
First Quarter Financial Statement Announcement 2018

Part 1 - INFORMATION REQUIRED FOR FIRST QUARTER ANNOUNCEMENT

No.1(a) A statement of comprehensive income (for the group) together with a comparative statement of the corresponding period of the immediately preceding financial year.

Statement of Comprehensive Income

	Group 3 months ended 31 March		
	2018 S\$'000	2017 (Restated)* S\$'000	Variance %
Revenue			
Sales of goods and services	5,079	4,692	8%
Membership related fees and management fees	2,516	2,648	-5%
Other income	160	134	19%
Total income	7,755	7,474	4%
Item of Expenses			
Salaries and other employee benefits	(2,660)	(2,627)	1%
Advertising, publication and event expenses	(239)	(187)	28%
Depreciation of property, plant and equipment	(1,401)	(1,363)	3%
Cost of sales	(1,117)	(727)	54%
Repair, maintenance and cleaning expenses	(454)	(461)	-2%
Utilities	(232)	(239)	-3%
Property tax	(189)	(205)	-8%
Provision for inventory obsolescence and doubtful debts	(50)	-	nm
Bank and credit card charges	(97)	(107)	-9%
Other expenses	(541)	(484)	12%
Total expenses	(6,980)	(6,400)	9%
Profit before tax	775	1,074	-28%
Income tax expense	(174)	(164)	6%
Profit after tax	601	910	-34%
Other comprehensive income:			
Foreign currency translation gain	28	-	nm
Total comprehensive income	629	910	-31%
Profit / (Loss) attributable to:			
Owners of the company	639	910	-30%
Non-controlling interests	(38)	-	nm
	601	910	-34%
Other comprehensive income attributable to:			
Owners of the company	17	-	nm
Non-controlling interests	11	-	nm
	28	-	nm

nm : not meaningful

*Prior period figures were restated upon adoption of SFRS (I) 15 & revaluation model under SFRS (I) 1-16

Notes to Statement of Comprehensive Income

(i) Profit for the period is stated after (charging)/crediting:

	Group		
	3 months ended 31 March		
	2018	2017	Variance
	S\$ '000	S\$ '000	%
Interest income	133	122	9%
Depreciation of property, plant and equipment	(1,401)	(1,363)	3%
Bank and credit card charges	(97)	(107)	-9%
Foreign exchange loss	(79)	(136)	-42%

No.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.

Statement of Financial Position

	Group		Company	
	Unaudited 31-Mar-18 S\$'000	Restated* 31-Dec-17 S\$'000	Unaudited 31-Mar-18 S\$'000	Audited 31-Dec-17 S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	78,632	79,488	-	-
Investment in subsidiaries	-	-	17,593	17,415
	<u>78,632</u>	<u>79,488</u>	<u>17,593</u>	<u>17,415</u>
Current assets				
Inventories	170	180	-	-
Trade and other receivables	3,297	3,561	463	569
Prepayments	198	479	-	-
Due from related companies	149	58	1,800	1,800
Cash and cash equivalents	45,739	45,132	36,888	36,769
	<u>49,553</u>	<u>49,410</u>	<u>39,151</u>	<u>39,138</u>
Total assets	<u>128,185</u>	<u>128,898</u>	<u>56,744</u>	<u>56,553</u>
EQUITY AND LIABILITIES				
Current liabilities				
Trade and other payables	6,263	6,761	409	389
Due to related companies	-	32	-	-
Loan from a subsidiary	-	-	3,740	3,500
Deferred Membership Income	3,914	3,914	-	-
Income tax payable	879	722	27	36
	<u>11,056</u>	<u>11,429</u>	<u>4,176</u>	<u>3,925</u>
Net current assets	38,497	37,981	34,975	35,213
Non-current liabilities				
Deferred membership income	61,640	62,618	-	-
Deferred tax liabilities	587	577	-	-
	<u>62,227</u>	<u>63,195</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>73,283</u>	<u>74,624</u>	<u>4,176</u>	<u>3,925</u>
Net assets	<u>54,902</u>	<u>54,274</u>	<u>52,568</u>	<u>52,628</u>
Equity attributable to owners of the Company				
Share capital	46,780	46,780	40,810	40,810
Retained earnings / (loss)	(27,742)	(28,381)	11,758	11,818
Revaluation Reserve	35,145	35,145	-	-
Translation reserve	35	18	-	-
	<u>54,218</u>	<u>53,562</u>	<u>52,568</u>	<u>52,628</u>
Non-controlling interests	684	711	-	-
Total equity	<u>54,902</u>	<u>54,273</u>	<u>52,568</u>	<u>52,628</u>

