



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

Unaudited Full Year ("FY") Financial Statements For the Year Ended 31 January 2015

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 | | Increase / (Decrease) | 12 months ended | | Increase / (Decrease) |
|--|------|----------------|-----------|--------------------------|-----------------|-----------|--------------------------|
| | | 31/1/2015 | 31/1/2014 | % | 31/1/2015 | 31/1/2014 | % |
| | | \$'000 | \$'000 | | \$'000 | \$'000 | |
| Revenue | 1 | 779,941 | 22,007 | n.m. | 1,239,286 | 79,700 | n.m. |
| Cost of sales | 2 | (612,899) | (14,457) | n.m. | (972,481) | (50,197) | n.m. |
| Gross profit | | 167,042 | 7,550 | n.m. | 266,805 | 29,503 | n.m. |
| Other income | 3 | 3,084 | (246) | n.m. | 8,841 | 10,067 | (12) |
| Rental income | | 343 | 586 | (41) | 1,868 | 1,105 | 69 |
| Distribution costs | 4 | (1,691) | (463) | n.m. | (2,179) | (2,355) | (7) |
| Administrative costs | 5 | (14,958) | (4,220) | n.m. | (32,711) | (16,979) | 93 |
| Changes in fair value of derivative financial instrument | | 343 | 295 | 16 | 1,291 | 1,110 | 16 |
| Other operating expenses | 6 | (29,906) | (3,310) | n.m. | (32,982) | (5,974) | n.m. |
| Finance costs | 7 | (1,252) | (1,069) | n.m. | (3,843) | (2,116) | 82 |
| Profit/(loss) from operations | | 123,005 | (877) | n.m. | 207,090 | 14,361 | n.m. |
| Share of results of associated companies and joint ventures | 8 | (3,728) | 7,874 | n.m. | 10,982 | 39,502 | (72) |
| Profit/(loss) before taxation | | 119,277 | 6,997 | n.m. | 218,072 | 53,863 | n.m. |
| Taxation | 9 | (29,267) | (78) | n.m. | (44,151) | (4,485) | n.m. |
| Profit/(loss) after taxation for the period | | 90,010 | 6,919 | n.m. | 173,921 | 49,378 | n.m. |
| Attributable to: | | | | | | | |
| Owners of the parent | 10 | 61,406 | 6,707 | 816 | 144,941 | 48,115 | 201 |
| Non-controlling interests | | 28,604 | 212 | n.m. | 28,980 | 1,263 | n.m. |
| | | 90,010 | 6,919 | 1,201 | 173,921 | 49,378 | 252 |
| Earnings per share (cents) | | | | | | | |
| - basic | | 8.31 | 0.91 | | 19.62 | 6.51 | |
| - diluted | | 8.31 | 0.91 | | 19.62 | 6.51 | |

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.

| | 3 months ended | | Increase / (Decrease) % | 12 months ended | | Increase / (Decrease) % |
|---|----------------------|----------------------|-------------------------------|----------------------|----------------------|-------------------------------|
| | 31/01/2015 \$'000 | 31/01/2014 \$'000 | | 31/01/2015 \$'000 | 31/01/2014 \$'000 | |
| Net profit for the period | 90,010 | 6,919 | n.m. | 173,921 | 49,378 | n.m. |
| Other comprehensive income/(expense) after tax | | | | | | |
| Items that may be reclassified subsequently to profit and loss: | | | | | | |
| Fair value gain/(loss) on available-for-sale financial assets recognised directly to equity | 1,874 | (3,833) | n.m. | 5,585 | (4,586) | n.m. |
| Fair value (gain)/loss on available-for-sale financial assets recycled to income statement on derecognition | (1) | (27) | (96) | (274) | (1,541) | (82) |
| Exchange differences on translation of the financial statements of foreign entities (net) | (2,653) | (3,840) | (31) | (494) | (7,593) | (93) |
| Other comprehensive income/(expense) for the period, net of tax | (780) | (7,700) | (90) | 4,817 | (13,720) | n.m. |
| Total comprehensive income/(expense) for the period | <u>89,230</u> | <u>(781)</u> | n.m. | <u>178,738</u> | <u>35,658</u> | n.m. |
| Total comprehensive income/(expense) attributable to: | | | | | | |
| Owners of the parent | 60,849 | (418) | n.m. | 149,818 | 35,902 | n.m. |
| Non-controlling interests | 28,381 | (363) | n.m. | 28,920 | (244) | n.m. |
| Total comprehensive income/(expense) for the period | <u>89,230</u> | <u>(781)</u> | n.m. | <u>178,738</u> | <u>35,658</u> | n.m. |

n.m.: Not Meaningful

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

- Group revenue increased by \$1,159.6M to \$1,239.3M during current year from \$79.7M during previous year. It increased by \$757.9M to \$779.9M in Q4 current year from \$22.0M in Q4 previous year. The increase was due to the recognition of revenue from development projects Parkland Residences and Paya Lebar Square which obtained TOP on 29 October 2014 and 3 November 2014 respectively.

