

**BONVESTS HOLDINGS LIMITED AND ITS SUBSIDIARIES**

Company Registration No. 196900282M

Unaudited Financial Statements for the Period Ended 30 September 2019

Part I INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) Income Statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		Increase/ (Decrease) %	Group		Increase/ (Decrease) %
	Third Quarter Ended 30/09/2019 S\$'000	30/09/2018 S\$'000		Nine Months Ended 30/9/2019 S\$'000	30/9/2018 S\$'000	
Revenue	57,567	56,920	1.1	165,108	165,869	(0.5)
Interest income	119	247	(51.8)	549	102	438.2
Other income (Note 1a(i))	605	712	(15.0)	1,847	3,933	(53.0)
Changes in inventories of finished goods	533	(76)	Nm	763	(7)	Nm
Materials and consumables used (Note 1a(ii))	(6,071)	(5,131)	18.3	(15,111)	(13,461)	12.3
Employee benefit costs	(21,561)	(20,303)	6.2	(63,099)	(61,227)	3.1
Depreciation and amortisation expenses (Note 1a(iii))	(9,049)	(5,687)	59.1	(23,509)	(17,338)	35.6
Other operating expenses (Note 1a(i))	<u>(21,470)</u>	<u>(19,323)</u>	11.1	<u>(57,557)</u>	<u>(56,801)</u>	1.3
Profit from operations	673	7,359	(90.9)	8,991	21,070	(57.3)
Finance costs (Note 1a(iv))	<u>(2,629)</u>	<u>(1,921)</u>	36.9	<u>(7,655)</u>	<u>(4,959)</u>	54.4
(Loss)/ profit before taxation	(1,956)	5,438	Nm	1,336	16,111	(91.7)
Taxation (Note 1a(vi))	<u>(1,265)</u>	<u>(1,109)</u>	14.1	<u>(3,495)</u>	<u>(3,715)</u>	(5.9)
Net (loss)/ profit for the period	<u><u>(3,221)</u></u>	<u><u>4,329</u></u>	Nm	<u><u>(2,159)</u></u>	<u><u>12,396</u></u>	Nm
Attributable to:						
Equity holders of the Company	(3,370)	4,155	Nm	(2,580)	11,813	Nm
Non-controlling interests	149	174	(14.4)	421	583	(27.8)
Net (loss)/ profit for the period	<u><u>(3,221)</u></u>	<u><u>4,329</u></u>	Nm	<u><u>(2,159)</u></u>	<u><u>12,396</u></u>	Nm
(Loss) Earnings per share						
Basic earnings per share (cents)	(0.839)	1.035		(0.642)	2.941	
Diluted earnings per share (cents)	(0.839)	1.035		(0.642)	2.941	

Statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	<u>Group</u>		<u>Increase/ (Decrease)</u> %	<u>Group</u>		<u>Increase/ (Decrease)</u> %
	<u>Third Quarter Ended</u> <u>30/09/2019</u> <u>S\$'000</u>	<u>30/09/2018</u> <u>S\$'000</u>		<u>Nine Months Ended</u> <u>30/9/2019</u> <u>S\$'000</u>	<u>30/9/2018</u> <u>S\$'000</u>	
Net (loss)/ profit for the period	(3,221)	4,329	Nm	(2,159)	12,396	Nm
Other comprehensive income/ (loss) after tax :						
<i>Items that may be reclassified subsequently to profit or loss :</i>						
Currency translation gain/ (loss) on foreign operations (Note 1a(vii))	6,813	(4,516)	Nm	6,000	(4,559)	Nm
Cash flow hedges						
- Fair value gain	-	12	Nm	7	99	(92.9)
<i>Items that will not be reclassified subsequently to profit or loss :</i>						
Currency translation gain/ (loss) on foreign operations	3	(10)	Nm	(28)	-	Nm
Financial assets at fair value through other comprehensive income						
- Fair value (loss)/ gain	(784)	(2,392)	(67.2)	1,435	(2,943)	Nm
- Gain on disposal	-	-	Nm	4	-	Nm
Currency translation gain on revaluation surplus	134	-	Nm	321	-	Nm
Other comprehensive income/ (loss) for the period, net of tax	6,166	(6,906)	Nm	7,739	(7,403)	Nm
Total comprehensive income/ (loss) for the period	2,945	(2,577)	Nm	5,580	4,993	11.8
Total comprehensive income/ (loss) attributable to:						
Equity holders of the Company	2,793	(2,742)	Nm	5,187	4,427	17.2
Non-controlling interests	152	165	(7.9)	393	566	(30.6)
Total comprehensive income/ (loss) for the period	2,945	(2,577)	Nm	5,580	4,993	11.7

