



# LOW KENG HUAT (SINGAPORE) LIMITED (Reg. No. 196900209G)

## Unaudited First Quarter Financial Statements For the Period Ended 30 April 2009

### PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY RESULTS

1(a)(i) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Note	3 months ended 30/04/09 S\$'000	3 months ended 30/04/08 S\$'000	Increase/ (Decrease) %
Revenue	1	84,047	26,786	214
Cost of sales		(75,157)	(21,233)	254
Gross profit	2	8,890	5,553	60
Other income	3	816	962	(15)
Gain on disposal of property, plant and equipment		6	37	(84)
Gain on disposal of investment property		33	-	n.m.
Concessionary (loss)/income	4	(21)	487	n.m.
Rental income		110	275	(60)
Distribution costs		(260)	(285)	(9)
Administrative costs		(3,641)	(3,747)	(3)
Other operating expenses	5	(1,474)	(439)	236
Finance costs		(168)	(395)	(57)
Profit from operations		4,291	2,448	75
Share of results of associated companies and joint ventures	6	8,173	4,272	91
Profit before taxation		12,464	6,720	85
Taxation	7	(950)	(1,358)	(30)
Profit after taxation for the period		11,514	5,362	115
Attributable to:				
Equity holders of the company	8	11,178	4,881	129
Minority interests		336	481	(30)
		11,514	5,362	115
Earnings per share (cents)				
- basic		1.51	0.66	
- diluted		1.51	0.66	

n.m.: Not Meaningful

**A statement of comprehensive income (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	<b>3 months ended 30/04/09 S\$'000</b>	<b>3 months ended 30/04/08 S\$'000</b>	<b>Increase/ (Decrease) %</b>
<b>Net profit for the period</b>	11,514	5,362	115
<b>Other comprehensive income:</b>			
Fair value gain on available-for-sale financial assets	1,275	1,083	18
Exchange differences on translation of the financial statements of foreign entities (net)	2,764	(931)	n.m.
Other comprehensive income for the period, net of tax	4,039	152	n.m.
<b>Total comprehensive income for the period</b>	<b>15,553</b>	<b>5,514</b>	<b>182</b>
Total comprehensive income attributable to:			
Equity holders of the company	14,484	5,063	186
Minority interests	1,069	451	137
Total comprehensive income for the period	<b>15,553</b>	<b>5,514</b>	<b>182</b>

n.m.: Not Meaningful

**1(a)(ii) Notes to the income statement**

- 1 Group revenue was \$84.0M for 3 months ended 30 April 2009 compared to \$26.8M for 3 months ended 30 April 2008. The increase in revenue of \$57.2M was mainly due to increase in construction revenue. Development revenue and investment revenue were not significant.
- 2 Gross profit was \$8.9M for 3 months ended 30 April 2009 compared to \$5.6M for 3 months ended 30 April 2008. The increase in gross profit of \$3.3M was mainly due to the increased contributions from construction segment for new projects Meritus Mandarin Hotel and Hard Rock Hotel at Sentosa.
- 3 Other income decreased from \$1.0M for 3 months ended 30 April 2008 to \$0.8M for 3 months ended 30 April 2009 mainly due to the decrease in interest income.
- 4 This income is derived from the gaming centre operations in Duxton Hotel Saigon which opened for business in November 2006. However our licence for operating the gaming centre was suspended by the Vietnamese government in November 2008. We have submitted our appeal to the authorities to re-instate the licence but its outcome remains unknown as of 30 April 2009. The hotel remains open and is running as per normal business operations. The concessionary income decreased \$0.5M from \$0.5M for 3 months ended 30 April 2008 to negative \$0.02M for 3 months ended 30 April 2009 due to the suspension of the gaming centre.

