of S\$0.9 million due to draw down, net of repayment of bank loans.

Consolidated Statement of Cash Flows

Net cash generated from operating activities of S\$14.3 million in 2Q2018 was mainly due to receipt of payments for property development sold, partially offset by payments to contractors.

Net cash used in investing activities of S\$0.1 million in 2Q2018 was mainly due to purchase of property, plant and equipment.

Net cash generated from financing activities of S\$0.06 million in 2Q2018 was mainly due to the net repayment of bank borrowings and interest payments.

As a result of the aforesaid, cash and cash equivalents increased to S\$59.0 million as at 30 June 2018 from S\$52.6 million as at 30 June 2017.

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.

The residential property market in Indonesia continues to be buoyant with the Housing Index in Indonesia increasing to an all-time high of 205.64 Index Points in 2Q2018¹. On 29 June 2018, Bank Indonesia announced a relaxation of the loan-to-value and financing-to-value ratios in the country's property sector effective on 1 August 2018². As most consumers are inclined to borrow when purchasing, the lower down payment obligations will boost credit growth and will have a positive impact on property demand³. Following the successful launch of Salvador cluster at Rancamaya in the first quarter 2018, the Group launched Royal Heights at Royal Tajur in second quarter 2018. Royal Heights is made up of 2 5-storey apartment blocks with a total of 159 units.

In Singapore, the government introduced another round of cooling measures which include raising additional buyer stamp duty rates and tightening loan-to-value limits effective on 6 July 2018. These measures are an attempt to curb demand and prevent further price escalation after the en bloc frenzy over the past 12 months. Developers are likely the hardest hit as they are subject to 25% additional stamp duties and a further 5% which is non-remittable. The Group will remain cautious and observe the market movements in the coming period carefully.

Meanwhile, the hospitality market in Singapore continues to grow due to rising visitor arrivals. In CBRE's Singapore Hotel MarketView H1 2018 report, visitor arrivals in the first 4 months of 2018 reached 6.18 million, representing a 6.7% increase y-o-y. Especially with more tourists coming from markets such as China and India, the largest growth in RevPAR was seen in economy and mid-tier segments. According to research from CDL Hospitality Trusts, room supply is expected to grow 2.5 per cent this year and taper off to 0.8 per cent and 0.6 per cent in 2019 and 2020 respectively⁴.

The Singapore tourism industry continues to struggle with labour constraints and local hotels have started turning to technology such as robots to address these challenges. Likewise, our properties are using technology such as our own in-house Property Management System that enables us to maximise revenue through dynamic price setting. In addition, the system is integrated with self check-in kiosks that further enhances productivity and efficiency. Currently, we manage a wide span of properties that include hotel, hostel, apartments and recreational facilities. Together with

¹ <http://www.tradingeconomics.com/indonesia/housing-index>

² <https://www.aseanbriefing.com/news/2018/07/11/indonesia-relaxes-loan-value-ratio-spur-credit-growth.html>

³ <https://www.indonesia-investments.com/news/todays-headlines/a-closer-look-at-bank-indonesia-s-latest-ltv-ratio-relaxation/item8867>

⁴ <https://www.businesstimes.com.sg/consumer/tourism-sector-growth-spree-set-to-continue-in-2nd-half>

our know-how and digital initiatives, we actively seek opportunities to leverage on our full suite of competencies to enhance value for our own operations, hotel owners and other operators alike.

The Indonesian Rupiah remains weak against the Singapore Dollar. As a result, the value of the Group's investments in Indonesia would also be affected due to currency translation.

The Group continues to be on the lookout for further opportunities to expand its business and operations in local and overseas markets.

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 2Q2018.

13. Aggregate value of interested person transactions conducted pursuant to shareholders' mandate for the period ended 30 June 2018:

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)
Madeline Olivia Maeloa ⁽¹⁾	\$1,500,000 Unit #05-05 at R Maison	N.A. as no IPT mandate has been obtained.

⁽¹⁾ Purchase of unit by Madeline Olivia Maeloa, child of Hano Maeloa, a Director of the Company. Refer to the Company's announcement released on 18 April 2018.

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 2018 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
26 July 2018