The increase in construction activity at Genting Hotel at Jurong Town Hall Road has also contributed to the increase in revenue. The Company was awarded a \$114.3 million construction contract by Genting Group in June 2013 for the design and build of one block of hotel development with landscape deck, basement carpark, swimming pool and other ancillary facilities at Jurong Town Hall Road and it is expected to be completed in the first half of 2015.

- Cost of sales increased by \$922.3M to \$972.5M during current year from \$50.2M during previous year. It increased by \$598.4M to \$612.9M in Q4 current year from \$14.5M in Q4 previous year. The increase in cost of sales was due to the recognition of cost from development projects Parkland Residences and Paya Lebar Square and construction project Genting Hotel at Jurong Town Hall Road.
- Other income decreased by \$1.3M to \$8.8M during current year from \$10.1M during previous year. It increased by \$3.2M to \$3.0M in Q4 current year from negative \$0.2M in Q4 previous year. The decrease was mainly due to gain on disposal of investment property at Section 49 Town District of Kuala Lumpur, Malaysia that was recognised in previous year.

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

- 4 Distribution costs decreased by \$0.1M to \$2.2M during current year from \$2.3M during previous year. It increased by \$1.2M to \$1.7M in Q4 current year from \$0.5M in Q4 previous year. The quarter to quarter increase was mainly due to higher marketing expenses and leasing commissions incurred during Q4 current year for investment property Paya Lebar Square (Retail Mall).
- 5 Administrative costs increased by \$15.7M to \$32.7M during current year from \$17.0M during previous year. It increased by \$10.8M to \$15.0M in Q4 current year from \$4.2M in Q4 previous year. The increase in administrative costs was mainly due to higher employee related costs and profit share for Joint Managing Directors. The provision for profit share was made in accordance with service contracts.
- 6 Other operating expenses increased by \$26.9M to \$32.9M during current year from \$6.0M during previous year. It increased by \$26.5M to \$29.9M in Q4 current year from \$3.3M in Q4 previous year. The increase was mainly due to provision for impairment loss on development projects Balestier Tower and Vung Tau in Vietnam.
- 7 Finance costs increased by \$1.7M to \$3.8M during current year from \$2.1M during previous year. It increased by \$0.2M to \$1.3M in Q4 current year from \$1.1M in Q4 previous year. This increase was due to increased financing for Westgate Tower and Paya Lebar Square (Retail Mall).
- 8 Share of results of associated companies and joint ventures decreased by \$28.5M to \$11.0M during current year from \$39.5M during previous year. It decreased by \$11.6M to negative \$3.7M in Q4 current year from \$7.9M in Q4 previous year. The decrease was mainly due to lower contribution from joint venture companies.
- 9 The basis of tax computation is set out below:

| | 3 months ended | | Increase | 12 months ended | | Increase |
|--------------------------|-----------------|-------------|------------|-----------------|----------------|------------|
| | 31/01/2015 | 31/01/2014 | (Decrease) | 31/01/2015 | 31/01/2014 | (Decrease) |
| | \$'000 | \$'000 | % | \$'000 | \$'000 | % |
| Income tax expense | | | | | | |
| - tax credit/(charge) | | | | | | |
| - current | (29,502) | (348) | n.m. | (42,399) | (2,232) | n.m. |
| - foreign tax | 235 | 165 | 42 | (1,752) | (2,358) | (26) |
| - over/(under) provision | - | 105 | n.m. | - | 105 | (100) |
| | <u>(29,267)</u> | <u>(78)</u> | n.m. | <u>(44,151)</u> | <u>(4,485)</u> | n.m. |

n.m.: Not Meaningful

Income tax increased by \$39.6M to \$44.1M during current year from \$4.5M during previous year. It increased by \$29.2M to \$29.3M in Q4 current year from \$0.1M in Q4 previous year. The increase was mainly due to higher tax provision for development segment.

- 10 Net profit attributable to shareholders increased by \$96.8M to \$144.9M during current year from \$48.1M during previous year. It increased by \$54.7M to \$61.4M in Q4 current year from \$6.7M in Q4 previous year. The increase was mainly due to higher profits from development segment.

