



BANYAN TREE HOLDINGS LIMITED

Unaudited results for the Second Quarter and Half Year ended 30 June 2017

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

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

	Notes	Group 3 months ended 30 Jun			Group 6 months ended 30 Jun		
		2017	2016	Incr/	2017	2016	Incr/
		(\$'000)	(\$'000)	(Decr) %	(\$'000)	(\$'000)	(Decr) %
<b>Revenue</b>	1	69,843	65,862	6%	160,279	165,673	-3%
Other income	2	519	1,394	-63%	963	2,116	-54%
<b>Costs and expenses</b>							
Cost of operating supplies		(5,966)	(5,186)	15%	(13,173)	(12,987)	1%
Cost of properties sold		(7,783)	(7,479)	4%	(10,554)	(17,554)	-40%
Salaries and related expenses		(25,495)	(26,400)	-3%	(53,364)	(52,943)	1%
Administrative expenses		(12,258)	(12,740)	-4%	(27,533)	(29,484)	-7%
Sales and marketing expenses		(3,182)	(4,659)	-32%	(6,737)	(9,651)	-30%
Other operating expenses		(15,328)	(14,153)	8%	(30,962)	(30,590)	1%
<b>Total costs and expenses</b>	3	(70,012)	(70,617)	-1%	(142,323)	(153,209)	-7%
<b>Profit/(Loss) before interests, taxes, depreciation and amortisation ("Operating Profit")</b>	4	350	(3,361)	nm	18,919	14,580	30%
Depreciation of property, plant and equipment		(5,762)	(5,461)	6%	(11,423)	(10,897)	5%
Amortisation expense		(683)	(666)	3%	(1,371)	(1,350)	2%
<b>(Loss)/Profit from operations and other gains</b>		(6,095)	(9,488)	-36%	6,125	2,333	163%
Finance income	5	623	1,018	-39%	1,236	2,080	-41%
Finance costs		(7,153)	(7,263)	-2%	(14,200)	(14,619)	-3%
Share of results of associates		205	4	nm	(149)	21	nm
<b>Loss before taxation</b>		(12,420)	(15,729)	-21%	(6,988)	(10,185)	-31%
Income tax (expense)/credit	6	(1,484)	439	nm	(4,111)	(1,998)	106%
<b>Loss after taxation</b>	7	(13,904)	(15,290)	-9%	(11,099)	(12,183)	-9%
<b>Attributable to:</b>							
Owners of the Company	9	(12,264)	(14,363)	-15%	(11,065)	(13,828)	-20%
Non-controlling interests	8	(1,640)	(927)	77%	(34)	1,645	nm
<b>Loss for the Period</b>		(13,904)	(15,290)	-9%	(11,099)	(12,183)	-9%



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1(a)(ii) Statement of Comprehensive Income

	Notes	Group 3 months ended 30 Jun			Group 6 months ended 30 Jun		
		2017 (S\$'000)	2016 (S\$'000)	Incr/ (Decr) %	2017 (S\$'000)	2016 (S\$'000)	Incr/ (Decr) %
<b>Loss for the Period</b>		(13,904)	(15,290)	-9%	(11,099)	(12,183)	-9%
<b>Other comprehensive income:</b>							
<b><u>Items that may be reclassified subsequently to profit or loss:</u></b>							
Exchange differences arising from consolidation of foreign operations and net investment in foreign operations	10	8,373	(18,916)	<i>nm</i>	(1,056)	(28,560)	-96%
Net change in fair value adjustment reserve, net of deferred tax		-	832	-100%	-	2,292	-100%
<b>Total comprehensive expense for the Period</b>		(5,531)	(33,374)	-83%	(12,155)	(38,451)	-68%
<b>Attributable to:</b>							
Owners of the Company		(8,139)	(28,654)	-72%	(16,339)	(36,631)	-55%
Non-controlling interests		2,608	(4,720)	<i>nm</i>	4,184	(1,820)	<i>nm</i>
		(5,531)	(33,374)	-83%	(12,155)	(38,451)	-68%

1(a)(iii) Additional Disclosures

Adjustments for under or over provision of tax in respect of prior years

Included in the tax expense was adjustments for underprovision of tax relating to prior years of S\$728,000 (2Q16: underprovision of S\$462,000) and underprovision of S\$930,000 for 1H17 relating to prior years (1H16: underprovision of S\$352,000).

	Group 3 months ended 30 Jun			Group 6 months ended 30 Jun		
	2017 (S\$'000)	2016 (S\$'000)	Incr/ (Decr) %	2017 (S\$'000)	2016 (S\$'000)	Incr/ (Decr) %
<b>Profit from operations and other gains is stated after charging/(crediting):</b>						
(Write-back of)/Allowance for doubtful debts	(1,191)	725	<i>nm</i>	(2,068)	226	<i>nm</i>
Allowance for inventory obsolescence	17	3	467%	40	8	400%
Exchange loss	1,296	1,317	-2%	2,765	4,001	-31%
Loss on disposal of property, plant and equipment	5	25	-80%	97	40	143%



**BANYAN TREE HOLDINGS LIMITED**

Unaudited results for the Second Quarter and Half Year ended 30 June 2017

**1(a)(iv) Explanatory notes on performance for 2Q17**

1. Revenue

Revenue increased by S\$3.9 million from S\$65.9 million in 2Q16 to S\$69.8 million in 2Q17 mainly due to higher revenue from Fee-based and Hotel Investments segments but partially offset by lower revenue from Property Sales segment.

For the Hotel Investments segment, higher revenue in 2Q17 was mainly contributed by hotels in Thailand and Seychelles, but it was partially offset by lower revenue from hotels in Maldives.

For the Fee-based segment, higher revenue in 2Q17 was mainly contributed by higher hotel management fees, higher revenue from Spa/Gallery operations and higher recognition of architectural and design fees from projects.

For the Property Sales segment, we recognised total of 56 units of Laguna Chengdu (Phase 1) and Laguna Park townhomes/villas as compared to 24 units of Laguna Park townhomes/villas, Cassia Phuket, Banyan Tree Phuket villas in 2Q16. The lower value of units recognised contributed to the reduction in revenue.

2. Other income

Other income decreased by S\$0.9 million from S\$1.4 million in 2Q16 to S\$0.5 million in 2Q17, which was mainly due to dividend from Thai Wah Public Company Limited ("TWPC") recorded as Other income in 2Q16 but recorded in Associates in the Balance Sheet in 2Q17 as it became our associate since December 2016.