*Prior period figures were restated upon adoption of SFRS (I) 15 & revaluation model under SFRS (I) 1-16

No.1(b)(ii) Aggregate amount of group's borrowings and debt securities.

	As at 31.03.2018		As at 31.12.2017	
	Secured S\$ '000	Unsecured S\$ '000	Secured S\$ '000	Unsecured S\$ '000
(a) Amount repayable in one year or less, or on demand	-	-	-	-
(b) Amount repayable after one year	-	-	-	-

No.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.

Statement of Cash Flows	Group	
	3 months ended 31 March	
	2018	2017
	S\$'000	Restated* S\$'000
Operating activities		
Profit before tax	775	1,074
Adjustments for:		
Depreciation of property, plant and equipment	1,401	1,363
Deferred membership income recognised	(978)	(1,021)
Allowance for doubtful trade receivables, net	50	-
Currency realignment	28	-
Operating cash flows before changes in working capital	1,276	1,416
Changes in working capital:		
Decrease in inventories	10	5
Decrease / (increase) in trade and other receivables and prepayments	494	(146)
(Increase) / Decrease in due from related companies	(90)	72
Decrease in due to related companies	(32)	-
(Decrease) in trade and other payables and other liabilities	(499)	(20)
Total changes in working capital	(117)	(89)
Cash flows generated from operations	1,159	1,327
Income tax paid	(8)	(129)
Net cash flows generated from operating activities	1,151	1,198
Investing activities		
Purchase of property, plant and equipment, net	(544)	(427)
Net cash flows used in investing activities	(544)	(427)
Net increase in cash and cash equivalents	607	771
Cash and cash equivalents at 1 January	45,132	41,269
Cash and cash equivalents at 31 March	45,739	42,040

Note to the statement of cash flows

Cash and cash equivalents included in the statement of cash flows comprise the following amounts:

	31 March 2018	31 March 2017
	S\$'000	S\$'000
Fixed deposits	28,189	34,062
Cash and bank balances	17,550	7,978
	45,739	42,040

*Prior period figures were restated upon adoption of SFRS (I) 15 & revaluation model under SFRS (I) 1-16

1d(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.

Statement of changes in equity

	Equity Total S\$'000	Equity attributable to owners of the Company S\$'000	Share capital S\$'000	Retained earnings S\$'000	Revaluation reserve S\$'000	Foreign currency translation reserve S\$'000	Non- controlling interests S\$'000
The Group							
Balance as at 1 January 2018	57,366	56,655	46,780	9,857		18	711
Adoption of SFRS (I) 15 & revaluation model under SFRS (I) 1-16	(3,093)	(3,093)		(38,238)	35,145		
Balance as at 1 January 2018, as restated*	54,273	53,562	46,780	(28,381)	35,145	18	711
Profit for the period, representing total comprehensive income for the period	601	639	-	639		-	(38)
<u>Other comprehensive income</u>							
Foreign currency translation	28	17	-	-		17	11
Balance as at 31 March 2018	54,902	54,218	46,780	(27,742)	35,145	35	684

1d(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.

Statement of changes in equity

	Equity Total S\$'000	Equity attributable to owners of the Company S\$'000	Share capital S\$'000	Retained earnings S\$'000	Revaluation reserve S\$'000	Foreign currency translation reserve S\$'000	Non- controlling interests S\$'000
The Group							
Balance as at 1 January 2017, as previously reported	54,222	54,222	46,780	7,442		-	-
Adoption of SFRS (I) 15 & revaluation model under SFRS (I) 1-16	(8,369)	(8,369)		(43,072)	34,703		
Balance as at 1 January 2017, as restated*	45,853	45,853	46,780	(35,630)	34,703	-	-
Profit for the period, representing total comprehensive income for the period	910	910	-	910	-	-	-
Balance as at 31 March 2017	46,763	46,763	46,780	(34,720)	34,703	-	-

1d(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.