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 | | | Company | |
|--|----------------------|----------------------|------|----------------------|----------------------|
| | 31/01/2015 \$'000 | 31/01/2014 \$'000 | Note | 31/01/2015 \$'000 | 31/01/2014 \$'000 |
| ASSETS | | | | | |
| Non-current assets | | | | | |
| Investment properties | 283,826 | 14,366 | 1 | 20,665 | 2,320 |
| Property, plant and equipment | 59,780 | 59,814 | 1 | 5,072 | 13,349 |
| Amount owing by subsidiaries | - | - | | 205,432 | 375,287 |
| Associated companies and joint ventures | 180,608 | 169,756 | 2 | 97,423 | 37,686 |
| Long-term equity investments | 43,449 | 41,438 | 3 | 2,104 | 2,103 |
| Other receivables | 68 | 64 | | - | - |
| Deferred tax assets | 313 | 3,369 | | - | - |
| | <u>568,044</u> | <u>288,807</u> | | <u>330,696</u> | <u>430,745</u> |
| Current assets | | | | | |
| Cash and cash equivalents | 280,792 | 195,782 | 4 | 210,085 | 53,187 |
| Short-term quoted equity investments | 5,441 | 4,342 | 5 | - | - |
| Amount owing by a non-controlling shareholder | 4,357 | 340 | 13 | - | - |
| Trade and other receivables | 170,303 | 43,502 | 6 | 44,405 | 30,731 |
| Inventories | 440 | 545 | | - | - |
| Properties held for sale | 14,479 | - | 7 | - | - |
| Development properties | 231,215 | 1,191,528 | 8 | - | - |
| | <u>707,027</u> | <u>1,436,039</u> | | <u>254,490</u> | <u>83,918</u> |
| Total assets | <u>1,275,071</u> | <u>1,724,846</u> | | <u>585,186</u> | <u>514,663</u> |
| EQUITY AND LIABILITIES | | | | | |
| Capital and reserves | | | | | |
| Share capital | 161,863 | 161,863 | | 161,863 | 161,863 |
| Reserves | 9,343 | 6,229 | 9 | 1,272 | 1,248 |
| Retained profits | 433,297 | 310,385 | | 233,966 | 200,115 |
| Exchange fluctuation account | (68) | 309 | 10 | - | - |
| | <u>604,435</u> | <u>478,786</u> | | <u>397,101</u> | <u>363,226</u> |
| Non-controlling interests | 39,539 | 13,296 | 11 | - | - |
| Total equity | <u>643,974</u> | <u>492,082</u> | | <u>397,101</u> | <u>363,226</u> |
| Non-current liabilities | | | | | |
| Bank borrowings | 342,024 | 438,135 | 12 | - | - |
| Other payables | 267 | 232 | | - | - |
| Amount owing to non-controlling shareholders of subsidiaries | 63,550 | 98,599 | 13 | - | - |
| Joint ventures | 445 | 27,234 | 2 | 195 | 27,104 |
| Deferred tax liabilities | 14 | 52 | | - | - |
| Derivative financial instrument | - | 1,595 | 14 | - | 1,595 |
| | <u>406,300</u> | <u>565,847</u> | | <u>195</u> | <u>28,699</u> |
| Current liabilities | | | | | |
| Derivative financial instrument | 304 | - | 14 | 304 | - |
| Trade and other payables | 182,546 | 600,483 | 15 | 130,413 | 96,764 |
| Amount owing to subsidiaries | - | - | | 55,672 | 15,989 |
| Advance received from a joint venture | 2 | 2 | | 2 | 2 |
| Amount owing to non-controlling shareholders of subsidiaries (non-trade) | 431 | 473 | | - | - |
| Provision for directors' fee | 245 | 245 | | 245 | 245 |
| Provision for taxation | 41,269 | 6,560 | | 1,254 | 4,738 |
| Bank borrowings | - | 59,154 | 12 | - | 5,000 |
| | <u>224,797</u> | <u>666,917</u> | | <u>187,890</u> | <u>122,738</u> |
| Total liabilities | <u>631,097</u> | <u>1,232,764</u> | | <u>188,085</u> | <u>151,437</u> |
| Total equity and liabilities | <u>1,275,071</u> | <u>1,724,846</u> | | <u>585,186</u> | <u>514,663</u> |

