



BANYAN TREE HOLDINGS LIMITED

Unaudited results for the Third Quarter ended 30 September 2018

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 Sep			Group 9 months ended 30 Sep		
		2018	2017	Incr/ (Decr) %	2018	2017	Incr/ (Decr) %
		(\$'000)	(\$'000)		(\$'000)	(\$'000)	
Revenue	1	69,680	68,285	2%	236,273	228,564	3%
Other income	2	257	40,975	-99%	18,842	41,938	-55%
Costs and expenses							
Cost of operating supplies		(5,515)	(5,248)	5%	(18,202)	(18,421)	-1%
Cost of properties sold		(9,028)	(7,979)	13%	(25,369)	(18,533)	37%
Salaries and related expenses		(20,870)	(27,768)	-25%	(67,018)	(81,132)	-17%
Administrative expenses		(8,573)	(15,113)	-43%	(29,575)	(42,646)	-31%
Sales and marketing expenses		(4,625)	(3,063)	51%	(13,893)	(9,800)	42%
Other operating expenses		(14,520)	(15,325)	-5%	(47,322)	(46,287)	2%
Total costs and expenses	3	(63,131)	(74,496)	-15%	(201,379)	(216,819)	-7%
Profit before interests, taxes, depreciation and amortisation ("Operating Profit")	4	6,806	34,764	-80%	53,736	53,683	0%
Depreciation of property, plant and equipment		(4,681)	(5,468)	-14%	(15,231)	(16,891)	-10%
Amortisation expense		(575)	(621)	-7%	(1,677)	(1,992)	-16%
Profit from operations and other gains		1,550	28,675	-95%	36,828	34,800	6%
Finance income		573	557	3%	1,849	1,793	3%
Finance costs	5	(7,745)	(7,063)	10%	(22,987)	(21,263)	8%
Share of results of associates	6	(1,072)	(368)	191%	(850)	(517)	64%
Share of results of joint ventures	6	-	(376)	-100%	(879)	(376)	134%
(Loss)/Profit before taxation		(6,694)	21,425	nm	13,961	14,437	-3%
Income tax expense	7	(694)	(831)	-16%	(5,534)	(4,942)	12%
(Loss)/Profit after taxation	8	(7,388)	20,594	nm	8,427	9,495	-11%
Attributable to:							
Owners of the Company	10	(6,998)	20,078	nm	7,843	9,013	-13%
Non-controlling interests	9	(390)	516	nm	584	482	21%
(Loss)/Profit for the Period		(7,388)	20,594	nm	8,427	9,495	-11%



BANYAN TREE HOLDINGS LIMITED
Unaudited results for the Third Quarter ended 30 September 2018

1(a)(ii) Statement of Comprehensive Income

	Notes	Group 3 months ended 30 Sep			Group 9 months ended 30 Sep		
		2018 (S\$'000)	2017 (S\$'000)	Incr/ (Decr) %	2018 (S\$'000)	2017 (S\$'000)	Incr/ (Decr) %
(Loss)/Profit for the Period		(7,388)	20,594	<i>nm</i>	8,427	9,495	-11%
Other comprehensive income:							
<u>Items that may be reclassified subsequently to profit or loss:</u>							
Realisation of currency translation reserves		-	1,970	-100%	-	1,970	-100%
Exchange differences arising from consolidation of foreign operations and net investment in foreign operations	11	4,832	(5,513)	<i>nm</i>	6,710	(6,569)	<i>nm</i>
Total comprehensive (expense)/income for the Period		(2,556)	17,051	<i>nm</i>	15,137	4,896	209%
Attributable to:							
Owners of the Company		(4,167)	16,594	<i>nm</i>	9,777	255	<i>nm</i>
Non-controlling interests		1,611	457	253%	5,360	4,641	15%
		(2,556)	17,051	<i>nm</i>	15,137	4,896	209%

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 under provision of tax relating to prior years of S\$830,000 (3Q17: over provision of S\$505,000) and under provision of S\$283,000 for 9M18 relating to prior years (9M17: under provision of S\$425,000).

	Group 3 months ended 30 Sep			Group 9 months ended 30 Sep		
	2018 (S\$'000)	2017 (S\$'000)	Incr/ (Decr) %	2018 (S\$'000)	2017 (S\$'000)	Incr/ (Decr) %
Profit from operations and other gains is stated after charging/(crediting):						
Write-back of doubtful debts	(656)	-	100%	(2,785)	(2,416)	15%
Allowance for doubtful debts	122	423	-71%	684	771	-11%
Allowance for inventory obsolescence	6	17	-65%	62	57	9%
Exchange (gain)/loss	(431)	1,567	<i>nm</i>	(1,019)	4,332	<i>nm</i>
Gain on disposal/dilution of investments in subsidiaries	-	(40,413)	-100%	(16,113)	(40,413)	-60%
Loss on disposal of property, plant and equipment	1	120	-99%	283	217	30%
Fair value loss/(gain) on derivatives	-	1,072	-100%	(368)	1,072	<i>nm</i>



BANYAN TREE HOLDINGS LIMITED

Unaudited results for the Third Quarter ended 30 September 2018

1(a)(iv) Explanatory notes on performance for 3Q18

A. Vanke transactions

As announced on 10 August 2017, the Group had executed and completed the definitive agreement with China Vanke Co., Ltd (“Vanke”) to create Banyan Tree Assets (China) Holdings Pte. Ltd. (“BTAC”), a 50:50 joint venture incorporated in Singapore between the Group and Vanke, to consolidate the ownership of its Banyan Tree-branded hotels and assets in China. BTAC had in turn invested in and holds 40% stake in each of Banyan Tree’s operating companies incorporated in Singapore, Banyan Tree Services (China) Pte. Ltd. (“BTSC”) and Banyan Tree Hotel Management (China) Pte. Ltd. (“BTMC”).

The Group had since deconsolidated certain entities and recognised the gain on the interest divested. In addition, the Group’s retained interest in these entities had been reclassified to investment in Joint ventures/Associates.

The results of the Joint ventures/Associates were equity accounted by the Group from August 2017. Please refer to the Group’s SGX-Net announcement dated 10 August 2017 for more details on the execution and completion of the definitive agreements with Vanke.

As announced on 2 April 2018, Vanke and the Group have funded and acquired stakes of 93.3% and 6.7% respectively in Banyan Tree China Hospitality Fund (“China Fund”). The China Fund was subsequently injected into BTAC at the end of March 2018. In recognition of the respective contributions from Vanke and the Group for the acquisition of the China Fund, the Group’s interest in BTAC has been diluted from 50% to 22.8% and a gain on dilution of S\$16.1 million has been recognised. In addition, BTAC has been reclassified from Joint ventures to Associates following the dilution.

