



G. K. GOH HOLDINGS LIMITED
Financial Statements
And Related Announcement
For The Year Ended 31 December 2016

(Co. Reg. No. 199000184D)

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REVIEW OF PERFORMANCE OF THE GROUP

Results for the 4th Quarter

The final quarter of the year saw a significant increase in Group net profits to S\$23.8 million (4Q15: S\$5.1 million). Excluding the results of G. K. Goh Financial Services (S) Pte Ltd (“GKGFS”) which was reclassified to discontinued operations, net profits from continuing operations amounted to S\$24.2 million (4Q15: S\$6.8 million).

There were two significant one-time adjustments which contributed to this increase:

- (1) Opal Aged Care Group (“Opal”), our 48%-owned associate in Australia, reversed a provision that had been made for deferred tax but which was no longer required following regulatory changes. Our share of this reversal amounted to S\$16.7 million. Due to the regulatory changes, the Group would now be subject to tax in Australia when Opal distributes its profits as unfranked dividends. As such, the Group recorded a S\$6.4 million provision for deferred tax in the quarter.
- (2) Our 7.5% stake in euNetworks Limited (“EUN”) was revalued from our carrying cost of 75 cents per share to S\$1.16 per share following the delisting of EUN. Through the privatisation exercise, we have effectively disposed all our EUN shares and subscribed for new interest into a partnership entity with the major investors. The disposal resulted in a transfer of S\$13.5 million to investment income from the fair value reserve.

Excluding these exceptional items, Group net profits excluding discontinued operations would have been S\$0.4 million.

Other comprehensive income amounted to a loss of S\$9.6 million (4Q15: profit of S\$0.4 million), which includes the transfer to profit and loss account relating to EUN described above. Total comprehensive income from continuing operations amounted to S\$14.3 million (4Q15: S\$6.5 million).

In November 2016, the Group announced an agreement to sell GKGFS, its unit providing broking services in foreign exchange, financial futures and commodities. All regulatory approvals for this transaction have been received, and the transaction is expected to close within the 1st quarter of 2017. In view of the impending sale, the operations and accounts of GKGFS have been classified as Discontinued Operations.

Boardroom Limited (“Boardroom”) contributed earnings of S\$3.4 million (4Q15: S\$1.6 million) on static revenues. Its 4th quarter earnings also improved from the S\$1.4 million earned in the 3rd quarter. For more details on Boardroom’s performance, please refer to its full year financial results announcement on www.boardroomlimited.com.

Excluding the deferred tax writeback described above, Opal contributed S\$4.1 million to our bottom line in the 4th quarter (4Q15: S\$2.7 million). The business environment in Australian aged care was affected by government regulatory changes in the second half of the year, but Opal’s management continues to deliver good outcomes for its shareholders while sustaining a high level of care and executing on its extensive development plan. Opal ended the year with more than 6,000 operational beds spread across 71 homes.

The Group’s investment income, excluding the EUN uplift described above, amounted to S\$1.2 million (4Q15: S\$7.1 million). Most of the decline stems from the absence of realised gains on the short-term portion of the Group’s portfolio. The Group’s short-term investment portfolio was worth S\$35.1 million at the end of December, up from S\$19.3 million a year ago.

REVIEW OF PERFORMANCE OF THE GROUP (CONT'D)

Results for the Year

For the year to December 2016, Group profits excluding discontinued operations totalled S\$31.6 million (FY15: S\$12.8 million). Earnings per share from continuing operations was 9.8 cents (FY15: 4.1 cents).

Excluding the two exceptional adjustments described earlier, profits for 2016 would have been S\$7.8 million.

Other comprehensive income amounted to a loss of S\$1.9 million (FY15: S\$24.4 million), which included the S\$13.5 million transfer of fair value reserve resulting from the effective disposal of EUN.

Boardroom's full year revenues were approximately 2% lower than in 2015, while profits for the year were up 8% at S\$7.2 million.