Notes to the balance sheets

- 1 The net book value of investment properties increased by \$269.4M to \$283.8M as at 31 January 2015 from \$14.4M as at 31 January 2014. The increase was due to the Group's investment property Paya Lebar Square (Retail Mall) fully recognised during the year upon obtaining TOP. The net book value of property, plant and equipment remained at \$59.8M as at 31 January 2015 from \$59.8M as at 31 January 2014.
- 2 Associated companies and joint ventures increased by \$37.6M to \$180.2M as at 31 January 2015 from \$142.6M as at 31 January 2014. The increase was mainly due to increase shareholder loans granted to associate companies Westgate Commercial Pte Ltd ("WGC") and Westgate Tower Pte Ltd ("WGT") for the purchase of Westgate Tower during current year offset by decrease in shareholders loan to Peak Garden for the Minton and Suasana Simfoni Sdn Bhd for the sale of land at Jalan Conlay in Kuala Lumpur.
- 3 Long-term quoted equity investments increased by \$2.0M to \$43.4M as at 31 January 2015 from \$41.4M as at 31 January 2014. The increase was due to the increase in fair value of available-for-sale financial asset. These quoted equity investments were made with the objective of optimising cash holdings and earning higher returns compared to the current near zero interest rate offered by banks.
- 4 Cash and cash equivalents increased by \$85.0M to \$280.8M as at 31 January 2015 from \$195.8M as at 31 January 2014. The increase was mainly due to increased cash collections from development projects Parkland Residences and Paya Lebar Square upon their TOP in Q3 and Q4 current year respectively. Working capital was \$482.2M as at 31 January 2015 compared to \$769.1M as at 31 January 2014.
- 5 Short-term quoted equity investments increased by \$1.1M to \$5.4M as at 31 January 2015 from \$4.3M as at 31 January 2014. The increase was due to increase in fair value of short-term quoted equity investments.
- 6 Trade and other receivables increased by \$126.8M to \$170.3M as at 31 January 2015 from \$43.5M as at 31 January 2014 mainly due to recognition of advance revenue for units sold for the development properties that have obtained TOP. The last stage of progress payment from buyers is accounted for as advance revenue.
- 7 Properties held for sale increased to \$14.5M as at 31 January 2015. There was no property held for sale as at 31 January 2014. The increase was due to three DBSS residential units and eight office units remaining unsold at Parkland Residences and Paya Lebar Square respectively.
- 8 Development properties decreased by \$960.3M to \$231.2M as at 31 January 2015 from \$1,191.5M as at 31 January 2014. The decrease was mainly due to the reclassification from development properties to cost of sales for Parkland Residences and Paya Lebar Square which obtained TOP on 29 October 2014 and 3 November 2014 respectively. Balestier Towers and Kismis Lodge are still in planning and design stage.
- 9 Reserves increased by \$3.1M to \$9.3M as at 31 January 2015 from \$6.2M as at 31 January 2014 due to increase in fair value reserves for long-term quoted equity investments.
- 10 Exchange fluctuation account decreased by \$0.4M to negative \$0.1M as at 31 January 2015 from \$0.3M as at 31 January 2014 mainly due to weakening of the Australian dollar against the Singapore dollar.
- 11 Non-controlling interest increased by \$26.2M to \$39.5M as at 31 January 2015 from \$13.3M as at 31 January 2014. The increase was due to the recognition of profits for Paya Lebar Square upon TOP in FY 2015.
- 12 The total bank borrowings decreased by \$155.3M to \$342.0M as at 31 January 2015 from \$497.3M as at 31 January 2014. The decrease was mainly due to repayments of \$470.2M in bank borrowings during the year. Gearing was 0.10 as at 31 January 2015 compared to 0.63 as at 31 January 2014.
- 13 Total amount owing to non-controlling shareholders of subsidiaries decreased by \$39.1M to \$59.2M as at 31 January 2015 from \$98.3M as at 31 January 2014. The decrease was mainly due to repayment of shareholder loan for Paya Lebar Square.
- 14 The Group uses interest rate swap to manage its exposure to interest rate movements by swapping the borrowings from floating rates to fixed rates. The interest rate swap settles on a quarterly basis. The fair value of the swap entered into as at 31 January 2015 was based on quoted market prices for equivalent instruments at the balance sheet date. The Group does not designate this interest rate swap as a hedging instrument and the movements in fair value gain of \$1.3M has been recognised in the income statement during current year.
- 15 Trade and other payables decreased by \$418.0M to \$182.5M as at 31 January 2015 from \$600.5M as at 31 January 2014 mainly due to progress payments received in advance and reclassified to revenue for development projects upon TOP. Subsequent to 31 January 2015, \$18.2M was paid to vendors.

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

| | 31/01/2015 | | 31/01/2014 | |
|--|-------------------|---------------------|-------------------|---------------------|
| | Secured \$'000 | Unsecured \$'000 | Secured \$'000 | Unsecured \$'000 |
| Amount repayable in one year or less, or on demand | - | - | 54,154 | 5,000 |
| Amount repayable after one year | 342,024 | - | 438,135 | - |
| | <u>342,024</u> | <u>-</u> | <u>492,289</u> | <u>5,000</u> |

Details of any collateral

Borrowings are secured by the mortgages on the borrowing subsidiaries' development properties and assignment of all rights and benefits with respect to the development properties mortgaged.

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

| | 12 months ended | |
|--|------------------------|-------------------|
| | 31/01/2015 | 31/01/2014 |
| | \$'000 | \$'000 |
| Cash Flow from Operating Activities | | |
| Profit before taxation | 218,072 | 53,863 |
| Adjustments for: | | |
| Share of results of associated companies and joint ventures | (10,982) | (39,502) |
| Bad debts written off | 2 | - |
| Changes in fair value of derivative financial instrument | (1,291) | (1,110) |
| Depreciation of property, plant and equipment | 5,170 | 5,186 |
| Depreciation of investment properties | 1,469 | 725 |
| Property, plant and equipment written off | 1,036 | 36 |
| Fair value (gain) recycled from fair value reserve to profit or loss on derecognition of available-for-sale financial assets | (274) | (1,541) |
| Fair value (gain)/loss on financial assets at fair value through profit or loss | (1,099) | 1,850 |
| (Gain) on liquidation of joint ventures | (9) | - |
| (Gain)/loss on disposal of | | |
| - property, plant and equipment | (8) | (21) |
| - investment properties | - | (3,560) |
| Impairment loss on development property | 23,200 | - |
| Impairment loss on investment | 4,968 | - |
| Impairment loss on property, plant and equipment | 251 | 1,084 |
| Inventory written down | 886 | - |
| Interest expense | 3,843 | 2,116 |
| Interest income | (3,719) | (479) |
| Operating profit before working capital changes | 241,515 | 18,647 |
| Inventories | 275 | 138 |
| Receivables | (126,312) | (1,794) |
| Payables | (417,959) | 262,002 |
| Development properties | 922,634 | (319,107) |
| Cash generated from/(used in) operations | 620,153 | (40,114) |
| Interest paid | (3,858) | (2,773) |
| Income tax paid | (6,504) | (7,703) |
| Net cash generated from/(used in) operating activities | 609,791 | (50,590) |
| Amount carried forward | 609,791 | (50,590) |

