



**Third Quarter and Nine Months  
Unaudited Financial Statements  
for the Period Ended  
30 September 2018**

---

13 November 2018

## Table of Contents

---

		<u>Page No</u>
1(a)	Consolidated statement of comprehensive income	1
	Notes to consolidated statement of comprehensive income	2
1(b)(i)	Statements of financial position	3
1(b)(ii)	Borrowings and debt securities	4
1(c)	Consolidated statement of cash flows	5
1(d)(i)	Statements of changes in equity	6
1(d)(ii)	Changes in share capital	7
1(d)(iii)	Total number of issued shares	7
1(d)(iv)	Statement of sales, transfers, disposals, cancellations and/or use of treasury shares	7
1(d)(v)	Statement of sales, transfers, disposals, cancellations and/or use of subsidiary holdings	7
2 & 3	Audit statement	7
4	Accounting policies	8
5	Changes in accounting policies	8
6	Earnings per share	8
7	Net asset value per share	9
8	Review of group performance	9 - 11
9	Variance from previous prospect statement	11
10	Outlook	11-12
11 & 12	Dividend	12
13	Interested person transactions	13
14	Confirmation of undertakings by directors and executive officers	13
15	Confirmation by the Board	13

**Third Quarter and Nine Months Unaudited Financial Statements for the Period Ended 30 September 2018**

**PART I – INFORMATION REQUIRED FOR QUARTERLY 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**  
**Period ended 30 September 2018**

	The Group			The Group		
	Third Quarter ended 30 September		Increase/ (Decrease) %	Nine Months ended 30 September		Increase/ (Decrease) %
	2018	2017		2018	2017	
	S\$'000	S\$'000		S\$'000	S\$'000	
Revenue	13,738	51,638	(73%)	62,493	95,003	(34%)
Cost of sales	(6,273)	(44,569)	(86%)	(39,396)	(73,205)	(46%)
Gross profit	7,465	7,069	6%	23,097	21,798	6%
Other income	354	3,360	(89%)	1,407	4,433	(68%)
Other gains/(losses), net	106	(1,693)	n.m.	316	(1,997)	n.m.
Expenses						
- Distribution and marketing	(1,245)	(3,048)	(59%)	(4,390)	(6,296)	(30%)
- Administrative	(6,229)	(5,815)	7%	(19,054)	(17,735)	7%
- Finance	(522)	(668)	(22%)	(1,601)	(2,610)	(39%)
Share of profit/(loss) of:						
- Associated company	-	25	n.m.	-	(86)	n.m.
- Joint Venture	(19)	1	n.m.	(19)	1	n.m.
Loss before income tax	(90)	(769)	(88%)	(244)	(2,492)	(90%)
Income tax expense	(648)	(313)	n.m.	(883)	(633)	40%
<b>Loss for the period</b>	<b>(738)</b>	<b>(1,082)</b>	<b>(32%)</b>	<b>(1,127)</b>	<b>(3,125)</b>	<b>(64%)</b>
<b>Other comprehensive (loss)/income</b>						
Items that may be reclassified subsequently to profit or loss:						
Currency translation differences arising from consolidation	(10,151)	(5,017)	n.m.	(18,028)	(13,508)	33%
Fair value gain on available-for-sale financial assets	122	231	(47%)	25	389	(94%)
<b>Total comprehensive (loss)/income for the period</b>	<b>(10,767)</b>	<b>(5,868)</b>	<b>83%</b>	<b>(19,130)</b>	<b>(16,244)</b>	<b>18%</b>
<b>Profit/(Loss) attributable to:</b>						
Equity holders of the Company	(1,899)	(1,459)	30%	(3,858)	(3,334)	16%
Non-controlling interests	1,161	377	n.m.	2,731	209	n.m.
	(738)	(1,082)	(32%)	(1,127)	(3,125)	(64%)
Total comprehensive (loss)/income attributable to:						
Equity holders of the Company	(9,183)	(4,889)	88%	(16,988)	(12,695)	34%
Non-controlling interests	(1,584)	(979)	62%	(2,142)	(3,549)	(40%)
	(10,767)	(5,868)	83%	(19,130)	(16,244)	18%