- 5 Other operating expenses increased from \$0.4M for 3 months ended 30 April 2008 to \$1.5M for 3 months ended 30 April 2009 mainly due to impairment loss on quoted equity investment of \$0.1M and an increase in exchange loss of \$0.8M.
- 6 Share of results associated companies and joint ventures increased from \$4.3M for 3 months ended 30 April 2008 to \$8.2M for 3 months ended 30 April 2009. The increase in share of results from associated companies and joint ventures of \$3.9M was mainly due to increased contributions from joint ventures for Duchess Residence and Southbank.
- 7 The basis of tax computation is set out below:

	<b>3 months ended 30/04/09 S\$'000</b>	<b>3 months ended 30/04/08 S\$'000</b>	<b>Increase/ (Decrease) %</b>
Income tax			
- tax charge			
- over provision	-	3	n.m.
- foreign tax	950	1,355	(30)
	<u>950</u>	<u>1,358</u>	(30)

- 8 Net profit attributable to shareholders increased by \$6.3M from \$4.9M for 3 months ended 30 April 2008 to \$11.2M for 3 months ended 30 April 2009. The increase was due to higher development profit from associated companies and joint venture companies and higher construction profit offset by lower profit from hotel and investment segments.

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

	Group 30/04/09 S\$'000	Group 31/01/09 S\$'000	Note	Company 30/04/09 S\$'000	Company 31/01/09 S\$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Investment properties	7,909	8,062	1	4,237	4,267
Property, plant and equipment	70,380	67,972	1	11,187	11,222
Subsidiaries	-	-		67,265	64,674
Associated companies and joint ventures	182,114	175,134	2	167,250	159,939
Investments	12,458	7,580	3	2,084	1,891
Deferred tax assets	115	212		-	-
	<u>272,976</u>	<u>258,960</u>		<u>252,023</u>	<u>241,993</u>
<b>Current assets</b>					
Inventories	427	462		-	-
Work-in-progress	5,498	4,977	4	4,549	4,027
Trade and other receivables	63,227	63,677		57,974	58,174
Amounts owing by subsidiaries (trade)	-	-		1,443	1,298
Cash and cash equivalents	26,182	31,904	5	9,791	17,920
	<u>95,334</u>	<u>101,020</u>		<u>73,757</u>	<u>81,419</u>
<b>Total assets</b>	<u>368,310</u>	<u>359,980</u>		<u>325,780</u>	<u>323,412</u>
<b>EQUITY AND LIABILITIES</b>					
<b>Capital and reserves</b>					
Share capital	161,863	161,863		161,863	161,863
Reserves	2,137	862	6	160	-
Retained profits	58,695	47,517		36,098	26,226
Exchange fluctuation account	1,371	(660)	7	-	-
	<u>224,066</u>	<u>209,582</u>		<u>198,121</u>	<u>188,089</u>
Minority interests	9,785	8,716		-	-
<b>Total equity</b>	<u>233,851</u>	<u>218,298</u>		<u>198,121</u>	<u>188,089</u>
<b>Non-current liabilities</b>					
Other payables	1,391	677		-	-
Deferred tax liabilities	577	575		541	541
	<u>1,968</u>	<u>1,252</u>		<u>541</u>	<u>541</u>
<b>Current liabilities</b>					
Trade and other payables	101,590	94,110	8	87,825	80,520
Amounts owing to subsidiaries	-	-		14,594	14,601
Advances received from a joint venture	890	850		890	850
Amount owing to a minority shareholder of subsidiaries (non-trade)	3,101	3,230		-	-
Amount owing to holding company (non-trade)	51	51		51	51
Provision for directors' fee	212	170		212	170
Provision for taxation	3,122	3,450		21	21
Bank borrowings	23,525	38,569	5	23,525	38,569
	<u>132,491</u>	<u>140,430</u>		<u>127,118</u>	<u>134,782</u>
<b>Total liabilities</b>	<u>134,459</u>	<u>141,682</u>		<u>127,659</u>	<u>135,323</u>
<b>Total equity and liabilities</b>	<u>368,310</u>	<u>359,980</u>		<u>325,780</u>	<u>323,412</u>