3. Total costs and expenses

Total costs and expenses decreased by S\$0.6 million from S\$70.6 million in 2Q16 to S\$70.0 million in 2Q17. This was largely attributable to decrease in sales and marketing expenses, salaries and related expenses and administrative expenses, which was partially offset by increase in other operating expenses, cost of operating supplies and cost of properties sold.

Sales and marketing expenses decreased by S\$1.5 million mainly due to lower expenses incurred for hotel marketing and lower property sales commissions.

Salaries and related expenses decreased by S\$0.9 million mainly due to lower staff costs, lower staff commission and reversal of prior year provision of share plan cost as the share awards were cancelled.

Administrative expenses decreased by S\$0.5 million mainly due to write-back of provision for doubtful debts following payments by several hotel owners in China. It was partially offset by higher legal and professional fees and higher rental expenses to hotel unit owners.

Other operating expenses increased by S\$1.2 million mainly due to higher repair and maintenances, higher music entertainment expenses to hotel guests and higher hotel booking agent commission.

Cost of operating supplies increased by S\$0.8 million which was in line with higher revenue from Spa/Gallery operations.

Cost of properties sold increased by S\$0.3 million mainly due to higher cost recognised for Laguna Chengdu (Phase 1) project which were completed and handed over to buyers in 2Q17 but partially reduced by lower cost due to lower property sales revenue recognised in Thailand.



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**1(a)(iv) Explanatory notes on performance for 2Q17 (Cont'd)**

4. Profit/(Loss) before interests, taxes, depreciation and amortisation ("Operating Profit")

Operating Profit increased by S\$3.8 million from a loss of S\$3.4 million in 2Q16 to a profit of S\$0.4 million in 2Q17. This was largely due to higher revenue, higher write-back of provision for doubtful debts due to collections during the period and lower sales and marketing expenses.

5. Finance income

Finance income decreased by S\$0.4 million mainly due to lower funds placed in term deposits.

6. Income tax (expense)/credit

Income tax expense increased by S\$1.9 million mainly due to higher taxes on profit making companies within the group not able to offset against loss making companies due to absence of group relief and deferred tax assets not recognised for such loss making companies as there are no certainties of future profit. In addition, there were higher underprovision of prior year tax expenses and higher withholding tax in 2Q17 compared to 2Q16.

7. Loss after taxation

Loss after taxation decreased by S\$1.4 million from S\$15.3 million in 2Q16 to S\$13.9 million in 2Q17. This was mainly due to higher Operating Profit, but partially offset by higher income tax expense as mentioned earlier.

8. Non-controlling interests

Non-controlling interests' share of loss increased by S\$0.7 million from S\$0.9 million in 2Q16 to S\$1.6 million in 2Q17 mainly due to higher losses in Laguna Resorts & Hotels Public Company Limited ("LRH") during the period.

9. Loss attributable to owners of the Company

As a result of the foregoing, loss attributable to owners of the Company decreased by S\$2.1 million from S\$14.4 million in 2Q16 to S\$12.3 million in 2Q17.

10. Exchange differences arising from consolidation of foreign operations and net investment in foreign operations

In 2Q17, the exchange gain on translation of foreign operations' net assets of S\$8.4 million was mainly due to the appreciation of Thai baht and Chinese renminbi against Singapore dollar. In 2Q16, the exchange loss on translation of foreign operations' net assets of S\$18.9 million was mainly due to the depreciation of Thai baht, U.S. dollar and Chinese renminbi against Singapore dollar.



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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.**

	Notes	Group As at			Company As at		
		30-Jun-17 (S\$'000)	31-Dec-16 (S\$'000)	Incr/ (Decr) %	30-Jun-17 (S\$'000)	31-Dec-16 (S\$'000)	Incr/ (Decr) %
<b>Non-current assets</b>							
Property, plant and equipment		658,969	657,746	0%	-	1	-100%
Investment properties		70,874	70,596	0%	-	-	-
Intangible assets		34,058	33,202	3%	2,445	2,471	-1%
Land use rights		2,877	2,982	-4%	-	-	-
Subsidiaries		-	-	-	619,565	513,554	21%
Associates		92,830	93,884	-1%	869	869	0%
Long-term investments		14,886	14,887	0%	-	-	-
Deferred tax assets		17,594	16,072	9%	-	-	-
Prepaid island rental		21,576	22,839	-6%	-	-	-
Prepayments		3,855	3,555	8%	-	-	-
Long-term trade receivables		24,362	29,093	-16%	-	-	-
Other receivables		11,065	11,168	-1%	-	-	-
		952,946	956,024	0%	622,879	516,895	21%
<b>Current assets</b>							
Property development costs	1	265,132	251,795	5%	-	-	-
Inventories		9,177	9,398	-2%	-	-	-
Prepayments and other non-financial assets		16,896	18,683	-10%	219	134	63%
Trade receivables	2	34,411	43,155	-20%	-	-	-
Other receivables		8,432	8,931	-6%	187	70	167%
Amounts due from subsidiaries		-	-	-	104,325	207,538	-50%
Amounts due from associates		3,094	203	nm	24	-	100%
Amounts due from related parties		21,193	21,999	-4%	1	1	0%
Cash and short-term deposits		91,565	108,767	-16%	17,874	28,052	-36%
		449,900	462,931	-3%	122,630	235,795	-48%
Assets of disposal group classified as held for sale	3	187,867	189,267	-1%	-	-	-
		637,767	652,198	-2%	122,630	235,795	-48%
<b>Total assets</b>		1,590,713	1,608,222	-1%	745,509	752,690	-1%
<b>Current liabilities</b>							
Tax payable		6,337	7,039	-10%	-	-	-
Unearned income		11,579	10,589	9%	-	-	-
Other non-financial liabilities		34,328	32,801	5%	110	514	-79%
Interest-bearing loans and borrowings	4	99,885	97,981	2%	41,600	41,608	0%
Notes payable	5	-	49,031	-100%	-	49,031	-100%
Trade payables	6	12,402	19,368	-36%	-	-	-
Other payables		33,680	37,958	-11%	4,720	5,199	-9%
Amounts due to subsidiaries		-	-	-	79,990	46,699	71%
Amounts due to associates		122	5	nm	-	-	-
Amounts due to related parties		627	864	-27%	-	-	-
		198,960	255,636	-22%	126,420	143,051	-12%
Liabilities of disposal group classified as held for sale	3	20,256	25,557	-21%	-	-	-
		219,216	281,193	-22%	126,420	143,051	-12%
<b>Net current assets/(liabilities)</b>		418,551	371,005	13%	(3,790)	92,744	nm