1. Revenue

Revenue increased by S\$1.4 million from S\$68.3 million in 3Q17 to S\$69.7 million in 3Q18. We have stopped consolidating revenue of our China operations but receive license fees following the execution of the Vanke transactions as explained in note A. Excluding China operations, revenue for 3Q18 increased by S\$3.7 million from S\$65.3 million in 3Q17 to S\$68.9 million in 3Q18 mainly due to the following:

- For the Fee-based segment, revenue was higher by S\$2.6 million in 3Q18 mainly due to higher fees from residential projects in Thailand and Dubai and higher hotel management fees.
- For the Property Sales segment, revenue was higher by S\$1.6 million mainly due to income from forfeiture of deposits following buyer’s termination of purchase contracts.

This was partially offset by:

- Hotel Investments segment recorded lower revenue by S\$0.5 million mainly contributed by hotels in Thailand but partially cushioned by higher revenue from hotels in Maldives and Indonesia.

2. Other income

Other income decreased by S\$40.7 million from S\$41.0 million in 3Q17 to S\$0.3 million in 3Q18, mainly due to the absence of S\$40.4 million gain in 3Q17 arising from the Group’s divestment of its interest in the entities as mentioned in note A above.



BANYAN TREE HOLDINGS LIMITED

Unaudited results for the Third Quarter ended 30 September 2018

1(a)(iv) Explanatory notes on performance for 3Q18 (Cont'd)

3. Total costs and expenses

Total costs and expenses decreased by S\$11.4 million from S\$74.5 million in 3Q17 to S\$63.1 million in 3Q18. This was partly due to deconsolidation of expenses of China operations as mentioned in note A. Excluding China operations, total costs and expenses were S\$8.7 million lower than last year. Appended below are explanations for the variance:

- Salaries and related expenses decreased by S\$5.5 million from S\$26.4 million in 3Q17 to S\$20.9 million in 3Q18 mainly due to lower provision for bonus and incentives.
- Administrative expenses decreased by S\$5.1 million from S\$13.7 million in 3Q17 to S\$8.6 million in 3Q18 mainly due to lower legal and professional fees, lower provision for doubtful debts and exchange gain in 3Q18 as compared to an exchange loss in 3Q17.
- Other operating expenses decreased by S\$0.5 million from S\$15.0 million in 3Q17 to S\$14.5 million in 3Q18 in line with lower revenue from hotel investments segment.
- Cost of properties sold increased by S\$0.4 million from S\$8.6 million in 3Q17 to S\$9.0 million in 3Q18 mainly due to higher average cost of units sold.
- Sales and marketing expenses increased by S\$1.6 million from S\$3.0 million in 3Q17 to S\$4.6 million in 3Q18 mainly due to higher expenses incurred for hotel and property sales marketing coupled with higher property sales commissions.

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

Operating Profit decreased by S\$28.0 million from S\$34.8 million in 3Q17 to S\$6.8 million in 3Q18. This was largely due to absence of one-off gain recorded in other income as mentioned above. Excluding one-off gain, Operating Profit was higher by S\$12.4 million mainly due to higher operating profit from Property sales and fee-based segments, in line with higher revenue and lower expenses as mentioned above.

5. Finance costs

Finance costs increased by S\$0.7 million mainly due to loans taken to acquire additional shares in Laguna Resorts & Hotels Public Company Limited ("LRH") in April 2018.

6. Share of results of associates/joint ventures

Loss increased from S\$0.7 million in 3Q17 to S\$1.1 million in 3Q18 mainly due to lower profits from our associate company, Thai Wah Public Company Limited.

7. Income tax expense

On tax expenses, 3Q18 recorded tax expenses of S\$0.7 million, notwithstanding losses incurred in the quarter, mainly due to taxes on profit making companies within the group not able to offset against loss making companies due to absence of cross-border group relief and deferred tax assets not recognised for such loss making companies as there are no certainty of future profit. Tax expense was lower compared to last year mainly due to lower withholding tax expense and lower expenses not deductible for tax purposes. This was partially offset by under provision of prior year tax expenses in 3Q18 as compared to a write back of prior year tax expenses in 3Q17.



BANYAN TREE HOLDINGS LIMITED

Unaudited results for the Third Quarter ended 30 September 2018

1(a)(iv) Explanatory notes on performance for 3Q18 (Cont'd)

8. (Loss)/Profit after taxation

Loss after taxation increased by S\$28.0 million from a profit of S\$20.6 million in 3Q17 to a loss of S\$7.4 million in 3Q18. This was mainly due to lower Operating Profit, higher finance costs and higher share of associates/joint ventures' losses but partially cushioned by lower depreciation of property plant and equipment.

9. Non-controlling interests

Non-controlling interests' share of loss for 3Q18 of S\$0.4 million was S\$0.9 million lower than 3Q17 mainly due to losses in LRH in 3Q18 as opposed to profits in LRH in 3Q17.

10. (Loss)/Profit attributable to owners of the Company

As a result of the foregoing, loss attributable to owners of the Company was S\$7.0 million in 3Q18.

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

In 3Q18, the exchange gain on translation of foreign operations' net assets of S\$4.8 million was mainly due to the appreciation of Thai baht against Singapore dollar which was partially cushioned by depreciation of Indonesian rupiah against Singapore dollar.

In 3Q17, the exchange loss on translation of foreign operations' net assets of S\$5.5 million was mainly due to the depreciation of U.S. dollar against Singapore dollar.



