

GALLANT VENTURE LTD

Registration Number: 200303179Z

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Full Year 2010 Financial Statements and Dividend Announcement
UNAUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2010

The Board of Directors of Gallant Venture Ltd announces the following unaudited results of the Group for the period ended 31 December 2010.

1(a)(i). An income statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

| | GROUP | | | | | |
|---|----------------------------|----------------------------|----------------------|------------------------------|------------------------------|----------------------|
| | Quarter ended 31 December | | | YTD 31 December | | |
| | 4th Qtr 2010 S\$'000 | 4th Qtr 2009 S\$'000 | Incr/ (Decr) % | Full year 2010 S\$'000 | Full year 2009 S\$'000 | Incr/ (Decr) % |
| Revenue | 43,558 | 42,387 | 2.8 | 220,103 | 184,843 | 19.1 |
| Cost of sales | (34,931) | (34,917) | 0.04 | (168,020) | (151,207) | 11.1 |
| Gross profit | 8,627 | 7,470 | 15.5 | 52,083 | 33,636 | 54.8 |
| General and administrative expenses | (4,287) | (2,677) | 60.1 | (13,258) | (10,249) | 29.4 |
| Other operating expenses | (6,653) | (9,502) | (30.0) | (24,837) | (27,131) | (8.5) |
| Other income/(expenses) | 6,716 | (1,455) | N.M | 6,862 | 891 | 670.1 |
| Interest income | 4,413 | 473 | 833.0 | 14,655 | 2,070 | 608.0 |
| Finance costs | (4,721) | (429) | 1,000.5 | (14,198) | (2,780) | 410.7 |
| Exchange gain/(loss) | 1,240 | (549) | N.M | (202) | 6 | N.M |
| Share of associated companies' profit | 67 | 53 | 26.4 | 93 | 124 | (25.0) |
| Profit/(loss) before tax | 5,402 | (6,616) | N.M | 21,198 | (3,433) | N.M |
| Taxation | (4,879) | (948) | 414.7 | (13,844) | (9,233) | N.M |
| PROFIT/(LOSS) AFTER TAX FOR THE PERIOD | 523 | (7,564) | N.M | 7,354 | (12,666) | N.M |
| Other comprehensive income/(loss): | | | | | | |
| Exchange differences on translating foreign operations | 138 | 903 | (84.7) | 48 | 51 | (5.9) |
| Other comprehensive income/(loss) for the period | 138 | 903 | (84.7) | 48 | 51 | (5.9) |
| TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD | 661 | (6,661) | N.M | 7,402 | (12,615) | N.M |
| Profit/(loss) attributable to: | | | | | | |
| Equity holders of the Company | 962 | (6,254) | N.M | 9,317 | (10,500) | N.M |
| Non-controlling interest | (439) | (1,310) | (66.5) | (1,963) | (2,166) | (9.4) |
| | 523 | (7,564) | N.M | 7,354 | (12,666) | N.M |
| Total comprehensive income/(loss) attributable to: | | | | | | |
| Equity holders of the Company | 1,045 | (5,421) | N.M | 9,383 | (10,494) | N.M |
| Non-controlling interest | (384) | (1,240) | (69.0) | (1,981) | (2,121) | (6.6) |
| | 661 | (6,661) | N.M | 7,402 | (12,615) | N.M |

N.M. denotes "Not Meaningful"

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*Note:**Certain comparative figures have been reclassified to conform with the current year presentation.***1(a)(ii). Profit before taxation is arrived at after charging/(crediting) the following significant items.**

| | Group | | | |
|--|------------------------------|-----------------|--------------------|-------------------|
| | Quarter ended 31 December | | YTD 31 December | |
| | 4th Qtr 2010 | 4th Qtr 2009 | Full year 2010 | Full year 2009 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Amortisation of intangible assets | 31 | 36 | 143 | 199 |
| Depreciation of property, plant and equipment | 7,531 | 8,955 | 33,158 | 34,464 |
| Depreciation of investment properties | 6,399 | 5,532 | 22,072 | 22,185 |
| Gain/(loss) on disposal of property, plant and equipment | (90) | 43 | (175) | 11 |
| Gain from sale of investment properties | - | - | (277) | (160) |
| Provision for impairment loss on trade receivables | 655 | 4,435 | 655 | 4,435 |

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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.

