



**G. K. GOH HOLDINGS LIMITED**  
**Financial Statements**  
**And Related Announcement**  
**For Third Quarter Ended 30 September 2013**

(Co. Reg. No. 199000184D)

## TABLE OF CONTENTS

1.	REVIEW OF PERFORMANCE OF THE GROUP	2
2.	VARIANCE BETWEEN PREVIOUS PROSPECT STATEMENT AND ACTUAL RESULTS	3
3.	COMMENTARY ON PROSPECTS	3
4.	STATEMENT OF COMPREHENSIVE INCOME	4
5.	BALANCE SHEETS	5
6.	STATEMENTS OF CHANGES IN EQUITY	6
7.	CONSOLIDATED STATEMENT OF CASH FLOW	9
8.	NOTES TO THE FINANCIAL STATEMENTS	
	A.    SHARE CAPITAL	11
	B.    REVENUE AND EXPENSES	11
	C.    TAX	12
	D.    AGGREGATE AMOUNT OF GROUP'S BORROWINGS	12
	E.    EARNINGS PER SHARE	12
	F.    NET ASSET VALUE PER SHARE	12
	G.    ACCOUNTING POLICIES	13
9.	DIVIDENDS	13
10.	AUDIT	13
11.	INTERESTED PERSON TRANSACTIONS	13
12.	SUBSEQUENT EVENT	13
13.	CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5)	13

## REVIEW OF PERFORMANCE OF THE GROUP

### Results for the 3<sup>rd</sup> Quarter

Group net profits for the 3<sup>rd</sup> quarter amounted to S\$0.8 million, compared to S\$5.6 million in the 2<sup>nd</sup> quarter, and S\$6.2 million in the 3<sup>rd</sup> quarter of 2012. Total comprehensive income, which includes *inter alia* the fair value changes of available-for-sale financial assets and foreign currency translation, amounted to negative S\$3.1 million, compared with a gain of S\$8.4 million in the 3<sup>rd</sup> quarter of 2012.

Investment income totalled S\$4.4 million (3Q12: S\$8.4 million). The relatively subdued level of investment-related earnings masks a period of substantial stockmarket volatility, particularly in August and September when there was exceptional uncertainty about the direction of US monetary and economic policy. These concerns magnified fears over some regional economies, leading to deterioration in both currencies and stockmarkets in various Asean countries. After falling sharply in August, most markets rebounded in September, to varying degrees.

We had reduced the size and riskiness of our portfolio over the past nine months, partly to set aside funds for our purchase of our stake in Domain Principal Group (“DPG”), one of Australia’s largest operators in residential aged care facilities. We sold or redeemed a number of long-term investments as part of this process, realising gains of S\$2.9 million and reducing the size of our long-term investment book from S\$175.4 million in December 2012 to S\$156.3 million. The short-term investment book had been reduced from S\$89.1 million in December to S\$52.2 million at the end of September.

G. K. Goh Financial Services (S) Pte Ltd (“GKGFS”) recorded a loss of S\$0.9 million (3Q12: profit of S\$0.5 million) on revenues of S\$3.2 million (3Q12: S\$6.0 million). GKGFS was affected during the quarter by reduced transaction volumes by certain major clients in a competitive trading environment.

Corporate services associate Boardroom Ltd contributed S\$0.3 million in profit (3Q12: S\$0.4 million), providing the bulk of associate profits. Boardroom’s results were affected by the impact of the weaker Australian currency, and by higher staff costs in a tight labour market.

The Group’s balance sheet at the end of September was very liquid, in anticipation of closing the DPG acquisition in early October. The sharp drop in trade creditors, and the reduction in the level of cash and bank balances from S\$220.2 million to S\$147.8 million, despite the investment sales noted above, was largely the result of a reduction in trust monies held for clients of GKGFS.

The NAV per share of the Group ended the quarter at S\$1.158, increased slightly from S\$1.148 at the end of December 2012.

## **REVIEW OF PERFORMANCE OF THE GROUP (CONT'D)**

### Results for the Nine Months

Cumulative Group profits for the year to September amounted to S\$12.7 million, compared with S\$16.9 million in the first 9 months of 2012. Results last year included S\$7.9 million of profits from the sale of assets held by our private equity associate, Value Monetization Ltd, along with S\$4.0 million being our share of the carried interest of the fund.

Total Comprehensive Income for the year to September amounted to S\$15.7 million, roughly in line with the S\$15.5 million earned in the first 9 months of 2012.