BANYAN TREE HOLDINGS LIMITED

Unaudited results for the Third Quarter ended 30 September 2018

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-Sep-18 (S\$'000)	31-Dec-17 (S\$'000)	Incr/ (Decr) %	30-Sep-18 (S\$'000)	31-Dec-17 (S\$'000)	Incr/ (Decr) %
Non-current assets							
Property, plant and equipment	1	590,336	642,013	-8%	-	-	-
Investment properties	2	49,137	70,644	-30%	-	-	-
Intangible assets		34,275	33,208	3%	2,844	2,890	-2%
Land use rights		2,202	2,445	-10%	-	-	-
Subsidiaries		-	-	-	559,330	539,118	4%
Associates	3	274,227	107,249	156%	12,980	869	nm
Joint ventures	4	-	132,250	-100%	-	12,110	-100%
Long-term investments		14,862	14,862	0%	-	-	-
Deferred tax assets		19,963	16,378	22%	-	-	-
Prepaid island rental		20,233	20,432	-1%	-	-	-
Prepayments		2,359	2,723	-13%	-	-	-
Long-term trade receivables		23,069	24,058	-4%	-	-	-
Other receivables		839	3,489	-76%	-	-	-
		1,031,502	1,069,751	-4%	575,154	554,987	4%
Current assets							
Property development costs	5	291,647	283,342	3%	-	-	-
Inventories		7,166	7,634	-6%	-	-	-
Prepayments and other non-financial assets		16,365	13,919	18%	188	120	57%
Trade receivables	6	27,834	37,122	-25%	-	-	-
Other receivables		8,583	7,646	12%	954	593	61%
Amounts due from subsidiaries		-	-	-	203,598	213,206	-5%
Amounts due from associates	7	81,265	64,963	25%	8,405	1,393	nm
Amounts due from joint ventures	7	-	6,291	-100%	-	3,156	-100%
Amounts due from related parties		25,521	23,155	10%	2	3	-33%
Cash and short-term deposits		88,682	158,988	-44%	41,224	72,869	-43%
		547,063	603,060	-9%	254,371	291,340	-13%
Assets of disposal group classified as held for sale	8	96,292	6,936	nm	-	-	-
		643,355	609,996	5%	254,371	291,340	-13%
Total assets							
		1,674,857	1,679,747	0%	829,525	846,327	-2%
Current liabilities							
Tax payable		6,832	7,106	-4%	-	-	-
Unearned income		4,570	5,784	-21%	-	-	-
Other non-financial liabilities	9	60,360	50,727	19%	523	534	-2%
Interest-bearing loans and borrowings	10	116,674	71,371	63%	48,600	2,600	nm
Notes payable	11	49,495	119,270	-59%	49,495	119,270	-59%
Trade payables		23,529	25,311	-7%	-	-	-
Other payables		39,533	43,172	-8%	11,192	9,049	24%
Amounts due to subsidiaries		-	-	-	82,039	57,317	43%
Amounts due to associates	7	102,329	22,489	355%	78,314	18,009	335%
Amounts due to joint ventures	7	-	61,094	-100%	-	60,298	-100%
Amounts due to related parties		1,945	1,261	54%	12	-	100%
		405,267	407,585	-1%	270,175	267,077	1%
Liabilities of disposal group classified as held for sale	8	7,075	-	100%	-	-	-
		412,342	407,585	1%	270,175	267,077	1%
Net current assets/(liabilities)							
		231,013	202,411	14%	(15,804)	24,263	nm



BANYAN TREE HOLDINGS LIMITED

Unaudited results for the Third Quarter ended 30 September 2018

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)

	Group As at			Company As at		
	30-Sep-18 (S\$'000)	31-Dec-17 (S\$'000)	Incr/ (Decr) %	30-Sep-18 (S\$'000)	31-Dec-17 (S\$'000)	Incr/ (Decr) %
Non-current liabilities						
Deferred tax liabilities	112,713	109,989	2%	-	-	-
Defined and other long-term employee benefits	2,617	2,820	-7%	-	-	-
Deposits received	2,088	1,976	6%	-	-	-
Other non-financial liabilities	2,826	3,882	-27%	-	-	-
Interest-bearing loans and borrowings	188,885	150,689	25%	19,283	21,233	-9%
Notes payable	224,950	224,616	0%	224,950	224,616	0%
Other payables	2,366	654	262%	-	-	-
	536,445	494,626	8%	244,233	245,849	-1%
Total liabilities	948,787	902,211	5%	514,408	512,926	0%
Net assets	726,070	777,536	-7%	315,117	333,401	-5%
Equity attributable to owners of the Company						
Share capital	241,520	241,520	0%	241,520	241,520	0%
Treasury shares	(587)	(142)	313%	(587)	(142)	313%
Reserves	408,720	359,248	14%	74,184	92,023	-19%
	649,653	600,626	8%	315,117	333,401	-5%
Non-controlling interests	76,417	176,910	-57%	-	-	-
Total equity	726,070	777,536	-7%	315,117	333,401	-5%



BANYAN TREE HOLDINGS LIMITED

Unaudited results for the Third Quarter ended 30 September 2018

Explanatory notes on Balance Sheet

1. Property, plant and equipment

Property, plant and equipment decreased by S\$51.7 million from S\$642.0 million to S\$590.3 million as at 30 September 2018 mainly due to reclassification of the Group's assets in Banyan Tree Seychelles to "Assets of disposal group classified as held for sale" as mentioned in note 8. It was partially cushioned by on-going purchases of furniture, fittings and equipment, resorts renovation and upward foreign exchange adjustments on the opening balances mainly due to the appreciation of Thai baht against Singapore dollar.

2. Investment properties

Investment properties decreased by S\$21.5 million from S\$70.6 million to S\$49.1 million as at 30 September 2018. The decrease was mainly due to reclassification of the Group's development land in Seychelles to "Assets of disposal group classified as held for sale" as mentioned in note 8.

3. Associates

As mentioned in note A, the investment in Associates increased by S\$167.0 million from S\$107.2 million to S\$274.2 million as at 30 September 2018 mainly due to reclassification of interest in BTAC from Joint ventures to Associates.

4. Joint ventures

Joint ventures decreased by S\$132.3 million due to share of joint ventures' results and reclassification to Associates as mentioned in note 3.

5. Property development costs

Property development cost increased by S\$8.3 million from S\$283.3 million to S\$291.6 million as at 30 September 2018. This was mainly due to progressive land and development costs incurred on projects in Phuket and Bintan. It was partially offset by transfers to costs of properties sold following revenue recognition during the period and net downward foreign exchange adjustments on the opening balances due to the depreciation of Australian dollar and Indonesian rupiah against Singapore dollar, partially cushioned by the appreciation of Thai baht against Singapore dollar.

6. Trade receivables

Trade receivables reduced by S\$9.3 million from S\$37.1 million to S\$27.8 million mainly due to higher collections from customers and reclassification of Banyan Tree Seychelles's Trade receivables to "Assets of disposal group classified as held for sale" as mentioned in note 8.

7. Amount due from/(to) associates/joint ventures

As mentioned in note 3, BTAC had been reclassified from joint ventures to associates in March 2018. As a result, net amount due to associates increased by S\$63.5 million and net amount due to joint ventures decreased by S\$54.8 million as at 30 September 2018. Included in amount due to associates were unsecured and interest free loans of S\$78.0 million.