Statement of changes in equity

	Equity, Total S\$'000	Share capital S\$'000	Retained earnings S\$'000
The Company			
Balance as at 1 January 2018	52,628	40,810	11,818
Loss for the period, representing total comprehensive income for the period	(60)	-	(60)
Balance as at 31 March 2018	<u>52,568</u>	<u>40,810</u>	<u>11,758</u>
The Company			
Balance as at 1 January 2017	48,745	40,810	7,935
Loss for the period, representing total comprehensive income for the period	(182)	-	(182)
Balance as at 31 March 2017	<u>48,563</u>	<u>40,810</u>	<u>7,753</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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	No. of Shares	Resultant Share Capital S\$	No. of Treasury Shares
<u>Issued and Paid-Up Capital</u>			
Issued and paid-up capital as at 31 December 2017	86,460,602	40,809,630	-
Issued and paid-up capital as at 31 March 2018	86,460,602	40,809,630	-

There were no outstanding share options and outstanding convertibles as at 31 March 2017 and 31 March 2018.

There were no treasury shares held and no subsidiary holdings as at 31 March 2017 and 31 March 2018.

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.

	31-Mar-18	31-Dec-17
Total number of issued shares	86,460,602	86,460,602
Less : Treasury shares	-	-
Total number of issued shares excluding treasury shares	<u>86,460,602</u>	<u>86,460,602</u>

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

Not applicable.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable.

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 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 has adopted the Singapore Financial Reporting Standards (International) ("SFRS (I)") framework and the new accounting standards that are effective on January 1, 2018. Please refer to the following for the details on the financial impact from the adoption with respect to the restated first quarter ended March 31, 2017 financial statements.

In addition to adopting all the applicable standards under SFRS (I), the Group also takes the opportunity to review the relevance of the accounting policy choices with the application of SFRS (I) 1 First-time Adoption of Singapore Financial Reporting Standards (International). The Group decided to change its accounting policy for its property, plant and equipment from cost model to revaluation model permissible under SFRS (I) 1-16 to better reflect the valuation of the Group's property, plant and equipment.

The main impact of adoption of SFRS(I) 15 - Revenue from Contracts with Customers relates to the entrance fee on the sale of membership. For the entrance fee, the adoption of SFRS(I) 15 leads to deferment of recognition of entrance fee only when future goods and services are provided, i.e. recognised in accordance with the terms of membership.

The main impact of adoption of revaluation model under SFRS(I) 1-16 Property, plant and equipment relates to the carrying amount of the Group's property, plant and equipment. Upon adoption of revaluation model, property, plant and equipment whose fair value can be measured reliably shall be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The Group has engaged an independent valuer to perform a valuation of its property, plant and equipment.

The adoption of these SFRS(I) 15 Revenue from contracts with customers & revaluation model under SFRS(I) 1-16 Property, plant and equipment had resulted in adjustments to the reported figures for the prior period figures as illustrated in the next page.

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.

	Group		
	As previously reported 31 Dec 2017 S\$'000	As restated 31 Dec 2017 S\$'000	Increase / (Decrease) S\$'000
	Property, plant and equipment	16,682	79,488
Deferred Income (Current)	-	3,914	3,914
Deferred Income (Non Current)	-	62,618	62,618
Deferred tax liabilities	1,211	577	(634)
Retained earnings	9,857	(28,381)	(38,238)
Revaluation Reserve	-	35,145	35,145

Please refer to Section 4 for more details.

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.

	For the 3 months ended 31 March	
	2018	2017 (Restated)*
Profit per ordinary share (cents),		
(i) Basic earnings per share	0.74	1.05
(ii) Diluted earnings per share	0.74	1.05

Number of shares

Weighted average number of ordinary shares in issue applicable to basic EPS	86,460,602	86,460,602
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*Prior period figures were restated upon adoption of SFRS (I) 15 & revaluation model under SFRS (I) 1-16

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 period reported on and (b) immediately preceding financial year.