## Notes to the balance sheets

- 1 The net book value of investment properties decreased from \$8.1M as at 31 January 2009 to \$7.9M at 30 April 2009 mainly due to the depreciation charge. Net book value of property, plant and equipment increased from \$68.0M as at 31 January 2009 to \$70.4M as at 30 April 2009 mainly due to additions offset by the depreciation charge.
- 2 The net balances of associated companies and joint ventures was \$182.1M as at 30 April 2009 compared to \$175.1M as at 31 January 2009. The increase of \$7.0M was mainly due to increased share of profits of joint venture companies offset by receipt of \$0.7M dividends from a joint venture company.
- 3 Investments increased from \$7.6M as of 31 January 2009 to \$12.5M as of 30 April 2009. The increase of \$4.9M was mainly due to an investment of \$3.8M on quoted equity investments and increase in fair value reserves of \$1.2M.
- 4 Work-in-progress increased from \$5.0M as of 31 January 2009 to \$5.5M as of 30 April 2009 mainly due to more costs incurred for Regency Suites and Southbank.
- 5 Bank borrowings decreased from \$38.6M as at 31 January 2009 to \$23.5M as at 30 April 2009 mainly due to the receipt of dividend from a joint venture company, proceeds from liquidation of a subsidiary and progress payment from developers. Working capital was negative \$39.4M as of 31 January 2009 compared to negative \$37.2M as of 30 April 2009 as all bank borrowings were unsecured revolving short-term loans. There was no gearing as of 30 April 2009 since cash and cash equivalent exceeded bank borrowings by \$2.7M. Net gearing was 3.2% as of 31 January 2009. Subsequent to 30 April 2009, bank borrowings of \$20.5M were rolled over.
- 6 Reserves increased from \$0.9M as at 31 January 2009 to \$2.1M as at 30 April 2009 due to increase in fair value reserves for quoted equity investments.
- 7 Exchange fluctuation account increased from negative \$0.7M as at 31 January 2009 to \$1.4M as at 30 April 2009 mainly due to appreciation of Australian dollar against the Singapore dollar.
- 8 Trade and other payables increased from \$94.1M as at 31 January 2009 to \$101.6M as at 30 April 2009 in tandem with the increase in construction activities. Subsequent to 30 April 2009, \$17.9M was paid.

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

	As at 30/04/09		As at 31/01/09	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less, or on demand	-	23,525	-	38,569
Amount repayable after one year	-	-	-	-
	-	23,525	-	38,569

#### Details of any collateral

None of the Group's assets are being collateralized to secure bank borrowings.

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

	<b>3 months ended 30/04/09 S\$'000</b>	<b>3 months ended 30/04/08 S\$'000</b>
<b>Cash Flows from Operating Activities</b>		
Profit before taxation	12,464	6,720
Share of results of associated companies and joint ventures	(8,173)	(4,272)
Adjustments for:		
Depreciation of property, plant and equipment	966	1,190
Depreciation of investment properties	43	44
Gain on disposal of:		
- property, plant and equipment	(6)	(37)
- quoted equity investments	-	(470)
- investment properties	(33)	-
Impairment loss on available-for-sale financial assets	122	-
Gain on liquidation of a subsidiary	(425)	-
Impairment loss on receivables no longer required	-	(6)
Interest expense	168	395
Interest income	(222)	(399)
<b>Operating profit before working capital changes</b>	<b>4,904</b>	<b>3,165</b>
Inventories and work-in-progress	(475)	(1,848)
Receivables	1,606	(2,432)
Payables	7,825	859
<b>Cash generated from/(used in) operations</b>	<b>13,860</b>	<b>(256)</b>
Interest paid	(199)	(413)
Income tax paid	(1,618)	(2,480)
<b>Net cash generated from/(used in) operating activities</b>	<b>12,043</b>	<b>(3,149)</b>
<b>Balance carried forward</b>	<b>12,043</b>	<b>(3,149)</b>