## **VARIANCE BETWEEN PREVIOUS PROSPECT STATEMENT AND ACTUAL RESULTS**

None

## **COMMENTARY ON PROSPECTS**

From the 4<sup>th</sup> quarter onwards, the Group will be equity accounting the results of Domain Principal Group. Notwithstanding the interest costs from the A\$70 million bank borrowings taken out to partly fund the acquisition, we expect the investment to be accretive to the Group's earnings.

GKGFS is likely to remain loss-making in the 4<sup>th</sup> quarter, but the company is taking steps to address its business issues.

Our associates are expected to remain profitable. Income from our equities portfolio is difficult to predict in the short-term, especially in this period of heightened market volatility.

# Financial Statements

## STATEMENT OF COMPREHENSIVE INCOME

(Amounts in Singapore dollars)  
(These figures have not been audited)

	Note	Group 3 months ended			Group 9 months ended		
		30 Sep 2013 \$'000	30 Sep 2012 \$'000	+(-) %	30 Sep 2013 \$'000	30 Sep 2012 \$'000	+(-) %
<b>Continuing operations</b>							
<b>Revenue</b>							
Commission and broking revenue		3,129	5,929	(47)	14,078	14,528	(3)
Investment income		4,357	8,399	(48)	17,682	14,312	24
Other income		99	95	4	448	337	33
Total revenue		<u>7,585</u>	<u>14,423</u>	(47)	<u>32,208</u>	<u>29,177</u>	10
<b>Cost and expenses</b>							
Commission and broking expenses		(2,039)	(3,062)	(33)	(8,592)	(7,423)	16
Employees' compensation and related costs		(2,724)	(3,214)	(15)	(7,976)	(8,118)	(2)
Office and equipment rental costs		(286)	(243)	18	(844)	(730)	16
Depreciation		(290)	(195)	49	(784)	(567)	38
Technology and information service costs		(473)	(521)	(9)	(1,486)	(1,516)	(2)
Gain / (loss) on foreign currency exchange		(267)	(180)	48	213	(177)	NM
Provision for doubtful debts		(100)	(53)	89	(383)	(228)	68
Other operating expenses		(675)	(663)	2	(2,029)	(2,246)	(10)
Total cost and expenses		<u>(6,854)</u>	<u>(8,131)</u>	(16)	<u>(21,881)</u>	<u>(21,005)</u>	4
<b>Profit from operating activities</b>		<b>731</b>	<b>6,292</b>	(88)	<b>10,327</b>	<b>8,172</b>	26
Finance costs		(77)	(95)	(19)	(308)	(325)	(5)
Share of profit of associates		356	697	(49)	2,386	10,537	(77)
<b>Profit before taxation</b>	B	<b>1,010</b>	<b>6,894</b>	(85)	<b>12,405</b>	<b>18,384</b>	(33)
Taxation	C	(197)	(710)	(72)	248	(1,528)	NM
<b>Profit for the period, attributable to Owners of the Company</b>		<b>813</b>	<b>6,184</b>	(87)	<b>12,653</b>	<b>16,856</b>	(25)
<b>Other comprehensive income / (loss)</b>							
<b>Items that may be reclassified subsequently to profit or loss</b>							
Net (loss) / gain on fair value changes of available-for-sale financial assets		(3,284)	4,307	NM	5,870	1,090	439
Share of other comprehensive loss of associates		(391)	(577)	(32)	(2,453)	(857)	186
Foreign currency translation		(205)	(1,562)	(87)	(373)	(1,587)	(76)
<b>Other comprehensive (loss) / income for the period, net of tax</b>		<b>(3,880)</b>	<b>2,168</b>	NM	<b>3,044</b>	<b>(1,354)</b>	NM
<b>Total comprehensive (loss) / income for the period, attributable to Owners of the Company</b>		<b>(3,067)</b>	<b>8,352</b>	NM	<b>15,697</b>	<b>15,502</b>	1

NM: Not meaningful

	E				
<b>Basic and diluted earnings per share</b>					
- continuing operations		0.26 cents	1.95 cents	4.00 cents	5.32 cents

# Financial Statements

## BALANCE SHEETS

(Amounts in Singapore dollars)  
(These figures have not been audited)

