

FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::FIRST QUARTER RESULTS

Issuer & Securities

Issuer/ Manager

HL GLOBAL ENTERPRISES LIMITED

Securities

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Chief Financial Officer

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Please refer to the attachment.

Additional Details

For Financial Period Ended

31/03/2016

Attachments

[HLGE 1Q.pdf](#)

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HL GLOBAL ENTERPRISES LIMITED

Company Registration No.: 196100131N

Unaudited First Quarter Financial Statement Announcement for the period ended 31 March 2016**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1,Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

- 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.

		1Q 2016	Group 1Q 2015	Change
	Note	\$'000	\$'000	%
Revenue		3,329	2,651	25.6
Cost of sales		(1,427)	(1,151)	24.0
Gross profit		1,902	1,500	26.8
Other income	(i)	151	218	(30.7)
Selling and marketing expenses		(83)	(86)	(3.5)
Administrative expenses	(ii)	(165)	(107)	54.2
Finance costs	(iii)	(717)	(305)	135.1
Other expenses	(iv)	(1,388)	(1,477)	(6.0)
Share of results of joint ventures (net of tax)	(v)	(828)	(964)	(14.1)
Loss before tax		(1,128)	(1,221)	(7.6)
Income tax	(vi)	(120)	(114)	5.3
Loss for the period attributable to owners of the Company		(1,248)	(1,335)	(6.5)

Notes:**(i) Other income**

	1Q 2016	Group 1Q 2015	Change
	\$'000	\$'000	%
Interest income	64	61	4.9
Licence fee	68	70	(2.9)
Sundry income	19	11	72.7
Gain on liquidation of a joint venture	-	76	NM
	151	218	(30.7)

(ii) Administrative expenses

The increase in administrative expenses for 1Q 2016 was mainly due to the legal fee incurred for the sale of lands at Punggol 17th Avenue, Singapore ("Punggol Land"). An Option To Purchase ("Option") was granted to a buyer for the sale of the Punggol Land in March 2016 and such sale is subject to the terms and conditions stipulated in the Option.

(iii) Finance costs

	1Q 2016	Group 1Q 2015	Change
	\$'000	\$'000	%
Interest expense	(400)	(421)	(5.0)
Currency exchange (loss)/gain-net	(317)	116	NM
	(717)	(305)	135.1

The net currency exchange loss of approximately \$0.3 million for 1Q 2016 was due to the revaluation of the net foreign currency monetary assets and liabilities arising mainly from the weakening of the Chinese Renminbi against the Singapore Dollar.

(iv) Other expenses

	1Q 2016	Group 1Q 2015	Change
	\$'000	\$'000	%
Depreciation of property, plant and equipment	(532)	(574)	(7.3)
Staff costs/directors' fee	(538)	(563)	(4.4)
Others	(318)	(340)	(6.5)
	(1,388)	(1,477)	(6.0)

NM: Not meaningful

(v) Share of results of joint ventures (net of tax)

The share of net loss after tax in joint ventures was mainly due to slowdown of the hospitality business and keen competition faced by Copthorne Hotel Qingdao. The Company's wholly-owned subsidiary, LKN Investment International Pte Ltd, together with the joint venture partner of Copthorne Hotel Qingdao Co Ltd ("CHQ"), had on 23 February 2016, listed the entire equity interest in CHQ on the Shanghai United Assets and Equity Exchange for sale. As a result, the investment in CHQ was reclassified as asset held for sale and the Group discontinued the use of equity method to recognize the interest in CHQ. Consequently, the Group only shared the loss incurred by CHQ up to 23 February 2016 instead of 31 March 2016.

(vi) Income tax

There was no over or under provision of taxation in respect of prior years for 1Q 2016.

(1Q 2015: There was an overprovision of taxation amounting to \$1,000.)

The tax expense of \$0.1 million for 1Q 2016 arose mainly from the income derived from overseas which could not be offset against the losses incurred by other entities within the Group.