| | Group | | Company | |
|---|---------------------|---------------------|---------------------|---------------------|
| | 31.12.10 S\$'000 | 31.12.09 S\$'000 | 31.12.10 S\$'000 | 31.12.09 S\$'000 |
| Non-current assets | | | | |
| Intangible assets | 1,403 | 1,397 | 3 | 7 |
| Property, plant and equipment | 334,588 | 361,240 | 287 | 359 |
| Investment properties | 253,733 | 276,591 | - | - |
| Subsidiaries | - | - | 1,207,642 | 1,207,642 |
| Associated companies | 14,951 | 14,998 | - | - |
| Deferred tax assets | 4,286 | 5,409 | - | - |
| Loan receivables | 47,500 | 60,000 | - | - |
| Notes receivables | 278,613 | - | 278,613 | - |
| Interest receivables from notes | 12,383 | - | 12,383 | - |
| Other non-current assets | 2,896 | 2,547 | - | - |
| | <u>950,353</u> | <u>722,182</u> | <u>1,498,928</u> | <u>1,208,008</u> |
| Current assets | | | | |
| Land inventories | 558,509 | 552,808 | - | - |
| Other inventories | 11,115 | 11,226 | - | - |
| Trade and other receivables | 44,526 | 43,242 | 124,844 | 128,873 |
| Cash and bank balances | 160,365 | 118,717 | 86,278 | 357 |
| | <u>774,515</u> | <u>725,993</u> | <u>211,122</u> | <u>129,230</u> |
| Total assets | <u>1,724,868</u> | <u>1,448,175</u> | <u>1,710,050</u> | <u>1,337,238</u> |
| Non-current liabilities | | | | |
| Deposits from tenants/golf membership | 35,298 | 35,194 | - | - |
| Employee benefits liabilities | 7,625 | 7,319 | - | - |
| Deferred tax liabilities | 1,743 | 1,168 | 223 | - |
| Loans and borrowings | 249,985 | 34,593 | 249,940 | 33,093 |
| Other liabilities | 839 | - | 839 | - |
| | <u>295,490</u> | <u>78,274</u> | <u>251,002</u> | <u>33,093</u> |
| Current liabilities | | | | |
| Trade and other payables | 67,986 | 47,451 | 26,799 | 4,047 |
| Current tax payable | 2,819 | 1,172 | 25 | - |
| Current portion of loans and borrowings | 86,404 | 56,444 | 233,846 | 97,126 |
| | <u>157,209</u> | <u>105,067</u> | <u>260,670</u> | <u>101,173</u> |
| Total liabilities | <u>452,699</u> | <u>183,341</u> | <u>511,672</u> | <u>134,266</u> |
| Equity | | | | |
| Share capital | 1,207,642 | 1,207,642 | 1,207,642 | 1,207,642 |
| Translation reserves | (908) | (974) | - | - |
| Retained profits/(accumulated losses) | 38,676 | 29,359 | (9,264) | (4,670) |
| Equity attributable to equity holders of the Company | <u>1,245,410</u> | <u>1,236,027</u> | <u>1,198,378</u> | <u>1,202,972</u> |
| Non-controlling interest | <u>26,759</u> | <u>28,807</u> | <u>-</u> | <u>-</u> |
| Total equity | <u>1,272,169</u> | <u>1,264,834</u> | <u>1,198,378</u> | <u>1,202,972</u> |
| Total liabilities and equity | <u>1,724,868</u> | <u>1,448,175</u> | <u>1,710,050</u> | <u>1,337,238</u> |

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**1(b)(ii). Aggregate amount of the Group's borrowings and debt securities.**

| | Group | |
|--|---------------------|---------------------|
| | 31.12.10 S\$'000 | 31.12.09 S\$'000 |
| (i) Amount payable in one year or less, or on demand | | |
| Secured | 86,299 | 55,200 |
| Unsecured | 105 | 1,244 |
| | 86,404 | 56,444 |
| (ii) Amount repayable after one year | | |
| Secured | 249,940 | 34,593 |
| Unsecured | 45 | - |
| | 249,985 | 34,593 |
| TOTAL | 336,389 | 91,037 |

(iii) Details of any collaterals

During the period under review and further to the Shanghai acquisition as described in Paragraph 8 below, the Group secured above bank borrowings to finance the Shanghai acquisition and refinance the existing borrowings. The following assets of the Group were mortgaged to lenders to secure credit facilities for the Company and the Group:

1. Security Documents:
 - (i) Assignment of Notes as described in paragraph 8 below;
 - (ii) Deed of Sponsor's Undertaking;
 - (iii) Indonesian Guarantor Undertaking from certain subsidiaries in the Group; and
 - (iv) Share pledges / mortgages from companies relating to the Shanghai acquisition.