1(c) **A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year(cont'd)**

	<b>3 months ended 30/04/09 S\$'000</b>	<b>3 months ended 30/04/08 S\$'000</b>
<b>Balance brought forward</b>	12,043	(3,149)
<b>Cash Flows from Investing Activities</b>		
Acquisition of property, plant and equipment	(410)	(538)
Acquisition of quoted equity investments	(3,802)	(3,939)
Interest received	20	130
Advances received from associated companies and joint ventures	40	5,571
Dividends from joint ventures	740	3,600
Proceeds from sale of quoted equity investments	-	3,421
Proceeds from sale of property, plant and equipment	51	59
Proceeds from liquidation of a subsidiary	425	-
Proceeds from disposal of investment properties	107	-
<b>Net cash (used in)/generated from investing activities</b>	<u>(2,829)</u>	<u>8,304</u>
<b>Cash Flows from Financing Activities</b>		
Loans from financial institutions obtained	20,500	9,150
Loans from financial institutions repaid	(35,500)	(18,154)
<b>Net cash used in financing activities</b>	<u>(15,000)</u>	<u>(9,004)</u>
<b>Net decrease in cash and cash equivalents</b>	(5,786)	(3,849)
<b>Cash and cash equivalents at beginning of the period</b>	31,892	21,435
<b>Exchange differences on translation of cash and cash equivalents at beginning of the period</b>	76	(175)
<b>Cash and cash equivalents at the end of the period (Note A)</b>	<u>26,182</u>	<u>17,411</u>

The Group has unused bank facilities of \$72.6M as of 30 April 2009.

The Group generated a net decrease of \$5.8M cash flow during 3 months ended 30 April 2009 compared to net decrease of \$3.8M cash flow during 3 months ended 30 April 2008. The net decrease in cash and cash equivalents was due to net cash of \$12.0M generated from operating activities offset by \$15.0M net repayment of bank loans and \$2.8M used in investing activities.

**A. Cash and cash equivalents are net of bank overdrafts.**

	<b>3 months ended 30/04/09 S\$'000</b>	<b>3 months ended 30/04/08 S\$'000</b>
<u>Cash and cash equivalents at the end of the period</u>		
Cash and bank balances	26,182	18,228
Bank overdraft	-	(817)
	<u>26,182</u>	<u>17,411</u>

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 quarter

	<b>Share Capital</b>	<b>Reserves</b>	<b>Retained Profits</b>	<b>Total</b>
	S\$'000	S\$'000	S\$'000	S\$'000
<b>The Company</b>				
Balance at 1.2.2008	161,863	765	18,603	181,231
Net fair value gains on available-for-sale financial assets recognised directly to equity	-	178	-	178
Net gains recognised directly to equity	-	178	-	178
Net profit for the period	-	-	482	482
Total comprehensive income for the period	-	178	482	660
Balance at 30.4.2008	<u>161,863</u>	<u>943</u>	<u>19,085</u>	<u>181,891</u>
Balance at 1.2.2009	161,863	-	26,226	188,089
Net fair value gains on available-for-sale financial assets recognised directly to equity	-	160	-	160
Net gains recognised directly to equity	-	160	-	160
Net profit for the period	-	-	9,872	9,872
Total comprehensive income for the period	-	160	9,872	10,032
Balance at 30.4.2009	<u>161,863</u>	<u>160</u>	<u>36,098</u>	<u>198,121</u>

