



**G. K. GOH HOLDINGS LIMITED**  
**Financial Statements**  
**And Related Announcement**  
**For Third Quarter Ended 30 September 2012**

(Co. Reg. No. 199000184D)

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## REVIEW OF PERFORMANCE OF THE GROUP

### For the 3 months to September 2012

For the three months to September 2012, the net profit attributable to shareholders was S\$6.2 million (3Q 2011: S\$42.8 million), with total comprehensive income (which includes adjustments for market value changes of available-for-sale financial assets and foreign currency translation effects) totalling S\$8.4 million (3Q 2011: \$47.0 million). The results for 2011 include S\$53.7 million of profits resulting from the sale of 106 million shares and loan stocks in Eastern & Oriental Berhad (“E&O”).

The September quarter saw stronger revenues at G. K. Goh Financial Services (S) Pte Ltd, with an increase in the number of active major customers in its foreign exchange broking business. Revenues rose to S\$5.9 million (3Q 2011: S\$4.9 million) with profits of S\$0.5 million. While the latter is slightly lower than 3Q 2011's S\$0.7 million, it marks a recovery from the slight loss recorded in the first half of the 2012. Operating costs have also increased with the opening of an office in Tokyo.

The Group's investment income benefited from the overall rise in the stockmarket boosted by strong gains in certain investments in the mining and food sectors, and income of S\$4.0 million being our share of the carried interest from Value Monetization Fund (“VMF”) which is in the process of being wound up, having reached the end of its fund life. This is over and above the profits made from our holdings of the fund. The Group has jointly managed VMF, which over the past 8 years has returned more than 2.8 times invested capital and an internal rate of return of 22%. Together with our partner Crest Capital Asia Ltd, we will be launching a follow-on fund later this year, and the Group will also be investing in the new fund.

Gains were however curbed by writedowns totalling S\$1.9 million in two unlisted investments held under available-for-sale investments. Including this writedown, overall investment and interest profit amounted to S\$8.4 million (3Q 2011: S\$45.8 million, including S\$53.7 million profit from the E&O sale).

Boardroom Limited reported a 9% increase in revenues, and a 6.8% fall in its net profits for the 3 months to September 2012. Boardroom's earnings were affected by higher operating expenses and wage pressures in tight labour markets. However, because of a restatement of items relating to an acquisition in the corresponding quarter in 2011, the contribution from Boardroom to our associate profits fell by a larger percentage, from S\$0.7 million to S\$0.4 million. Other associates of the Group reported modest profits in aggregate.

The Group's balance sheet remained robust, with net tangible assets per share rising from S\$1.10 in June to S\$1.13 in September.

Net current assets totalled S\$137.6 million (Dec 2011: S\$174.6 million). Most of this decline reflects the placement of cash into bond and real estate funds.

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

Our portfolio of short-term investments has also grown to S\$82.7 million (Dec 2011: S\$51.5 million) as the proceeds from various asset sales in the past year have been deployed. The short-term investment portfolio is diversified across various markets and sectors, with no exceptional concentrations of risk. Amongst our long-term investments, we have increased our shareholdings in E&O through stockmarket purchases to approximately 5%. The market value of this stake was S\$35.8 million at the end of September.

### For the 9 months to September 2012

Cumulative net profit for the nine months to September amounted to S\$16.9 million (9M 2011: S\$53.5 million), while total comprehensive income was S\$15.5 million (9M 2011: S\$53.2 million). As noted earlier, 2011 results were skewed by the exceptional S\$53.7 million of profits from the sale of E&O shares.

Income for the 9 months came primarily from investment gains of S\$14.3 million, and share of profits from VMF which added S\$7.9 million. Boardroom contributed associate income of S\$1.6 million, while other associates made S\$1.0 million.