Nm denotes Not meaningful

Explanatory Notes

Note 1a(i) Included in "Other income" and "Other operating expenses" are the following items:

	<u>Group</u>		<u>Group</u>	
	<u>Third Quarter Ended</u> <u>30/09/2019</u> <u>S\$'000</u>	<u>30/09/2018</u> <u>S\$'000</u>	<u>Nine Months Ended</u> <u>30/9/2019</u> <u>S\$'000</u>	<u>30/9/2018</u> <u>S\$'000</u>
after crediting (other income):				
Gain on disposal of property, plant and equipment	25	88	48	88
Foreign exchange gain (Note 1a(v))	-	346	-	-
Fair value gain on investment properties	-	-	-	1,911
after debiting (other operating expenses):				
Loss on disposal of property, plant and equipment	-	3	-	65
Property, plant and equipment written off	156	35	495	322
Foreign exchange loss (Note 1a(v))	1,578	-	48	496
Fair value loss on investment properties	-	-	270	-

- Note 1a(ii) Materials and consumables used for the period ended 30 September 2019 increased mainly due to higher consumption by the Hotel Division.
- Note 1a(iii) Depreciation and amortisation increased for the period ended 30 September 2019 mainly due to additional depreciation of right-of-use assets following the adoption of SFRS(I) 16 Leases as disclosed in paragraph 5 and depreciation charge on property, plant and equipment upon commencement of hotels operations.
- Note 1a(iv) Finance costs for the period ended 30 September 2019 increased mainly due to higher interest rate and higher borrowings as compared to the corresponding period ended 30 September 2018.
- Note 1a(v) Foreign exchange loss for the period ended 30 September 2019 was due mainly to depreciation of the Singapore Dollar against the United States Dollar.
- Note 1a(vi) The tax charge can be analysed as follows:

	<u>Group</u>		<u>Group</u>	
	<u>Third Quarter Ended</u>		<u>Nine Months Ended</u>	
	<u>30/09/2019</u>	<u>30/09/2018</u>	<u>30/9/2019</u>	<u>30/9/2018</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Current taxation charge	1,509	1,460	4,067	4,424
Deferred taxation credit recognised	(244)	(351)	(572)	(712)
Under provision in prior years	-	-	-	3
	<u>1,265</u>	<u>1,109</u>	<u>3,495</u>	<u>3,715</u>

The taxation charge for the third quarter ended 30 September 2019 relates to taxes on profits of certain subsidiaries which cannot be offset against losses of other subsidiaries within the Group.

- Note 1a(vii) Currency translation gain for the period ended 30 September 2019 was mainly due to appreciation of United States Dollar against Singapore Dollar and appreciation of Tunisian Dinar against Singapore Dollar. Whereas, the currency translation loss for the period ended 30 September 2018 was mainly due to depreciation of Tunisian Dinar and Australian Dollar against Singapore Dollar.
- 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.