Opal continued to deliver strongly, adding S\$34.2 million to net profits. Excluding the writeback of deferred tax, its operations contributed S\$17.5 million to net profits, a 42% improvement on FY15's S\$12.3 million. This was achieved through a combination of capacity growth and operational efficiencies.

Investment income amounted to S\$18.9 million (FY15: S\$16.3 million). Of this sum, S\$13.5 million relates to the transfer of fair value reserve. Our investment returns were muted in 2016 by the heightened levels of volatility resulting from political shocks in the second half of the year.

The Group's net assets grew to S\$388.5 million from S\$374.3 million a year ago, putting its net asset value per share at S\$1.189 (FY15: S\$1.146).

Dividend

The Directors propose a cash dividend of 3.0 cents a share for 2016.

VARIANCE BETWEEN PREVIOUS PROSPECT STATEMENT AND ACTUAL RESULTS

None

COMMENTARY ON PROSPECTS

Opal's growth rate is likely to be slower in 2017 as a result of changes in various aspects of government funding in Australia, but we believe its earnings contribution will continue to be satisfactory. We also expect Boardroom to remain profitable, while returns from the Group's financial investments are inherently difficult to predict, particularly with elevated geopolitical uncertainties.

As noted earlier, the Group's 2016 earnings were boosted by two significant non-recurring items. If there are no significantly-profitable asset sales, it is likely that the results for 2017 will be lower.

In December 2016, the Company announced that it had been awarded the tender for a 30-year leasehold site at Venus Drive for the construction of a nursing home. The land cost amounted to S\$24.3 million. The Group expects to submit detailed plans for approval shortly, and for construction to begin in the second half of 2017.

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STATEMENT OF COMPREHENSIVE INCOME

(Amounts in Singapore dollars)

(These figures have not been audited)

	Group			Group		
	3 months ended		+ / (-) %	Year ended		+ / (-) %
Note	31 Dec 2016	31 Dec 2015		31 Dec 2016	31 Dec 2015	
	\$'000	\$'000		\$'000	\$'000	
		(reclassified)		(reclassified)		
CONTINUING OPERATIONS						
Revenue						
Corporate services revenue	18,896	18,793	1	67,915	69,049	(2)
Investment income	14,685	7,136	106	18,918	16,287	16
Other income	2,175	1,249	74	6,466	3,805	70
Total revenue	35,756	27,178	32	93,299	89,141	5
Cost and expenses						
Employees' compensation and related costs	(13,341)	(12,475)	7	(50,912)	(50,856)	0
Office and equipment rental costs	(1,649)	(1,567)	5	(6,533)	(5,695)	15
Depreciation and amortisation	(1,622)	(1,680)	(3)	(6,376)	(6,667)	(4)
Technology and information services costs	(319)	(306)	4	(1,258)	(1,430)	(12)
Gain / loss on foreign currency exchange	267	158	69	(876)	(888)	(1)
Provision for doubtful debts	(315)	(354)	(11)	(898)	(1,116)	(20)
Other operating expenses	(3,772)	(4,630)	(19)	(12,874)	(12,687)	1
Total cost and expenses	(20,751)	(20,854)	(0)	(79,727)	(79,339)	0
Profit from operating activities	15,005	6,324	137	13,572	9,802	38
Finance costs	(1,482)	(1,549)	(4)	(5,993)	(6,285)	(5)
Share of profit of associates	20,308	2,775	632	34,426	12,484	176
Profit before tax from continuing operations	33,831	7,550	348	42,005	16,001	163
Taxation	(9,546)	(1,813)	427	(10,367)	(3,195)	224
Profit from continuing operations, net of tax	24,285	5,737	323	31,638	12,806	147
DISCONTINUED OPERATIONS						
Loss from discontinued operations, net of tax	(480)	(629)	(24)	(2,145)	(387)	454
Profit for the year	23,805	5,108	366	29,493	12,419	137
Other comprehensive income / (loss)						
Items that may be reclassified						
subsequently to profit or loss						
Net loss on fair value changes of available-for-sale financial assets						
- fair value gain / (loss)	(649)	(1,315)	(51)	7,633	(11,121)	NM
- transferred to profit or loss on disposal	(12,930)	(2)	646,400	(13,157)	(5,207)	153
Share of other comprehensive income / (loss) of associates	1,998	(252)	NM	13	(808)	NM
Net (loss) / gain on hedge of net investment	(299)	(2,399)	(88)	(113)	4,794	NM
Foreign currency translation	2,246	4,355	(48)	3,706	(12,041)	NM
Other comprehensive income / (loss) for the year, net of tax	(9,634)	387	NM	(1,918)	(24,383)	(92)
Total comprehensive income / (loss) for the year	14,171	5,495	158	27,575	(11,964)	NM
Profit / (loss) attributable to:						
Owners of the Company						
- Profit from continuing operations	24,230	6,764	258	32,126	13,231	143
- Loss from discontinued operations	(480)	(629)	(24)	(2,145)	(387)	454
Non-controlling interests	55	(1,027)	NM	(488)	(425)	15
Total comprehensive income / (loss) attributable to:	23,805	5,108	366	29,493	12,419	137
Owners of the Company						
- Total comprehensive income from continuing operations	14,304	6,499	120	29,625	(10,698)	NM
- Total comprehensive loss from discontinued operations	(480)	(629)	(24)	(2,145)	(387)	454
Non-controlling interests	347	(375)	NM	95	(879)	NM
Total comprehensive income / (loss) attributable to:	14,171	5,495	158	27,575	(11,964)	NM
NM : Not meaningful						
Earnings per share (basic and diluted)						
	E					
- from continuing operations	7.42 cents	2.07 cents		9.83 cents	4.11 cents	
- from discontinued operations	(0.15) cents	(0.19) cents		(0.65) cents	(0.12) cents	
- total	7.27 cents	1.88 cents		9.18 cents	3.99 cents	