(vii) Statement of comprehensive income

	1Q 2016 \$'000	Group 1Q 2015 \$'000	Change %
Loss for the period	(1,248)	(1,335)	(6.5)
Other comprehensive (loss)/income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation differences for foreign operations	(178)	769	NM
Realisation of foreign currency translation reserves upon liquidation of a joint venture	-	(64)	NM
Other comprehensive (loss)/income for the period, net of tax	<u>(178)</u>	<u>705</u>	<u>NM</u>
Total comprehensive loss for the period attributable to owners of the Company	<u>(1,426)</u>	<u>(630)</u>	<u>126.3</u>

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

	Group 31/03/2016 \$'000	Group 31/12/2015 \$'000	Company 31/03/2016 \$'000	Company 31/12/2015 \$'000
Non-current assets				
Property, plant and equipment	39,164	39,954	3	4
Investment property	1,674	1,602	-	-
Subsidiaries	-	-	56,643	56,643
Associate	64	62	-	-
Joint ventures	528	1,421	-	-
Non-trade receivables	335	327	31	32
	<u>41,765</u>	<u>43,366</u>	<u>56,677</u>	<u>56,679</u>
Current assets				
Inventories	104	85	-	-
Development properties	5,049	4,870	-	-
Trade and other receivables	4,642	3,050	335	287
Prepayment	163	75	53	22
Cash and bank balances	20,444	22,487	3,923	4,567
	<u>30,402</u>	<u>30,567</u>	<u>4,311</u>	<u>4,876</u>
Asset held for sale	30	-	-	-
Total assets	<u>72,197</u>	<u>73,933</u>	<u>60,988</u>	<u>61,555</u>
Equity				
Share capital	129,793	129,793	129,793	129,793
Equity capital contributed by parent	3,980	3,980	3,980	3,980
Reserves	(141,898)	(137,340)	(147,353)	(146,866)
Reserve held for sale	3,132	-	-	-
Total equity attributable to owners of the Company	<u>(4,993)</u>	<u>(3,567)</u>	<u>(13,580)</u>	<u>(13,093)</u>

	Group 31/03/2016 \$'000	Group 31/12/2015 \$'000	Company 31/03/2016 \$'000	Company 31/12/2015 \$'000
Non-current liabilities				
Other payables	-	-	-	-
Loans and borrowings	72,391	72,451	68,000	68,000
Deferred tax liabilities	120	120	-	-
	<u>72,511</u>	<u>72,571</u>	<u>68,000</u>	<u>68,000</u>
Current liabilities				
Trade and other payables	3,344	3,632	6,557	6,635
Loans and borrowings	1,040	997	-	-
Current tax payable	295	300	11	13
	<u>4,679</u>	<u>4,929</u>	<u>6,568</u>	<u>6,648</u>
Total liabilities	<u>77,190</u>	<u>77,500</u>	<u>74,568</u>	<u>74,648</u>
Total equity and liabilities	<u>72,197</u>	<u>73,933</u>	<u>60,988</u>	<u>61,555</u>

Notes:

- 1 Investment in CHQ was reclassified as asset held for sale as the Company had listed its entire equity interest in CHQ on the Shanghai United Assets and Equity Exchange for sale on 23 February 2016.
The decrease in the investment in CHQ was due to the recognition of losses incurred by CHQ.
- 2 The increase was mainly due to advances to a joint venture.
- 3 The increase was due to prepayment made for insurance, trustee fee and listing fee.

- 1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-
- (a) the amount repayable in one year or less, or on demand;
 - (b) the amount repayable after one year;
 - (c) whether the amounts are secured or unsecured; and
 - (d) details of any collaterals.

Amount repayable in one year or less, or on demand

	Group 31/03/2016 \$'000	Group 31/12/2015 \$'000
Unsecured	9	10
Secured	1,031	987

Amount repayable after one year

	Group 31/03/2016 \$'000	Group 31/12/2015 \$'000
Unsecured	68,008	68,009
Secured	4,383	4,442

The secured loan as at 31 March 2016 was secured on a subsidiary's freehold land and building.