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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. (Cont'd)**

	Notes	Group As at			Company As at		
		30-Jun-17 (S\$'000)	31-Dec-16 (S\$'000)	Incr/ (Decr) %	30-Jun-17 (S\$'000)	31-Dec-16 (S\$'000)	Incr/ (Decr) %
<b>Non-current liabilities</b>							
Deferred income		7,762	8,041	-3%	-	-	-
Deferred tax liabilities		110,159	107,116	3%	-	-	-
Defined and other long-term employee benefits		3,068	2,927	5%	-	-	-
Deposits received		1,878	1,814	4%	-	-	-
Other non-financial liabilities		4,316	4,100	5%	-	-	-
Interest-bearing loans and borrowings	4	180,236	125,687	43%	22,533	7,572	198%
Notes payable	5	343,464	343,886	0%	343,464	343,886	0%
Other payables		612	612	0%	-	-	-
		651,495	594,183	10%	365,997	351,458	4%
<b>Total liabilities</b>		870,711	875,376	-1%	492,417	494,509	0%
<b>Net assets</b>		720,002	732,846	-2%	253,092	258,181	-2%
<b>Equity attributable to owners of the Company</b>							
Share capital		199,995	199,995	0%	199,995	199,995	0%
Treasury shares		(142)	(235)	-40%	(142)	(235)	-40%
Reserves		348,199	364,724	-5%	53,239	58,421	-9%
		548,052	564,484	-3%	253,092	258,181	-2%
Non-controlling interests		171,950	168,362	2%	-	-	-
<b>Total equity</b>		720,002	732,846	-2%	253,092	258,181	-2%



**BANYAN TREE HOLDINGS LIMITED**

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**Explanatory notes on Balance Sheet**

1. Property development costs

Property development costs increased by S\$13.3 million to S\$265.1 million as at 30 June 2017. This was mainly due to progressive development costs incurred on projects in Thailand, Australia and Bintan, and upward foreign exchange adjustments on opening balances due to appreciation of Thai baht against Singapore dollar.

2. Trade receivables

Trade receivables decreased by S\$8.7 million to S\$34.4 million as at 30 June 2017. This was largely attributable to higher collections from customers during the period.

3. Assets/Liabilities of disposal group classified as held for sale

Net Assets of disposal group classified as held for sale increased by S\$3.9 million from S\$163.7 million to S\$167.6 million as at 30 June 2017. This was mainly due to progressive land and development costs incurred on Laguna Chengdu projects but partially offset by downward foreign exchange adjustments on opening balances due to depreciation of Chinese renminbi against Singapore dollar.

4. Current and non-current interest-bearing loans and borrowings

Current and non-current interest-bearing loans and borrowings increased by S\$56.5 million to S\$280.1 million as at 30 June 2017. This was mainly due to drawdown of additional loans but partially offset by scheduled loan repayments.

5. Current and non-current notes payable

Current and non-current notes payable decreased by S\$49.4 million from S\$392.9 million to S\$343.5 million as at 30 June 2017 mainly due to repayment of S\$50 million medium term notes upon maturity in May 2017.

6. Trade payables

Trade payables decreased by S\$7.0 million to S\$12.4 million as at 30 June 2017 mainly due to payment to trade suppliers and construction cost for Cassia Phuket project.



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**1(b)(ii) Aggregate amount of the group's borrowings and debts securities**

	<b>Group As at</b>	
	<b>30-Jun-17 (S\$'000)</b>	<b>31-Dec-16 (S\$'000)</b>
<b>Amount repayable in one year or less, or on demand:-</b>		
Secured	55,385	54,981
Unsecured	44,500	92,031
<b>Sub-Total 1</b>	<b>99,885</b>	<b>147,012</b>
<b>Amount repayable after one year:-</b>		
Secured	169,736	125,687
Unsecured	353,964	343,886
<b>Sub-Total 2</b>	<b>523,700</b>	<b>469,573</b>
<b>Total Debt</b>	<b>623,585</b>	<b>616,585</b>

**Details of any collateral**

The secured bank loans are secured by assets with the following net book values:

	<b>Group As at</b>	
	<b>30-Jun-17 (S\$'000)</b>	<b>31-Dec-16 (S\$'000)</b>
Freehold land and buildings	353,174	363,666
Investment properties	25,456	24,835
Property development costs	42,314	41,168
Leasehold land and buildings	52,595	38,638
Prepaid island rental	19,969	-
Other assets	15,462	13,482
	<b>508,970</b>	<b>481,789</b>





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**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**

	Group 3 months ended 30 Jun		Group 6 months ended 30 Jun	
	2017 (S\$'000)	2016 (S\$'000)	2017 (S\$'000)	2016 (S\$'000)
<b>Cash flows from operating activities</b>				
Loss before taxation	(12,420)	(15,729)	(6,988)	(10,185)
Adjustments for:				
Share of results of associates	(205)	(4)	149	(21)
Depreciation of property, plant and equipment	5,762	5,461	11,423	10,897
Loss on disposal of property, plant and equipment	5	25	97	40
Finance income	(623)	(1,018)	(1,236)	(2,080)
Finance costs	7,153	7,263	14,200	14,619
Amortisation expense	683	666	1,371	1,350
(Write-back of)/Allowance for doubtful debts	(1,191)	725	(2,068)	226
Allowance for inventory obsolescence	17	3	40	8
Provision for employee benefits	64	64	126	123
Provision for Share-based payment expenses	(115)	84	(71)	(4)
Currency realignment	(1,014)	(3,297)	(3,837)	(4,395)
Operating (loss)/profit before working capital changes	(1,884)	(5,757)	13,206	10,578
(Increase)/Decrease in inventories	(47)	(311)	147	455
Increase in property development costs	(8,880)	(1,315)	(16,320)	(675)
Decrease in trade and other receivables	9,322	12,003	21,289	24,363
Increase in amounts due from related parties	(1,697)	(380)	(300)	(1,258)
Decrease in trade and other payables	(3,576)	(1,934)	(13,156)	(12,280)
	(4,878)	8,063	(8,340)	10,605
<b>Cash flows (used in)/generated from operating activities</b>	(6,762)	2,306	4,866	21,183
Interest received	635	1,068	1,244	2,138
Interest paid	(10,615)	(10,599)	(14,298)	(14,655)
Tax paid	(2,971)	(3,935)	(5,483)	(6,311)
Payment of employee benefits	(33)	(62)	(56)	(171)
Payment of cash settled share grants	(99)	(66)	(99)	(66)
<b>Net cash flows (used in)/generated from operating activities</b>	<b>(19,845)</b>	<b>(11,288)</b>	<b>(13,826)</b>	<b>2,118</b>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(3,396)	(2,232)	(5,626)	(7,516)
Proceeds from disposal of property, plant and equipment	25	8	51	12
Dividend income from associate	745	-	745	-
<b>Net cash flows used in investing activities</b>	<b>(2,626)</b>	<b>(2,224)</b>	<b>(4,830)</b>	<b>(7,504)</b>
<b>Cash flows from financing activities</b>				
Proceeds from bank loans	40,687	6,960	89,576	27,299
Repayment of bank loans	(9,863)	(9,367)	(38,025)	(31,634)
Repayment of notes payable	(50,000)	-	(50,000)	-
Payment of dividends				
- by subsidiary to non-controlling interests	(596)	(801)	(596)	(801)
<b>Net cash flows (used in)/generated from financing activities</b>	<b>(19,772)</b>	<b>(3,208)</b>	<b>955</b>	<b>(5,136)</b>
Net decrease in cash and cash equivalents	(42,243)	(16,720)	(17,701)	(10,522)
Net foreign exchange difference	573	(1,595)	(437)	(2,962)
Cash and cash equivalents at beginning of Period/Year	137,359	170,307	113,827	165,476
<b>Cash and cash equivalents * at end of the Period</b>	<b>95,689</b>	<b>151,992</b>	<b>95,689</b>	<b>151,992</b>