Note

Following the Group's decision to dispose of G. K. Goh Financial Services (S) Pte Ltd ("GKGFS"), the results of GKGFS have been reclassified to Loss from Discontinued Operations.

Financial Statements

BALANCE SHEETS

(Amounts in Singapore dollars)

(These figures have not been audited)

	Note	Group		Company	
		31 Dec 2016	31 Dec 2015	31 Dec 2016	31 Dec 2015
		\$'000	\$'000	\$'000	\$'000
Non-current assets					
Property, plant and equipment		17,712	17,582	-	-
Intangible assets		110,419	112,673	-	-
Investment properties		3,727	3,727	-	-
Subsidiaries		-	-	72,802	57,192
Associates		184,073	163,362	-	-
Long-term investments		212,705	200,776	5,802	5,702
Other long-term assets		15,983	14,543	-	-
Deferred tax assets		5,770	4,890	-	-
Current assets					
Amounts receivable from subsidiaries		-	-	301,240	290,742
Assets of disposal group classified as held for sale		89,445	-	-	-
Trade debtors		15,469	31,140	-	-
Other debtors		15,705	7,116	403	25
Short-term investments		35,097	19,300	-	-
Cash and bank balances		36,032	111,375	1,263	1,006
		191,748	168,931	302,906	291,773
Current liabilities					
Liabilities of disposal group classified as held for sale		73,718	-	-	-
Amounts due to associates		2	4,054	-	-
Trade creditors		9,166	73,704	-	-
Other creditors		14,991	33,235	684	505
Bank borrowings	D	90,108	34,641	52,478	24,562
Provision for taxation		1,588	1,175	188	228
		189,573	146,809	53,350	25,295
Net current assets		2,175	22,122	249,556	266,478
Non-current liabilities					
Bank borrowings	D	104,909	121,316	-	-
Amounts due to associates		4,046	-	-	-
Provision for employee benefits		352	362	-	-
Deferred tax liabilities		24,569	19,196	1,361	1,167
Net assets		418,688	398,801	326,799	328,205
Equity attributable to Owners of the Company					
Share capital		191,987	191,987	191,987	191,987
Revenue reserve		193,469	176,552	134,575	136,081
Transactions with non-controlling interests		(7,097)	(6,911)	-	-
Capital reserve		137	207	137	137
Cash flow hedge reserve		(795)	(808)	-	-
Fair value adjustment reserve		27,024	32,548	100	-
Foreign currency translation reserve		(16,226)	(19,306)	-	-
		388,499	374,269	326,799	328,205
Non-controlling interests		30,189	24,532	-	-
Total equity		418,688	398,801	326,799	328,205