	Note	Group		Company	
		30 Sep 2013 \$'000	31 Dec 2012 \$'000	30 Sep 2013 \$'000	31 Dec 2012 \$'000
<b>Non-current assets</b>					
Property, plant and equipment		1,977	1,550	-	-
Investment properties		3,727	3,727	-	-
Subsidiaries		-	-	40,769	38,501
Associates		44,043	42,399	5,688	5,688
Long-term investments		156,325	175,413	-	-
Deferred tax asset		944	875	-	-
Other receivables		-	1,000	-	-
<b>Current assets</b>					
Amounts receivable from subsidiaries		-	-	262,770	248,194
Trade debtors		5,440	15,299	-	-
Other debtors		12,170	7,601	37	7
Short-term investments		52,215	89,062	-	-
Cash and bank balances		147,773	220,206	851	14,226
		<u>217,598</u>	<u>332,168</u>	<u>263,658</u>	<u>262,427</u>
<b>Current liabilities</b>					
Amounts due to associates		335	953	-	-
Trade creditors		40,209	172,643	-	-
Other creditors		6,859	6,245	383	520
Bank borrowings	D	8,667	12,659	6,433	6,980
Provision for taxation		1,584	957	1,416	628
		<u>57,654</u>	<u>193,457</u>	<u>8,232</u>	<u>8,128</u>
<b>Net current assets</b>		159,944	138,711	255,426	254,299
<b>Non-current liabilities</b>					
Deferred tax liability		961	730	696	465
<b>Net assets</b>		<u>365,999</u>	<u>362,945</u>	<u>301,187</u>	<u>298,023</u>
<b>Equity</b>					
Share capital		183,112	183,112	183,112	183,112
Capital reserve		137	137	137	137
Revenue reserve		171,781	172,378	117,938	114,774
Fair value adjustment reserve		17,844	12,728	-	-
Foreign currency translation reserve		(6,875)	(5,410)	-	-
<b>Total equity</b>		<u>365,999</u>	<u>362,945</u>	<u>301,187</u>	<u>298,023</u>

# Financial Statements

## STATEMENTS OF CHANGES IN EQUITY

(Amounts in Singapore dollars)

(These figures have not been audited)

Group	Attributable to Owners of the Company					Total Equity \$'000
	Share Capital	Revenue Reserve	Capital Reserve	Fair Value Adjustment Reserve	Foreign Currency Translation Reserve	
	\$'000	\$'000	\$'000	\$'000	\$'000	
<b>2013</b>						
<b>Opening balance at 1 July 2013</b>	<b>183,112</b>	<b>171,021</b>	<b>137</b>	<b>21,425</b>	<b>(6,629)</b>	<b>369,066</b>
Profit for the period	-	813	-	-	-	813
<u>Other comprehensive loss</u>						
Net loss on fair value changes of available-for-sale financial assets	-	-	-	(3,284)	-	(3,284)
Share of other comprehensive loss of associates	-	(53)	-	(297)	(41)	(391)
Foreign currency translation	-	-	-	-	(205)	(205)
Other comprehensive loss for the period	-	(53)	-	(3,581)	(246)	(3,880)
<b>Total comprehensive income / (loss) for the period</b>	<b>-</b>	<b>760</b>	<b>-</b>	<b>(3,581)</b>	<b>(246)</b>	<b>(3,067)</b>
<b>Closing balance at 30 September 2013</b>	<b>183,112</b>	<b>171,781</b>	<b>137</b>	<b>17,844</b>	<b>(6,875)</b>	<b>365,999</b>

# Financial Statements

## STATEMENTS OF CHANGES IN EQUITY (Continued)

Group	Attributable to Owners of the Company					Total Equity \$'000
	Share	Revenue	Capital	Fair Value	Foreign	
	Capital Reserve \$'000	Reserve \$'000	Reserve \$'000	Adjustment Reserve \$'000	Currency Translation Reserve \$'000	
<b>2012</b>						
<b>Opening balance at 1 July 2012</b>	<b>183,112</b>	<b>164,160</b>	<b>137</b>	<b>4,356</b>	<b>(3,407)</b>	<b>348,358</b>
Loss for the period	-	6,184	-	-	-	6,184
<u>Other comprehensive income / (loss)</u>						
Net gain on fair value changes of available-for-sale financial assets	-	-	-	4,307	-	4,307
Share of other comprehensive income / (loss) of associates	-	4	-	(212)	(369)	(577)
Foreign currency translation	-	-	-	-	(1,562)	(1,562)
Other comprehensive income / (loss) for the period	-	4	-	4,095	(1,931)	2,168
<b>Total comprehensive income / (loss) for the period</b>	<b>-</b>	<b>6,188</b>	<b>-</b>	<b>4,095</b>	<b>(1,931)</b>	<b>8,352</b>
<u>Contributions by and distributions to owners</u>						
Shares re-purchased	-	(348)	-	-	-	(348)
<b>Total transactions with owners in their capacity as owners</b>	<b>-</b>	<b>(348)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(348)</b>
<b>Closing balance at 30 September 2012</b>	<b>183,112</b>	<b>170,000</b>	<b>137</b>	<b>8,451</b>	<b>(5,338)</b>	<b>356,362</b>