n.m. = not meaningful

## Notes to Consolidated Statement of Comprehensive Income

	Group			Group		
	Third Quarter ended 30 September		Increase/ (decrease)	Nine Months ended 30 September		Increase/ (decrease)
	2018	2017		2018	2017	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(A) Revenue include:-						
Rental income	198	155	28%	619	959	(35%)
Golf and country club	1,939	1,974	(2%)	5,463	6,019	(9%)
Hotel & Hostel	2,391	1,850	29%	7,523	4,193	79%
Sale of development properties	9,086	47,500	(81%)	48,605	83,476	(42%)

	Group			Group		
	Third Quarter ended 30 September		Increase/ (decrease)	Nine Months ended 30 September		Increase/ (decrease)
	2018	2017		2018	2017	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(B) Other income include:-						
Interest income	308	315	(2%)	749	712	5%
Late interest penalty	35	89	(61%)	153	276	(45%)
Dividend income	-	2,313	n.m.	-	2,313	n.m.

	Group			Group		
	Third Quarter ended 30 September		Increase/ (decrease)	Nine Months ended 30 September		Increase/ (decrease)
	2018	2017		2018	2017	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(C) Other gains/(losses), net include:-						
Foreign exchange gain/(loss)	12	(116)	n.m.	78	(445)	n.m.

	Group			Group		
	Third Quarter ended 30 September		Increase/ (decrease)	Nine Months ended 30 September		Increase/ (decrease)
	2018	2017		2018	2017	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(D) Distribution and marketing expense include:-						
Marketing cost	1,104	1,086	2%	2,997	3,048	(2%)
Entertainment	41	39	5%	119	86	38%
Commission	98	1,918	(95%)	1,261	3,149	(60%)

	Group			Group		
	Third Quarter ended 30 September		Increase/ (decrease)	Nine Months ended 30 September		Increase/ (decrease)
	2018	2017		2018	2017	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(E) Administrative expense include:-						
Legal and professional fee	191	249	(23%)	504	783	(36%)
Employee compensation	4,212	3,934	7%	13,043	11,889	10%
Depreciation of property, plant and equipment	793	603	32%	1,884	1,670	13%
Rental expense	55	217	(75%)	495	621	(20%)
Directors' fees	60	60	n.m.	180	180	n.m.

	Group			Group		
	Third Quarter ended 30 September		Increase/ (decrease)	Nine Months ended 30 September		Increase/ (decrease)
	2018	2017		2018	2017	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(F) Finance expense include:-						
Interest on bank borrowings	522	668	(22%)	1,601	2,610	(39%)

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-Sep-18	31-Dec-17	30-Sep-18	31-Dec-17
	S\$'000	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	55,830	40,086	28,130	11,171
Inventories	242	272	-	-
Trade and other receivables	7,528	15,517	94,644	117,245
Available-for-sale financial assets	22	22	-	-
Development properties	94,332	123,720	-	-
	<b>157,954</b>	<b>179,617</b>	<b>122,774</b>	<b>128,416</b>
<b>Non-current assets</b>				
Investment in subsidiary corporations	-	-	143,431	143,431
Investment in joint venture	1	44	-	-
Investment properties	43,754	42,545	-	-
Available-for-sale financial assets	18,612	17,188	-	-
Development properties	170,162	173,406	-	-
Property, plant and equipment	54,297	59,628	54	71
Trade and other receivables	5,700	5,515	-	-
Deferred income tax asset	1,505	1,422	-	-
Intangible assets	822	822	-	-
	<b>294,853</b>	<b>300,570</b>	<b>143,485</b>	<b>143,502</b>
<b>Total assets</b>	<b>452,807</b>	<b>480,187</b>	<b>266,259</b>	<b>271,918</b>
<b>Current liabilities</b>				
Trade and other payables	44,586	51,290	5,786	7,067
Current income tax liabilities	361	891	-	-
Borrowings	15,819	14,052	4	4
Provision for other liabilities and charges	-	305	169	169
	<b>60,766</b>	<b>66,538</b>	<b>5,959</b>	<b>7,240</b>
<b>Non-current liabilities</b>				
Trade and other payables	1,167	1,296	-	-
Borrowings	3,391	5,276	6	9
Deferred income tax liabilities	5,954	6,253	-	-
Post-employment benefits	3,847	4,129	-	-
Provision for other liabilities and charges	782	904	-	30
	<b>15,141</b>	<b>17,858</b>	<b>6</b>	<b>39</b>
<b>Total liabilities</b>	<b>75,907</b>	<b>84,396</b>	<b>5,965</b>	<b>7,279</b>
<b>NET ASSETS</b>	<b>376,900</b>	<b>395,791</b>	<b>260,294</b>	<b>264,639</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)	(101)	(101)	(101)
Other reserves	(8,712)	4,419	4,914	4,914
Accumulated losses	(5,908)	(2,540)	(10,186)	(5,841)
	<b>250,946</b>	<b>267,445</b>	<b>260,294</b>	<b>264,639</b>
Non-controlling interests	125,954	128,346	-	-
<b>Total equity</b>	<b>376,900</b>	<b>395,791</b>	<b>260,294</b>	<b>264,639</b>