Financial Statements

STATEMENTS OF CHANGES IN EQUITY

(Amounts in Singapore dollars)

(These figures have not been audited)

Attributable to Owners of the Company

Group 2016	Share Capital		Transactions with Non-controlling Interests		Cash Flow Hedge Reserve	Fair Value Adjustment Reserve	Foreign Currency Translation Reserve	Equity Attributable to Owners of the Company	Non-controlling Interests	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2016	191,987	176,552	(6,911)	207	(808)	32,548	(19,306)	374,269	24,532	398,801
Profit / (loss) for the year	-	29,981	-	-	-	-	-	29,981	(488)	29,493
Other comprehensive income / (loss)										
Net loss on fair value changes of available-for-sale financial assets	-	-	-	-	-	(5,524)	-	(5,524)	-	(5,524)
Share of other comprehensive income of associates	-	-	-	-	13	-	-	13	-	13
Net loss on hedge of net investment	-	-	-	-	-	-	(113)	(113)	-	(113)
Foreign currency translation	-	-	-	(70)	-	-	3,193	3,123	583	3,706
Other comprehensive income / (loss) for the year	-	-	-	(70)	13	(5,524)	3,080	(2,501)	583	(1,918)
Total comprehensive income / (loss) for the year	-	29,981	-	(70)	13	(5,524)	3,080	27,480	95	27,575

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STATEMENTS OF CHANGES IN EQUITY (Continued)

Group 2016	Attributable to Owners of the Company									Total Equity \$'000
	Share Capital \$'000	Revenue Reserve \$'000	Transactions with Non-controlling Interests \$'000	Capital Reserve \$'000	Cash Flow Hedge Reserve \$'000	Fair Value Adjustment Reserve \$'000	Foreign Currency Translation Reserve \$'000	Equity Attributable to Owners of the Company \$'000	Non- controlling Interests \$'000	
Contributions by and distributions to Owners										
Unclaimed dividend	-	3	-	-	-	-	-	3	-	3
Dividend on ordinary shares	-	(13,067)	-	-	-	-	-	(13,067)	-	(13,067)
Total contributions by and distributions to Owners	-	(13,064)	-	-	-	-	-	(13,064)	-	(13,064)
Changes in ownership interests in subsidiaries										
Issuance of shares to non-controlling interests	-	-	681	-	-	-	-	681	7,919	8,600
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(518)	(518)
Equity contribution	-	-	-	-	-	-	-	-	426	426
Acquisition of non-controlling interests w ithout a change in control	-	-	(867)	-	-	-	-	(867)	(2,265)	(3,132)
Total changes in ownership interests in subsidiaries	-	-	(186)	-	-	-	-	(186)	5,562	5,376
Total transactions with Owners in their capacity as Owners	-	(13,064)	(186)	-	-	-	-	(13,250)	5,562	(7,688)
Balance at 31 December 2016	191,987	193,469	(7,097)	137	(795)	27,024	(16,226)	388,499	30,189	418,688

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STATEMENTS OF CHANGES IN EQUITY (Continued)