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

On 24 July 2018, the Group announced that it had entered into a conditional Share Purchase Agreement to sell its entire assets portfolio in Seychelles which comprises the Banyan Tree resort as well as all the land plots it owns in Seychelles. As a result, the Group's assets and liabilities amounting to S\$96.3 million and S\$7.1 million have been presented in the Balance Sheet as "Assets/Liabilities of disposal group classified as held for sale".

9. Other non-financial liabilities

Other non-financial liabilities increased by S\$9.7 million from S\$50.7 million to S\$60.4 million as at 30 September 2018 mainly due to deposits and progress payments from customers for property sales in Thailand.



BANYAN TREE HOLDINGS LIMITED

Unaudited results for the Third Quarter ended 30 September 2018

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

Current and non-current interest-bearing loans and borrowings increased by S\$83.5 million from S\$222.1 million to S\$305.6 million mainly due to drawdown of loan for acquiring additional shares in LRH and additional loans for working capital, partially offset by loan repayment during the period.

11. Current and non-current notes payable

Current and non-current note payables decreased by S\$69.5 million from S\$343.9 million to S\$274.4 million as at 30 September 2018 mainly due to repayment of \$70 million medium term notes upon maturity in July 2018.



BANYAN TREE HOLDINGS LIMITED

Unaudited results for the Third Quarter ended 30 September 2018

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

	Group As at	
	30-Sep-18 (S\$'000)	31-Dec-17 (S\$'000)
Amount repayable in one year or less, or on demand:-		
Secured	63,424	66,871
Unsecured	102,745	123,770
Sub-Total 1	166,169	190,641
Amount repayable after one year:-		
Secured	185,885	142,439
Unsecured	227,950	232,866
Sub-Total 2	413,835	375,305
Total Debt	580,004	565,946

Details of any collateral

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

	Group As at	
	30-Sep-18 (S\$'000)	31-Dec-17 (S\$'000)
Freehold land and buildings	360,462	353,455
Investment properties	26,607	25,973
Shares in a subsidiary	155,360	-
Property development costs	39,734	40,096
Leasehold land and buildings	14,405	14,844
Prepaid island rental	19,924	19,727
Other assets	5,452	6,102
	621,944	460,197



BANYAN TREE HOLDINGS LIMITED

Unaudited results for the Third Quarter ended 30 September 2018

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		Group	
	3 months ended 30 Sep		9 months ended 30 Sep	
	2018	2017	2018	2017
	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Cash flows from operating activities				
(Loss)/Profit before taxation	(6,694)	21,425	13,961	14,437
Adjustments for:				
Share of results of associates	1,072	368	850	517
Share of results of joint ventures	-	376	879	376
Depreciation of property, plant and equipment	4,681	5,468	15,231	16,891
Loss on disposal of property, plant and equipment	1	120	283	217
Finance income	(573)	(557)	(1,849)	(1,793)
Finance costs	7,745	7,063	22,987	21,263
Amortisation expense	575	621	1,677	1,992
Write-back of doubtful debts	(656)	-	(2,785)	(2,416)
Allowance for doubtful debts	122	423	684	771
Allowance for inventory obsolescence	6	17	62	57
Provision for employee benefits	66	70	190	196
Provision for Share-based payment expenses	89	81	293	10
Gain on disposal of subsidiaries	-	(40,413)	-	(40,413)
Gain on dilution of joint venture	-	-	(16,113)	-
Fair value loss/(gain) on derivatives	-	1,072	(368)	1,072
Currency realignment	(3,112)	(2,215)	(2,187)	(6,118)
Operating Profit/(Loss) before working capital changes	3,322	(6,081)	33,795	7,059
(Increase)/Decrease in inventories	(382)	1,084	(646)	1,231
Increase in property development costs	(3,444)	(11,462)	(9,182)	(27,782)
Decrease in trade and other receivables	3,409	17,381	13,855	38,670
Decrease/(Increase) in amounts due from related parties	1,921	(24,451)	13,157	(24,751)
Increase in trade and other payables	4,519	30,421	1,099	17,265
	6,023	12,973	18,283	4,633
Cash flows generated from operating activities	9,345	6,892	52,078	11,692
Interest received	591	538	1,848	1,782
Interest paid	(5,782)	(4,685)	(21,008)	(18,983)
Tax paid	(2,791)	(3,434)	(6,103)	(8,917)
Payment of employee benefits	(276)	(273)	(454)	(329)
Payment of cash settled share grants	-	-	(52)	(33)
Payment of lease rental/extension of lease	-	(1,517)	-	(1,517)
Net cash flows generated from/(used in) operating activities	1,087	(2,479)	26,309	(16,305)
Cash flows from investing activities				
Purchase of property, plant and equipment	(9,960)	(3,530)	(17,987)	(8,629)
Proceeds from disposal of property, plant and equipment	14	539	141	63
Increase in investment in associates	-	-	(18,800)	-
Acquisition of non-controlling interest	-	-	(57,488)	-
Dividend income from associate	-	-	1,183	745
Proceeds from disposal of subsidiaries, net of cash disposed	-	65,769	-	65,769
Net cash flows (used in)/generated from investing activities	(9,946)	62,778	(92,951)	57,948
Cash flows from financing activities				
Proceeds from bank loans	28,098	6,613	130,276	96,189
Repayment of bank loans	(12,755)	(38,005)	(49,824)	(76,030)
Repayment of notes payable	(70,000)	-	(70,000)	(50,000)
Payment of dividends	-	-	-	-
- by subsidiary to non-controlling interests	-	-	(363)	(596)
- by Company to shareholders	-	-	(8,404)	-
Proceeds from issue of new shares	-	23,978	-	23,978
Proceeds from issue of convertible debenture	-	24,000	-	24,000
Purchase of treasury shares	-	-	(585)	-
Net cash flows (used in)/generated from financing activities	(54,657)	16,586	1,100	17,541
Net (decrease)/increase in cash and cash equivalents	(63,516)	76,885	(65,542)	59,184
Net foreign exchange difference	278	(591)	696	(1,028)
Cash and cash equivalents at beginning of Period/Year	157,380	95,689	158,988	113,827
Cash and cash equivalents * at end of the Period	94,142	171,983	94,142	171,983

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



BANYAN TREE HOLDINGS LIMITED

Unaudited results for the Third Quarter ended 30 September 2018

Explanatory notes on Consolidated Cash Flow

The Group's cash and cash equivalents decreased by S\$77.9 million or 45.3% from S\$172.0 million as at 30 September 2017 to S\$94.1 million as at 30 September 2018.