	<u>Note</u>	<u>Group</u>		<u>Company</u>	
		<u>30/9/2019</u>	<u>31/12/2018</u>	<u>30/9/2019</u>	<u>31/12/2018</u>
		<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Non-current assets					
Investment properties		543,422	542,883	-	-
Property, plant and equipment	A	620,086	596,167	175	297
Right-of-use assets	B	52,642	-	-	-
Subsidiaries		-	-	812,935	788,012
Financial assets, at fair value through other comprehensive income ("FVOCI")	C	13,356	9,517	-	-
Financial assets, at fair value through profit or loss ("FVTPL")	D	3,000	-	-	-
Club membership		21	21	21	21
Intangible assets		9,602	9,899	-	-
Rental lease receivables		342	154	-	-
Long-term prepayments		29,974	27,835	-	-
Deferred income tax assets		150	72	-	-
		<u>1,272,595</u>	<u>1,186,548</u>	<u>813,131</u>	<u>788,330</u>
Current assets					
Inventories		5,099	4,224	-	-
Trade and other receivables	E	34,504	27,754	44	122
Income tax recoverable		2,534	2,345	-	-
Advances to subsidiaries (non-trade)		-	-	-	5,247
Cash and cash equivalents	refer to 1(c)	68,677	63,970	2,584	4,794
	H	<u>110,814</u>	<u>98,293</u>	<u>2,628</u>	<u>10,163</u>
Total assets		<u>1,383,409</u>	<u>1,284,841</u>	<u>815,759</u>	<u>798,493</u>

	Note	Group		Company	
		30/9/2019 S\$'000	31/12/2018 S\$'000	30/9/2019 S\$'000	31/12/2018 S\$'000
Equity attributable to equity holders of the Company					
Share capital		254,139	254,139	254,139	254,139
Retained profits	refer to 1(d)(i)	718,798	727,798	64,493	77,965
Other reserves	refer to 1(d)(i)	(96,460)	(104,224)	-	-
		876,477	877,713	318,632	332,104
Non-controlling interests					
	refer to 1(d)(i)	9,090	8,837	-	-
Total equity		885,567	886,550	318,632	332,104
Non-current liabilities					
Long-term borrowings and obligations under finance leases - secured	G	160,288	66,364	120,000	25,000
Long-term liabilities	F	57,210	16,737	-	-
Deferred income tax liabilities		17,329	18,053	-	-
		234,827	101,154	120,000	25,000
Current liabilities					
Trade and other payables		37,714	38,028	927	1,137
Lease liabilities	F	3,677	-	-	-
Derivative financial instruments		-	7	-	-
Current tax payables		6,016	7,922	-	171
Short-term borrowings and obligations under finance leases - secured	G	215,608	251,180	126,103	186,222
Advances from subsidiaries (non-trade)		-	-	250,097	253,859
	H	263,015	297,137	377,127	441,389
Total equity and liabilities		1,383,409	1,284,841	815,759	798,493

The material variances noted from the statement of financial position items as at 30 September 2019 as compared with those of 31 December 2018 are explained as follows:

- (A) "Property, plant and equipment" increased due mainly to acquisition of hotel and properties in Marrakech, Morocco during 3Q2019 and the additional development cost for the second hotel in Maldives and the hotels in Douz, Tunisia and Medina, Tunisia; partially offset by depreciation charge on property, plant and equipment. The acquisition accounting for the hotel and properties in Marrakech, Morocco are provisional and is expected to be finalised within 12 months from the date of acquisition on 9 September 2019.
- (B) The recognition of Right-of-use assets was due to the adoption of SFRS(I) 16 Leases as disclosed in paragraph 5.
- (C) "Financial assets, at fair value through other comprehensive income ("FVOCI")" increased due to fair value gain based on market value of quoted equities and additional investment in FVOCI.
- (D) "Financial asset at fair value through profit or loss" ("FVTPL") increased due to purchase of convertible bonds in 1Q2019.
- (E) "Trade and other receivables" increased mainly due to the timing of settlement of advance payments for capital expenditure.
- (F) Long-term liabilities and Lease liabilities increased mainly due to adoption of SFRS(I) 16 Leases as disclosed in paragraph 5.
- (G) Long-term borrowings increased mainly due to re-classification of bank borrowings from "Short-term borrowings - secured" and increase of term loan, upon renewal of certain bank borrowings.
- (H) Notwithstanding the Group and the Company having negative working capital as at 30 September 2019, the Group and the Company manage liquidity risk through management of cashflow from operating activities. All the Group's borrowings are secured borrowings for which the underlying estimated market value is in excess of the total facility amounts. The Group may also further leverage on unencumbered hotel properties for new credit facilities to ensure that the Group has adequate amount of credit facilities.