\* made up of cash and short-term deposits, cash of disposal group held for sale less bank overdrafts.



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### **Explanatory notes on Consolidated Cash Flow**

The Group's cash and cash equivalents decreased by S\$56.3 million or 37% from S\$152.0 million as at 30 June 2016 to S\$95.7 million as at 30 June 2017.

#### **2Q17**

For the three months ended 30 June 2017, net cash flows used in operating activities was S\$19.8 million. This was mainly due to loss before taxation of S\$12.4 million, net interest paid of S\$10.0 million, income tax payments of S\$3.0 million as well as net decrease in cash used in working capital of S\$4.9 million, which was partially cushioned by adjustments for non-cash items of S\$10.5 million (mainly net finance costs of S\$6.5 million and depreciation and amortisation expenses of S\$6.4 million, but partially offset by write-back of provision for doubtful debts S\$1.2 million and currency realignment of S\$1.0 million).

Net cash flows used in investing activities was S\$2.6 million mainly due to on-going purchases of furniture, fittings and equipment by the resorts for their operations.

Net cash flows used in financing activities amounted to S\$19.8 million. This was mainly due to repayment of S\$50 million medium term notes upon maturity in May 2017, scheduled repayments of bank borrowings of S\$9.9 million, payment of dividends by subsidiary to non-controlling interests of S\$0.6 million, which was partially cushioned by additional bank borrowings of S\$40.7 million.

#### **1H17**

For the six months ended 30 June 2017, net cash flows used in operating activities was S\$13.8 million. This was mainly due to loss before taxation of S\$7.0 million, net interest paid of S\$13.1 million, income tax payments of S\$5.5 million as well as net decrease in cash used in working capital of S\$8.3 million, which was partially cushioned by adjustments for non-cash items of S\$20.2 million (mainly net finance costs of S\$13.0 million and depreciation and amortisation expenses of S\$12.8 million, but partially offset by write-back of provision for doubtful debts S\$2.1 million and currency realignment of S\$3.8 million).

Net cash flows used in investing activities was S\$4.8 million mainly due to on-going purchases of furniture, fittings and equipment by the resorts for their operations.

Net cash flows generated from financing activities amounted to S\$1.0 million. This was mainly due to additional bank borrowings of S\$89.6 million, which was partially offset by scheduled repayments of bank borrowings of S\$38.0 million, repayment of S\$50 million medium term notes upon maturity in May 2017 and payment of dividends by subsidiary to non-controlling interests of S\$0.6 million.



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Unaudited results for the Second Quarter and Half Year ended 30 June 2017

1(d)(i) A statement (for the issuer and the 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.

GROUP	Share capital (S\$'000)	Treasury shares (S\$'000)	Share-based payment reserve (S\$'000)	Legal reserve (S\$'000)	Property revaluation reserve (S\$'000)	Currency translation reserve (S\$'000)	Other reserves* (S\$'000)	Accumulated profits (S\$'000)	Equity attributable to owners of the Company (S\$'000)	Non-controlling interests (S\$'000)	Total equity (S\$'000)
Balance as at 1 January 2017	199,995	(235)	8,040	9,899	181,773	(19,834)	(16,415)	201,261	564,484	168,362	732,846
Profit after taxation	-	-	-	-	-	-	-	1,199	1,199	1,606	2,805
Other comprehensive income for the Period	-	-	-	-	-	(9,399)	-	-	(9,399)	(30)	(9,429)
<b>Total comprehensive income for the Period</b>	-	-	-	-	-	(9,399)	-	1,199	(8,200)	1,576	(6,624)
<b>Contributions by and distributions to owners</b>											
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	30	-	-	-	-	-	30	-	30
<b>Total transactions with owners in their capacity as owners</b>	-	-	30	-	-	-	-	-	30	-	30
<b>Other changes in equity</b>											
Transfer to legal reserve	-	-	-	1	-	-	-	(1)	-	-	-
<b>Total other changes in equity</b>	-	-	-	1	-	-	-	(1)	-	-	-
Balance as at 31 March 2017	199,995	(235)	8,070	9,900	181,773	(29,233)	(16,415)	202,459	556,314	169,938	726,252

\* Other reserves are made up of merger deficit, capital reserve, fair value adjustment reserve, premium paid on acquisition of non-controlling interests and gain or loss on reissuance of treasury shares.