3Q18

For the three months ended 30 September 2018, net cash flows generated from operating activities was S\$1.1 million. This was mainly due to adjustments for non-cash items of S\$10.0 million and net increase in cash generated from working capital of S\$6.0 million but partially offset by loss before taxation of S\$6.7 million, net interest paid of S\$5.2 million and tax paid of S\$2.8 million. Non-cash items relate mainly to net finance costs of S\$7.2 million, currency realignment gain of S\$3.1 million, depreciation and amortisation expenses of S\$5.3 million and share of results of associates of S\$1.1 million.

Net cash flows used in investing activities of S\$9.9 million was relating to on-going purchases of furniture, fittings and equipment by our resorts for their operations and resorts renovation.

Net cash flows used in financing activities amounted to S\$54.7 million, mainly due to repayment of Medium Term Notes of S\$70.0 million upon maturity in July 2018 and scheduled bank repayment of S\$12.8 million which is partially offset by additional bank borrowings of S\$28.1 million.

9M18

For the nine months ended 30 September 2018, net cash flows generated from operating activities was S\$26.3 million. This was mainly due to profit before tax of S\$14.0 million, adjustments for non-cash items of S\$19.8 million and net increase in cash generated from working capital of S\$18.3 million but partially offset by net interest paid of S\$19.2 million and tax paid of S\$6.1 million. Non-cash items relate mainly to net finance costs of S\$21.1 million, depreciation and amortisation expenses of S\$16.9 million, share of associate/joint ventures' results of S\$1.7 million and currency realignment loss of S\$2.2 million, net of gain on dilution of joint venture of S\$16.1 million and write-back of doubtful debts of S\$2.8 million.

Net cash flows used in investing activities was S\$93.0 million, mainly due to acquisition of additional shares in LRH S\$57.5 million, on-going purchases of furniture, fittings and equipment of S\$18.0 million by our resorts for their operations and resorts renovation.

Net cash flows generated from financing activities amounted to S\$1.1 million, mainly due to additional bank borrowings of S\$130.3 million which includes S\$57.5 million used to finance the acquisition of additional shares in LRH. This was partially offset by repayment of Medium Term Notes of S\$70.0 million upon maturity in July 2018, scheduled repayments of bank borrowings of S\$49.8 million and dividend paid to ordinary shareholders of the Company of S\$8.4 million.



BANYAN TREE HOLDINGS LIMITED

Unaudited results for the Third Quarter ended 30 September 2018

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 2018	241,520	(142)	7,976	8,280	182,107	(33,865)	(19,409)	214,159	600,626	176,910	777,536
Profit after taxation	-	-	-	-	-	-	-	14,841	14,841	974	15,815
Other comprehensive income for the Period	-	-	-	-	-	(897)	-	-	(897)	2,775	1,878
Total comprehensive income for the Period	-	-	-	-	-	(897)	-	14,841	13,944	3,749	17,693
Contributions by and distributions to owners											
Dividends paid on ordinary shares	-	-	-	-	-	-	-	(8,404)	(8,404)	-	(8,404)
Treasury shares reissued pursuant to Share-based Incentive Plan	-	140	(121)	-	-	-	(19)	-	-	-	-
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	154	-	-	-	-	-	154	-	154
Acquisition of Treasury shares	-	(585)	-	-	-	-	-	-	(585)	-	(585)
Total transactions with owners in their capacity as owners	-	(445)	33	-	-	-	(19)	(8,404)	(8,835)	-	(8,835)
Changes in ownership interests in subsidiary											
Acquisition of non-controlling interests without a change in control	-	-	-	-	-	-	48,002	-	48,002	(105,490)	(57,488)
Total changes in ownership interests in subsidiary	-	-	-	-	-	-	48,002	-	48,002	(105,490)	(57,488)
Total transactions with owners in their capacity as owners	-	(445)	33	-	-	-	47,983	(8,404)	39,167	(105,490)	(66,323)
Other changes in equity											
Dividends paid to non-controlling shareholders of a subsidiary	-	-	-	-	-	-	-	-	-	(363)	(363)
Transfer to accumulated profits upon disposal of asset	-	-	-	-	(112)	-	-	112	-	-	-
Total other changes in equity	-	-	-	-	(112)	-	-	112	-	(363)	(363)
Balance as at 30 June 2018	241,520	(587)	8,009	8,280	181,995	(34,762)	28,574	220,708	653,737	74,806	728,543

* 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.



BANYAN TREE HOLDINGS LIMITED

Unaudited results for the Third Quarter ended 30 September 2018

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 July 2018	241,520	(587)	8,009	8,280	181,995	(34,762)	28,574	220,708	653,737	74,806	728,543
Loss after taxation	-	-	-	-	-	-	-	(6,998)	(6,998)	(390)	(7,388)
Other comprehensive income for the Period	-	-	-	-	-	2,831	-	-	2,831	2,001	4,832
Total comprehensive income for the Period	-	-	-	-	-	2,831	-	(6,998)	(4,167)	1,611	(2,556)
Contributions by and distributions to owners											
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	83	-	-	-	-	-	83	-	83
Total contributions by and distributions to owners	-	-	83	-	-	-	-	-	83	-	83
Total transactions with owners in their capacity as owners	-	-	83	-	-	-	-	-	83	-	83
Other changes in equity											
Transfer to accumulated profits upon disposal of asset	-	-	-	-	(181)	-	-	181	-	-	-
Total other changes in equity	-	-	-	-	(181)	-	-	181	-	-	-
Balance as at 30 September 2018	241,520	(587)	8,092	8,280	181,814	(31,931)	28,574	213,891	649,653	76,417	726,070

* 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.



BANYAN TREE HOLDINGS LIMITED

Unaudited results for the Third Quarter ended 30 September 2018

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
Loss after taxation	-	-	-	-	-	-	-	(11,065)	(11,065)	(34)	(11,099)
Other comprehensive income for the Period	-	-	-	-	-	(5,274)	-	-	(5,274)	4,218	(1,056)
Total comprehensive income for the Period	-	-	-	-	-	(5,274)	-	(11,065)	(16,339)	4,184	(12,155)
<u>Contributions by and distributions to owners</u>											
Treasury shares reissued pursuant to Share-based Incentive Plan	-	93	(66)	-	-	-	(27)	-	-	-	-
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	(93)	-	-	-	-	-	(93)	-	(93)
Total transactions with owners in their capacity as owners	-	93	(159)	-	-	-	(27)	-	(93)	-	(93)
<u>Other changes in equity</u>											
Dividends paid to non-controlling shareholders of a subsidiary	-	-	-	-	-	-	-	-	-	(596)	(596)
Transfer to legal reserve	-	-	-	34	-	-	-	(34)	-	-	-
Total other changes in equity	-	-	-	34	-	-	-	(34)	-	(596)	(596)
Balance as at 30 June 2017	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.