**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 quarter(cont'd)**

	<b>Share Capital</b>	<b>Reserves</b>	<b>Retained Profits</b>	<b>Exchange Fluctuation Account</b>	<b>Sub-total</b>	<b>Minority Interests</b>	<b>Total</b>
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>The Group</b>							
Balance at 1.2.2008	161,863	4,983	27,401	4,618	198,865	8,704	207,569
Net fair value gain on available-for-sale financial assets recognised directly to equity	-	1,083	-	-	1,083	-	1,083
Loss not recognised in income statement	-	-	-	(901)	(901)	(30)	(931)
Net gains/(losses) recognised directly to equity	-	1,083	-	(901)	182	(30)	152
Net profit for the period	-	-	4,881	-	4,881	481	5,362
Total comprehensive income and expenses for the period	-	1,083	4,881	(901)	5,063	451	5,514
Balance at 30.4.2008	<u>161,863</u>	<u>6,066</u>	<u>32,282</u>	<u>3,717</u>	<u>203,928</u>	<u>9,155</u>	<u>213,083</u>
Balance at 1.2.2009	161,863	862	47,517	(660)	209,582	8,716	218,298
Net fair value gain on available-for-sale financial assets recognised directly to equity	-	1,275	-	-	1,275	-	1,275
Gain not recognised in income statement	-	-	-	2,031	2,031	733	2,764
Net gains recognised directly to equity	-	1,275	-	2,031	3,306	733	4,039
Net profit for the period	-	-	11,178	-	11,178	336	11,514
Total comprehensive income for the period	-	1,275	11,178	2,031	14,484	1,069	15,553
Balance at 30.4.2009	<u>161,863</u>	<u>2,137</u>	<u>58,695</u>	<u>1,371</u>	<u>224,066</u>	<u>9,785</u>	<u>233,851</u>

- 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**

During the previous year, a share-split exercise was successfully completed where each ordinary share held by shareholder was split into two ordinary shares. As a result of this share-split exercise, the number of shares increased from 369,408,000 as of 30 April 2008 to 738,816,000 as of 30 April 2009. A total of 369,408,000 shares were allotted, listed and quoted on the official list of the Singapore Exchange Securities Trading Limited on 20 June 2008.

Other than the increase in the number of issued shares, there was no change in the company's share capital as at 30 April 2009 compared to 30 April 2008.

There were no outstanding executives' share options granted as at 30 April 2009 and 30 April 2008.

There was no treasury share held or issued as at 30 April 2009 and 30 April 2008.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares at the end of the current financial period and as at the end of the immediately preceding financial year**

	<b>As at 30/04/09</b>	<b>As at 31/01/09</b>
Number of issued shares excluding treasury shares	738,816,000	738,816,000

- 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 as at 30 April 2009.

- 2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Review Engagements 2400 (Engagements to Review Financial Statements), or an equivalent standard)**

The figures have not been audited or reviewed.

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

Not applicable.

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

The Group had applied the same accounting policies and methods of computation in the financial statements for the current financial period as those applied in the Group's most recently audited financial statements, except for those as disclosed under paragraph 5.

**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**

The Group adopted the new/revised FRS and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 February 2009. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in respective FRS and INT FRS.

The adoption of new/revised FRS and INT FRS did not result in any substantial changes to the Group's accounting policies nor any significant impact on the Group's financial statements, except for the disclosure of a statement of comprehensive income in accordance with the FRS 1 (Revised) Presentation of Financial Statements.

**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**

	<b>3 months ended 30/04/09</b>	<b>3 months ended 30/04/08</b>
Earnings per ordinary share for the period based on net profit attributable to shareholders of the company:		
(i) Based on weighted average number of ordinary shares in issue	1.51 cents	0.66 cents
(ii) On a fully diluted basis	1.51 cents	0.66 cents

Comparative figures for earnings per ordinary share have been adjusted for the Share Split of shares effected on 20 June 2008.

**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**

	Group		Company	
	30/04/09	31/01/09	30/04/09	31/01/09
Net asset value per ordinary share	30 cents	28 cents	27 cents	25 cents
Net tangible assets backing per ordinary share	30 cents	28 cents	27 cents	25 cents

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

**Construction**

Construction revenue increased by 533.6% from \$11.3M for 3 months ended 30 April 2008 to \$71.6M for 3 months ended 30 April 2009. The increase was due to the higher percentage of completion for on-going projects one-north Residences and South Bank and the commencement of new projects Hard Rock Hotel at Sentosa, Meritus Mandarin Hotel and Serangoon Central Mall.

