



G. K. GOH HOLDINGS LIMITED
Financial Statements
And Related Announcement
For First Quarter Ended 31 March 2013

(Co. Reg. No. 199000184D)

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REVIEW OF PERFORMANCE OF THE GROUP

The Group's net profit for the 3 months to March 2013 amounted to S\$6.2 million, compared to S\$12.7 million in the first quarter of 2012. Earnings for the corresponding period last year included S\$7.4 million of profits from the sale of worker-dormitory assets by our private equity associate, Value Monetization Limited ("VML").

Other comprehensive income, which includes *inter alia* the fair value changes of available-for-sale financial assets and foreign currency translation effects, amounted to S\$4.0 million (1Q:2012 S\$3.0 million). Total comprehensive income therefore amounted to S\$10.3 million (1Q:2012 S\$15.7 million).

In aggregate, we grew net assets by S\$10.3 million in the first quarter, to S\$373.2 million, or S\$1.18 per share.

Investment gains amounted to S\$8.4 million in 1Q:2013, compared with S\$7.5 million in 1Q:2012. The improved returns were generated largely from investment holdings in Singapore, Malaysia and Japan. We have reduced our holdings moderately in view of the gains already registered, cutting exposure to short-term investments from S\$89.1 million at the end of December to S\$81.6 million at the end of March.

G. K. Goh Financial Services (S) Pte Ltd, our forex brokerage, generated 22% higher revenues of S\$5.5 million (1Q:2012 S\$4.5 million) on increased trading volumes, but spreads continue to tighten because of intense competition. In aggregate, the business remained marginally profitable.

Boardroom Limited, a provider of business solutions, decreased its contribution by 35% year-on-year to S\$0.4 million due to lower revenue and higher staff cost from strengthening of their Client Service Teams, as well as higher operating expenses.

Platinum Holdings Company Limited contributed S\$0.2 million. VML has sold most of the assets in Value Monetization Fund, having delivered a return of 2.8 times across the fund's 8-year life. The sale of VML's last worker dormitory added S\$7.4 million to 1Q:2012 profits. VML is now focused on investing monies raised for a new fund, Value Monetization III, and it may be some years before the new investments will contribute materially to profits.

The Group added moderately to its holdings in Eastern & Oriental Bhd during the quarter, taking advantage of market price weakness to raise our stake in the property developer to 6%. This, together with our private equity investments, accounted for the bulk of the increase in our long-term investments and receivables from S\$176.4 million to S\$191.0 million.

VARIANCE BETWEEN PREVIOUS PROSPECT STATEMENT AND ACTUAL RESULTS

None

COMMENTARY ON PROSPECTS

We do not expect any significant trend changes in our operating businesses and associates in this year. The key determinant of our profitability will be the returns we make on our investments. We will continue to invest in good businesses which we believe to be undervalued and which can deliver good returns over the longer term, but we cannot predict whether the Group will be profitable in any given period.

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STATEMENT OF COMPREHENSIVE INCOME

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

	Note	Group		+ / (-) %
		3 months ended		
		31 Mar 2013 \$'000	31 Mar 2012 \$'000	
Continuing operations				
Revenue				
Commission and broking revenue		5,377	4,386	23
Investment income		8,406	7,495	12
Other income		243	118	106
Total revenue		<u>14,026</u>	<u>11,999</u>	17
Cost and expenses				
Commission and broking expenses		(3,424)	(2,290)	50
Employees' compensation and related costs		(2,769)	(3,159)	(12)
Office and equipment rental costs		(275)	(243)	13
Depreciation		(239)	(185)	29
Technology and information service costs		(480)	(487)	(1)
Gain / (loss) on foreign currency exchange		298	(63)	NM
Provision for doubtful debts		(144)	(51)	182
Other operating expenses		(641)	(589)	9
Total cost and expenses		<u>(7,674)</u>	<u>(7,067)</u>	9
Profit from operating activities		6,352	4,932	29
Finance costs		(119)	(118)	1
Share of profit of associates		534	8,763	(94)
Profit before taxation		6,767	13,577	(50)
Taxation	B	(548)	(872)	(37)
Profit for the period, attributable to Owners of the Company	C	6,219	12,705	(51)
Other comprehensive income / (loss)				
<u>Items that may be reclassified subsequently to profit or loss</u>				
Net gain on fair value changes of available-for-sale financial assets		3,791	2,940	29
Share of other comprehensive income of associates		365	168	117
Foreign currency translation		(115)	(108)	6
Other comprehensive income for the period, net of tax		4,041	3,000	35
Total comprehensive income for the period, attributable to Owners of the Company		10,260	15,705	(35)