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GROUP	Share capital (S\$'000)	Treasury shares (S\$'000)	Share-based payment reserve (S\$'000)	Legal reserve (S\$'000)	Property revaluation reserve (S\$'000)	Currency translation reserve (S\$'000)	Other reserves* (S\$'000)	Accumulated profits (S\$'000)	Equity attributable to owners of the Company (S\$'000)	Non-controlling interests (S\$'000)	Total equity (S\$'000)
<b>Balance as at 1 April 2017</b>	199,995	(235)	8,070	9,900	181,773	(29,233)	(16,415)	202,459	556,314	169,938	726,252
Loss after taxation	-	-	-	-	-	-	-	(12,264)	(12,264)	(1,640)	(13,904)
Other comprehensive income for the Period	-	-	-	-	-	4,125	-	-	4,125	4,248	8,373
<b>Total comprehensive income for the Period</b>	-	-	-	-	-	4,125	-	(12,264)	(8,139)	2,608	(5,531)
<b><u>Contributions by and distributions to owners</u></b>											
Treasury shares reissued pursuant to Share-based Incentive Plan	-	93	(66)	-	-	-	(27)	-	-	-	-
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	(123)	-	-	-	-	-	(123)	-	(123)
<b>Total transactions with owners in their capacity as owners</b>	-	93	(189)	-	-	-	(27)	-	(123)	-	(123)
<b><u>Other changes in equity</u></b>											
Dividends paid to non-controlling shareholders of a subsidiary	-	-	-	-	-	-	-	-	-	(596)	(596)
Transfer to legal reserve	-	-	-	33	-	-	-	(33)	-	-	-
<b>Total other changes in equity</b>	-	-	-	33	-	-	-	(33)	-	(596)	(596)
<b>Balance as at 30 June 2017</b>	199,995	(142)	7,881	9,933	181,773	(25,108)	(16,442)	190,162	548,052	171,950	720,002

\* Other reserves are made up of merger deficit, capital reserve, fair value adjustment reserve, premium paid on acquisition of non-controlling interests and gain or loss on reissuance of treasury shares.



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Unaudited results for the Second Quarter and Half Year ended 30 June 2017

GROUP	Share capital (S\$'000)	Treasury shares (S\$'000)	Share-based payment reserve (S\$'000)	Legal reserve (S\$'000)	Property revaluation reserve (S\$'000)	Currency translation reserve (S\$'000)	Other reserves* (S\$'000)	Accumulated profits (S\$'000)	Equity attributable to owners of the Company (S\$'000)	Non-controlling interests (S\$'000)	Total equity (S\$'000)
Balance as at 1 January 2016	199,995	(463)	8,316	9,898	155,462	(31,862)	(9,716)	217,162	548,792	150,669	699,461
Profit after taxation	-	-	-	-	-	-	-	535	535	2,572	3,107
Other comprehensive income for the Period	-	-	-	-	-	(9,472)	960	-	(8,512)	328	(8,184)
<b>Total comprehensive income for the Period</b>	-	-	-	-	-	<b>(9,472)</b>	<b>960</b>	<b>535</b>	<b>(7,977)</b>	<b>2,900</b>	<b>(5,077)</b>
<b>Contributions by and distributions to owners</b>											
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	(146)	-	-	-	-	-	(146)	-	(146)
<b>Total transactions with owners in their capacity as owners</b>	-	-	<b>(146)</b>	-	-	-	-	-	<b>(146)</b>	-	<b>(146)</b>
<b>Other changes in equity</b>											
Transfer to accumulated profits upon disposal of asset	-	-	-	-	(21)	-	-	21	-	-	-
<b>Total other changes in equity</b>	-	-	-	-	<b>(21)</b>	-	-	<b>21</b>	-	-	-
Balance as at 31 March 2016	199,995	(463)	8,170	9,898	155,441	(41,334)	(8,756)	217,718	540,669	153,569	694,238

\* Other reserves are made up of merger deficit, capital reserve, fair value adjustment reserve, premium paid on acquisition of non-controlling interests and gain or loss on reissuance of treasury shares.



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Unaudited results for the Second Quarter and Half Year ended 30 June 2017

GROUP	Share capital (S\$'000)	Treasury shares (S\$'000)	Share-based payment reserve (S\$'000)	Legal reserve (S\$'000)	Property revaluation reserve (S\$'000)	Currency translation reserve (S\$'000)	Other reserves* (S\$'000)	Accumulated profits (S\$'000)	Equity attributable to owners of the Company (S\$'000)	Non-controlling interests (S\$'000)	Total equity (S\$'000)
Balance as at 1 April 2016	199,995	(463)	8,170	9,898	155,441	(41,334)	(8,756)	217,718	540,669	153,569	694,238
Loss after taxation	-	-	-	-	-	-	-	(14,363)	(14,363)	(927)	(15,290)
Other comprehensive income for the Period	-	-	-	-	-	(14,838)	547	-	(14,291)	(3,793)	(18,084)
<b>Total comprehensive income for the Period</b>	-	-	-	-	-	<b>(14,838)</b>	<b>547</b>	<b>(14,363)</b>	<b>(28,654)</b>	<b>(4,720)</b>	<b>(33,374)</b>
<b>Contributions by and distributions to owners</b>											
Treasury shares reissued pursuant to Share-based Incentive Plan	-	228	(197)	-	-	-	(31)	-	-	-	-
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	44	-	-	-	-	-	44	-	44
Expiry of share grants pursuant to Share-based Incentive Plan	-	-	(85)	-	-	-	-	85	-	-	-
<b>Total transactions with owners in their capacity as owners</b>	-	<b>228</b>	<b>(238)</b>	-	-	-	<b>(31)</b>	<b>85</b>	<b>44</b>	-	<b>44</b>
<b>Other changes in equity</b>											
Dividends paid to non-controlling interests of a subsidiary	-	-	-	-	-	-	-	-	-	(801)	(801)
Transfer to accumulated profits upon disposal of asset	-	-	-	-	(89)	-	-	89	-	-	-
Transfer to legal reserve	-	-	-	1	-	-	-	(1)	-	-	-
<b>Total other changes in equity</b>	-	-	-	<b>1</b>	<b>(89)</b>	-	-	<b>88</b>	-	<b>(801)</b>	<b>(801)</b>
Balance as at 30 June 2016	199,995	(235)	7,932	9,899	155,352	(56,172)	(8,240)	203,528	512,059	148,048	660,107

\* Other reserves are made up of merger deficit, capital reserve, fair value adjustment reserve, premium paid on acquisition of non-controlling interests and gain or loss on reissuance of treasury shares.