Net profit before tax & minority interests for construction segment was \$0.9M for 3 months ended 30 April 2009 compared to a net loss of \$3.3M for 3 months ended 30 April 2008. Construction segment generated a gross profit of \$3.6M for 3 months ended 30 April 2009 compared to a gross loss of \$1.9M for 3 months ended 30 April 2008. The improved profit performance was due to positive contributions for new projects from Meritus Mandarin, Hard Rock Hotel at Sentosa and Serangoon Central Mall and completion of earlier loss-making projects including Twin Regency, Domain 21 and Regency Suite during 2007 and 2008. The earlier construction projects were undertaken by the Group for joint venture at prices determined at the time of entering into the joint venture agreement with the partners to tender for the sites. Management continues to work with the partners to recover more cost increases.

**Hotel & F&B business**

Revenue for hotel & F&B businesses decreased by 20.1% from \$15.4M for 3 months ended 30 April 2008 to \$12.3M for 3 months ended 30 April 2009. The decrease in hotel revenue of \$3.1M was attributable to lower revenue from Duxton Hotel Perth, Duxton Hotel Saigon and Starworth group of companies. The decrease in hotel revenue was due to lower room rates and occupancy rates at both hotels compared to last year. The net profit before tax and minority interests for hotel segment decreased by 35.2% from \$5.4M for 3 months ended 30 April 2008 to \$3.5M for 3 months ended 30 April 2009 mainly due to the decrease in hotel revenue and concessionary income from the gaming centre operation.

**Development**

Contributions from associated companies and joint ventures increased by 90.7% from \$4.3M for 3 months ended 30 April 2008 to \$8.2M for 3 months ended 30 April 2009 mainly due to higher contributions from joint venture companies for Duchess Residences (fully sold except for 1 unit) and Southbank (fully sold).

**Investments**

The Group's current investments are investment properties mainly in Singapore and Malaysia as well as some quoted equities. Net profit before tax and minority interest for 3 months ended 30 April 2009 was \$0.02M compared to a net profit before tax and minority interest of \$0.5M for 3 months ended 30 April 2008. The decrease in net profit before tax and minority interest of \$0.5M was due to recognition of lower fair value gains as these investments had to be marked to market.

## Net profit attributable to shareholders

Net profit attributable to shareholders increased by 129.0% from \$4.9M for 3 months ended 30 April 2008 to \$11.2M for 3 months ended 30 April 2009. The increase of \$6.3M was due to higher development profit from associated companies and joint venture, and higher construction profits offset by lower profit from hotel and investment segments.

## Balance Sheet

The Group remains in a strong financial position. Group shareholders' funds increased 6.9% from 209.6M as at 31 January 2009 to \$224.1M as at 30 April 2009. Group bank borrowings decreased from \$38.6M as at 31 January 2009 to \$23.5M as at 30 April 2009 due to dividend received from a joint venture company, proceeds from liquidation of a subsidiary and progress payment from developers.

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

Nil.

### 10. A commentary at the date of the announcement of the 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

Although the equity market has improved recently, the Board is of the opinion that the economy is not out of the uncertain economic environment. The Group will continue to focus on our core business and improve operational efficiency and cost management measures. The Group's total order book currently stands at approximately \$900.0M. The Group's two hotels in Perth and Ho Chi Minh City are expected to perform satisfactorily despite uncertainties in the global economic environment.

### 11. Dividend

#### (a) Current Financial Period Reported On

Any dividend declared/recommended for the current financial period reported on? No

Name of Dividend	:	NIL
Dividend Type	:	NIL
Dividend Amount	:	NIL
Tax Rate	:	NIL

#### (b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

Name of Dividend	:	NIL
Dividend Type	:	NIL
Dividend Amount	:	NIL
Tax Rate	:	NIL

#### (c) Date payable

Not applicable

**(d) Books closure date**

Not applicable

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

Not applicable

**13. Confirmation by Directors**

We, Low Keng Boon and Low Poh Kuan, being two directors of the Group, 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, which may render the unaudited consolidated financial results for the 3 months ended 30 April 2009 to be false or misleading in any material aspect.

On behalf of the Board of Directors,

Low Keng Boon  
Managing Director

Low Poh Kuan  
Executive Director

**BY ORDER OF THE BOARD**

Low Keng Boon  
Managing Director

12 June 2009