NM : Not meaningful

Basic and diluted earnings per share
- continuing operations

E
1.97 cents 4.01 cents

Financial Statements

BALANCE SHEETS

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

	Note	Group		Company	
		31 Mar 2013 \$'000	31 Dec 2012 \$'000	31 Mar 2013 \$'000	31 Dec 2012 \$'000
Non-current assets					
Property, plant and equipment		1,903	1,550	-	-
Investment properties		3,727	3,727	-	-
Subsidiaries		-	-	40,186	38,501
Associates		44,934	42,399	5,688	5,688
Long-term investments		189,981	175,413	-	-
Deferred tax asset		97	875	-	-
Other receivables		1,000	1,000	-	-
Current assets					
Amounts receivable from subsidiaries		-	-	244,992	248,194
Trade debtors		18,915	15,299	-	-
Other debtors		2,765	7,601	79	7
Short-term investments		81,564	89,062	-	-
Cash and bank balances		205,823	220,206	18,719	14,226
		<u>309,067</u>	<u>332,168</u>	<u>263,790</u>	<u>262,427</u>
Current liabilities					
Amounts due to associates		-	953	-	-
Trade creditors		149,929	172,643	-	-
Other creditors		6,970	6,245	476	520
Bank borrowings	D	18,540	12,659	7,124	6,980
Provision for taxation		1,266	957	1,098	628
		<u>176,705</u>	<u>193,457</u>	<u>8,698</u>	<u>8,128</u>
Net current assets		132,362	138,711	255,092	254,299
Non-current liabilities					
Deferred tax liability		799	730	533	465
Net assets		<u>373,205</u>	<u>362,945</u>	<u>300,433</u>	<u>298,023</u>
Equity					
Share capital		183,112	183,112	183,112	183,112
Capital reserve		137	137	137	137
Revenue reserve		178,590	172,378	117,184	114,774
Fair value adjustment reserve		16,461	12,728	-	-
Foreign currency translation reserve		(5,095)	(5,410)	-	-
Total equity		<u>373,205</u>	<u>362,945</u>	<u>300,433</u>	<u>298,023</u>

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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	
2013						
Opening balance at 1 January 2013	183,112	172,378	137	12,728	(5,410)	362,945
Profit for the period	-	6,219	-	-	-	6,219
<u>Other comprehensive income / (loss)</u>						
Net gain on fair value changes of available-for-sale financial assets	-	-	-	3,791	-	3,791
Share of other comprehensive (loss) / income of associates	-	(7)	-	(58)	430	365
Foreign currency translation	-	-	-	-	(115)	(115)
Other comprehensive income / (loss) for the period	-	(7)	-	3,733	315	4,041
Total comprehensive income / (loss) for the period	-	6,212	-	3,733	315	10,260
Closing balance at 31 March 2013	183,112	178,590	137	16,461	(5,095)	373,205

Financial Statements

STATEMENTS OF CHANGES IN EQUITY (Continued)

Group 2012	Share Capital \$'000	Revenue Reserve \$'000	Capital Reserve \$'000	Fair Value Adjustment Reserve \$'000	Foreign Currency Translation Reserve \$'000	Total Equity \$'000
Opening balance at 1 January 2012	183,112	173,123	137	6,938	(2,881)	360,429
Profit for the period	-	12,705	-	-	-	12,705
<u>Other comprehensive income / (loss)</u>						
Net gain on fair value changes of available-for-sale financial assets	-	-	-	2,940	-	2,940
Share of other comprehensive income of associates	-	4	-	557	(393)	168
Foreign currency translation	-	-	-	-	(108)	(108)
Other comprehensive income / (loss) for the period	-	4	-	3,497	(501)	3,000
Total comprehensive income / (loss) for the period	-	12,709	-	3,497	(501)	15,705
<u>Contributions by and distributions to owners</u>						
Shares re-purchased	-	(337)	-	-	-	(337)
Unclaimed dividends	-	125	-	-	-	125
Total transactions with owners in their capacity as owners	-	(212)	-	-	-	(212)
Closing balance at 31 March 2012	183,112	185,620	137	10,435	(3,382)	375,922

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STATEMENTS OF CHANGES IN EQUITY (Continued)

Company 2013	Share Capital \$'000	Revenue Reserve \$'000	Capital Reserve \$'000	Total Equity \$'000
Opening balance at 1 January 2013	183,112	114,774	137	298,023
Profit for the period	-	2,410	-	2,410
Total comprehensive income for the period	-	2,410	-	2,410
Closing balance at 31 March 2013	183,112	117,184	137	300,433

Company 2012	Share Capital \$'000	Revenue Reserve \$'000	Capital Reserve \$'000	Total Equity \$'000
Opening balance at 1 January 2012	183,112	82,910	137	266,159
Profit for the period	-	715	-	715
Total comprehensive income for the period	-	715	-	715
<u>Contributions by and distributions to owners</u>				
Shares re-purchased	-	(337)	-	(337)
Unclaimed dividends	-	125	-	125
Total transactions with owners in their capacity as owners	-	(212)	-	(212)
Closing balance at 31 March 2012	183,112	83,413	137	266,662

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CONSOLIDATED STATEMENT OF CASH FLOW