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**1(d)(i) A statement (for the issuer and the 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.**

COMPANY	Share capital (S\$'000)	Treasury shares (S\$'000)	Share-based payment reserve (S\$'000)	Other reserves* (S\$'000)	Accumulated profits (S\$'000)	Total equity (S\$'000)
<b>Balance as at 1 January 2017</b>	199,995	(235)	8,040	4,710	45,671	258,181
Total comprehensive income for the Period	-	-	-	-	(11,188)	(11,188)
<b><u>Contributions by and distributions to owners</u></b>						
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	30	-	-	30
<b>Total transactions with owners in their capacity as owners</b>	-	-	30	-	-	30
<b>Balance as at 31 March 2017</b>	199,995	(235)	8,070	4,710	34,483	247,023
<b>Balance as at 1 April 2017</b>	199,995	(235)	8,070	4,710	34,483	247,023
Total comprehensive income for the Period	-	-	-	-	6,192	6,192
<b><u>Contributions by and distributions to owners</u></b>						
Treasury shares reissued pursuant to Share-based Incentive Plan	-	93	(66)	(27)	-	-
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	(123)	-	-	(123)
<b>Total transactions with owners in their capacity as owners</b>	-	93	(189)	(27)	-	(123)
<b>Balance as at 30 June 2017</b>	199,995	(142)	7,881	4,683	40,675	253,092

\* Other reserves are made up of capital reserve and gain or loss on reissuance of treasury shares.



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Unaudited results for the Second Quarter and Half Year ended 30 June 2017

COMPANY	Share capital (S\$'000)	Treasury shares (S\$'000)	Share-based payment reserve (S\$'000)	Other reserves* (S\$'000)	Accumulated profits (S\$'000)	Total equity (S\$'000)
<b>Balance as at 1 January 2016</b>	199,995	(463)	8,316	4,741	48,947	261,536
Total comprehensive income for the Period	-	-	-	-	(8,901)	(8,901)
<b><u>Contributions by and distributions to owners</u></b>						
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	(146)	-	-	(146)
<b>Total transactions with owners in their capacity as owners</b>	-	-	(146)	-	-	(146)
<b>Balance as at 31 March 2016</b>	199,995	(463)	8,170	4,741	40,046	252,489
<b>Balance as at 1 April 2016</b>	199,995	(463)	8,170	4,741	40,046	252,489
Total comprehensive income for the Period	-	-	-	-	(6,389)	(6,389)
<b><u>Contributions by and distributions to owners</u></b>						
Treasury shares reissued pursuant to Share-based Incentive Plan	-	228	(197)	(31)	-	-
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	44	-	-	44
Expiry of share grants pursuant to Share-based Incentive Plan	-	-	(85)	-	85	-
<b>Total transactions with owners in their capacity as owners</b>	-	228	(238)	(31)	85	44
<b>Balance as at 30 June 2016</b>	199,995	(235)	7,932	4,710	33,742	246,144

\* Other reserves are made up of capital reserve and gain or loss on reissuance of treasury shares.





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**1(d)(ii) 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 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.**

As at 30 June 2017, there are 208,000 (2Q16: 345,500) shares held as treasury shares against the total number of issued shares excluding treasury shares of 761,194,280 (2Q16: 761,056,780).

**Issuance of shares from vesting of share awards**

During the quarter, there was no issuance of shares arising from the vesting of share awards under the Performance Share Plan (2Q16: Nil). 137,500 share awards (2Q16: 335,000) were vested under Restricted Share Plan for initial awards issued for FY2014 and FY2016.

**Grant and cancellation of share awards**

Performance Share Plan

During the quarter, 180,000 share awards were granted (2Q16: 165,000) and 120,000 share awards were cancelled (2Q16: 180,000) under the Banyan Tree Performance Share Plan. As at 30 June 2017, initial awards for 465,000 shares (As at 30 June 2016: 405,000) have been granted under the plan which will vest upon meeting specified performance conditions.

Restricted Share Plan

During the quarter, 427,500 share awards were granted (2Q16: 393,750) and 281,950 share awards were cancelled (2Q16: 832,900) under the Banyan Tree Restricted Share Plan. As at 30 June 2017, initial awards for 482,300 shares (As at 30 June 2016: 502,800) have been granted under the plan which will vest upon meeting specified performance conditions.

**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.**

	<b>30-Jun-17 No. of shares</b>	<b>31-Dec-16 No. of shares</b>
Number of issued shares excluding Treasury shares	761,194,280	761,056,780

**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.**

	<b>30-Jun-17 No. of shares</b>	<b>31-Dec-16 No. of shares</b>
At 1 January	345,500	680,500
Reissued pursuant to Share-based Incentive Plan	(137,500)	(335,000)
	208,000	345,500



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**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 by the group auditors.

**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 Note 5 below, the Group has applied the same accounting policies and method of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 December 2016.

**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, the effect of, the change.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with those of the audited financial statements for the year ended 31 December 2016, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 January 2017. The adoption of the standards and interpretations does not have material impact to the financial statements in the period of initial application.

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

**(a) Based on the weighted average number of ordinary shares on issue; and**

**(b) On a fully diluted basis (detailing any adjustments made to the earnings).**

	3 months ended 30 Jun		6 months ended 30 Jun	
	2017	2016	2017	2016
a) Based on the weighted average number of ordinary shares on issue (cents)	(1.61)	(1.89)	(1.45)	(1.82)
b) On fully diluted basis (cents)	(1.61)	(1.89)	(1.45)	(1.82)

(i) The basic earnings per ordinary share for the 3 months period and the same period last year have been calculated based on the weighted average number of 761,194,280 and 761,056,780 ordinary shares respectively.

The basic earnings per ordinary share for the 6 months period and the same period last year have been calculated based on the weighted average number of 761,125,910 and 760,889,280 ordinary shares respectively.

(ii) For the 3 months and the 6 months period ended 30 June 2016, contingently issuable shares under the Banyan Tree Performance Share Plan had been excluded from the calculation of diluted earnings per share as their effects would be anti-dilutive (i.e. loss per share would have been reduced in the event that dilutive potential shares issued are converted into ordinary shares). Thus, the dilutive earnings per share was the same as the basic earnings per share for 3 months and the 6 months period ended 30 June 2016.



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**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 As at		Company As at	
	30-Jun-17	31-Dec-16	30-Jun-17	31-Dec-16
Net asset value per ordinary share based on issued share capital* at the end of the Period (S\$)	0.72	0.74	0.33	0.34

\* Ordinary shares in issue as at 30 June 2017 and 31 December 2016 are 761,194,280 and 761,056,780 shares respectively.



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Unaudited results for the Second Quarter and Half Year ended 30 June 2017

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 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.