1(b)(ii) Aggregate amount of group's borrowings, debt securities and obligations under finance lease.

	Group			
	As At 30/9/2019		As At 31/12/2018	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less, or on demand	215,608	-	251,180	-
Amount repayable after one year	160,288	-	66,364	-

Details of collaterals

The collaterals for the group's secured borrowings as at 30 September 2019 are as follows :

- Freehold properties, equipment and business of a foreign subsidiary
- First legal mortgage, rental proceeds, interests in tenancy agreements and insurance policies of the investment property at 541 Orchard Road, Singapore
- First legal mortgage, rental proceeds, interests in tenancy agreements, interests in hotel management agreements and insurance policies of the hotel at 39 Scotts Road, Singapore
- First legal mortgage, rental proceeds, interests in tenancy agreements, interests in hotel management agreements and insurance policies of the hotel at 707 Wellington Street, Perth WA 6000, Australia

The collateral for the group's finance lease as at 30 September 2019 is a vehicle of a foreign subsidiary.

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

Consolidated Statement of Cash Flows

	Group		Group	
	Third Quarter Ended		Nine Months Ended	
	30/09/2019 S\$'000	30/09/2018 S\$'000	30/9/2019 S\$'000	30/9/2018 S\$'000
Cash Flows from Operating Activities				
(Loss)/ profit before taxation	(1,956)	5,438	1,336	16,111
Adjustments for:				
Depreciation of property, plant and equipment and right of use assets	9,049	5,687	23,509	17,338
Dividend income	(47)	(56)	(114)	(96)
Interest income	(119)	(57)	(549)	(102)
Net (gain)/ loss on disposal of property, plant and equipment	(25)	(85)	(48)	(23)
Property, plant and equipment written off	156	35	495	322
Interest expense	2,629	1,921	7,655	4,959
Net fair value loss/ (gain) on investment properties	-	-	270	(1,911)
Unrealised currency translation (gain)/ loss	(747)	(321)	(2,826)	554
Operating profit before working capital changes	8,940	12,562	29,728	37,152
(Increase)/ decrease in inventories	(243)	47	(805)	(217)
(Increase)/ decrease in operating receivables	(3,560)	(847)	(5,213)	7,561
Increase/ (decrease) in operating payables	3,347	2,729	(1,630)	(4,363)
Cash generated from operations	8,484	14,491	22,080	40,133
Income tax paid	(1,791)	(2,363)	(6,072)	(6,614)
Net cash generated from operating activities	6,693	12,128	16,008	33,519
Cash Flows from Investing Activities				
Purchase of property, plant and equipment	(33,167)	(10,234)	(48,652)	(35,063)
Payment for long-term prepayment	(425)	(3,951)	(5,401)	(10,382)
Additions to investment properties	(64)	(1)	(340)	(90)
Purchase of financial assets, at fair value through profit or loss	-	-	(3,000)	-
Purchase of investment properties	-	-	-	(32,391)
Purchase of financial assets, at fair value through other	(2,500)	-	(2,500)	-
Proceeds from disposal of financial assets, at fair value through other comprehensive income	-	-	101	-
Proceeds from disposal of property, plant and equipment	95	111	225	151
Acquisition of a subsidiary, net of cash acquired (Note B)	-	-	-	(5,555)
Investment income				
- Interest received	119	57	549	102
- Dividends received	47	56	114	96
Net cash used in investing activities	(35,895)	(13,962)	(58,904)	(83,132)