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

	Group	
	1Q 2016 \$'000	1Q 2015 \$'000
Cash flows from operating activities		
Loss before tax	(1,128)	(1,221)
Adjustments for:		
Depreciation of property, plant and equipment	532	574
Gain on liquidation of a joint venture	-	(76)
Impairment loss on trade receivables	-	1
Interest expense	400	421
Interest income	(64)	(61)
Loss on disposal of property, plant and equipment	-	1
Property, plant and equipment written off	-	1
Share of results of joint ventures (net of tax)	828	964
Unrealised foreign exchange loss/(gain)-net	316	(115)
Write-back of impairment on trade receivables	(3)	-
Operating cash flows before changes in working capital	<u>881</u>	<u>489</u>

	Group	
	1Q 2016 \$'000	1Q 2015 \$'000
Inventories	(15)	(10)
Trade and other payables	(284)	(244)
Trade and other receivables	(1,828)	(160)
Cash (used in)/from operating activities	(1,246)	75
Income tax paid	(113)	(99)
Interest paid	(404)	(428)
Interest received	56	127
Net cash used in operating activities	(1,707)	(325)
Cash flows from investing activities		
Net cash inflow on liquidation of a joint venture	-	385
Purchase of property, plant and equipment	(86)	(57)
Net cash (used in)/from investing activities	(86)	328
Cash flows from financing activities		
Repayment of borrowings	(255)	(533)
Repayment of finance lease liabilities	(2)	(5)
Net cash used in financing activities	(257)	(538)
Net decrease in cash and cash equivalents	(2,050)	(535)
Cash and cash equivalents at beginning of the period	22,487	23,288
Effect of exchange rate changes on balances held in foreign currencies	7	94
Cash and cash equivalents at end of the period	20,444	22,847

Net asset disposed on liquidation of a joint venture as follows:

	Group	
	1Q 2016 \$'000	1Q 2015 \$'000
Carrying value of net assets	-	373
Add: Gain on liquidation of a joint venture	-	76
Realisation of foreign currency translation reserves upon liquidation of a joint venture	-	(64)
Net cash inflow on liquidation of a joint venture	-	385

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	Share capital \$'000	Equity capital contributed by parent \$'000	Preference shares \$'000	Special reserve \$'000	Premium paid on acquisition of non- controlling interests \$'000	Currency translation reserve \$'000	Accumulated losses \$'000	Reserve held for sale \$'000	Total equity \$'000									
At 1 January 2016	129,790	3,980	3	8,529	(192)	1,893	(147,570)	-	(3,567)									
Loss for the period	-	-	-	-	-	-	(1,248)	-	(1,248)									
<u>Other comprehensive loss, net of tax</u>																		
Foreign currency translation differences for foreign operations										-	-	-	-	-	(178)	-	-	(178)
Other comprehensive loss for the period, net of tax										-	-	-	-	-	(178)	-	-	(178)
Total comprehensive loss for the period	-	-	-	-	-	(178)	(1,248)	-	(1,426)									
Others																		
Reserve held for sale	-	-	-	-	-	(3,132)	-	3,132	-									
At 31 March 2016	129,790	3,980	3	8,529	(192)	(1,417)	(148,818)	3,132	(4,993)									

Group	Share capital \$'000	Equity capital contributed by parent \$'000	Preference shares \$'000	Special reserve \$'000	Premium paid on acquisition of non- controlling interests \$'000	Currency translation reserve \$'000	Accumulated losses \$'000	Reserve held for sale \$'000	Total equity \$'000
At 1 January 2015	129,790	3,980	3	8,529	(192)	3,039	(145,374)	-	(225)
Loss for the period	-	-	-	-	-	-	(1,335)	-	(1,335)
<u>Other comprehensive loss, net of tax</u>									
Foreign currency translation differences for foreign operations	-	-	-	-	-	769	-	-	769
Realisation of foreign currency translation reserves upon liquidation of a joint venture	-	-	-	-	-	(64)	-	-	(64)
Other comprehensive income for the period, net of tax	-	-	-	-	-	705	-	-	705
Total comprehensive income/(loss) for the period	-	-	-	-	-	705	(1,335)	-	(630)
At 31 March 2015	129,790	3,980	3	8,529	(192)	3,744	(146,709)	-	(855)