2. Pledge of shares of PT Batamindo Investment Cakrawala ("PT BIC"), PT Bintan Inti Industrial Estate ("PT BIIE"), PT Batam Bintan Telekomunikasi, PT Buana Megawisatama ("PT BMW"), Verizon Resorts Limited and World Elite Investment Limited; and

3. Assignment of insurance proceeds, receivables and tangible assets of PT BIC, PT BIIE and PT BMW.

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1(c). A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

| | Group | |
|---|------------------|-----------------|
| | 31.12.10 | 31.12.09 |
| | S\$'000 | S\$'000 |
| Profit/(loss) before taxation | 21,198 | (3,433) |
| Adjustments for: | | |
| Amortisation of intangible assets | 143 | 199 |
| Depreciation of property, plant and equipment | 33,158 | 34,464 |
| Depreciation of investment properties | 22,072 | 22,185 |
| Currency translation difference | 153 | (331) |
| Provision for employee benefits | 799 | 1,856 |
| Provision for inventories obsolescence | 774 | - |
| Provision for impairment loss on trade receivables | 655 | 4,435 |
| Gain from sale of investment properties | (277) | (160) |
| Loss/(gain) on disposal of property, plant & equipment | (175) | 11 |
| Share of associated companies' profits | (93) | (124) |
| Interest expense | 14,198 | 2,780 |
| Interest income | (14,655) | (2,070) |
| Cash from operations before changes in working capital | 77,950 | 59,812 |
| Changes in working capital | | |
| Increase in land inventories | (5,701) | (2,890) |
| (Increase)/decrease in other inventories | (663) | 4,362 |
| Decrease in operating receivables | 10,562 | 13,712 |
| Increase in operating payables | 24,514 | 2,951 |
| Cash generated from operating activities | 106,662 | 77,947 |
| Income tax paid | (12,035) | (17,657) |
| Employee benefits paid | (492) | (65) |
| Interest paid | (15,802) | (5,254) |
| Interest received | 2,271 | 13,320 |
| Deposits received from/(refunded to) tenants/golf members | 104 | (906) |
| Net cash generated from operating activities | 80,708 | 67,385 |
| Cash flows from investing activities | | |
| Acquisition of intangible assets | (149) | (113) |
| Acquisition of property, plant and equipment | (7,621) | (31,711) |
| Acquisition of investment properties | - | (898) |
| Proceeds from disposal of property, plant and equipment | 177 | 2,482 |
| Proceeds from sale of investment properties | 2,090 | 210 |
| Investment in associated company | - | (14,166) |
| Investment in notes | (278,613) | - |
| Dividends from associated companies | 120 | 150 |
| Deposits (paid)/received | (349) | 397 |
| Net cash used in investing activities | (284,345) | (43,649) |
| Cash flows from financing activities | | |
| Decrease in fixed deposits pledged with a bank | - | 11,413 |
| Loan from financial institutions | 365,234 | 46,533 |
| Repayment of bank loan | (119,882) | (41,357) |
| Dividends paid | (67) | (62) |
| Net cash generated from financing activities | 245,285 | 16,527 |
| Net increase in cash and cash equivalents | 41,648 | 40,263 |
| Cash and cash equivalents at beginning of period | 118,717 | 78,454 |
| Cash and cash equivalents at end of period | 160,365 | 118,717 |

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- 1(d)(i). *A statement (for the issuer and group) showing either (i) all the changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.*

Consolidated statement of changes in equity for the period ended 31 December 2010:

| | Share capital S\$'000 | Translation reserves S\$'000 | Retained profits S\$'000 | Attributable to equity holders of the Company S\$'000 | Non-controlling interest S\$'000 | Total S\$'000 |
|---|--------------------------|---------------------------------|-----------------------------|--|-------------------------------------|------------------|
| Balance as at 1 January 2009 | 1,207,642 | (980) | 39,859 | 1,246,521 | 30,990 | 1,277,511 |
| Total comprehensive income/ (expense) for the period | - | (827) | (4,246) | (5,073) | (881) | (5,954) |
| Dividend paid to non-controlling interest | - | - | - | - | (66) | (66) |
| Balance as at 30 September 2009 | 1,207,642 | (1,807) | 35,613 | 1,241,448 | 30,109 | 1,271,557 |
| Total comprehensive income/ (expense) for the period | - | 833 | (6,254) | (5,421) | (1,240) | (6,661) |
| Dividend paid to non-controlling interest | - | - | - | - | (62) | (62) |
| Balance as at 31 December 2009 | 1,207,642 | (974) | 29,359 | 1,236,027 | 28,807 | 1,264,834 |
| Balance as at 1 January 2010 | 1,207,642 | (974) | 29,359 | 1,236,027 | 28,807 | 1,264,834 |
| Total comprehensive income/ (expense) for the period | - | (17) | 8,355 | 8,338 | (1,597) | 6,741 |
| Balance as at 30 September 2010 | 1,207,642 | (991) | 37,714 | 1,244,365 | 27,210 | 1,271,575 |
| Total comprehensive income/ (expense) for the period | - | 83 | 962 | 1,045 | (384) | 661 |
| Dividend paid to non-controlling interest | - | - | - | - | (67) | (67) |
| Balance as at 31 December 2010 | 1,207,642 | (908) | 38,676 | 1,245,410 | 26,759 | 1,272,169 |

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**Statement of changes in equity of the Company for the period ended 31 December 2010:**

| | Share Capital S\$'000 | (Accumulated losses)/retained profits S\$'000 | Total S\$'000 |
|--|--------------------------|--|------------------|
| Balance as at 1 January 2009 | 1,207,642 | (1,980) | 1,205,662 |
| Total comprehensive income for the period | - | (1,228) | (1,228) |
| Balance as at 30 September 2009 | 1,207,642 | (3,208) | 1,204,434 |
| Total comprehensive expense for the period | - | (1,462) | (1,462) |
| Balance as at 31 December 2009 | 1,207,642 | (4,670) | 1,202,972 |
| Balance as at 1 January 2010 | 1,207,642 | (4,670) | 1,202,972 |
| Total comprehensive expense for the period | - | (4,123) | (4,123) |
| Balance as at 30 September 2010 | 1,207,642 | (8,793) | 1,198,849 |
| Total comprehensive expense for the period | - | (471) | (471) |
| Balance as at 31 December 2010 | 1,207,642 | (9,264) | 1,198,378 |

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 issue of equity securities, issue of shares for cash or consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at end of the current financial period reported on and as at end of the corresponding period of the immediately preceding financial year.*

None

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.*

The total number of issued shares excluding treasury shares as at 31 December 2010 and 31 December 2009 was 2,412,482,556.

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

None.

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2. **Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The financial statements have not been audited or reviewed by the auditor.

3. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a 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 applied accounting policies and methods of computation in the financial statements for the current reporting period consistent with those of the audited financial statements as at 31 December 2009.

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 reason for, and the effect of, the change.**

None.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding year, after deducting any provision for the preference dividends; (a) Based on weighted average number of shares and (b) On a fully diluted basis (detailing any adjustments made to the earnings)**

Earnings/(loss) per ordinary share for the period based on profit attributable to equity holders of the company:

| | Group | | | |
|--|---------------------------------|---------------------------------|-------------------|-------------------|
| | 4 th Quarter 2010 | 4 th Quarter 2009 | Full year 2010 | Full year 2009 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Earnings/(loss) | 962 | (6,254) | 9,317 | (10,500) |
| Based on weighted number of ordinary shares in issue – 2,412,482,556 in 2010 and 2009 respectively | 0.04 cents | (0.26) cents | 0.39 cents | (0.44) cents |

There was no dilutive effect on Earnings per Share.

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

| | Group | | Company | |
|------------------------------------|-------------|-------------|-------------|-------------|
| | 31.12.10 | 31.12.09 | 31.12.10 | 31.12.09 |
| Net asset value per ordinary share | 51.62 cents | 51.23 cents | 49.67 cents | 49.86 cents |

The net asset value per ordinary share is calculated using the Group's net assets value as at end of each period divided by the share capital of 2,412,482,556 ordinary shares.

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 (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.**

4th Quarter 2010 (4Q2010) vs. 4th Quarter 2009 (4Q2009)

In 4Q2010, the Group's profit before tax was S\$5.4 million, a complete turnaround from net loss before tax of S\$6.6 million in 4Q2009. Higher profit was mainly due to recognition of land sales in 4Q2010 offset by:

- Lower industrial parks revenue due to lower factory / dormitory occupancy and rental rate in 4Q2010; and
- Lower utility margin due to higher fuel and natural gas cost that were not completely recovered from the tenants.