Consolidated Statement of Cash Flows

	<u>Group</u> <u>Third Quarter Ended</u>		<u>Group</u> <u>Nine Months Ended</u>	
	<u>30/09/2019</u>	<u>30/09/2018</u>	<u>30/9/2019</u>	<u>30/9/2018</u>
Cash Flows from Financing Activities				
Proceeds from bank borrowings	94,376	7,469	118,891	77,566
Repayment of bank borrowings	(29,364)	(1,455)	(58,644)	(10,911)
Proceeds from finance lease	45	-	61	-
Payment of finance lease	-	(2)	-	(6)
Repurchase of shares	-	(223)	-	(434)
Interest paid	(2,067)	(1,921)	(6,797)	(4,959)
Dividends paid				
- by the Company to its equity holders	-	-	(6,424)	(6,430)
- by subsidiaries to non-controlling interests	-	-	(140)	(154)
Net cash generated from financing activities	<u>62,990</u>	<u>3,868</u>	<u>46,947</u>	<u>54,672</u>
Net increase in cash and cash equivalents	33,788	2,034	4,051	5,059
Effect of currency translation of cash and cash equivalents	292	(9)	666	(103)
Cash and cash equivalents at beginning	<u>34,597</u>	<u>30,970</u>	<u>63,960</u>	<u>28,039</u>
Cash and cash equivalents at end (Note A)	<u><u>68,677</u></u>	<u><u>32,995</u></u>	<u><u>68,677</u></u>	<u><u>32,995</u></u>

Note A**Cash and cash equivalents**

	<u>Group</u> <u>Third Quarter and</u> <u>Nine Months Ended</u>	
	<u>30/9/2019</u> <u>S\$'000</u>	<u>30/9/2018</u> <u>S\$'000</u>
Cash and cash equivalents comprise:		
Cash and bank balances	49,421	20,041
Fixed deposits	19,256	13,068
Less:		
Bank overdrafts	-	(114)
	<u><u>68,677</u></u>	<u><u>32,995</u></u>

Note B**Acquisition of a subsidiary, net of cash acquired:**

The assets and liabilities of a subsidiary acquired during the year were as follows:

Non-current assets	-	5,555
Current assets	51	2,120
Net assets acquired	<u>51</u>	<u>7,675</u>
Less: cash & cash equivalent acquired	<u>(51)</u>	<u>(2,120)</u>
Cash outflow on acquisition	<u><u>-</u></u>	<u><u>5,555</u></u>

1(d)(i)

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

Statement of Changes in Equity
The Group

	Attributable to equity holders of the Company								Non-controlling interests	Total equity
	Share capital	Retained profits	Revaluation surplus reserve	Fair value reserve	Currency translation reserve	Premium paid on acquisition of non-controlling interests	Hedging reserve	Total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 July 2019	254,139	722,168	12,108	(4,638)	(72,423)	(37,670)	-	873,684	8,938	882,622
Changes in equity for the period										
(Loss)/ profit for the period	-	(3,370)	-	-	-	-	-	(3,370)	149	(3,221)
Other comprehensive income/ (loss) for the period	-	-	134	(784)	6,813	-	-	6,163	3	6,166
Balance at 30 September 2019	254,139	718,798	12,242	(5,422)	(65,610)	(37,670)	-	876,477	9,090	885,567
Balance at 1 July 2018	254,139	723,336	5,730	422	(63,561)	(37,607)	(50)	882,409	8,485	890,894
Changes in equity for the period										
Profit for the period	-	4,155	-	-	-	-	-	4,155	174	4,329
Other comprehensive income/ (loss) for the period	-	-	-	(2,392)	(4,517)	-	12	(6,897)	(9)	(6,906)
Change in interest in a subsidiary	-	-	-	-	-	(63)	-	(63)	7	(56)
Purchase and cancellation of shares	-	(223)	-	-	-	-	-	(223)	-	(223)
Balance at 30 September 2018	254,139	727,268	5,730	(1,970)	(68,078)	(37,670)	(38)	879,381	8,657	888,038

The Company

	Share capital S\$'000	Retained profits S\$'000	Total equity S\$'000
Balance at 1 July 2019	254,139	68,929	323,068
Changes in equity for the period			
Total comprehensive loss for the period	-	(4,436)	(4,436)
Balance at 30 September 2019	254,139	64,493	318,632
Balance at 1 July 2018	254,139	60,185	314,324
Changes in equity for the period			
Total comprehensive income/ (loss) for the period	-	3,922	3,922
Purchase and cancellation of shares	-	(223)	(223)
Balance at 30 September 2018	254,139	63,884	318,023

- 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 issues of equity securities, issue of shares for cash or as 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 the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

The Company has no treasury shares and no outstanding options as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

- 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.**

There were no treasury shares as at 30 September 2019 and 31 December 2018. The total number of issued shares as at 30 September 2019 was 401,516,968 (31 December 2018: 401,516,968).