Attributable to Owners of the Company

Group 2015	Attributable to Owners of the Company									
	Share Capital	Revenue Reserve	Transactions with Non-controlling Interests	Capital Reserve	Cash Flow Hedge Reserve	Fair Value Adjustment Reserve	Foreign Currency Translation Reserve	Equity Attributable to Owners of the Company	Non- controlling Interests	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2015	183,112	176,337	(7,355)	171	-	48,876	(12,477)	388,664	16,117	404,781
Profit / (loss) for the year	-	12,844	-	-	-	-	-	12,844	(425)	12,419
Other comprehensive income / (loss)										
Net loss on fair value changes of available-for-sale financial assets	-	-	-	-	-	(16,328)	-	(16,328)	-	(16,328)
Share of other comprehensive loss of associates	-	-	-	-	(808)	-	-	(808)	-	(808)
Net gain on hedge of net investment	-	-	-	-	-	-	4,794	4,794	-	4,794
Foreign currency translation	-	-	-	36	-	-	(11,623)	(11,587)	(454)	(12,041)
Other comprehensive income / (loss) for the year	-	-	-	36	(808)	(16,328)	(6,829)	(23,929)	(454)	(24,383)
Total comprehensive income / (loss) for the year	-	12,844	-	36	(808)	(16,328)	(6,829)	(11,085)	(879)	(11,964)

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STATEMENTS OF CHANGES IN EQUITY (Continued)

Group	Attributable to Owners of the Company									
	Share Capital	Revenue Reserve	Transactions with Non-controlling Interests	Capital Reserve	Cash Flow Hedge Reserve	Fair Value Adjustment Reserve	Foreign Currency Translation Reserve	Equity Attributable to Owners of the Company	Non-controlling Interests	Total Equity
2015										
Contributions by and distributions to Owners										
Unclaimed dividend	-	13	-	-	-	-	-	13	-	13
Dividend on ordinary shares	-	(3,767)	-	-	-	-	-	(3,767)	-	(3,767)
Issuance of shares pursuant to scrip dividend scheme	8,875	(8,875)	-	-	-	-	-	-	-	-
Total contributions by and distributions to Owners	8,875	(12,629)	-	-	-	-	-	(3,754)	-	(3,754)
Changes in ownership interests in subsidiaries										
Issuance of shares to non-controlling interests	-	-	-	-	-	-	-	-	4,075	4,075
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(351)	(351)
Sale of shares to non-controlling interests	-	-	1,349	-	-	-	-	1,349	8,102	9,451
Acquisition of non-controlling interests without a change in control	-	-	(905)	-	-	-	-	(905)	(2,532)	(3,437)
Total changes in ownership interests in subsidiaries	-	-	444	-	-	-	-	444	9,294	9,738
Total transactions with Owners in their capacity as Owners	8,875	(12,629)	444	-	-	-	-	(3,310)	9,294	5,984
Balance at 31 December 2015	191,987	176,552	(6,911)	207	(808)	32,548	(19,306)	374,269	24,532	398,801

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STATEMENTS OF CHANGES IN EQUITY (Continued)

Company 2016	Share Capital \$'000	Revenue Reserve \$'000	Capital Reserve \$'000	Fair Value Adjustment Reserve \$'000	Total Equity \$'000
Balance at 1 January 2016	191,987	136,081	137	-	328,205
Profit for the year	-	11,558	-	-	11,558
Other comprehensive income					
Net gain on fair value changes of available-for-sale financial assets	-	-	-	100	100
Total comprehensive income for the year	-	11,558	-	100	11,658
Contributions by and distributions to Owners					
Unclaimed dividend	-	3	-	-	3
Dividend on ordinary shares	-	(13,067)	-	-	(13,067)
Total transactions with Owners in their capacity as Owners	-	(13,064)	-	-	(13,064)
Balance at 31 December 2016	191,987	134,575	137	100	326,799

Company 2015	Share Capital \$'000	Revenue Reserve \$'000	Capital Reserve \$'000	Fair Value Adjustment Reserve \$'000	Total Equity \$'000
Balance at 1 January 2015	183,112	126,815	137	-	310,064
Profit for the year	-	21,895	-	-	21,895
Total comprehensive income for the year	-	21,895	-	-	21,895
Contributions by and distributions to Owners					
Unclaimed dividend	-	13	-	-	13
Dividend on ordinary shares	-	(3,767)	-	-	(3,767)
Issuance of shares pursuant to scrip dividend scheme	8,875	(8,875)	-	-	-
Total transactions with Owners in their capacity as Owners	8,875	(12,629)	-	-	(3,754)
Balance at 31 December 2015	191,987	136,081	137	-	328,205