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

	Group	
	3 months ended	
	31 Mar 2013	31 Mar 2012
	\$'000	\$'000
Cash flow from operating activities:		
Profit before taxation	6,767	13,577
Adjustments for :-		
Depreciation of property, plant and equipment	239	185
Gain on disposal of property, plant and equipment	(157)	-
Finance costs	119	118
Interest income	(439)	(305)
Dividend income	(356)	(269)
Loss on sale of long-term investments	55	375
Provision of allowance for doubtful debts	144	51
Fair value adjustment	(3,018)	(6,509)
Share of profit of associates	(534)	(8,763)
	<hr/>	<hr/>
Operating profit / (loss) before reinvestment in working capital	2,820	(1,540)
Decrease in debtors	1,090	835
Decrease / (increase) in short-term investments	10,507	(17,579)
Decrease in creditors	(23,003)	(24,894)
	<hr/>	<hr/>
Cash flow used in operations	(8,586)	(43,178)
Interest paid	(58)	(9)
Interest received	425	271
Income tax refund	362	44
	<hr/>	<hr/>
Net cash used in operating activities	<u>(7,857)</u>	<u>(42,872)</u>

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CONSOLIDATED STATEMENT OF CASH FLOW (Continued)

	Group	
	3 months ended	
	31 Mar 2013	31 Mar 2012
	\$'000	\$'000
Cash flow from investing activities:		
Purchase of property, plant and equipment	(592)	(81)
Proceeds from disposal of property, plant and equipment	157	-
Purchase of long-term investments	(13,093)	(17,021)
Proceeds from sale of long-term investments	2,281	3,710
Investment in associates	(2,081)	-
Net dividend received from associates	605	605
Dividend income	337	256
Net cash used in investing activities	(12,386)	(12,531)
Cash flow from financing activities:		
Unclaimed dividends	-	125
Shares re-purchased	-	(337)
Proceeds from bank borrowings	5,881	842
Net cash from financing activities	5,881	630
Net decrease in cash and cash equivalents	(14,362)	(54,773)
Effect of exchange rate changes in opening cash and cash equivalents	(21)	139
Cash and cash equivalents at beginning of period	220,206	239,328
Cash and cash equivalents at end of period	205,823	184,694

Cash and bank balances of the Group include fixed deposits of \$25,402,000 (2012: \$23,857,000) and other cash and bank balances of \$81,300,000 (2012: \$31,814,000) 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.

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NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2013

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

A. SHARE CAPITAL

In the first quarter ended 31 March 2013, no (2012: 410,000) 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 31 March 2013 was 316,070,805 (2012: 316,768,805). The Company did not hold any treasury shares as at 31 March 2013 and 2012.

B. REVENUE AND EXPENSES

Profit before taxation includes the following:

	Group 3 months ended	
	31 Mar 2013	31 Mar 2012
	\$'000	\$'000
Commission and broking revenue –		
Commission	135	113
Forex broking revenue	5,242	4,273
Investment income –		
Fair value adjustment for short-term investments	3,009	6,457
Fair value adjustment for long-term investments	9	52
Gain on sale of short-term investments	4,648	787
Loss on sale of long-term investments	(55)	(375)
Gross dividend income :		
- Quoted investments	356	269
Interest income :		
- Fixed deposits	59	155
- Others	380	150
Other income –		
Service income	12	-
Rental income	62	115
Gain on disposal of property, plant and equipment	157	-
Finance cost –		
Interest expense -		
Bank loans and overdrafts	(112)	(101)
Others	(7)	(17)

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

C. TAX

	Group	
	3 months ended	
	31 Mar 2013	31 Mar 2012
	\$'000	\$'000
Current taxation		
Current year	(125)	(128)
Over provision in respect of prior years	159	422
Deferred tax	(582)	(1,166)
	<u>(548)</u>	<u>(872)</u>

D. AGGREGATE AMOUNT OF GROUP'S BORROWINGS

	Secured		Unsecured	
	31 Mar 2013	31 Dec 2012	31 Mar 2013	31 Dec 2012
	\$'000	\$'000	\$'000	\$'000
Amount due within one year	-	-	18,540	12,659
Amount due after one year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

E. EARNINGS PER SHARE

Basic and diluted earnings per share ("EPS") are calculated by dividing the profit attributable to owners of \$6,219,000 (2012: \$12,705,000) by the weighted average number of ordinary shares in issue during the period of 316,070,805 (2012: 317,042,138).

There were no outstanding share options as at 31 March 2013 and 2012.

F. NET ASSET VALUE PER SHARE

	Group		Company	
	31 Mar 2013	31 Dec 2012	31 Mar 2013	31 Dec 2012
Net asset value per share based on existing issued share capital as at the end of the respective period	118.08 cts	114.83 cts	95.05 cts	94.29 cts
	<u>118.08 cts</u>	<u>114.83 cts</u>	<u>95.05 cts</u>	<u>94.29 cts</u>

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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 paid during the period ended 31 March 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.

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 first quarter ended 31 March 2013 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Tan Cher Liang
Company Secretary

13 May 2013
Singapore