Company	Share capital \$'000	Equity capital contributed by parent \$'000	Preference shares \$'000	Special reserve \$'000	Accumulated losses \$'000	Total \$'000
At 1 January 2016	129,790	3,980	3	12,471	(159,337)	(13,093)
Loss for the period, representing total comprehensive loss for the period	-	-	-	-	(487)	(487)
At 31 March 2016	129,790	3,980	3	12,471	(159,824)	(13,580)

Company	Share capital \$'000	Equity capital contributed by parent \$'000	Preference shares \$'000	Special reserve \$'000	Accumulated losses \$'000	Total \$'000
At 1 January 2015	129,790	3,980	3	12,471	(166,836)	(20,592)
Loss for the period, representing total comprehensive loss for the period	-	-	-	-	(495)	(495)
At 31 March 2015	129,790	3,980	3	12,471	(167,331)	(21,087)

- 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.**

Movements in the Share Capital

During the three months ended 31 March 2016, there was no change in the Company's issued ordinary share capital and non-redeemable convertible cumulative preference share ("NCCPS") capital.

	Number of shares	Share Capital \$'000
<u>Ordinary shares</u>		
At 1 January 2016 and 31 March 2016 (As per Accounting and Corporate Regulatory Authority's records)	96,318,419	133,770
Trust Shares	<u>(2,418,917)</u>	<u>(3,980)</u>
At 1 January 2016 and 31 March 2016 (see note under 1(d)(iii))	<u>93,899,502</u>	<u>129,790</u>
	Number of shares	Share Capital \$'000
<u>NCCPS</u>		
At 1 January 2016 and 31 March 2016	158,394	3

In 2015, the Company undertook a share consolidation of every ten (10) existing issued ordinary shares in the share capital of the Company into one (1) consolidated ordinary share, which was approved by the shareholders at the Extraordinary General Meeting of the Company held on 21 April 2015 (the "Share Consolidation").

Holders of the 158,394 outstanding NCCPS shall be entitled to convert all or any of their NCCPS into ordinary shares at the adjusted NCCPS conversion ratio of one (1) new ordinary share for every ten (10) NCCPS.

As at 31 March 2016, the maximum number of ordinary shares that may be issued upon full conversion of all the NCCPS is 15,839 ordinary shares following the Share Consolidation. (31 March 2015: 158,394 ordinary shares before the Share Consolidation). Holders of the NCCPS have up to 4 July 2016 ("Conversion Deadline") to convert their NCCPS into fully paid ordinary shares of the Company at the adjusted Conversion Ratio of 10 NCCPS into 1 ordinary share. If they fail to submit a duly completed conversion notice to the Company's Share Registrar by the Conversion Deadline, they will no longer be entitled to convert their NCCPS into fully paid ordinary shares.

The Company did not hold any treasury shares as at 31 March 2016 and as at 31 March 2015.

- 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.**

	Total number of issued shares	
	<u>31/03/2016</u>	<u>31/12/2015</u>
Ordinary shares	96,318,419	96,318,419
NCCPS	158,394	158,394

The Company did not hold any treasury shares as at 31 March 2016 and as at 31 December 2015.

The ordinary shares issued includes 2,418,917 ordinary shares held as Trust Shares by Amicorp Trustees (Singapore) Limited as trustee of the Trust established by the Company to facilitate the implementation of the HL Global Enterprises Share Option Scheme 2006 (the "Share Option Scheme").