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CONSOLIDATED CASH FLOW STATEMENT

(Amounts in Singapore dollars)

(These figures have not been audited)

	Group	
	Year ended	
	31 Dec 2016	31 Dec 2015
	\$'000	\$'000
		(reclassified)
Cash flows from operating activities		
Profit before tax from continuing operations	42,005	16,001
Loss before tax from discontinued operations	(2,145)	(387)
Profit before tax, total	<u>39,860</u>	<u>15,614</u>
Adjustments for :-		
Depreciation and amortisation	6,463	6,831
Loss on disposal of property, plant and equipment	124	1
Impairment of property, plant and equipment	-	418
Loss on disposal of associates	-	1,207
Finance costs	5,993	6,285
Interest income	(691)	(1,816)
Dividend income	(2,833)	(2,242)
Gain on sale of long-term investments	(8,270)	(8,061)
Provision for doubtful debts	898	1,116
Fair value adjustment	(6,812)	(1,314)
Share of profit of associates	(34,426)	(12,484)
Operating profit before reinvestment in working capital	<u>306</u>	<u>5,555</u>
Increase in debtors	(7,100)	(6,938)
(Increase) / decrease in short-term investments	(16,802)	12,024
(Decrease) / increase in creditors	(9,754)	2,839
Cash flows (used in) / from operations	<u>(33,350)</u>	<u>13,480</u>
Interest paid	(5,845)	(6,020)
Interest received	676	1,652
Income tax paid	(1,899)	(2,532)
Net cash flows (used in) / from operating activities	<u>(40,418)</u>	<u>6,580</u>

Financial Statements

CONSOLIDATED CASH FLOW STATEMENT (Continued)

	Group Year ended	
	31 Dec 2016 \$'000	31 Dec 2015 \$'000 (reclassified)
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,496)	(2,810)
Proceeds from disposal of property, plant and equipment	17	12
Purchase of intangible assets	(1,913)	(1,445)
Purchase of long-term investments	(59,665)	(23,744)
Proceeds from sale of long-term investments	55,921	42,651
Acquisition of subsidiary, net of cash acquired	-	(10,500)
Investments in associates	-	(5,034)
Proceeds from disposal of associates	-	4,418
Net dividend received from associates	16,139	15,015
Dividend income received	2,467	1,960
Net cash flows from investing activities	11,470	20,523
Cash flows from financing activities		
Dividend paid	(13,067)	(3,767)
Unclaimed dividend	3	13
Acquisition of non-controlling interests	(3,132)	(3,437)
Dividend paid to non-controlling interests	(518)	(351)
Proceeds from issuance of shares to non-controlling interests	8,600	4,075
Proceeds from sale of shares to non-controlling interests	-	9,451
Proceeds from / (repayment of) bank borrowings	39,060	(32,603)
Net cash flows from / (used in) financing activities	30,946	(26,619)
Net increase in cash and cash equivalents	1,998	484
Effect of exchange rate changes in opening cash and cash equivalents	81	4,472
Cash and cash equivalents at beginning of year	111,375	106,419
Cash and cash equivalents at end of year	113,454	111,375

Notes

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise the following at the end of the year:

	Group Year ended	
	31 Dec 2016 \$'000	31 Dec 2015 \$'000
Cash and bank balances: -		
Continuing operations	36,032	111,375
Discontinued operations	77,422	-
Cash and cash equivalents	113,454	111,375

Cash and bank balances of the Group include fixed deposits of \$2,411,000 (2015: \$1,026,000) and other cash and bank balances of \$48,777,000 (2015: \$42,479,000) of a subsidiary which are segregated under the Securities and Futures Act and represent funds deposited by and accruing to customers.

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

(Amounts in Singapore dollars)

(These figures have not been audited)

A. SHARE CAPITAL

In the year ended 31 December 2016, no (2015: 10,615,732) shares were issued under the G. K. Goh Holdings Limited Scrip Dividend Scheme. No (2015: Nil) shares were purchased by the Company. The total number of issued shares as at 31 December 2016 was 326,686,537 (2015: 326,686,537). The Company did not hold any treasury shares as at 31 December 2016 and 2015.