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

None

## **COMMENTARY ON PROSPECTS**

Risk levels remain high in global financial markets, and we cannot exclude the possibility of another major market dislocation. Our investments have been spread across a number of asset classes, industries and geographies, with a focus on businesses that we believe to be substantially undervalued, or where long-term prospects have not been adequately recognised in market prices. With a robust net cash balance sheet, we will be able to ride out short-term periods of turbulence, and be well-placed to capitalise on opportunities. Returns on our financial assets in the year ahead will largely depend on the performance of stockmarkets.

Boardroom Limited, in its quarterly report, expects its financial year ending June 2013 to be satisfactory, notwithstanding the uncertainties in global economies and the continued pressure from rising wage and operating costs.

# Financial Statements

## INCOME STATEMENT

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

	Note	Group			Group		
		3 months ended		+ / (-) %	9 months ended		+ / (-) %
		30 Sep 2012	30 Sep 2011		30 Sep 2012	30 Sep 2011	
		\$'000	\$'000		\$'000	\$'000	
<b>Continuing operations</b>							
<b>Revenue</b>							
Commission and broking revenue		5,929	4,864	22	14,528	14,910	(3)
Investment income		8,399	45,790	(82)	14,312	48,150	(70)
Other income		95	454	(79)	337	1,342	(75)
Total revenue		<u>14,423</u>	<u>51,108</u>	(72)	<u>29,177</u>	<u>64,402</u>	(55)
<b>Cost and expenses</b>							
Commission and broking expenses		(3,062)	(2,479)	24	(7,423)	(8,296)	(11)
Employees' compensation and related costs		(3,214)	(4,991)	(36)	(8,118)	(9,435)	(14)
Office and equipment rental costs		(243)	(244)	(0)	(730)	(652)	12
Depreciation		(195)	(297)	(34)	(567)	(700)	(19)
Technology and information service costs		(521)	(342)	52	(1,516)	(938)	62
Gain / (loss) on foreign currency exchange		(180)	173	NM	(177)	(57)	211
Provision for doubtful debts		(53)	(21)	152	(228)	(65)	251
Other operating expenses		(663)	(711)	(7)	(2,246)	(2,276)	(1)
Total cost and expenses		<u>(8,131)</u>	<u>(8,912)</u>	(9)	<u>(21,005)</u>	<u>(22,419)</u>	(6)
<b>Profit from operating activities</b>		<b>6,292</b>	<b>42,196</b>	(85)	<b>8,172</b>	<b>41,983</b>	(81)
Finance costs		(95)	(59)	61	(325)	(217)	50
Share of profit of associated companies		697	(151)	NM	10,537	10,133	4
<b>Profit before taxation</b>	B	<b>6,894</b>	<b>41,986</b>	(84)	<b>18,384</b>	<b>51,899</b>	(65)
Taxation	C	(710)	812	NM	(1,528)	1,620	NM
<b>Profit for the period, attributable to Owners of the Company</b>		<b>6,184</b>	<b>42,798</b>	(86)	<b>16,856</b>	<b>53,519</b>	(69)

NM: Not meaningful

**Basic and diluted earnings per share**  
- continuing operations

E

1.95 cents 13.49 cents

5.32 cents 16.87 cents

# Financial Statements

## STATEMENT OF COMPREHENSIVE INCOME

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

	Group			Group		
	3 months ended		+ / (-) %	9 months ended		+ / (-) %
	30 Sep 2012	30 Sep 2011		30 Sep 2012	30 Sep 2011	
	\$'000	\$'000		\$'000	\$'000	
<b>Profit net of tax</b>	<b>6,184</b>	<b>42,798</b>	(86)	<b>16,856</b>	<b>53,519</b>	(69)
<b>Other comprehensive income / (loss)</b>						
Net gain / (loss) on fair value changes of available-for-sale financial assets	4,307	1,826	136	1,090	(2,135)	NM
Share of other comprehensive loss of associated companies	(577)	(612)	(6)	(857)	(640)	34
Foreign currency translation	(1,562)	2,979	NM	(1,587)	2,416	NM
<b>Other comprehensive income / (loss) for the period, net of tax</b>	<b>2,168</b>	<b>4,193</b>	(48)	<b>(1,354)</b>	<b>(359)</b>	277
<b>Total comprehensive income for the period, attributable to Owners of the Company</b>	<b>8,352</b>	<b>46,991</b>	(82)	<b>15,502</b>	<b>53,160</b>	(71)