- 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.**

Not applicable.

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

The figures have not been audited or reviewed.

- 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.**

Except as disclosed in paragraph 5 below, the same accounting policies and methods of computation as in the most recently audited annual financial statements have been applied.

- 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 reasons for, and the effect of, the change.**

The Group adopted the new/revised SFRS(I)s that are effective for annual periods beginning on or after 1 January 2019. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I)s, SFRS(I) Interpretations and amendments to SFRS(I)s.

The following are the new or amended SFRS(I)s, and SFRS(I) Interpretations, that are relevant to the Group:

SFRS(I) 16 *Leases*

SFRS(I) INT 23 *Uncertainty Over Income Tax Treatments*

Amendments to SFRS(I) 9 *Prepayment Features with Negative Compensation*

Amendments to SFRS(I) 1-28 *Long-term Interests in Associates and Joint Ventures*

Amendments to SFRS(I) 3 and 11 *Previously held interest in a joint operation*

Amendments to SFRS(I) 1-12 *Income tax consequences of payments on financial instruments*

Amendments to SFRS(I) 1-23 *Borrowing costs eligible for capitalisation*

- 5 The adoption of the above SFRS(I)s, SFRS(I) Interpretations and amendments to SFRS(I)s did not have any significant impact on the financial statements of the Group except for the following:

Adoption of SFRS(I) 16

SFRS(I) 16 is effective for financial years beginning on or after 1 January 2019. The Group has applied the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

SFRS(I) 16 has resulted in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term leases and leases of low value assets. The accounting for lessors has not changed significantly.

Right-of-use assets will be measured at the amount of the lease liability on adoption (adjusted for any prepaid or accrued expenses).

Right-of-use assets are measured using the cost model and are carried at cost less accumulated depreciation and accumulated impairment loss, if any, subsequent to initial recognition. The carrying amount for lease liabilities subsequent to initial recognition would take into account interest on the lease liabilities, lease payments made and any reassessment or lease modifications.

The adoption of SFRS(I) 16 resulted in adjustments to the balance sheet of the Group as at 1 January 2019. The differences from the balance sheet as previously reported at 31 December 2018 are as follows:

	As at 01/01/2019 reported under SFRS(I) S\$'000
Increase in right-of-use assets	53,718
Increase in lease liabilities (current)	2,822
Increase in lease liabilities (non-current)	50,896

- 6 **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	Group		Nine Months	
	Third Quarter Ended 30/09/2019	Third Quarter Ended 30/09/2018	Nine Months Ended 30/09/2019	Nine Months Ended 30/09/2018
Earnings/ (loss) per ordinary share after deducting any provision for preference dividends:				
Based on weighted average number of ordinary shares in issue (cents)	(0.839)	1.035	(0.642)	2.941
On a fully diluted basis (cents)	(0.839)	1.035	(0.642)	2.941
Weighted average number of ordinary shares	401,516,968	401,516,968	401,516,968	401,720,315

As at 30 September 2019, there was no outstanding share options.

The basic and diluted earnings per ordinary share for the year ended 30 September 2019 and 31 December 2018 has been calculated based on the Group's profit attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue respectively during the financial year.

- 7 **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the: (a) current financial period reported on; and (b) immediately preceding financial year.**

	Group		Company	
	30/9/2019	31/12/2018	30/9/2019	31/12/2018
Net asset value per ordinary share (S\$)	2.18	2.19	0.79	0.83

The net asset values per ordinary share as at 30 September 2019 and 31 December 2018 were calculated based on the number of issued shares (excluding treasury shares) of the Company at those dates of 401,516,968 and 401,516,968 ordinary shares respectively.

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 the following:

- (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.