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)**

| | 12 months ended | |
|---|------------------|----------------|
| | 31/1/2015 | 31/1/2014 |
| | \$'000 | \$'000 |
| Amount brought forward | 609,791 | (50,590) |
| Cash Flows from Investing Activities | | |
| Acquisition of property, plant and equipment | (18,607) | (6,707) |
| Acquisition of investment property | (260,399) | (9,990) |
| Advances received (made to)/from associated companies and joint venture | (76,344) | 32,923 |
| Dividends from joint venture companies | 55,563 | 47,800 |
| Capital contribution made (towards) associated companies | (800) | - |
| Capital return from joint venture companies | 800 | - |
| Interest received | 3,719 | 479 |
| Proceeds from disposal of quoted equity investments | 3,748 | 3,053 |
| Proceeds from disposal of property, plant and equipment | 55 | 924 |
| Proceeds from disposal of investment properties | - | 7,000 |
| Proceeds from return on loan of associated companies and joint venture | (18,397) | (41,282) |
| Acquisition of quoted investments | (270) | - |
| Acquisition of non-controlling interest | (2,000) | - |
| Redemption of redeemable preference shares in joint venture | 7,725 | 1,500 |
| Net cash (used in)/generated from investing activities | <u>(305,207)</u> | <u>35,700</u> |
| Cash Flow from Financing Activities | | |
| Advances (to)/ from non-controlling shareholders of a subsidiary | (39,108) | 55,125 |
| Capital contribution from non-controlling shareholders of subsidiaries (Note A) | - | 750 |
| Dividends paid to shareholders of the Company | (22,164) | (33,247) |
| Dividends paid to minority shareholder of a subsidiary | (2,682) | (475) |
| Proceeds from bank borrowings | 314,889 | 267,289 |
| Repayment of bank borrowings | (470,154) | (283,750) |
| Net cash (used in)/generated from financing activities | <u>(219,219)</u> | <u>5,692</u> |
| Net increase/(decrease) in cash and cash equivalents | 85,365 | (9,198) |
| Cash and cash equivalents at beginning of year | 195,782 | 205,517 |
| Exchange differences on translation of cash and cash equivalent at beginning of year | (355) | (537) |
| Cash and cash equivalents at end of year | <u>280,792</u> | <u>195,782</u> |

The Group has unused bank facilities of \$216.5M as of 31 January 2015.

The Group generated a net increase of \$85.4M cash flow in current year compared to net decrease of \$9.2M cash flow in previous year. Net cash generated from operating activities was \$609.8M. Net cash used in investing activities and financing activities were \$305.2M and \$219.2M respectively.

Note A The Group acquired remaining 1% equity interest in a subsidiary, Balestier Towers Pte Ltd (previously known as Newfort Alliance (Moulmein) Pte Ltd, during Q4 FY2015. The fair value acquired represented the share capital of the subsidiary.

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 year

| | Share capital \$'000 | Reserve \$'000 | Retained profits \$'000 | Total \$'000 |
|--|----------------------------|-------------------|-------------------------------|-----------------|
| The Company | | | | |
| Balance at 01/02/2014 | 161,863 | 1,248 | 200,115 | 363,226 |
| Total comprehensive income and loss for the period | - | 24 | 56,015 | 56,039 |
| Dividends paid in respect of financial year ended 31 Jan 2014 | - | - | (22,164) | (22,164) |
| Balance at 31/1/2015 | 161,863 | 1,272 | 233,966 | 397,101 |
| Balance at 01/02/2013 | 161,863 | 1,133 | 163,074 | 326,070 |
| Total comprehensive income and loss for the period | - | 115 | 70,288 | 70,403 |
| Dividends paid in respect of financial year ended 31 Jan 2013 | - | - | (33,247) | (33,247) |
| Balance at 31/1/2014 | 161,863 | 1,248 | 200,115 | 363,226 |