NM : Not meaningful

# Financial Statements

## BALANCE SHEETS

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

	Note	Group		Company	
		30 Sep 2012	31 Dec 2011	30 Sep 2012	31 Dec 2011
		\$'000	\$'000	\$'000	\$'000
<b>Non-current assets</b>					
Property, plant and equipment		1,598	1,571	-	-
Investment properties		-	337	-	-
Subsidiary companies		-	-	37,848	51,544
Associated companies		42,970	42,484	5,688	5,688
Long-term investments		169,305	138,578	-	-
Deferred tax asset		1,550	2,354	-	-
Other receivables		4,000	1,042	-	-
<b>Current assets</b>					
Amounts receivable from subsidiary companies		-	-	245,662	110,706
Trade debtors		18,448	9,493	-	-
Other debtors		10,289	1,516	41	17
Short-term investments		82,748	51,471	-	-
Cash and bank balances		228,290	239,328	13,685	102,581
		<u>339,775</u>	<u>301,808</u>	<u>259,388</u>	<u>213,304</u>
<b>Current liabilities</b>					
Amounts due to associated companies		1,211	277	-	-
Trade creditors		185,405	106,882	-	-
Other creditors		7,630	9,292	362	450
Bank borrowings	D	7,041	9,491	7,041	3,248
Provision for taxation		882	1,258	572	434
		<u>202,169</u>	<u>127,200</u>	<u>7,975</u>	<u>4,132</u>
<b>Net current assets</b>		137,606	174,608	251,413	209,172
<b>Non-current liabilities</b>					
Deferred tax liability		667	545	400	245
<b>Net assets</b>		<u>356,362</u>	<u>360,429</u>	<u>294,549</u>	<u>266,159</u>
<b>Equity</b>					
Share capital		183,112	183,112	183,112	183,112
Capital reserve		137	137	137	137
Revenue reserve		170,000	173,123	111,300	82,910
Fair value adjustment reserve		8,451	6,938	-	-
Foreign currency translation reserve		(5,338)	(2,881)	-	-
<b>Total equity</b>		<u>356,362</u>	<u>360,429</u>	<u>294,549</u>	<u>266,159</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 \$'000	Revenue Reserve \$'000	Capital Reserve \$'000	Fair Value Adjustment Reserve \$'000	Foreign 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>
Profit 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 loss of associated companies	-	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)

Group 2011	Attributable to Owners of the Company					Total Equity \$'000
	Share Capital \$'000	Revenue Reserve \$'000	Capital Reserve \$'000	Fair Value Adjustment Reserve \$'000	Foreign Currency Translation Reserve \$'000	
	<b>Opening balance at 1 July 2011</b>	<b>183,112</b>	<b>133,629</b>	<b>581</b>	<b>(1,798)</b>	
Profit for the period	-	42,798	-	-	-	42,798
<u>Other comprehensive income / (loss)</u>						
Net gain on fair value changes of available-for-sale financial assets	-	-	-	1,826	-	1,826
Share of other comprehensive loss of associated companies	-	-	(612)	-	-	(612)
Foreign currency translation	-	-	-	-	2,979	2,979
Other comprehensive income / (loss) for the period	-	-	(612)	1,826	2,979	4,193
<b>Total comprehensive income / (loss) for the period</b>	<b>-</b>	<b>42,798</b>	<b>(612)</b>	<b>1,826</b>	<b>2,979</b>	<b>46,991</b>
<u>Contributions by and distributions to owners</u>						
Change in equity share of associated companies	-	464	(250)	-	-	214
<b>Total transactions with owners in their capacity as owners</b>	<b>-</b>	<b>464</b>	<b>(250)</b>	<b>-</b>	<b>-</b>	<b>214</b>
<b>Closing balance at 30 September 2011</b>	<b>183,112</b>	<b>176,891</b>	<b>(281)</b>	<b>28</b>	<b>(3,693)</b>	<b>356,057</b>