Segment Revenue	Group		Increase/ (Decrease) %	Group		Increase/ (Decrease) %
	Third Quarter Ended			Nine Months Ended		
	30/09/2019 S\$'000	30/09/2018 S\$'000		30/9/2019 S\$'000	30/9/2018 S\$'000	
Property - Rental	5,192	5,911	(12.2)	16,591	18,017	(7.9)
Hotel	35,517	33,601	5.7	97,608	95,170	2.6
Industrial	16,326	16,951	(3.7)	49,476	51,417	(3.8)
Investment	48	56	(14.3)	115	96	19.8
Others	484	401	20.7	1,318	1,169	12.7
Total	57,567	56,920	1.1	165,108	165,869	(0.5)
Segment result	Group		Increase/ (Decrease) %	Group		Increase/ (Decrease) %
	Third Quarter Ended			Nine Months Ended		
	30/09/2019 S\$'000	30/09/2018 S\$'000		30/9/2019 S\$'000	30/9/2018 S\$'000	
Property - Rental	3,535	4,174	(15.3)	11,424	12,816	(10.9)
Hotel	6,926	7,753	(10.7)	17,884	20,647	(13.4)
Industrial	1,846	1,778	3.8	5,455	5,588	(2.4)
Investment	39	46	(15.2)	90	73	23.3
Property - Development	(2)	(2)	-	(5)	(5)	-
Others ⁽¹⁾	(2,741)	(760)	260.7	(2,627)	(2,724)	(3.6)
Earnings before interests, taxes, depreciation and amortisation ("EBITDA")	9,603	12,989	(26.1)	32,221	36,395	(11.5)
Finance costs	(2,629)	(1,921)	36.9	(7,655)	(4,959)	54.4
Depreciation and amortisation expenses	(9,049)	(5,687)	59.1	(23,509)	(17,338)	35.6
Fair value gain/ (loss) on investment properties	-	-	Nm	(270)	1,911	Nm
Interest income	119	57	108.8	549	102	438.2
(Loss)/ profit before taxation	(1,956)	5,438	Nm	1,336	16,111	(91.7)

Nm denotes Not meaningful

¹ Others mainly include Corporate expenses and foreign currency translation gain/ loss.

THIRD QUARTER 2019 ANNOUNCEMENT

Overall Performance of the Group

The revenue of the Group for the quarter ended 30 September 2019 ('3Q2019') of S\$57.567 million increased by 1.1% from S\$56.920 million for the quarter ended 30 September 2018 ('3Q2018').

The revenue of the Group for the nine months ended 30 September 2019 ('YTD3Q2019') of S\$165.108 million decreased by 0.5% from S\$165.869 million for the nine months ended 30 September 2018 ('YTD3Q2018').

EBITDA for 3Q2019 of S\$9.603 million decreased by 26.1% as compared to 3Q2018 EBITDA of S\$12.989 million mainly due to lower contribution from Property - Rental and Hotel Divisions.

EBITDA for YTD3Q2019 of S\$32.221 million decreased by 11.5% as compared to YTD3Q2018 EBITDA of S\$36.395 million.

Loss before taxation for 3Q2019 of S\$1.956 million as compared Profit before taxation for 3Q2018 of S\$5.438 million mainly due to the higher depreciation and finance costs.

Profit before taxation for YTD3Q2019 of S\$1.336 million decreased by 91.7% from YTD3Q2018 of S\$16.111 million.

Property - Rental Division

Revenue for the Property - Rental Division of S\$5.192 million for 3Q2019 decreased by 12.2% from S\$5.911 million for 3Q2018 mainly due to lower rental rates. Revenue of S\$16.591 million for YTD3Q2019 decreased by 7.9% from S\$18.017 million for YTD3Q2018.

Segment profit of S\$3.535 million for 3Q2019 decreased by 15.3% from S\$4.174 million for 3Q2018 mainly due to the lower revenue in 3Q2019. Segment profit of S\$11.424 million for YTD3Q2019 decreased by 10.9% from S\$12.816 million for YTD3Q2018.