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

Amount repayable in one year or less, or on demand

As at 30.09.2018		As at 31.12.2017	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
15,819	-	14,052	-

Amount repayable after one year

As at 30.09.2018		As at 31.12.2017	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
3,391	-	5,276	-

**Details of any collaterals**

As at 30 September 2018, the borrowings are secured over freehold lands under development properties of S\$95 million (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**

	<b>The Group</b>		<b>The Group</b>	
	Third Quarter ended		Nine Months ended	
	2018	2017	2018	2017
	S\$'000		S\$'000	
<b>Cash flows from operating activities</b>				
Net loss	(738)	(1,083)	(1,127)	(3,125)
Adjustments for:				
- Income tax expense	648	313	883	633
- Depreciation of property, plant and equipment	1,098	1,000	2,940	2,942
- Unrealised currency translation	559	(302)	(127)	1,327
- Interest income	(343)	(404)	(902)	(988)
- Interest expense	522	668	1,601	2,610
- Gain/(Loss) on disposal of property, plant and equipment	(84)	1	(78)	-
- Gain on bargain purchase	(26)	-	(26)	-
- Loss on disposal of subsidiaries	15	-	15	-
- Share of (gain)/loss from associated company	-	(25)	-	86
- Share of loss from joint venture company	19	(1)	19	(1)
- Loss on equity interest	-	1,641	-	1,641
<b>Operating cash flow before working capital changes</b>	<b>1,670</b>	<b>1,808</b>	<b>3,198</b>	<b>5,125</b>
<b>Change in working capital</b>				
- Trade and other receivables	(249)	(6,245)	7,407	3,701
- Inventories	44	60	12	43
- Development properties	(1,187)	36,457	14,319	43,229
- Trade and other payables	(1,285)	1,179	(4,298)	15,938
- Post-employment benefits	(2)	-	(3)	-
- Provision for other liabilities and charges	(20)	44	(283)	(573)
<b>Cash provided by operations</b>	<b>(1,029)</b>	<b>33,303</b>	<b>20,352</b>	<b>67,463</b>
- Interest received	281	353	717	802
- Interest paid	-	-	-	-
- Income tax paid	(756)	(266)	(1,732)	(2,115)
<b>Net cash (used in)/provided by operating activities</b>	<b>(1,504)</b>	<b>33,390</b>	<b>19,337</b>	<b>66,150</b>
<b>Cash flows from investing activities</b>				
- Additions to property, plant and equipment	(190)	(142)	(617)	(857)
- Additions to investment properties	(1,035)	-	(1,035)	-
- Acquisition of non-controlling interests	*	-	*	(500)
- Acquisition of a subsidiary, net of cash acquired	17	(66)	17	(66)
- Disposal of subsidiaries	289	-	289	-
- Payment on disposal of property, plant and equipment	-	(1)	-	-
- Dividends received	-	-	-	2,365
- Purchase of available-for-sale financial assets	-	-	(1,324)	-
<b>Net cash (used in)/provided by investing activities</b>	<b>(919)</b>	<b>(209)</b>	<b>(2,670)</b>	<b>942</b>
<b>Cash flows from financing activities</b>				
- Proceeds from additional paid in capital from non-controlling interests	(3)	-	(3)	-
- Purchase of treasury shares	-	-	-	(10)
- Proceeds from borrowings	3,150	5,460	6,768	15,580
- Repayment of borrowings	(3,107)	(32,261)	(5,623)	(69,790)
- Repayment of lease liabilities	27	(2)	48	(6)
- Interest paid	(522)	(668)	(1,601)	(2,610)
<b>Net cash used in financing activities</b>	<b>(455)</b>	<b>(27,471)</b>	<b>(411)</b>	<b>(56,836)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(2,878)</b>	<b>5,710</b>	<b>16,256</b>	<b>10,256</b>
Effects of currency translation on cash and cash equivalents	(287)	(159)	(512)	(462)
Cash and cash equivalents at beginning of the financial period	58,995	52,646	40,086	48,403
<b>Cash and cash equivalents at end of the period</b>	<b>55,830</b>	<b>58,197</b>	<b>55,830</b>	<b>58,197</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.