| | Share capital \$'000 | Reserve \$'000 | Retained profits \$'000 | Exchange fluctuation account \$'000 | Sub-total \$'000 | Non- controlling interests \$'000 | Total \$'000 |
|--|----------------------------|-------------------|-------------------------------|--|---------------------|--|-----------------|
| The Group | | | | | | | |
| Balance at 01/02/2014 | 161,863 | 6,229 | 310,385 | 309 | 478,786 | 13,296 | 492,082 |
| Total comprehensive income and loss for the period | - | 5,119 | 145,076 | (377) | 149,818 | 28,920 | 178,738 |
| Acquisition of non-controlling interest without a change in control | - | (2,005) | - | - | (2,005) | 5 | (2,000) |
| Dividends paid in respect of financial year ended 31 Jan 2014 | - | - | (22,164) | - | (22,164) | (2,682) | (24,846) |
| Balance at 31/1/2015 | 161,863 | 9,343 | 433,297 | (68) | 604,435 | 39,539 | 643,974 |
| Balance at 01/02/2013 | 161,863 | 12,454 | 295,517 | 6,297 | 476,131 | 13,265 | 489,396 |
| Total comprehensive income and loss for the period | - | (6,225) | 48,115 | (5,988) | 35,902 | (244) | 35,658 |
| Dividends paid in respect of financial year ended 31 Jan 2013 | - | - | (33,247) | - | (33,247) | (475) | (33,722) |
| Acquisition of subsidiaries | - | - | - | - | - | 750 | 750 |
| Balance at 31/1/2014 | 161,863 | 6,229 | 310,385 | 309 | 478,786 | 13,296 | 492,082 |

- 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 was no change in the company's share capital as at 31 January 2015 compared to 31 January 2014.

There were no outstanding executives' share options granted as at 31 January 2015 and 31 January 2014.

There was no treasury share held or issued as at 31 January 2015 and 31 January 2014.

- 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**

| | As at 31-01-2015 | As at 31-01-2014 |
|---|---------------------|---------------------|
| 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 31 January 2015.

- 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**

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as compared with those used in the audited financial statements for the year ended 31 January 2015.

- 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 has adopted all the new and revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 February 2014. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group's and Company's accounting policies and has no material effect on the amounts reported for the current period or prior years except for more extensive disclosures in the consolidated financial statements required by FRS 112 Disclosure of Interests in Other Entities.

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**

| | 3 months ended | | FY ended | |
|---|----------------|------------|-------------|------------|
| | 31-01-2015 | 31-01-2014 | 31-01-2015 | 31-01-2014 |
| 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 | 8.31 cent | 0.91 cent | 19.62 cents | 6.51 cents |
| (ii) On a fully diluted basis | 8.31 cent | 0.91 cent | 19.62 cents | 6.51 cents |

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 | |
|--|------------|------------|------------|------------|
| | 31-01-2015 | 31-01-2014 | 31-01-2015 | 31-01-2014 |
| Net asset value per ordinary share | 82 cents | 65 cents | 54 cents | 49 cents |
| Net tangible assets backing per ordinary share | 82 cents | 65 cents | 54 cents | 49 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 \$55.6M to \$85.2M during current year from \$29.6M during previous year. It increased by \$22.2M to \$32.5M in Q4 current year from \$10.3M in Q4 previous year. Net profit before tax and non-controlling interests for construction segment decreased by \$15.0M to negative \$9.3M during current year from \$5.7M during previous year. Net loss before tax and non-controlling interests increased by \$7.3M to \$9.4M in Q4 current year compared to a net loss before tax and non-controlling interests of \$2.1M in Q4 previous year.

The decrease in profitability for construction segment are mainly due to write-back of project cost for completed projects in previous year of \$11.0M, increase in employee-related cost of \$2.5M and increase in profit sharing of \$8.6M.

Hotel and F&B business

Revenue for hotel & F&B businesses decreased by \$6.1M to \$43.4M during current year from \$49.5M during previous year. It decreased by \$2.0M to \$9.6M in Q4 current year from \$11.6M in Q4 previous year. Net profit before tax and non-controlling interests for hotel segment decreased by \$1.6M to \$4.8M during current year from \$6.4M during previous year. Net profit before tax and non-controlling interests decreased by \$1.3M to negative \$0.4M in Q4 current year compared to a net profit before tax and non-controlling interests of \$1.0M in Q4 previous year mainly due to lower hotel occupancy in Duxton Perth and lower rates in Duxton Saigon. Lower revenue and lower profit from F&B business were mainly due to closure of outlets that led to write off of fixed assets and lease commitments.

Development

Development revenue from sale of DBSS residential units at Parkland Residences and office units at Paya Lebar Square was \$1,108.5M during current year. Revenue was recognised for both projects in current year as both projects obtained TOP in current year. There was no revenue recognized in previous year. Net profit before tax and non-controlling interest increased by \$181.5M to \$220.8M during current year from \$39.3M during previous year. Net profit before tax and non-controlling interest increased by \$120.7M to \$128.4M during Q4 current year from \$7.7M in Q4 previous year. As at 25 March 2015, three DBSS residential units and eight office units remain unsold at Parkland Residences and Paya Lebar Square respectively.