# Financial Statements

## STATEMENTS OF CHANGES IN EQUITY (Continued)

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>	<b>-</b>	<b>41,404</b>	<b>-</b>	<b>41,404</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>(348)</b>
<b>Closing balance at 30 September 2012</b>	<b>183,112</b>	<b>111,300</b>	<b>137</b>	<b>294,549</b>

Company 2011	Share Capital \$'000	Revenue Reserve \$'000	Capital Reserve \$'000	Total Equity \$'000
<b>Opening balance at 1 July 2011</b>	183,112	80,671	137	263,920
Profit for the period	-	4,431	-	4,431
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>4,431</b>	<b>-</b>	<b>4,431</b>
<b>Closing balance at 30 September 2011</b>	<b>183,112</b>	<b>85,102</b>	<b>137</b>	<b>268,351</b>

# 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 2012</b>	<b>30 Sep 2011</b>
	\$'000	\$'000
<b>Cash flow from operating activities:</b>		
Profit before taxation	6,894	41,986
Adjustments for :-		
Depreciation of property, plant and equipment	195	297
Loss on disposal of investment property	48	-
Gain on disposal of subsidiary company	(1,062)	-
Gain on disposal of associated companies	-	(53,689)
Finance costs	95	59
Interest income	(422)	(312)
Dividend income	(461)	(275)
Gain on sale of long-term investments	(2)	-
Provision of allowance for doubtful debts	53	21
Fair value adjustment	(1,089)	8,414
Share of profit of associated companies	(697)	151
<b>Operating profit / (loss) before reinvestment in working capital</b>	<b>3,552</b>	<b>(3,348)</b>
(Increase) / decrease in debtors	(3,249)	14,612
Increase in short-term investments	(8,619)	(8,097)
Increase / (decrease) in creditors	26,178	(40,836)
<b>Cash flow from / (used in) operations</b>	<b>17,862</b>	<b>(37,669)</b>
Interest paid	(100)	(44)
Interest received	423	301
Income tax paid	(462)	(248)
<b>Net cash from / (used in) operating activities</b>	<b>17,723</b>	<b>(37,660)</b>

# Financial Statements

## CONSOLIDATED STATEMENT OF CASH FLOW (Continued)

	Group	
	3 months ended	
	30 Sep 2012	30 Sep 2011
	\$'000	\$'000
<b>Cash flow from investing activities:</b>		
Purchase of property, plant and equipment	(173)	(975)
Proceeds from disposal of investment property	(50)	-
Purchase of long-term investments	(15,565)	(39,821)
Proceeds from sale of long-term investments	300	293
Investment in associated companies	-	(862)
Proceeds from disposal of associated companies	-	98,990
Net dividend received from associated companies	8,197	-
Dividend income	447	254
<b>Net cash (used in) / from investing activities</b>	<u>(6,844)</u>	<u>57,879</u>
<b>Cash flow from financing activities:</b>		
Shares re-purchased	(348)	-
Repayment of bank borrowings	(63)	(866)
<b>Net cash used in financing activities</b>	<u>(411)</u>	<u>(866)</u>
Net increase in cash and cash equivalents	10,468	19,353
Effect of exchange rate changes in opening cash and cash equivalents	(91)	77
Cash and cash equivalents at beginning of period	217,913	187,818
<b>Cash and cash equivalents at end of period</b>	<u><u>228,290</u></u>	<u><u>207,248</u></u>

Cash and bank balances of the Group include fixed deposits of \$23,331,000 (2011: \$12,784,000) and other cash and bank balances of \$101,177,000 (2011: \$48,520,000) 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 2012

(Amounts in Singapore dollars)

(These figures have not been audited)

### A. SHARE CAPITAL

In the third quarter ended 30 September 2012, 478,000 (2011: Nil) shares were purchased by the Company and no (2011: Nil) shares were issued in the same period. The total number of issued shares as at 30 September 2012 was 316,135,805 (2011: 317,178,805). The Company does not hold any treasury shares as at 30 September 2012 and 2011.