BANYAN TREE HOLDINGS LIMITED

Unaudited results for the Third Quarter ended 30 September 2018

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 July 2017	199,995	(142)	7,881	9,933	181,773	(25,108)	(16,442)	190,162	548,052	171,950	720,002
Profit after taxation	-	-	-	-	-	-	-	20,078	20,078	516	20,594
Other comprehensive income for the Period	-	-	-	-	-	(3,484)	-	-	(3,484)	(59)	(3,543)
Total comprehensive income for the Period	-	-	-	-	-	(3,484)	-	20,078	16,594	457	17,051
Contributions by and distributions to owners											
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	95	-	-	-	-	-	95	-	95
Issue of new shares	23,978	-	-	-	-	-	-	-	23,978	-	23,978
Total transactions with owners in their capacity as owners	23,978	-	95	-	-	-	-	-	24,073	-	24,073
Other changes in equity											
Disposal of subsidiaries	-	-	-	(1,653)	-	-	-	-	(1,653)	-	(1,653)
Transfer to accumulated profits upon disposal of asset	-	-	-	-	(3)	-	-	3	-	-	-
Total other changes in equity	-	-	-	(1,653)	(3)	-	-	3	(1,653)	-	(1,653)
Balance as at 30 September 2017	223,973	(142)	7,976	8,280	181,770	(28,592)	(16,442)	210,243	587,066	172,407	759,473

* 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.



BANYAN TREE HOLDINGS LIMITED

Unaudited results for the Third Quarter ended 30 September 2018

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)
Balance as at 1 January 2018	241,520	(142)	7,976	4,683	79,364	333,401
Total comprehensive income for the Period	-	-	-	-	(6,889)	(6,889)
<u>Contributions by and distributions to owners</u>						
Dividends paid on ordinary shares	-	-	-	-	(8,404)	(8,404)
Treasury shares reissued pursuant to Share-based Incentive Plan	-	140	(121)	(19)	-	-
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	154	-	-	154
Acquisition of Treasury shares	-	(585)	-	-	-	(585)
Total transactions with owners in their capacity as owners	-	(445)	33	(19)	(8,404)	(8,835)
Balance as at 30 June 2018	241,520	(587)	8,009	4,664	64,071	317,677
Balance as at 1 July 2018	241,520	(587)	8,009	4,664	64,071	317,677
Total comprehensive income for the Period	-	-	-	-	(2,643)	(2,643)
<u>Contributions by and distributions to owners</u>						
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	83	-	-	83
Total transactions with owners in their capacity as owners	-	-	83	-	-	83
Balance as at 30 September 2018	241,520	(587)	8,092	4,664	61,428	315,117

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



BANYAN TREE HOLDINGS LIMITED

Unaudited results for the Third Quarter ended 30 September 2018

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)
Balance as at 1 January 2017	199,995	(235)	8,040	4,710	45,671	258,181
Total comprehensive income for the Period	-	-	-	-	(4,996)	(4,996)
<u>Contributions by and distributions to owners</u>						
Treasury shares reissued pursuant to Share-based Incentive Plan	-	93	(66)	(27)	-	-
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	(93)	-	-	(93)
Total transactions with owners in their capacity as owners	-	93	(159)	(27)	-	(93)
Balance as at 30 June 2017	199,995	(142)	7,881	4,683	40,675	253,092
Balance as at 1 July 2017	199,995	(142)	7,881	4,683	40,675	253,092
Total comprehensive income for the Period	-	-	-	-	74,935	74,935
<u>Contributions by and distributions to owners</u>						
Issuance of share grants pursuant to Share-based Incentive Plan	-	-	95	-	-	95
Issue of new shares	23,978	-	-	-	-	23,978
Total transactions with owners in their capacity as owners	23,978	-	95	-	-	24,073
Balance as at 30 September 2017	223,973	(142)	7,976	4,683	115,610	352,100

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



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.

There had been no changes in the Company's share capital from the end of the previous reported financial period, i.e. 30 June 2018 to the current reported financial period. The number of issued shares excluding treasury shares remained at 840,362,380 as at 30 September 2018.

As at 30 September 2018, there are 1,002,600 (3Q17: 208,000) shares held as treasury shares against the total number of issued shares excluding treasury shares of 840,362,380 (3Q17: 801,156,980).

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 (3Q17: Nil) and under Restricted Share Plan (3Q17: Nil).

Grant and cancellation of share awards

Performance Share Plan

During the quarter, no share awards were granted (3Q17: Nil) nor cancelled (3Q17: Nil) under the Banyan Tree Performance Share Plan. As at 30 September 2018, initial awards for 585,000 shares (As at 30 September 2017: 465,000) have been granted under the plan which will vest upon meeting specified performance conditions.

Restricted Share Plan

During the quarter, no share awards were granted (3Q17: Nil) nor cancelled (3Q17: 25,400) under the Banyan Tree Restricted Share Plan. As at 30 September 2018, initial awards for 869,150 shares (As at 30 September 2017: 456,900) 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.

	30-Sep-18 No. of shares	31-Dec-17 No. of shares
Number of issued shares excluding Treasury shares	840,362,380	841,156,980

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.

	30-Sep-18 No. of shares	31-Dec-17 No. of shares
At 1 January	208,000	345,500
Purchase of additional treasury shares	1,000,000	-
Reissued pursuant to Share-based Incentive Plan	(205,400)	(137,500)
	1,002,600	208,000



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 2017.

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 2017, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 January 2018. 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 Sep		9 months ended 30 Sep	
	2018	2017	2018	2017
a) Based on the weighted average number of ordinary shares on issue (cents)	(0.83)	2.63	0.93	1.18
b) On fully diluted basis (cents)	(0.83)	2.52	0.87	1.15

(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 840,362,380 and 762,931,789 ordinary shares respectively.

The basic earnings per ordinary share for the 9 months period and the same period last year have been calculated based on the weighted average number of 840,634,573 and 761,734,484 ordinary shares respectively.



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: -

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

(ii) For the 3 months period ended 30 September 2018, 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 the 3 months period ended 30 September 2018.

The diluted earnings per ordinary share for the 3 months period ended 30 September 2017 have been calculated based on the weighted average number of 796,376,181 ordinary shares.