A) REVENUE

	Group			
	3 months ended 30 Jun		2017 vs 2016	
	2017	2016	Incr/(Decr)	
	(S\$'000)	(S\$'000)	(S\$'000)	%
Hotel Investments	41,993	38,334	3,659	10%
Property Sales	11,464	14,470	(3,006)	-21%
- Hotel Residences	45	5,176	(5,131)	-99%
- Laguna Property Sales	11,419	9,294	2,125	23%
Fee-based Segment	16,386	13,058	3,328	25%
- Hotel/Fund/Club Management	5,946	4,989	957	19%
- Spa/Gallery Operations	6,179	5,007	1,172	23%
- Design and Others	4,261	3,062	1,199	39%
<b>Revenue</b>	<b>69,843</b>	<b>65,862</b>	<b>3,981</b>	<b>6%</b>

	Group			
	6 months ended 30 Jun		2017 vs 2016	
	2017	2016	Incr/(Decr)	
	(S\$'000)	(S\$'000)	(S\$'000)	%
Hotel Investments	107,373	103,092	4,281	4%
Property Sales	17,265	31,689	(14,424)	-46%
- Hotel Residences	165	11,919	(11,754)	-99%
- Laguna Property Sales	17,100	19,770	(2,670)	-14%
Fee-based Segment	35,641	30,892	4,749	15%
- Hotel/Fund/Club Management	11,125	11,479	(354)	-3%
- Spa/Gallery Operations	12,421	12,434	(13)	0%
- Design and Others	12,095	6,979	5,116	73%
<b>Revenue</b>	<b>160,279</b>	<b>165,673</b>	<b>(5,394)</b>	<b>-3%</b>



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**B) PROFITABILITY**

	Group			
	3 months ended 30 Jun		2017 vs 2016	
	2017	2016	Incr/(Decr)	
	(S\$'000)	(S\$'000)	(S\$'000)	%
Hotel Investments	2,472	(27)	2,499	nm
Property Sales	(1,338)	1,693	(3,031)	nm
- Hotel Residences	(1,747)	591	(2,338)	nm
- Laguna Property Sales	409	1,102	(693)	-63%
Fee-based Segment	2,646	(3,283)	5,929	nm
- Hotel/Fund/Club Management	1,969	(682)	2,651	nm
- Spa/Gallery Operations	850	(378)	1,228	nm
- Design and Others	(173)	(2,223)	2,050	-92%
Head Office Expenses	(3,949)	(3,138)	811	26%
Other Income (net)	519	1,394	(875)	-63%
<b>Operating Profit/(Loss) (EBITDA)</b>	<b>350</b>	<b>(3,361)</b>	<b>3,711</b>	<b>nm</b>
<b>Loss attributable to owners of the Company (LATMI)</b>	<b>(12,264)</b>	<b>(14,363)</b>	<b>2,099</b>	<b>-15%</b>

	Group			
	6 months ended 30 Jun		2017 vs 2016	
	2017	2016	Incr/(Decr)	
	(S\$'000)	(S\$'000)	(S\$'000)	%
Hotel Investments	20,597	18,038	2,559	14%
Property Sales	(2,000)	3,499	(5,499)	nm
- Hotel Residences	(2,695)	1,811	(4,506)	nm
- Laguna Property Sales	695	1,688	(993)	-59%
Fee-based Segment	6,157	(4,148)	10,305	nm
- Hotel/Fund/Club Management	2,940	(132)	3,072	nm
- Spa/Gallery Operations	1,099	1,105	(6)	-1%
- Design and Others	2,118	(5,121)	7,239	nm
Head Office Expenses	(6,798)	(4,925)	1,873	38%
Other Income (net)	963	2,116	(1,153)	-54%
<b>Operating Profit (EBITDA)</b>	<b>18,919</b>	<b>14,580</b>	<b>4,339</b>	<b>30%</b>
<b>Loss attributable to owners of the Company (LATMI)</b>	<b>(11,065)</b>	<b>(13,828)</b>	<b>2,763</b>	<b>-20%</b>



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## C) BUSINESS SEGMENTS REVIEW

### i) Hotel Investments segment

Hotel Investments segment achieved revenue of S\$42.0 million in 2Q17, an increase of 10% or S\$3.7 million compared to S\$38.3 million in 2Q16. The increase in revenue was mainly from Thailand (S\$3.7 million) and Seychelles (S\$0.9 million) but partially offset by lower revenue from Maldives (S\$0.7 million).

For Thailand, the increase in revenue was mainly contributed by the continuing strong performance of Banyan Tree Phuket and Banyan Tree Bangkok. On a same store basis (excluding Cassia Phuket), Revenue per available room ("RevPAR") for Thailand resorts increased by 15% from S\$139 in 2Q16 to S\$160 in 2Q17. For Seychelles, RevPAR increased by 28% from S\$495 in 2Q16 to S\$635 in 2Q17. For Maldives, RevPAR decreased by 9% from S\$270 in 2Q16 to S\$246 in 2Q17.

For 1H17, Hotel Investments segment achieved revenue of S\$107.4 million, an increase of 4% or S\$4.3 million compared to S\$103.1 million in 1H16. The increase in revenue was mainly from Thailand (S\$5.2 million) and Seychelles (S\$1.0 million), which was partially offset by lower revenue from Maldives (S\$1.7 million) due to similar reasons mentioned earlier.

Operating Profit increased by S\$2.5 million and S\$2.6 million in 2Q17 and 1H17 respectively. This was largely due to higher revenue as mentioned earlier.

### ii) Property Sales segment

Revenue from the Property Sales segment decreased by S\$3.0 million or 21% to S\$11.5 million in 2Q17. For 1H17, revenue decreased by S\$14.4 million or 46% to S\$17.3 million.

In 2Q17, a total of 56 units of Laguna Chengdu and Laguna Park townhomes/villas were recognised. In comparison, 24 units of Laguna Park townhomes/villas, Cassia Phuket, Banyan Tree Phuket villas were recognised in 2Q16. Laguna Chengdu (Phase 1) was completed in May 2017 and we commenced recognition in 2Q17 when we progressively handed over to the buyers.

In 1H17, a total of 62 units of Laguna Park townhomes/villas, Laguna Village Residences and Laguna Chengdu (Phase 1) were recognised. In comparison, a total of 55 units of Laguna Park townhomes/villas, Cassia Phuket, Dusit villas and Banyan Tree Phuket villas were recognised in 1H16.