Group	Attributable to Equity holders of the Company									Non-controlling interests S\$'000	Total equity S\$'000
	Share capital S\$'000	Additional paid-in capital	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 2018</b>	265,667	(101)	4,914	63	(51)	(11,267)	10,760	(2,540)	267,445	128,346	395,791
Total comprehensive income for the period	-	-	-	-	-	(13,155)	25	(3,858)	(16,988)	(2,142)	(19,130)
Acquisition of non-controlling interest	-	-	-	-	-	-	-	491	491	(491)	*
Additional paid-in capital	-	-	-	-	-	-	-	-	-	352	352
Disposal of subsidiary corporation	-	-	-	(3)	-	-	-	-	(3)	(110)	(113)
<b>As at 30 September 2018</b>	<b>265,667</b>	<b>(101)</b>	<b>4,914</b>	<b>60</b>	<b>(51)</b>	<b>(24,422)</b>	<b>10,785</b>	<b>(5,907)</b>	<b>250,945</b>	<b>125,955</b>	<b>376,900</b>
<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 income for the period	-	-	-	-	-	(9,750)	389	(3,334)	(12,695)	(3,549)	(16,244)
Purchase of treasury shares	-	(10)	-	-	-	-	-	-	(10)	-	(10)
Acquisition of non-controlling interest	-	-	-	-	-	-	-	2,251	2,251	(2,751)	(500)
Acquisition of subsidiary corporation	-	-	-	-	-	-	-	-	-	518	518
<b>As at 30 September 2017</b>	<b>265,667</b>	<b>(101)</b>	<b>4,914</b>	<b>63</b>	<b>(51)</b>	<b>(4,699)</b>	<b>5,960</b>	<b>(3,150)</b>	<b>268,603</b>	<b>130,268</b>	<b>398,871</b>

  

Company	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 2018</b>	265,667	(101)	4,914	(5,841)	264,639
Total comprehensive income for the period	-	-	-	(4,346)	(4,346)
Purchase of treasury shares	-	-	-	-	-
<b>As at 30 September 2018</b>	<b>265,667</b>	<b>(101)</b>	<b>4,914</b>	<b>(10,187)</b>	<b>260,293</b>
<b>As at 1 January 2017</b>	265,667	(91)	4,914	(1,762)	268,728
Total comprehensive loss for the period	-	-	-	(4,438)	(4,438)
Purchase of treasury shares	-	(10)	-	-	(10)
<b>As at 30 September 2017</b>	<b>265,667</b>	<b>(101)</b>	<b>4,914</b>	<b>(6,200)</b>	<b>264,280</b>

\* Less than \$1,000



**1(d)(ii) Details of any changes in the company's share capital arising from right 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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 September 2018 and 30 September 2017.