# Financial Statements

## STATEMENTS OF CHANGES IN EQUITY (Continued)

Company 2013	Share Capital \$'000	Revenue Reserve \$'000	Capital Reserve \$'000	Total Equity \$'000
<b>Opening balance at 1 July 2013</b>	183,112	115,672	137	298,921
Profit for the period	-	2,266	-	2,266
<b>Total comprehensive income for the period</b>	-	2,266	-	2,266
<b>Closing balance at 30 September 2013</b>	183,112	117,938	137	301,187

Company 2012	Share Capital \$'000	Revenue Reserve \$'000	Capital Reserve \$'000	Total Equity \$'000
<b>Opening balance at 1 July 2012</b>	183,112	70,244	137	253,493
Profit for the period	-	41,404	-	41,404
<b>Total comprehensive income for the period</b>	-	41,404	-	41,404
<u>Contributions by and distributions to owners</u>				
Shares re-purchased	-	(348)	-	(348)
<b>Total transactions with owners in their capacity as owners</b>	-	(348)	-	(348)
<b>Closing balance at 30 September 2012</b>	183,112	111,300	137	294,549

# Financial Statements

## CONSOLIDATED STATEMENT OF CASH FLOW

(Amounts in Singapore dollars)  
(These figures have not been audited)

	<b>Group</b>	
	<b>3 months ended</b>	
	<b>30 Sep 2013</b>	<b>30 Sep 2012</b>
	\$'000	\$'000
<b>Cash flow from operating activities:</b>		
Profit before taxation	1,010	6,894
Adjustments for :-		
Depreciation of property, plant and equipment	290	195
Loss on disposal of investment property	-	48
Gain on disposal of subsidiary	-	(1,062)
Finance costs	77	95
Interest income	(337)	(422)
Dividend income	(312)	(461)
Gain on sale of long-term investments	(2,907)	(2)
Provision of allowance for doubtful debts	100	53
Fair value adjustment	113	(1,089)
Share of profit of associates	(356)	(697)
<b>Operating (loss) / profit before reinvestment in working capital</b>	<b>(2,322)</b>	<b>3,552</b>
Increase in debtors	(1,464)	(3,249)
Decrease / (increase) in short-term investments	10,466	(8,619)
(Decrease) / increase in creditors	(37,113)	26,178
<b>Cash flow (used in) / from operations</b>	<b>(30,433)</b>	<b>17,862</b>
Interest paid	(81)	(100)
Interest received	345	423
Income tax paid	-	(462)
<b>Net cash (used in) / from operating activities</b>	<b>(30,169)</b>	<b>17,723</b>

# Financial Statements

## CONSOLIDATED STATEMENT OF CASH FLOW (Continued)

	<b>Group</b>	
	<b>3 months ended</b>	
	<b>30 Sep 2013</b>	<b>30 Sep 2012</b>
	\$'000	\$'000
<b>Cash flow from investing activities:</b>		
Purchase of property, plant and equipment	(360)	(173)
Proceeds from disposal of investment property	-	(50)
Purchase of long-term investments	(1,740)	(15,565)
Proceeds from sale of long-term investments	36,604	300
Net dividend received from associates	-	8,197
Dividend income	309	447
<b>Net cash from / (used in) investing activities</b>	<u>34,813</u>	<u>(6,844)</u>
<b>Cash flow from financing activities:</b>		
Shares re-purchased	-	(348)
Repayment of bank borrowings	(4,221)	(63)
<b>Net cash used in financing activities</b>	<u>(4,221)</u>	<u>(411)</u>
Net increase in cash and cash equivalents	423	10,468
Effect of exchange rate changes in opening cash and cash equivalents	(146)	(91)
Cash and cash equivalents at beginning of period	147,496	217,913
<b>Cash and cash equivalents at end of period</b>	<u>147,773</u>	<u>228,290</u>

Cash and bank balances of the Group include fixed deposits of \$13,818,000 (2012: \$23,331,000) and other cash and bank balances of \$27,363,000 (2012: \$101,177,000) of a subsidiary company which are segregated under SGX-DT Rules and represent funds deposited by customers and accruing to customers as a result of trades or contracts in SGX-DT.