With lower provision for doubtful debts and reclassification of certain expenses to the "General and Administrative Expenses", the "other operating expenses" of S\$6.6 million in 4Q2010 was lower than 4Q2009's S\$9.5 million.

In line with higher revenue, the Group's 4Q2010 taxation was S\$4.9 million as compared to 4Q2009's S\$0.9 million.

12 months 2010 (FY2010) vs. 12 months 2009 (FY2009)

Revenue. The Group's FY2010 revenue was S\$220.1 million, representing an increase of 19.1% from FY2009's S\$184.8 million. Higher revenue was mainly due to completion of land sales in Lagoi Bay amounting to S\$33.3 million.

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Gross Profit. With recognition of land sales, the Group's gross profit increased from FY2009's S\$33.6 million to S\$52.1 million in FY2010.

General and administrative expenses. The Group's general and administrative expenses increased from FY2009's S\$10.2 million to S\$13.3 million in FY2010. This was mainly due to provision of commissions relating to the land sales and reclassification of certain expenses from the "Other Operating Expenses".

Other operating expenses. Lower other operating expenses were mainly due to lower provision for doubtful trade receivables of S\$0.6 million in FY2010, as compared to FY2009's S\$4.4 million, and reclassification of certain expenses to the "General and Administrative Expenses".

Other income (expenses). Other income (net of other expenses) of S\$6.9 million, as compared to other expenses of S\$0.9 million in FY2009, was mainly due to one-time recovery of certain expenses.

Interest income and expenses. Arising from the investment in interest bearing Notes with detachable warrants of US\$202.5 million in March 2010 relating to the Shanghai Acquisition, which is funded by bank borrowings, the interest income and expense in FY2010 were S\$14.7 million and S\$14.2 million, respectively. For FY 2009, the corresponding figures were S\$2.1 million and S\$2.8 million, respectively.

Taxation. The Group's FY2010 tax expense increased from FY2009's S\$9.2 million to S\$13.8 million because of higher revenue as well as 5% final tax on completed land sales.

Net Profit. With the improved results, the Group's net profit attributable to shareholders was S\$9.4 million as compared to FY2009's net loss of S\$10.5 million, representing a 189.4% improvement.

Balance Sheet

During the year under review, the Group made an investment in a property development project situated in Lao Xi Men ("老西丁"), Shanghai, China ("Shanghai Acquisition"). The investment was through subscription of notes with detachable warrants of S\$278.6 million (equivalent to US\$202.5 million) issued by Market Strength Limited. Relating to the Shanghai Acquisition, the Group's loans and borrowings increased by S\$245.3 million as compared to FY2009's.

In line with higher taxation for FY2010, the Group's current tax payable increased from S\$1.2 million in FY2009 to S\$2.8 million in FY2010.

Cash Flow

For the FY2010, the Group's net cash flow from operations was S\$80.7 million and was mainly due to improvement in trade receivables collections and from land sales.

For the period under review, the Group incurred S\$278.6 million for the Shanghai Acquisition and was substantially funded with external bank borrowings. Accordingly, the Group's net borrowing (new borrowings from financial institutions less repayment of bank loans) increased by S\$245.3 million.

With improved cash flow from the operations, the Group's total cash and bank balances were S\$160.4 million, representing S\$41.6 million increase from FY2009's S\$118.7 million.

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

No forecast or prospect statement has been previously disclosed.

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 Industrial park and utilities business remain challenging as the industrial park needs to maintain low rental rate to remain competitive and the utilities business is experiencing cost pressures from higher fuel and natural gas cost.

The Group is hopeful on further contributions from land sales.

11. ***If a decision regarding dividend has been made.***

Not applicable.

12. ***If no dividend has been declared (recommended), a statement to that effect.***

No dividend has been declared (recommended) for the quarter ended 31 December 2010.