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

The Company did not have any subsidiary holdings as at 30 September 2018 and 30 September 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 September 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 period 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			
	Third Quarter ended 30 September		Nine Months ended 30 September	
	2018	2017	2018	2017
Net loss attributable to equity holders of the Company (S\$'000)	(1,899)	(1,459)	(3,858)	(3,334)
Weighted average number of ordinary shares ('000)	321,381	321,385	321,381	321,385
Basic loss per share (cents)	(0.59)	(0.45)	(1.20)	(1.04)

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

	The Group			
	Third Quarter ended 30 September		Nine Months ended 30 September	
	2018	2017	2018	2017
Net loss attributable to equity holders of the Company (S\$'000)	(1,899)	(1,459)	(3,858)	(3,334)
Weighted average number of ordinary shares on diluted basis ('000)	321,381 <sup>#</sup>	321,385 <sup>#</sup>	321,381 <sup>#</sup>	321,385 <sup>#</sup>
Diluted loss per share (cents)	(0.59)	(0.45)	(1.20)	(1.04)

<sup>#</sup> 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 September 2018	As at 31 December 2017	As at 30 September 2018	As at 31 December 2017
Net asset value ("NAV") (S\$'000)	250,946	267,445	260,294	264,639
Number of shares ('000)	321,381	321,381	321,381	321,381
NAV per share (Singapore cents)	78.08	83.22	80.99	82.34

The NAV per ordinary share as at 30 September 2018 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\$62.5 million in revenue for the quarter ended 30 September 2018 ("3Q2018") as compared to S\$95.0 million in the previous corresponding period ("3Q2017"). The decrease of S\$32.5 million was mainly due to:

- i) Decrease revenue from sale of development properties from Braddell and Bartley projects by S\$37.3 million; and
- ii) Decrease in other revenue by S\$0.9 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\$2.4 million; and
- iv) Increase in hospitality revenue by S\$3.3 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\$33.8 million due to the following factors:-

- i) Decrease in cost of sales for development properties of S\$34.1 million due to decreased sales from Braddell and Bartley projects;
- ii) Decrease in cost of sales for development properties of S\$1.8 million mainly due to translation; offset by
- iii) Increase in cost of sales for hospitality business by \$2.1 million, mainly due to acquisition of 5Footway group.

**Gross profit**

The Group's gross profit for 3Q2018 increased by S\$1.3 million and the gross profit margins in 3Q2018 was higher as compared to 3Q2017. The increase in gross profit margin was mainly due higher profit margin obtained from sale of development properties in 3Q2018 as compared to 3Q2017.

## **Other income**

Other income in 3Q2018 was S\$1.4 million as compared to other income of S\$4.4 million in 3Q2017 mainly due to dividend income received in 3Q2017.

## **Other gains/(losses)**

Other gains in 3Q2018 was S\$0.3 million as compared to other losses of S\$2.0 million in 3Q2017 mainly due to a loss of \$1.4 million from remeasurement to fair value of the Group's existing 35% interest in 5Footway Group in 3Q2017.

## **Distribution and marketing expenses**

Distribution and marketing expenses decreased by S\$1.9 million in 3Q2018 mainly due to the decreased sales commission paid to agents for sales of development properties.

## **Administrative expenses**

Administrative expenses increased by S\$1.3 million mainly due to:

- i) Increase in employee compensation of S\$1.4 million mainly due to additional staff costs after the acquisition of 5Footway group; offset by
- ii) Decrease in other expenses of S\$0.1 million.

## **Finance costs**

Finance costs decreased by S\$1.0 million in 2Q2018 were mainly due to:

- i) Decrease in finance costs incurred on Braddell and Bartley projects by S\$0.6 million as bank loan has been fully repaid; and
- ii) Decrease in finance costs incurred by its subsidiary, Pt Suryamas Dutamakmur, Tbk. ("Suryamas") by S\$0.4 million.

## **Consolidated Statement of Financial Position**

### **Total assets**

As of 30 September 2018, the Group's total assets stood at S\$453 million which was S\$27.4 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\$32.6 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\$5.3 million due to depreciation net of additions and disposals; and
- (iii) Decrease in trade and other receivables of \$7.8 million mainly due to collection of progress billing for Braddell project; offset by
- (iv) Increase in available-for-sale assets (non-current) of S\$1.4 million; and
- (v) Increase in investment properties of S\$1.2 million mainly due to the transfer of land from development properties; and
- (vi) Increase in cash and cash equivalent of S\$15.7 million.