Contributions from associated companies and joint ventures decreased by \$28.5M to \$11.0M during current year from \$39.5M during previous year. It decreased by \$11.6M to negative \$3.7M in Q4 current year from \$7.9M in Q4 previous year. The decrease was mainly due to lower contribution from development projects. The Group's joint venture, Suasana Simfoni Sdn Bhd completed the sale of land at Jalan Conlay in Kuala Lumpur for a total cash consideration of RM568 million (S\$221.0M) in Q1 of FY 2015.

Investments

The Group's investments are investment properties mainly in Singapore and Malaysia as well as some quoted equity investments. Net profit before tax and non-controlling interest in investment segment decreased by \$0.8M to \$1.7M during current year from \$2.5M during previous year due to higher advertisement and promotion expenses at Paya Lebar Square (Retail Mall).

The Group's main investment property Paya Lebar Square (Retail Mall) obtained TOP on 3 November 2014 and leasing income commenced on 16 December 2014. Paya Lebar Square (Retail Mall) is owned by Paya Lebar Square Pte Ltd (PLSPL). LKHS has 55% equity interest and Sun Venture Realty Pte Ltd (part of the Sun Venture group) has 45% equity interest in PLSPL. The mall is 99% leased as at 25 March 2015.

In January 2014, Westgate Commercial Pte Ltd ("WGC") and Westgate Tower Pte Ltd ("WGT"), two associated companies of LKHS have entered into sale and purchase agreements with JG2 Trustee Pte. Ltd. (in its capacity as trustee of Infinity Office Trust) and JG Trustee Pte Ltd. (in its capacity as trustee of Infinity Mall Trust) to purchase 295 Strata-titled office units on levels 6 to 25 of Westgate Tower at 1 Gateway Drive, on lot 8360V Mukim 5, Singapore. The purchase price is \$579,431,600 and it is purchased for long term investment purpose. LKHS owns 40% of the shares in WGC and WGT, while Sun Venture Homes Pte. Ltd. ("SVH") owns the other 60% shares. SVH is a Singapore incorporated company and it is part of the Sun Venture Group of companies which currently own and manage prime commercial real estate in Singapore. Westgate Tower obtained TOP on 9 October 2014 and achieved leasing commitment of 65% as at 25 March 2015.

The Group has executed a letter of participation on 2 February 2015 for the acquisition of a 20.0 per cent equity interest in an entity which will be acquiring AXA Tower located at 8 Shenton Way, Singapore 068811. The total acquisition price is about S\$1.17 billion, translating to \$1,735 per square foot based on the existing net lettable area of 674,000 square feet. AXA Tower is on a site with a balance lease term of about 66.5 years. The acquisition will be undertaken by a consortium of investors led by Perennial Real Estate Holdings Limited.

Net profit attributable to shareholders

Net profit attributable to shareholders increased by \$96.8M to \$144.9M during current year from \$48.1M during previous year. It increased by \$54.7M to \$61.4M in Q4 current year from \$6.7M in Q4 previous year. The increase was mainly due to higher profits from development segment.

Balance Sheet

Group shareholders' funds increased by \$125.6M to \$604.4M as at 31 January 2015 from \$478.8M as at 31 January 2014. Cash and cash equivalents increased by \$85.0M to \$280.8M as at 31 January 2015 from \$195.8M as at 31 January 2014.

The Group's bank borrowings decreased by \$155.3M to \$342.0M as at 31 January 2015 from \$497.3M as at 31 January 2014. The decrease was mainly due to repayments of \$470.2M in bank borrowings during the year. Gearing was 0.10 as at 31 January 2015 compared to 0.63 as at 31 January 2014.

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

Not applicable

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**

The cooling measures introduced by the Singapore government and the release of more land for development to cool the residential market continues to slow down the sluggish property market.

11. **Dividend**

(a) Current Financial Period Reported On

Any dividend declared/recommended for the current financial period reported on? Yes

Name of Dividend : First & Final Dividend
Dividend Type : Cash
Dividend Amount : 3.0 cents per ordinary share
Tax Rate : Tax exempt (One-Tier tax)

Name of Dividend : Special Dividend
Dividend Type : Cash
Dividend Amount : 2.0 cents per ordinary share
Tax Rate : Tax exempt (One-Tier tax)

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend : First & Final Dividend
Dividend Type : Cash
Dividend Amount : 3.0 cents per ordinary share
Tax Rate : Tax exempt (One-Tier tax)

(c) Date payable

Subject to shareholders' approval at the Annual General meeting to be held on 22 May 2015, the proposed first and final dividend and the special dividend will be paid on 11 June 2015.

(d) Books closure date

The Share Transfer Books and the Register of Members of the Company will be closed on 2 June 2015 after 5.00 p.m for the purpose of determining shareholders' entitlement to the first and final dividend and the special dividend.

Duly completed registrable transfers received by the Company's Share Registrar, KCK CorpServe Pte. Ltd., 333 North Bridge Road #08-00, KH KEA Building, Singapore 188721 up to 5.00 p.m. on 2 June 2015 will be registered to determine shareholders' entitlements to the said proposed first and final dividend and the special dividend. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 2 June 2015 will be entitled to the abovementioned proposed first and final dividend and the special dividend.