	After Share Consolidation			
	Group		Company	
	As at 31.3.18	As at 31.12.17 (Restated)*	As at 31.3.18	As at 31.12.17
(Based on 86,460,602 shares) Net asset value per share** (S\$ cents)	62.71	61.95	60.80	60.87

** Net asset value attributable to the Company's shareholders excluding net assets attributable to non-controlling interest

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.

(1) Cost of sales

Cost of sales increased by \$390k from \$727k in Q1 FY2017 to \$1,117k in Q1 FY2018. The increase was due mainly to increase in sales of goods.

(2) Statement of financial position

As at 31 March 2018, the Group's net assets attributable to the Company's shareholders were \$54.22m as compared to \$53.56m as at 31 December 2017. The net assets of \$54.22m included cash and cash equivalents of \$45.74m. The net assets as at 31 December 2017 of \$53.56m included cash and cash equivalents of \$45.13m.

(3) Prepayments

Prepayments decreased by \$281k from \$479k at the end of FY2017 to \$198k at the end of Q1 FY2018. The decrease was due mainly to a prepayment for a motor vehicle made at the end of FY2017 which was capitalised to property plant and equipment in Q1 FY2018.

(4) Income tax payable

Income tax payable increased by \$157k from \$722k at the end of FY2017 to \$879k at the end of Q1 FY2018. The increase was due mainly to income tax on profit in Q1 FY2018.

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

The Company did not make any forecast or prospect statement in respect of the Group's results in its 2017 fourth quarter financial results announcement.

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 is not aware of any known factors or events that may affect the Group in the next reporting period and the next 12 months.

The market conditions in which the integrated marina development operates remain fairly stable.

The Company had announced on 22nd February 2016 that its wholly-owned subsidiary ONE15 Marina Holdings Pte Ltd had entered into a conditional joint venture agreement with UEM Land Berhad to incorporate and operate a joint venture company (the "JV Company"). On 11th July 2017, the Company subscribed for the shares of the JV Company, Sarandra Malaysia Sdn Bhd. Both parties had subsequently increased their investment in Sarandra Malaysia Sdn Bhd by a total of MYR 5.8m on 10th October 2017 and are working towards having the last few conditions (provided in the joint venture agreement) fulfilled as soon as possible. The JV Company will be in the lifestyle and leisure industry which shall include, inter alia, developing the existing marina in Puteri Harbour, developing and operating a proprietary yacht club, operating a sports centre and such other businesses agreed between the parties to the joint venture agreement.

The Company had announced on 22nd February 2018 that its wholly-owned subsidiary ONE15 Marina Holdings Pte Ltd had entered into a conditional share sale and purchase agreement to acquire majority stake in a company in Thailand. This company will be developing and operating a proprietary yacht club in Makham Bay, Phuket, Thailand.

The Company will continue to seek opportunities in the integrated marina business globally.

11. If a decision regarding a dividend has been made :-

(a) Whether a dividend has been declared (recommended) for the current financial period reported for

No

(b) (i) Amount per share ... cents;

Not Applicable

(ii) Previous corresponding financial period.... cents.

None for Q1 FY2017

(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 5:00pm) 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.

Not Applicable.

13. Interested Person Transactions

If the Group has obtained a general mandate from shareholders for interested person transactions (the "IPTs"), the aggregate value of such transaction as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

There were no interested person transactions (above \$100k each) conducted pursuant to the general mandate for IPTs during the financial period of Q1 FY2018 reported on.

14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the SGX-ST Listing Manual.

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the SGX-ST Listing Manual.

15. Negative Assurance Confirmation

The Board of Directors has confirmed that to the best of their knowledge, nothing has come to their attention which may render the unaudited financial results for the period ended 31 March 2018 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD
Arthur Tay Teng Guan
Executive Director and Chief Executive Officer
10-May-2018

Press and analysts enquiries

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