### B. REVENUE AND EXPENSES

Profit before taxation includes the following:

	Group 3 months ended		Group 9 months ended	
	30 Sep 2012 \$'000	30 Sep 2011 \$'000	30 Sep 2012 \$'000	30 Sep 2011 \$'000
Commission and broking revenue –				
Commission	161	144	408	591
Forex broking revenue	5,768	4,720	14,120	14,319
Investment income –				
Fair value adjustment for short-term investments	3,345	(6,222)	6,870	(12,934)
Fair value adjustment for long-term investments	(2,256)	(2,192)	(3,708)	(2,061)
(Loss) / gain on sale of short-term investments	1,401	(72)	2,155	6,529
Gain on sale of long-term investments	2	-	576	1,147
Gross dividend income :				
- Quoted investments	461	275	1,237	773
Interest income :				
- Fixed deposits	88	84	350	216
- Others	334	228	949	791
Gain on disposal of subsidiary company	1,062	-	1,062	-
Gain on disposal of associated companies	-	53,689	5	53,689
(Loss) / gain on disposal of investment property	(48)	-	806	-
Other investment income	4,010	-	4,010	-
Other income –				
Service income	12	-	36	1
Rental income	70	413	280	1,202
Finance cost –				
Interest expense -				
Bank loans and overdrafts	(89)	(53)	(294)	(189)
Others	(6)	(6)	(31)	(28)

# Financial Statements

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### C. TAX

	Group 3 months ended		Group 9 months ended	
	30 Sep 2012 \$'000	30 Sep 2011 \$'000	30 Sep 2012 \$'000	30 Sep 2011 \$'000
Current taxation				
Current year	(147)	(208)	(735)	(471)
(Under) / over provision in respect of prior years	-	-	421	(10)
Deferred tax	(563)	1,020	(1,214)	2,101
	<u>(710)</u>	<u>812</u>	<u>(1,528)</u>	<u>1,620</u>

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

	Secured		Unsecured	
	30 Sep 2012 \$'000	31 Dec 2011 \$'000	30 Sep 2012 \$'000	31 Dec 2011 \$'000
Amount due within one year	-	-	7,041	9,491
Amount due after one year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>7,041</u>	<u>9,491</u>

### E. EARNINGS PER SHARE

Basic and diluted earnings per share ("EPS") are calculated by dividing the profit attributable to shareholders of \$6,184,000 (2011: \$42,798,000) by the weighted average number of ordinary shares in issue during the period of 316,422,472 (2011: 317,178,805).

There are no outstanding share options as at 30 September 2012 and 2011.

### F. NET ASSET VALUE PER SHARE

	Group		Company	
	30 Sep 2012	31 Dec 2011	30 Sep 2012	31 Dec 2011
Net asset value per share based on existing issued share capital as at the end of the respective period	112.72 cts	113.64 cts	93.17 cts	83.91 cts
	<u>112.72 cts</u>	<u>113.64 cts</u>	<u>93.17 cts</u>	<u>83.91 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"). 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.

### **DIVIDENDS**

No dividend was declared or paid during the period ended 30 September 2012 (2011: interim one-tier tax-exempt dividend of 2 cents was declared).

### **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 second quarter ended 30 June 2012 to be false or misleading in any material aspect.

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

**Tan Cher Liang**  
Company Secretary

7 November 2012  
Singapore