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

Not applicable

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

| | Construction | | Development | | Hotels | | Investments | | Consolidated | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2015 \$'000 | 2014 \$'000 | 2015 \$'000 | 2014 \$'000 | 2015 \$'000 | 2014 \$'000 | 2015 \$'000 | 2014 \$'000 | 2015 \$'000 | 2014 \$'000 |
| REVENUE | | | | | | | | | | |
| Total sales | 203,524 | 176,975 | 1,429,785 | - | 48,863 | 55,327 | 2,166 | 506 | 1,684,338 | 232,808 |
| Inter-segment sales | (118,317) | (147,327) | (321,264) | - | (5,472) | (5,781) | - | - | (445,053) | (153,108) |
| External sales | 85,207 | 29,648 | 1,108,521 | - | 43,391 | 49,546 | 2,166 | 506 | 1,239,285 | 79,700 |
| RESULTS | | | | | | | | | | |
| Segment results | (7,721) | 7,814 | 210,954 | (193) | 4,753 | 6,402 | 2,947 | 2,454 | 210,933 | 16,477 |
| Finance costs | (1,557) | (2,116) | (1,117) | - | - | - | (1,169) | - | (3,843) | (2,116) |
| Share of (losses)/profits in joint ventures/ associated companies | (9,278) | 5,698 | 209,837 | (193) | 4,753 | 6,402 | 1,778 | 2,454 | 207,090 | 14,361 |
| | - | - | 10,982 | 39,502 | - | - | - | - | 10,982 | 39,502 |
| | (9,278) | 5,698 | 220,819 | 39,309 | 4,753 | 6,402 | 1,778 | 2,454 | 218,072 | 53,863 |
| Taxation | | | | | | | | | (44,151) | (4,485) |
| Non-controlling interests | | | | | | | | | (28,980) | (1,263) |
| Net profit | | | | | | | | | 144,941 | 48,115 |

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments

The Group's construction business is conducted primarily in Singapore.

The Group's development projects Parkland Residences, a DBSS development and Paya Lebar Square, a commercial development, obtained TOP on 29 October 2014 and 3 November 2014 respectively. Balestier Tower and Kismis Lodge are still in planning and design stage.

The Group has 2 hotels, viz. Duxton Hotel Perth in Australia and Duxton Hotel Saigon in Vietnam. The main investments are investment properties in Singapore and Malaysia as well as some quoted equity investments. Key investment properties include Paya Lebar Square (Retail Mall) and Westgate Tower.

Please refer to paragraph 8 above on changes in turnover and profit.

15. A breakdown of sales

| | 12 months ended | | Increase / |
|---|------------------------|-------------------|-------------------|
| | 31/01/2015 | 31/01/2014 | (Decrease) |
| | \$'000 | \$'000 | % |
| Sales reported for first half year | 50,831 | 35,451 | 43 |
| Operating profit after tax before deducting non-controlling interests reported for first half year | 18,778 | 31,617 | (41) |
| Sales reported for second half year | 1,188,455 | 44,249 | n.m. |
| Operating profit after tax before deducting non-controlling interests reported for second half year | 155,143 | 17,761 | n.m. |

n.m.: not meaningful

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

| | Latest Full Years | Previous Full Year |
|----------------------------|------------------------------|-------------------------------|
| | \$'000 | \$'000 |
| Ordinary one-tier dividend | 22,164 | 22,164 |
| Special one-tier dividend | 14,777 | - |
| | 36,941 | 22,164 |

17. Interested parties transactions

| 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) |
|----------------------------|--|--|
| Consistent Records Sdn Bhd | Bina Meganmas Sdn Bhd : S\$ 1,139,801.89 Loan | N/A |

Pursuant to Chapter 9 of the SGX-ST Listing Manual, the above interested person transactions are either below the relevant materiality threshold or exempted from shareholders' approval.

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

| | Name | Age | Family Relationship with any Director, CEO and/or Substantial Shareholder | Current position and duties, and the year the position was first held | Details of changes in duties and position held, if any, during the year |
|----|--------------|-----|---|---|---|
| 1. | Low Poh Kok | 42 | Brother of Low Poh Kuan. Nephew of Tan Sri Dato' Low Keng Huat and Low Keng Boon @ Lau Boon Sen. Cousin of Dato' Marco Low Peng Kiat. | Manager, Property Development. | Nil |
| 2. | Low Chin Han | 34 | Son of Low Keng Boon @ Lau Boon Sen. Nephew of Tan Sri Dato' Low Keng Huat. Cousin of Dato' Marco Low Peng Kiat and Low Poh Kuan. | General Director of Duxton Hotel Saigon with effect from 1/11/2011. Director of Duxton Hotel Perth with effect from 1/11/2011. | Appointed as Director – Hospitality with effect from March 2014 |

BY ORDER OF THE BOARD

Low Keng Boon
Joint Managing Director

Dato' Marco Low Peng Kiat
Joint Managing Director

27 March 2015