B. REVENUE AND EXPENSES

Profit before taxation includes the following:

	Group Year ended	
	31 Dec 2016 \$'000	31 Dec 2015 \$'000 (reclassified)
Corporate services revenue	67,915	69,049
Investment income –		
Fair value adjustment for short-term investments	(1,005)	(2,191)
Fair value adjustment for long-term investments	7,817	3,505
Gain on sale of short-term investments	312	3,996
Gain on sale of long-term investments	8,270	8,061
Dividend income	2,833	2,242
Interest income:		
- Bank deposits	594	266
- Others	97	1,550
Loss on disposal of associates	-	(1,207)
Other investment income	-	65
Other income –		
Deferred management fee income	4,529	2,190
Rental income	380	321
Finance costs –		
Interest expense -		
Bank loans and overdrafts	(5,969)	(6,285)
Others	(24)	-

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS (Continued)

C. TAX

	Group Year ended	
	31 Dec 2016 \$'000	31 Dec 2015 \$'000
Current income tax		
Current year	(3,682)	(3,991)
Overprovision in respect of prior years	71	182
Deferred tax	(6,756)	614
	<u>(10,367)</u>	<u>(3,195)</u>

D. AGGREGATE AMOUNT OF GROUP'S BORROWINGS

	Secured		Unsecured	
	31 Dec 2016 \$'000	31 Dec 2015 \$'000	31 Dec 2016 \$'000	31 Dec 2015 \$'000
Amount due within one year	12,106	4,131	78,002	30,510
Amount due after one year	96,409	111,316	8,500	10,000
	<u>108,515</u>	<u>115,447</u>	<u>86,502</u>	<u>40,510</u>

E. EARNINGS PER SHARE

Basic and diluted earnings per share ("EPS") are calculated by dividing the profit attributable to Owners of \$29,981,000 (2015: \$12,844,000) by the weighted average number of ordinary shares in issue during the year of 326,686,537 (2015: 322,263,315).

There were no outstanding share options as at 31 December 2016 and 2015.

F. NET ASSET VALUE PER SHARE

	Group		Company	
	31 Dec 2016	31 Dec 2015	31 Dec 2016	31 Dec 2015
Net asset value per share based on existing issued share capital as at the end of the respective year	118.92 cts	114.57 cts	100.03 cts	100.46 cts
	<u>118.92 cts</u>	<u>114.57 cts</u>	<u>100.03 cts</u>	<u>100.46 cts</u>

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS (Continued)

G. SEGMENTAL RESULTS

2016	Investment Holding \$'000	Corporate Services \$'000	Financial Services (Discontinued operation) \$'000	Adjustments and Eliminations \$'000	Consolidated \$'000
Revenue					
External revenue	24,582	68,717	5,312	(5,312)	93,299
Inter-segment revenue	94	108	36	(238)	-
Total revenue	<u>24,676</u>	<u>68,825</u>	<u>5,348</u>	<u>(5,550)</u>	<u>93,299</u>
Results					
Interest income	536	249	130	(224)	691
Finance costs	4,388	1,605	119	(119)	5,993
Depreciation and amortisation	1,898	4,478	87	(87)	6,376
Fair value adjustments	6,812	-	-	-	6,812
Share of profit of associates	34,426	-	-	-	34,426
Segment profit / (loss)	<u>36,238</u>	<u>5,833</u>	<u>(2,211)</u>	<u>2,145</u>	<u>42,005</u>
Assets					
Investment in associates	184,073	-	-	-	184,073
Additions to non-current assets	287	2,988	134	-	3,409
Segment assets	<u>514,408</u>	<u>136,166</u>	<u>89,445</u>	<u>(3,652)</u>	<u>736,367</u>
Unallocated assets					<u>5,770</u>
Total assets					<u><u>742,137</u></u>
Liabilities					
Segment liabilities	<u>149,706</u>	<u>73,880</u>	<u>77,358</u>	<u>(3,652)</u>	<u>297,292</u>
Unallocated liabilities					<u>26,157</u>
Total liabilities					<u><u>323,449</u></u>