Hotel Division

Revenue for the Hotel Division of S\$35.517 million for 3Q2019 increased by 5.7% from S\$33.601 million for 3Q2018 mainly due to higher revenue generated from overseas hotels. Revenue of S\$97.608 million for YTD3Q2019 increased by 2.6% from S\$95.170 million for YTD3Q2018.

Segment profit of S\$6.926 million for 3Q2019 decreased by 10.7% from S\$7.753 million for 3Q2018 mainly due to pre-operation costs for a new hotel in Maldives. Segment profit of S\$17.884 million for YTD3Q2019 decreased by 13.4% from S\$20.647 million for YTD3Q2018.

Industrial Division

Revenue for the Industrial Division of S\$16.326 million for 3Q2019 decreased by 3.7% from S\$16.951 million for 3Q2018 due mainly to completion of some existing contracts. Revenue of S\$49.476 million for YTD3Q2019 decreased by 3.8% from S\$51.417 million for YTD3Q2018.

Segment profit of S\$1.846 million for 3Q2019 increased by 3.8% from S\$1.778 million for 3Q2018 mainly due to lower operating costs. Segment profit of S\$5.455 million for YTD3Q2019 decreased by 2.4% from S\$5.588 million for YTD3Q2018.

Investment Division

Revenue for the Investment Division of S\$0.048 million for 3Q2019 decreased by 14.3% from S\$0.056 million for 3Q2018. Revenue of S\$0.115 million for YTD3Q2019 increased by 19.8% from S\$0.096 million for YTD3Q2018.

Segment profit of S\$0.039 million for 3Q2019 decreased by 15.2% from S\$0.046 million for 3Q2018. Segment profit of S\$0.090 million for YTD3Q2019 increased by 23.3% from S\$0.073 million for YTD3Q2018.

Property - Development Division

Since 2008, the Group has not embarked on any property development project.

Statement of Cash Flows

Third Quarter 2019

Net increase in cash and cash equivalents of S\$33.788 million was due to net cash generated from operating activities of S\$6.693 million and net cash from financing activities of S\$62.990 million partially offset by net cash used in investing activities of S\$35.895 million. For details, please refer to Part 1(c).

Net cash generated from operating activities was due mainly to positive cash flow generated from business operations.

Net cash used in investing activities was due mainly to acquisition of hotel and properties in Marrakech, Morocco during 3Q2019 and payment to contractors for the development of the Group's hotels in Douz, Tunisia and Medina, Tunisia.

Net cash from financing activities was mainly due the proceeds from bank borrowings partially offset by repayment of bank borrowings and interest paid.

9 **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**
Not applicable.

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 Property - Rental Division is expected to remain stable.

The market conditions in the countries in which the Hotel Division operates are expected to remain challenging amid geo-political developments in many places around the world. The second hotel in Maldives has commenced operations in June 2019. Construction for the hotels in Douz, Tunisia and Medina, Tunisia are ongoing and barring any unforeseen circumstances, both hotels are scheduled for operational completion in 2020 and 2021 respectively.

The Investment Division's performance will continue to be affected by volatility of the various stock markets.

The Property Development Division will continue to have no revenue contribution.

Note 10a The above note contains forward looking statements that involve a fair amount of uncertainties pertaining to future operating conditions. Actual future performance may differ from those views expressed as a result of a number of uncertainties and assumptions such as the general economy and industry conditions, level of market competition and shift in supply or demand patterns. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

11 **Dividend**

(a) **Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? No.

(b) **Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? No.

(c) **Date payable**

Not applicable.

(d) **Books closure date**

Not applicable.

12 **If no dividend has been declared/recommended, a statement to that effect**

No dividend has been declared or recommended for the third quarter ended 30 September 2019 as the Company will only consider declaring a final dividend after the end of each financial year.

13 **If no IPT mandate has been obtained, a statement to that effect**

Bonvests Holdings Limited has not obtained a general mandate from shareholders.

14 **Confirmation of procurement of undertakings from all directors and executives officers**

The Company confirms that it has procured the 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.

15 **Confirmation pursuant to Rule 705(5) of the Listing Manual**

To the best of our knowledge, nothing has come to the attention of the Directors which may render the interim financial statements to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

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Company Secretary

13 November 2019