The diluted earnings per ordinary share for the 9 months period and the same period last year have been calculated based on the weighted average number of 898,102,246 and 784,127,755 ordinary shares respectively.

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-Sep-18	31-Dec-17	30-Sep-18	31-Dec-17
Net asset value per ordinary share based on issued share capital* at the end of the Period (S\$)	0.77	0.71	0.37	0.40

* Ordinary shares in issue as at 30 September 2018 and 31 December 2017 are 840,362,380 and 841,156,980 shares respectively.



BANYAN TREE HOLDINGS LIMITED
 Unaudited results for the Third Quarter ended 30 September 2018

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 Sep		2018 vs 2017	
	2018 (S\$'000)	2017 (S\$'000)	Incr/(Decr) (S\$'000)	%
Hotel Investments	37,886	39,714	(1,828)	-5%
Property Sales	17,102	15,545	1,557	10%
- Hotel Residences	6,170	9,781	(3,611)	-37%
- Laguna Property Sales	10,932	5,764	5,168	90%
Fee-based Segment	14,692	13,026	1,666	13%
- Hotel/Fund/Club Management	6,403	4,594	1,809	39%
- Spa/Gallery Operations	4,409	5,133	(724)	-14%
- Design and Others	3,880	3,299	581	18%
Revenue	69,680	68,285	1,395	2%

	Group			
	9 months ended 30 Sep		2018 vs 2017	
	2018 (S\$'000)	2017 (S\$'000)	Incr/(Decr) (S\$'000)	%
Hotel Investments	144,929	147,087	(2,158)	-1%
Property Sales	46,984	32,810	14,174	43%
- Hotel Residences	20,835	9,946	10,889	109%
- Laguna Property Sales	26,149	22,864	3,285	14%
Fee-based Segment	44,360	48,667	(4,307)	-9%
- Hotel/Fund/Club Management	16,739	15,719	1,020	6%
- Spa/Gallery Operations	14,417	17,554	(3,137)	-18%
- Design and Others	13,204	15,394	(2,190)	-14%
Revenue	236,273	228,564	7,709	3%



BANYAN TREE HOLDINGS LIMITED
Unaudited results for the Third Quarter ended 30 September 2018

B) PROFITABILITY

	Group			
	3 months ended 30 Sep		2018 vs 2017	
	2018	2017	Incr/(Decr)	
	(S\$'000)	(S\$'000)	(S\$'000)	%
Hotel Investments	1,356	2,009	(653)	-33%
Property Sales	2,963	621	2,342	377%
- Hotel Residences	856	312	544	174%
- Laguna Property Sales	2,107	309	1,798	nm
Fee-based Segment	3,462	(3,073)	6,535	nm
- Hotel/Fund/Club Management	3,259	(413)	3,672	nm
- Spa/Gallery Operations	337	(150)	487	nm
- Design and Others	(134)	(2,510)	2,376	-95%
Head Office Expenses	(1,232)	(5,768)	(4,536)	-79%
Other Income (net)	257	40,975	(40,718)	-99%
Operating Profit (EBITDA)	6,806	34,764	(27,958)	-80%
(Loss)/Profit attributable to owners of the Company (PATMI)	(6,998)	20,078	(27,076)	nm

	Group			
	9 months ended 30 Sep		2018 vs 2017	
	2018	2017	Incr/(Decr)	
	(S\$'000)	(S\$'000)	(S\$'000)	%
Hotel Investments	24,304	22,606	1,698	8%
Property Sales	4,427	(1,379)	5,806	nm
- Hotel Residences	2,647	(2,383)	5,030	nm
- Laguna Property Sales	1,780	1,004	776	77%
Fee-based Segment	12,999	3,084	9,915	321%
- Hotel/Fund/Club Management	9,869	2,527	7,342	291%
- Spa/Gallery Operations	2,383	949	1,434	151%
- Design and Others	747	(392)	1,139	nm
Head Office Expenses	(6,836)	(12,566)	(5,730)	-46%
Other Income (net)	18,842	41,938	(23,096)	-55%
Operating Profit (EBITDA)	53,736	53,683	53	0%
Profit attributable to owners of the Company (PATMI)	7,843	9,013	(1,170)	-13%



BANYAN TREE HOLDINGS LIMITED

Unaudited results for the Third Quarter ended 30 September 2018

C) BUSINESS SEGMENTS REVIEW

i) Hotel Investments segment

Hotel Investments segment achieved revenue of S\$37.9 million in 3Q18, a decrease of 5% or S\$1.8 million compared to S\$39.7 million in 3Q17 in the traditional low season period. The decrease in revenue was mainly from Thailand (S\$1.6 million) and non-consolidation of China (S\$1.3 million), but partially cushioned by higher revenue from Maldives (S\$0.4 million) and Indonesia (S\$0.5 million).

For Thailand, hotel performance was below the same period last year with Revenue per Available Room ("RevPAR") decreased by 19% from S\$134 in 3Q17 to S\$109 in 3Q18 mainly due to a reduction in tourist arrivals especially from the Chinese market due to negative news of the Phuket boat accident. Maldives performance improved with RevPAR increased by 4% from S\$180 in 3Q17 to S\$188 in 3Q18 due to aggressive offers to boost occupancy. For China, the Group had stopped recognising revenue and started to equity account the results of our China hotels following our joint venture with Vanke in August 2017.

Operating Profit decreased by S\$0.7 million in 3Q18 mainly due to lower revenue as mentioned earlier.

For 9M18, Hotel Investments segment achieved revenue of S\$144.9 million, a decrease of S\$2.2 million compared to S\$147.1 million in 9M17. The decrease in revenue was mainly from Maldives (S\$2.2 million) and China (S\$6.3 million) which was partially cushioned by increase in revenue from Thailand (S\$2.5 million) Seychelles (S\$2.0 million) and Indonesia (S\$1.3 million).

Notwithstanding lower revenue, Operating Profit increased by S\$1.7 million in 9M18 mainly due to non-consolidation of the results of China hotels which recorded losses in 9M17.

ii) Property Sales segment

Revenue from the Property Sales segment increased by S\$1.6 million or 10% to S\$17.1 million in 3Q18. For 9M18, revenue increased by S\$14.2 million or 43% to S\$47.0 million.