Despite the higher quantity recognised in 2Q17 and 1H17, overall revenue was lower due to lower selling price of Laguna Chengdu as compared to other properties that were recognised in 2Q16 and 1H16. 1H16 also has the benefit of higher recognition of Laguna Park townhomes/villas and Cassia Phuket in 1Q16 due to their completion in 4Q15 and units were substantially recognised when handed over to buyers in 1Q16.

Deposits for 44 new units sold with total sales value of S\$32.3 million was received in 2Q17 compared to deposits for 30 units in 2Q16, an increase of 47% in units but a decrease of 4% in value terms. For 1H17, deposits for 95 new units of total sales value of S\$85.9 million was received compared to deposits for 69 units in 1H16, an increase of 38% and 42% in units and value terms respectively.

Overall unrecognised revenue as at 30 June 2017 was S\$154.0 million as compared to S\$87.0 million as at 30 June 2016, of which about 30% will be progressively recognised in 2<sup>nd</sup> half of 2017.

Operating Profit decreased by S\$3.0 million and S\$5.5 million in 2Q17 and 1H17 respectively mainly due to lower revenue recognised as mentioned earlier, coupled with lower profit margin of units recognised during these periods.



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**iii) Fee-based segment**

Revenue from the Fee-based segment increased by S\$3.3 million or 25% to S\$16.4 million in 2Q17. This was mainly due to higher hotel management fees from resorts in China, Mauritius and Mexico, higher revenue from Spa/Gallery operations in China and higher architectural and design fees earned from projects in Thailand and Dubai based on project milestones.

For 1H17, revenue increased by S\$4.7 million or 15% to S\$35.6 million. This was mainly due to higher architectural and design fees earned from projects in China, Dubai and Japan based on project milestones.

Operating Profit increased by S\$5.9 million from a loss of S\$3.3 million to a profit of S\$2.6 million in 2Q17. For 1H17, Operating Profit increased by S\$10.3 million from a loss of S\$4.1 million to a profit of S\$6.2 million. This was mainly due to higher revenue as mentioned earlier, lower staff costs, lower foreign exchange loss and higher write-back of provision for doubtful debts.

If management fees of those resorts which the Group has a majority interest were not eliminated on consolidation, Operating Profit would have been S\$5.8 million in 2Q17 as compared to a loss of S\$0.4 million in 2Q16, and S\$14.8 million in 1H17 as compared to S\$4.7 million in 1H16.

**iv) Head Office**

Head office expenses increased by S\$0.8 million or 26% to S\$3.9 million in 2Q17 mainly due to higher foreign exchange loss and higher legal and professional fees.

For 1H17, head office expenses increased by S\$1.9 million or 38% to S\$6.8 million mainly due to higher foreign exchange loss, higher provision for bonus and incentives and higher legal and professional fees.

**v) Loss attributable to owners of the Company**

For 2Q17, loss decreased by S\$2.1 million from S\$14.4 million in 2Q16 to S\$12.3 million. For 1H17, loss decreased by S\$2.7 million from S\$13.8 million in 1H16 to S\$11.1 million. This was mainly attributable to higher Operating Profit from Fee-based and Hotel Investments segments as a result of higher revenue coupled with higher non-controlling interests' share of losses. This was partially offset by lower Operating Profit from Property Sales segment, higher head office expenses, lower other income and higher income tax expense.



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

There were no forecast made in 1Q17's results commentary.

**10 A commentary at the date of 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.**

Based on International Monetary Fund latest report<sup>1</sup>, the global economy is on a firmer footing and upward revision of growth has been forecasted for Europe and China in 2017. This will bode well for our operations as both regions are our key source market.

On Hotel Investments segment, based on hotel forward bookings for owned hotels for 3Q17, Thailand continued to record favorable performance at 7% above the same period last year. However hotels outside of Thailand were 16% below the same period last year. Overall, forward bookings is 3% below the same period last year.

On Property Sales segment, deposits for 44 units with total sales value of S\$32.3 million was received in 2Q17 compared to 30 units of S\$33.7 million in 2Q16. As at 2Q17, we have unrecognised revenue of S\$154.0 million, compared to S\$87.0 million as at 2Q16. Approximately 30% will be progressively recognised in 2<sup>nd</sup> half of 2017.

The definitive agreement with China Vanke Co. Ltd (Vanke) is signed and completed today. This is covered under a separate announcement which is released today.

New Openings

We expect to open the following 3 new resorts in the next 12 months:

- i. Cassia Bintan, Indonesia
- ii. Angsana Zhuhai Phoenix Bay, Guangdong, China
- iii. Angsana Cayo Santa Maria, San Agustin, Cayo Las Brujas, Cuba

Also in the next 12 months, we expect to launch 3 spas under management.

<sup>1</sup> Source: IMF, World Economic Outlook Update (July 2017)





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**11 If a decision regarding dividend has been made:-**

**(a) Current financial period reported on. State the amount per share.**

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

**(b) Corresponding period of the immediately preceding financial year. State the amount per share.**

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

**(c) Whether the dividend is before tax, net of tax, or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable.

**(d) Date payable**

Not applicable.

**(e) Books disclosure date**

Not applicable.

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

No dividend has been declared in respect of the current financial period.



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**13 Interested Persons Transactions for the 3 months ended 30 June 2017**

	Interested Person Transactions	Aggregate value of all interested person transactions for Q2 (excluding transactions less than S\$100,000 and transactions conducted under Shareholders' Mandate) in S\$'000	Aggregate value of all interested person transactions conducted under Shareholders' Mandate for Q2 (excluding transactions less than S\$100,000) in S\$'000
<b>[A]</b>	<b>Transactions with the Tropical Resorts Limited Group ("TRG")</b>		
a	Provision of Resort Management and Related Services to TRG	-	<b>610</b>
b	Provision of Spa Management and Other Related Services to TRG	-	<b>111</b>
c	Rental Income from TRG in respect of units in Banyan Tree Bintan and Angsana Bintan	-	<b>523</b>
	<b>Total</b>	-	<b>1,244</b>

**14 Confirmation that the issuer has procured undertakings from all its directors and executive officers**

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

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

The Directors of Banyan Tree Holdings Limited (the "Company") confirm that taking into account the matters announced and publicly disclosed by the Company prior to the date of this confirmation and the prevailing accounting policies adopted by the Company in accordance with the Singapore Financial Reporting Standards, to the best of their knowledge, nothing has come to their attention which may render the second quarter financial results false or misleading in any material respect.

**BY ORDER OF THE BOARD**

Jane Teah  
Company Secretary  
10 August 2017