Pursuant to the terms of the Trust Deed, the Trustee will, *inter alia*, acquire and hold existing shares in the capital of the Company (collectively, the "Trust Shares") for the benefit of participants who are employees of the Company and/or its subsidiaries and who have been granted share options under the Share Option Scheme (the "Beneficiaries") and transfer such Trust Shares to the Beneficiaries upon the exercise of their share options under the Share Option Scheme.

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

There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the three months ended 31 March 2016.

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 auditors.

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

The figures have not been audited or reviewed by the 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 applied the same accounting policies and methods of computation as in the Group's most recently audited annual financial statements.

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.

There has been no change in the accounting policies and methods of computation adopted by the Group.

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

	1Q 2016 ¢	Group 1Q 2015 ¢ (Restated)
Loss per share (Based on the weighted average number of ordinary shares in issue)		
- Basic and diluted (1Q 2016: 93,899,502 and 1Q 2015: 93,899,502 (Restated))	(1.33)	(1.42)

The diluted loss per share for 1Q 2015 was shown as the same amount as the basic loss per share as the preference shares were considered anti-dilutive and disregarded in the computation of diluted loss per share.

For meaningful comparison, the weighted average number of ordinary shares in issue for 1Q 2015 was restated to 93,899,502 (assuming the ordinary shares were consolidated during the three months ended 31 March 2015).

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

	Group 31/03/2016 \$	Group 31/12/2015 \$	Company 31/03/2016 \$	Company 31/12/2015 \$
Net liabilities value per issued share, excluding Trust Shares	(0.05)	(0.04)	(0.14)	(0.14)

The net liabilities value per issued share, excluding Trust Shares is computed based on 93,899,502 issued ordinary shares as at 31 March 2016 and 31 December 2015.

8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

The Group's revenue rose to \$3.3 million for the 3 months ended 31 March ("1Q") 2016 from \$2.7 million for 1Q 2015. Compared to 1Q 2015, the improvement was substantially contributed by Copthorne Hotel Cameron Highlands ("CHCH") which achieved a 45% growth in its revenue.

For the period under review, the Group reported an operating profit of \$0.3 million before the share of results of joint ventures, other income and finance costs *vis-à-vis* an operating loss of \$0.2 million for 1Q 2015. The Group's operating profit was mainly boosted by CHCH's improved performance.

The Group shared a net loss of \$0.83 million from joint ventures in 1Q 2016 compared to a net loss of \$0.96 million for the corresponding period last year. The Company's wholly-owned subsidiary, LKN Investment International Pte Ltd, together with the joint venture partner of Copthorne Hotel Qingdao Co Ltd ("CHQ"), had on 23 February 2016 listed the entire equity interest in CHQ on the Shanghai United Assets and Equity Exchange for sale. As a result, the investment in CHQ was reclassified as asset held for sale and the Group discontinued the use of equity method to recognize the interest in CHQ. Consequently, the Group only shared the loss incurred by CHQ up to 23 February 2016 instead of 31 March 2016. Following the said reclassification, the investment in CHQ is then measured at the lower of its carrying amount and fair value less cost to sell.

Other income comprised mainly interest income and licence fee. Interest expense for the quarter under review was \$0.4 million. The Group recognised an exchange loss of \$0.3 million which was primarily due to the revaluation of the net foreign currency monetary assets and liabilities arising from the weakening of the Chinese Renminbi against the Singapore Dollar.

The net loss attributable to shareholders of the Company was \$1.2 million for 1Q 2016, which is comparable to the net loss of \$1.3 million recorded for 1Q 2015.

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

None.

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 Group had in March 2016, granted an Option to Purchase ("Option") to a buyer for the sale of the Punggol Lands for a sum of \$3.3 million, which sale is subject to the terms and conditions stipulated in the Option.