In 3Q18, the increase in revenue was mainly due to income from forfeiture of deposits following buyer's termination of purchase contracts. A total of 23 units of Banyan Tree Phuket, Cassia Phuket (Phase 2), Laguna Park townhomes/villas, Laguna Village residences and Cassia Bintan (Phase 2) were recognised during the period. In comparison, a total of 46 units of Cassia Bintan, Casia Phuket and Laguna Park townhomes/villas were recognised in 3Q17. Despite the lower quantity recognised in 3Q18, overall revenue was in line with last year due to higher value of properties recognised in 3Q18 compared to 3Q17.

In 9M18, a total of 87 units of Banyan Tree Phuket, Cassia Phuket (Phase 2), Laguna Park townhomes/villas, Laguna Village residences and Cassia Bintan (Phase 2) were recognised. In comparison, a total of 108 units of Laguna Chengdu, Laguna Park townhomes/villas, Laguna Villa residences and Cassia Bintan were recognised in 9M17.

Deposits for 39 new units sold with total sales value of S\$21.9 million were received in 3Q18 compared to deposits for 23 units in 3Q17 of S\$20.4 million, a 70% increase in units and 7% increase in value terms. For 9M18, deposits for 174 units sold with total sales value of S\$102.7 million were received compared to 100 units in 9M17 of S\$81.3 million, an increase of 74% in units and 26% in value terms.

Overall unrecognised revenue as at 30 September 2018 was S\$203.1 million as compared to S\$132.4 million as at 30 September 2017, about 13% will be recognised in the last quarter of 2018.

Operating Profit increased by S\$2.4 million from S\$0.6 million to S\$3.0 million in 3Q18 and a loss of S\$1.4 million to a profit of S\$4.4 million in 9M18 which was mainly due to higher revenue as mentioned earlier.



iii) Fee-based segment

Revenue from the Fee-based segment increased by S\$1.7 million or 13% to S\$14.7 million in 3Q18 mainly due to higher hotel management fees from hotels in Korea, Mexico and Malaysia and fees earned from residential projects in Thailand and Dubai. This was partially offset by lower revenue from China as we have stopped consolidating our China operations but receive license fees following the execution of the Vanke transactions as explained in note A.

For 9M18, revenue decreased by S\$4.3 million or 9% in 9M18 due to lower revenue from China as mentioned above. This was partially cushioned by higher fees from residential projects in Thailand and Dubai.

Operating Profit increased by S\$6.5 million in 3Q18 due to higher revenue as mentioned above and lower provision for bonus and incentives and lower exchange losses. For 9M18, Operating Profit increased by S\$9.9 million notwithstanding lower revenue mainly due to lower provision for bonus and incentives, lower exchange losses and lower provision for bad 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\$6.1 million in 3Q18 as compared to loss of S\$0.2 million in 3Q17, and S\$24.4 million in 9M18 as compared to S\$14.6 million in 9M17.

iv) Head Office

Head Office expenses decreased by S\$4.5 million or 79% to S\$1.2 million in 3Q18 and S\$5.7 million or 46% to S\$6.8 million for 9M18 mainly due lower legal and professional fees and lower provision for bonus and incentives. In addition, there was a provision for fair value loss on derivative instruments in 3Q17. No such provision in 3Q18.

v) (Loss)/Profit attributable to owners of the Company

For 3Q18, loss increased by S\$27.1 million from profit of S\$20.1 million in 3Q17 to a loss of S\$7.0 million in 3Q18 mainly due to lower other income, higher finance costs and higher share of losses of associates/joint ventures. This was partially offset by higher Operating Profit from all three core segments, lower depreciation of property, plant and equipment, lower tax expense and higher non-controlling interests' share of losses in LRH.

For 9M18, profit decreased by S\$1.2 million from S\$9.0 million to S\$7.8 million mainly attributable to lower other income, higher finance costs, higher tax expenses and higher share of losses of associates/joint ventures. This was partially offset by higher Operating Profit from all three core segments, lower head office expenses and lower depreciation of property, plant and equipment.

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 2Q18's results commentary.



BANYAN TREE HOLDINGS LIMITED

Unaudited results for the Third Quarter ended 30 September 2018

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's latest report¹, the global economic growth is expected to remain at 2017 levels with risks expected to increase in the next six months. Growth projections for China, our key market had been revised downwards in the aftermath of recently announced trade measures.

On Hotel Investments segment, hotel forward bookings for owned hotels for 4Q18 are 4% below the same period last year. (Outside Thailand is consistent with last year and Thailand is 6% below).

On Property Sales segment, deposits for 39 units with sales value of S\$21.9 million were received in 3Q18 compared to 23 units with sales value of S\$20.4 million in 3Q17. As at 30 September 2018, unrecognised revenue was S\$203.1 million, an increase of 53% as compared to S\$132.4 million as at 30 September 2017. Approximately 13% will be recognised in the last quarter of 2018.

As announced on 24 July 2018, the Group had entered into a conditional Share Purchase Agreement to sell its entire assets portfolio in Seychelles which comprises the Banyan Tree Resort as well as all the land plots it owns in Seychelles. All the conditions precedent had been fulfilled and completion had taken place. Please refer to the Group's announcement on 7 November 2018. The Group expects to record a profit attributable to owners of the Company ("PATMI") of approximately S\$9.8 million in 4Q18, subject to completion adjustments of working capital.

New Openings

The Group expect to open the following 4 new resorts in the next 12 months:

- i. Angsana Cayo Santa Maria, San Agustín, Cayo Las Brujas, Cuba
- ii. Angsana Corfu, Greece
- iii. Angsana Xishuangbanna, Yunnan, China
- iv. Royale Pavilion by Banyan Tree, Kuala Lumpur, Malaysia

Also in the next 12 months, the Group expect to launch 8 spas under management.

¹ Source: IMF, World Economic Outlook Update (October 2018)



BANYAN TREE HOLDINGS LIMITED
Unaudited results for the Third Quarter ended 30 September 2018

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.



13 Interested Persons Transactions for the nine months ended 30 September 2018

	Interested Person Transactions	Aggregate value of all interested person transactions for Q3 (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 Q3 (excluding transactions less than S\$100,000) in S\$'000
[A]	Transactions with the Tropical Resorts Limited Group ("TRG")		
a	Provision of Resort Management and Related Services to TRG	-	607
b	Provision of Spa Management and Other Related Services to TRG	-	148
c	Rental Income from TRG in respect of units in Banyan Tree Bintan and Angsana Bintan	-	608
d	Reimbursement of Expenses - from TRG	-	665
	Total	-	2,028

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 third quarter financial results false or misleading in any material respect.

BY ORDER OF THE BOARD

Jane Teah
Company Secretary
13 November 2018