# Financial Statements

## NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2013

(Amounts in Singapore dollars)

(These figures have not been audited)

### A. SHARE CAPITAL

In the third quarter ended 30 September 2013, no (2012: 478,000) shares were purchased by the Company and no (2012: Nil) shares were issued in the same year. The total number of issued shares as at 30 September 2013 was 316,070,805 (2012: 316,135,805). The Company did not hold any treasury shares as at 30 September 2013 and 2012.

### B. REVENUE AND EXPENSES

Profit before taxation includes the following:

	Group 3 months ended		Group 9 months ended	
	30 Sep 2013 \$'000	30 Sep 2012 \$'000	30 Sep 2013 \$'000	30 Sep 2012 \$'000
Commission and broking revenue –				
Commission	80	161	389	408
Forex broking revenue	3,049	5,768	13,689	14,120
Investment income –				
Fair value adjustment for short-term investments	(1,524)	3,345	(4,752)	6,870
Fair value adjustment for long-term investments	1,411	(2,256)	2,121	(3,708)
Gain / (loss) on sale of short-term investments	914	1,401	13,695	2,155
Gain on sale of long-term investments	2,907	2	4,393	576
Gross dividend income :				
- Quoted investments	312	461	1,201	1,237
Interest income :				
- Fixed deposits	67	88	199	350
- Others	270	334	825	949
Gain on disposal of subsidiary	-	1,062	-	1,062
Gain on disposal of associates	-	-	-	5
Gain on disposal of investment property	-	(48)	-	806
Other investment income	-	4,010	-	4,010
Other income –				
Service income	27	12	55	36
Rental income	56	70	187	280
Gain on disposal of property, plant and equipment	-	-	157	-
Finance cost –				
Interest expense -				
Bank loans and overdrafts	(76)	(89)	(295)	(294)
Others	(1)	(6)	(13)	(31)

# Financial Statements

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### C. TAX

	Group 3 months ended		Group 9 months ended	
	30 Sep 2013 \$'000	30 Sep 2012 \$'000	30 Sep 2013 \$'000	30 Sep 2012 \$'000
Current taxation				
Current year	(149)	(147)	(467)	(735)
Over / (under) provision in respect of prior years	-	-	379	421
Deferred tax	(48)	(563)	336	(1,214)
	<u>(197)</u>	<u>(710)</u>	<u>248</u>	<u>(1,528)</u>

### D. AGGREGATE AMOUNT OF GROUP'S BORROWINGS

	Secured		Unsecured	
	30 Sep 2013 \$'000	31 Dec 2012 \$'000	30 Sep 2013 \$'000	31 Dec 2012 \$'000
Amount due within one year	-	-	8,667	12,659
Amount due after one year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>8,667</u>	<u>12,659</u>

### E. EARNINGS PER SHARE

Basic and diluted earnings per share ("EPS") are calculated by dividing the profit attributable to owners of \$813,000 (2012: \$6,184,000) by the weighted average number of ordinary shares in issue during the period of 316,070,805 (2012: 316,422,472).

There were no outstanding share options as at 30 September 2013 and 2012.

### F. NET ASSET VALUE PER SHARE

	Group		Company	
	30 Sep 2013	31 Dec 2012	30 Sep 2013	31 Dec 2012
Net asset value per share based on existing issued share capital as at the end of the respective period	115.80 cts	114.83 cts	95.29 cts	94.29 cts
	<u>115.80 cts</u>	<u>114.83 cts</u>	<u>95.29 cts</u>	<u>94.29 cts</u>

# Financial Statements

## **NOTES TO THE FINANCIAL STATEMENTS (Continued)**

### **G. ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). Other than the adoption of the new and revised FRS which took effect from the current financial year, the accounting policies have been consistently applied by the Company and by the Group and are consistent with those used in the previous financial year. The adoption of the new and revised FRS has no impact on the financial position and financial performance of the Company.

### **DIVIDENDS**

No dividend was declared or recommended during the period ended 30 September 2013 (2012: Nil).

### **AUDIT**

These Financial Statements have not been audited or reviewed by the Auditors.

### **INTERESTED PERSON TRANSACTIONS**

The Company does not have an Interested Person Transactions mandate.

### **SUBSEQUENT EVENT**

As announced on 3 October 2013, the Group has completed the acquisition of shares and units in various entities constituting the Domain Principal Group residential aged care business in Australia.

### **CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5)**

The Board of Directors hereby confirm that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the unaudited Financial Statements of the Company and of the Group for the third quarter ended 30 September 2013 to be false or misleading in any material aspect.

### **BY ORDER OF THE BOARD**

**Jimmy Yap Tuck Kong**  
Company Secretary

11 November 2013  
Singapore