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

G. SEGMENTAL RESULTS (CONTINUED)

2015	Investment Holding \$'000	Corporate Services \$'000	Financial Services (Discontinued operation) \$'000	Adjustments and Eliminations \$'000	Consolidated \$'000
Revenue					
External revenue	19,409	69,732	10,501	(10,501)	89,141
Inter-segment revenue	112	99	37	(248)	-
Total revenue	<u>19,521</u>	<u>69,831</u>	<u>10,538</u>	<u>(10,749)</u>	<u>89,141</u>
Results					
Interest income	1,727	201	107	(219)	1,816
Finance costs	4,825	1,460	120	(120)	6,285
Depreciation and amortisation	1,783	4,884	164	(164)	6,667
Fair value adjustments	1,314	-	-	-	1,314
Share of profit of associates	12,484	-	-	-	12,484
Segment profit / (loss)	<u>9,190</u>	<u>6,890</u>	<u>(466)</u>	<u>387</u>	<u>16,001</u>
Assets					
Investment in associates	163,362	-	-	-	163,362
Additions to non-current assets	1,834	2,346	75	-	4,255
Segment assets	<u>465,707</u>	<u>136,252</u>	<u>83,536</u>	<u>(3,901)</u>	<u>681,594</u>
Unallocated assets					4,890
Total assets					<u>686,484</u>
Liabilities					
Segment liabilities	<u>124,420</u>	<u>77,563</u>	<u>69,230</u>	<u>(3,901)</u>	<u>267,312</u>
Unallocated liabilities					20,371
Total liabilities					<u>287,683</u>

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS (Continued)

G. SEGMENTAL RESULTS (CONTINUED)

	Revenue from External Customers		Non-current Assets	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Singapore	45,349	43,124	38,883	40,013
Australia	30,901	28,813	78,938	79,135
Malaysia	7,038	6,791	9,583	10,176
Hong Kong	8,263	8,409	4,413	4,557
China	1,748	2,004	41	101
Total	93,299	89,141	131,858	133,982

Non-current assets consist of property, plant and equipment, intangible assets and investment properties.

H. BREAKDOWN OF SALES

	Group		+ / (-)
	Year ended		
	31 Dec 2016	31 Dec 2015	
	\$'000	\$'000	%
	(reclassified)		
First Half			
Sales reported for first half year	36,730	39,472	(7)
Operating profit after tax before deducting minority interests reported for first half year	3,492	2,604	34
Second Half			
Sales reported for second half year	56,569	49,669	14
Operating profit after tax before deducting minority interests reported for second half year	28,146	10,202	176

I. 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.

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DIVIDENDS

	Group and Company Year ended	
	31 Dec 2016 \$'000	31 Dec 2015 \$'000
Final dividends paid, 4.0 cents per ordinary share, one-tier tax exempt (2015: 4.0 cents per ordinary share)	13,067	12,642

The Directors recommend a first and final dividend of 3 cents per ordinary share (one-tier tax exempt) be paid in respect of the current financial year. The proposed dividend will amount to approximately \$9,801,000.

AUDIT

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

INTERESTED PERSON TRANSACTIONS

The Company does not have an Interested Person Transactions mandate.

DISCLOSURE OF PERSONS OCCUPYING MANAGERIAL POSITIONS WHO ARE RELATED TO A DIRECTOR, CEO OR SUBSTANTIAL SHAREHOLDER

Name	Age	Family relationship with any director, CEO, 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
Goh Geok Khim	84	Father of Goh Yew Lin	Executive Chairman since 1990	No change
Goh Yew Lin	57	Son of Goh Geok Khim	(1) Executive Director - Oversee the group's investments since 1990 (2) Managing Director - Overall management of the group since 2008	No change

CONFIRMATION PURSUANT TO RULE 720(1)

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 Listing Manual.

BY ORDER OF THE BOARD

Thomas Teo Liang Huat
Chief Financial Officer

27 February 2017
Singapore