13. ***Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited financial statements with comparative information for the immediately preceding year.***

Financial year ended 31 December 2010

| Group | Industrial park S\$'000 | Utilities S\$'000 | Resort operations S\$'000 | Property development S\$'000 | Corporate S\$'000 | Total S\$'000 |
|--|----------------------------|----------------------|------------------------------|---------------------------------|----------------------|------------------|
| OPERATING REVENUE | | | | | | |
| Total sales | 46,072 | 119,597 | 21,129 | 33,305 | - | 220,103 |
| SEGMENT RESULTS | | | | | | |
| Segment results | (3,906) | 18,772 | (7,916) | 22,134 | 6,312 | 35,396 |
| Finance costs | | | | | | (14,198) |
| Profit before taxation | | | | | | 21,198 |
| Taxation | | | | | | (13,844) |
| Profit for the year before minority interest | | | | | | 7,354 |
| Attributable to: | | | | | | |
| Equity holders of the company | | | | | | 9,317 |
| Non-controlling interest | | | | | | (1,963) |
| | | | | | | 7,354 |



Financial year ended 31 December 2009

| Group | Industrial park S\$'000 | Utilities S\$'000 | Resort operations S\$'000 | Property development S\$'000 | Corporate S\$'000 | Total S\$'000 |
|--|----------------------------|----------------------|------------------------------|---------------------------------|----------------------|------------------|
| OPERATING REVENUE | | | | | | |
| Total sales | 47,618 | 116,974 | 20,251 | - | - | 184,843 |
| SEGMENT RESULTS | | | | | | |
| Segment results | (3,136) | 19,510 | (10,829) | (4,343) | (1,855) | (653) |
| Finance costs | | | | | | (2,780) |
| Profit before taxation | | | | | | (3,433) |
| Taxation | | | | | | (9,233) |
| Profit for the year before minority interest | | | | | | (12,666) |
| Attributable to: | | | | | | |
| Equity holders of the company | | | | | | (10,500) |
| Non-controlling interest | | | | | | (2,166) |
| | | | | | | (12,666) |

14. *In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.*

Industrial Parks. Industrial Parks registered lower contribution and was mainly due to lower rental rate compounded with lower factory and dormitory occupancy rate.

Utilities. Utility consumption in FY2010 was marginally higher than FY2009's. With higher fuel and natural gas costs that were not fully passed through to the tenants, the utilities segmental profit reduced from FY2009's S\$19.5 million to S\$18.8 million in FY2010.

Resort Operations. Resorts segment registered lower rental revenue in FY2010 and was mainly due to termination of rental arrangement with one resorts operator in 2nd half of FY2009. In FY2010, this business segment incurred lower losses and was mainly due to high doubtful debts provision in FY2009.

Property Development. Our Property Development business commenced transfer of land titles in FY2010 and, accordingly, recognised land sales of S\$33.3 million in FY2010. This has contributed to higher segmental profit of S\$22.1 million as compared to S\$4.3 million loss in FY2009.

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**15. A breakdown of sales as follows:**

The breakdown of sales of the Group is as follows:

| | GROUP | | |
|---|------------------------------|------------------------------|--------------|
| | Full year 2010 S\$'000 | Full year 2009 S\$'000 | + / (-) % |
| (a) Revenue reported for the first half year | 108,494 | 94,912 | 14.3 |
| (b) Loss after tax before non-controlling interest reported for the first half year | (688) | (1,893) | (63.6) |
| (c) Revenue reported for second half year | 111,609 | 89,931 | 24.1 |
| (d) Profit/(loss) after tax before non-controlling interest reported for second half year | 8,042 | (10,773) | 174.6 |

16. A breakdown of the total annual dividends (in dollar value) for the issuer's latest full year and its previous full year as follows:- (a) Ordinary, (b) Preference, and (c) Total

Not applicable.

17. Pursuant to Rule 920 of the SGX-ST Listing Manual, details of the aggregate value of the interested person transactions transacted.

The aggregate value of the interested person transactions for the financial period ended 31 December 2010 was as follows:

| Name of interested person | Aggregate value of all interested person transactions during the period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) | Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) |
|--|---|---|
| | S\$'000 | S\$'000 |
| PURCHASES | | |
| Sembcorp Parks Management Pte Ltd Marketing services fee | - | 1,713 |
| PT Herwido Rintis Management fee | - | 254 |
| PT Asuransi Central Asia Insurance premium | - | 628 |
| PT Adhya Tirta Batam Purchase of treated water | - | 1,312 |
| SALES | | |
| PT Alam Indah Bintan Sales Extension of Convertible Bond | - (47,500) | (1,609) - |
| PT Straits CM Village Sales | - | (2,318) |

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BY THE ORDER OF THE BOARD

CHOO KOK KIONG
COMPANY SECRETARY
14 February 2011