### **Total liabilities**

As of 30 September 2018, the Group's total liabilities stood at S\$75.9 million, which was S\$8.5 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\$6.9 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; and
- (iii) Decrease in current and deferred tax liabilities by S\$0.8 million; and
- (iv) Decrease in estimated liabilities for employee benefits of S\$0.3 million; and
- (v) Decrease in borrowings (current and non-current) of S\$0.1 million mainly due to repayment of bank loans.

## **Consolidated Statement of Cash Flows**

Net cash used in operating activities of S\$1.5 million in 3Q2018 was mainly due to cash used in development properties, decrease in trade and other payables and offset by adjustments for depreciation.

Net cash used in investing activities of S\$0.9 million in 3Q2018 was mainly due to purchase of investment properties.

Net cash used in financing activities of S\$0.4 million in 3Q2018 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\$55.8 million as at 30 Sep 2018 from S\$58.2 million as at 30 Sep 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 trade war between USA and China has impacted economies worldwide and Indonesia, despite being less integrated into the supply chain for major global production is not spared. Coupled with the uncertain economic outlook leading up to the presidential election slated for April next year, the Indonesian economy has been under pressure with outflows from its stock and bond markets sending the rupiah down to its weakest in 20 years. Indonesia's central bank has raised interest rates five times since mid-May to slow capital outflows and lure back investors who had dumped emerging market assets.<sup>1</sup> The residential property market in Indonesia continues to be buoyant with the Housing Index in Indonesia increasing to an all-time high of 206.89 Index Points in 3Q2018<sup>2</sup>. Following launches of new clusters in Rancamaya and Royal Tajur, the Group has launched Sakura I at Harvest City in this quarter.

In Singapore, the residential market continues to be a challenging one. The Group has explored various opportunities in non-residential properties and have acquired a commercial shophouse, 26A and 26C Lorong Mambong, Singapore 277685 for rental and capital appreciation. The property is located within Holland Village which is known for its restaurants and bars and Holland Village MRT station is just a few minutes away.

In the hospitality segment, visitor arrivals in Singapore continues on an upward trend from 2017 with visitor arrival numbers reaching 12.6 million for the 1<sup>st</sup> 8 months of 2018<sup>3</sup>. This is a 7.46% increase from the same period in 2017. The number of visitor days have also increased by 5.5% to 42.7 million days. This has translated to higher occupancy rates in 2018 thus far with Singapore Tourism Board ("STB") hotel statistics showing the standard average occupancy rate increased by 1.7% to 87% and total room revenue increasing by 8.8% year-on-year<sup>4</sup>. Specifically, the largest growth in RevPAR for the period continues to be the economy and mid-tier segments.

---

<sup>1</sup> <https://www.businesstimes.com.sg/government-economy/indonesias-q3-gdp-growth-slows-as-exports-fade>

<sup>2</sup> <http://www.tradingeconomics.com/indonesia/housing-index>

<sup>3</sup> <https://www.stb.gov.sg/statistics-and-market-insights/marketstatistics/visitor%20arrivals%202018.pdf>

<sup>4</sup> <https://www.stb.gov.sg/statistics-and-market-insights/marketstatistics/hotel%20statistics%202018.pdf>

Labour constraints continues to weigh down on the hospitality industry while technological advancements are changing the way everything works. The Group is strongly committed to build on our existing IT capabilities and improve them further with new technologies to meet these traditional challenges that we face in our business. We are also keen to leverage on these competencies to be solutions partners to other hotel owners and operators and help enhance value of their hotels as we have done for our own. In addition, the growth of tourism in Asia, there is a demand for these technology and expertise not only in Singapore but in other countries such as Indonesia, Philippines and Vietnam as well. This will be key focus and strategic area of growth for the hospitality business.

**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 3Q2018.

**13. Aggregate value of interested person transactions conducted pursuant to shareholders' mandate for the period ended 30 September 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)
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 pursuant to Rule 705(5) of the Listing Manual**

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 third quarter and nine months ended 30 September 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**  
13 November 2018