The oversupply of hotel rooms, increased competition and austerity measures in China have continued to adversely affect the Group's hospitality operations in Qingdao. As announced by the Company on 26 April 2016, no bid has been received for the sale of its 60% equity interest in CHQ and the 40% equity interest in CHQ held under CAAC East China Regional Administration Authority Center ("CAAC") pursuant to the public tender process on the Shanghai United Assets and Equity Exchange. The Company will continue its discussions with CAAC to review and explore options in relation to the proposed disposal of their respective equity interests in CHQ.

The Group also continues to be exposed to currency fluctuation risks, as the assets and operations are substantially located in China and Malaysia. The Company is still continuing its efforts to source for sustainable and viable business opportunities despite the current difficult economic environment.

The Company was placed on the watch-list of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 4 June 2014 (the "Watch-list"). Should the Company be unable to meet the requirements of Rule 1314 of the Listing Manual by 3 June 2016, the SGX-ST may either remove the Company from its Official List, or suspend trading of the ordinary shares in the capital of the Company with a view to removing the Company from its Official List. In the event that the SGX-ST exercises its powers to remove the Company from its Official List at such time, there is no assurance that the Company will be able to offer a reasonable exit alternative.

11 If a decision regarding dividend has been made:-

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

No.

- (b)(i) Amount per share cents
(ii) Previous corresponding period cents

Not applicable.

- (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 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 dividend are determined.

Not applicable.

- 12 If no dividend has been declared (recommended), a statement to that effect.

No dividend is declared (recommended) for the period under review.

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

	Investments and others	Hospitality and restaurant	Property development	Total
	\$'000	\$'000	\$'000	\$'000
3 months ended 31 March 2016				
Revenue				
- external revenue	35	3,294	-	3,329
- inter-segment revenue	-	-	11	11
	<u>35</u>	<u>3,294</u>	<u>11</u>	<u>3,340</u>
Elimination				(11)
				<u>3,329</u>
Reportable segment results	(252)	656	(138)	266
Other income (excluding interest income)	86	-	1	87
Interest income	20	41	3	64
Interest expense	(316)	(84)	-	(400)
Exchange (loss)/gain	(3)	(386)	72	(317)
Share of results of joint ventures	-	(827)	(1)	(828)
Loss before tax	<u>(465)</u>	<u>(600)</u>	<u>(63)</u>	<u>(1,128)</u>
Income tax expense				(120)
Loss for the period				<u>(1,248)</u>

	Investments and others	Hospitality and restaurant	Property development	Total
	\$'000	\$'000	\$'000	\$'000
3 months ended 31 March 2015				
Revenue				
- external revenue	-	2,626	25	2,651
- inter-segment revenue	-	-	12	12
	<u>-</u>	<u>2,626</u>	<u>37</u>	<u>2,663</u>
Elimination				(12)
				<u>2,651</u>
Reportable segment results	(276)	204	(98)	(170)
Other income (excluding interest income)	81	76	-	157
Interest income	17	38	6	61
Interest expense	(309)	(112)	-	(421)
Exchange gain/(loss)	3	322	(209)	116
Share of results of joint ventures	-	(964)	-	(964)
Loss before tax	<u>(484)</u>	<u>(436)</u>	<u>(301)</u>	<u>(1,221)</u>
Income tax expense				(114)
Loss for the period				<u>(1,335)</u>

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current financial period.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

- 14 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Not applicable.

- 15 A breakdown of sales as follows:**

Not applicable.

- 16 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:**

(a) Ordinary
(b) Preference
(c) Total

Not applicable.

- 17 Interested persons transactions**

The Company has not sought any shareholders' mandate for interested person transactions pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("Listing Manual").

BY ORDER OF THE BOARD

Foo Yang Hym
Chief Financial Officer

Singapore
29 April 2016

Confirmation by the Board pursuant to Rule 705(5) of the Listing Manual

The Board of Directors hereby confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the Group's unaudited interim financial results for the period ended 31 March 2016 to be false or misleading.

On behalf of the Board of Directors

Gan Khai Choon
Chairman

Philip Ting Sii Tien
Director

Singapore
29 April 2016