



GLOBAL INVESTMENTS LIMITED

4Q 2016 and Full Year 2016 Results For The Year Ended 31 December 2016

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PERFORMANCE REVIEW

QUARTER ENDED 31 DECEMBER 2016

The Company and its subsidiaries ("the Group") recorded a profit after tax of S\$0.3 million in the current quarter as compared to a loss of S\$8.1 million in 4Q 2015. Total comprehensive income of S\$10.1 million for the quarter was 3.8 times higher than the S\$2.1 million recorded in 4Q 2015.

REVENUE

Revenue for the current quarter of S\$6.0 million was 20.0% higher than the S\$5.0 million recorded in 4Q 2015. Interest income increased by 14.6% to S\$4.7 million from S\$4.1 million in 4Q 2015. A higher net gain on financial assets designated as fair value through profit or loss of S\$0.9 million in the current quarter as compared to S\$0.3 million in 4Q 2015 also contributed to the higher revenue. The increase in revenue was partially offset by lower dividend income in the current quarter.

EXPENSES

Expenses for the current quarter increased to S\$3.1 million as compared to S\$1.5 million in the same quarter last year. This was due mainly to higher net foreign exchange loss of S\$1.5 million due to the depreciation of EUR against USD as well as incentive fee of S\$0.6 million charged for 2H 2016 in the current quarter. In the same quarter last year, net foreign exchange loss was S\$0.4 million.

NET IMPAIRMENT EXPENSE

During the quarter, the Group recognised an impairment expense of S\$2.6 million from impairment of bond and listed equities portfolio. In 4Q 2015, the impairment expense was S\$11.6 million for its portfolio of listed equities, bonds and bank contingent convertibles.

OTHER COMPREHENSIVE INCOME

Other comprehensive income for the Group amounted to S\$9.8 million in the current quarter versus S\$10.2 million in 4Q 2015. The other comprehensive income for the current quarter was mainly contributed by a net fair value gain of S\$3.9 million from AFS financial assets and a reclassification of net fair value loss of S\$0.8 million to profit and loss following impairment and sale of AFS financial assets. In addition, a translation gain of S\$5.1 million was recorded following the strengthening of USD against SGD. In 4Q 2015, the other comprehensive income was largely due to positive movement in the AFS revaluation reserve following a reclassification of fair value loss of S\$11.7 million arising from AFS financial assets to impairment expense.

YEAR ENDED 31 DECEMBER 2016

For the year ended 31 December 2016, the Group's total comprehensive income doubled to S\$27.0 million from S\$13.5 million recorded in the prior year. Profit after tax improved to S\$17.1 million as compared to S\$16.9 million last year.

REVENUE

Revenue for the current year was S\$35.1 million, 24.0% higher compared to S\$28.3 million last year. Interest income increased by 21.0% to S\$16.7 million from \$13.8 million last year. Net fair value gain on financial assets designated as fair value through profit or loss of S\$1.8 million was recorded in the current year as compared to a loss of S\$2.7 million last year. Net gain on sale of investments recorded for the current year was higher at S\$14.9 million compared to S\$14.4 million recorded in the previous year. The increase in revenue was partially offset by lower dividend income in the current year.

EXPENSES

Expenses for the current year was lower at S\$7.2 million compared to S\$9.5 million last year. This was mainly due to lower incentive fee of S\$0.6 million in the current year compared to S\$2.8 million in the prior year.

NET IMPAIRMENT EXPENSE

For the year ended 31 December 2016, the Group recognised a net impairment expense of S\$10.8 million arising from Avoca VII Class G note, listed equities and bond portfolio. For the year ended 31 December 2015, the Group recognised a net impairment expense of S\$1.6 million after recognising a reversal of impairment from the sale of Seiza Series 2006-1 Class G note of S\$10.1 million.

OTHER COMPREHENSIVE INCOME

Other comprehensive income for the year ended 31 December 2016 amounted to S\$10.0 million versus a loss of S\$3.4 million in the prior year. The S\$10.0 million income was mainly due to a net fair value gain of S\$7.8 million for AFS financial assets and reclassification of net fair value loss of S\$1.6 million to profit and loss following the impairment and sale of AFS financial assets. In addition, a translation gain of S\$0.6 million was recorded for the year following the strengthening of USD against SGD.

In the prior year, the loss of S\$3.4 million was due to a net fair value loss of S\$9.0 million from AFS financial assets and the reclassification of net fair value gain of S\$2.2 million to profit and loss, offset partially by a translation gain of S\$7.7 million.

STATEMENT OF FINANCIAL POSITION

LOANS AND RECEIVABLES

The loans and receivables balance as at 31 December 2016 was S\$54.0 million, a decrease of S\$3.7 million from S\$57.7 million as at 31 December 2015. The lower balance was mainly due to the full redemption of a residential mortgage-backed security ("RMBS"), slightly offset by a net purchase of collateralized loan obligation ("CLO") securities during the year.

AVAILABLE-FOR-SALE FINANCIAL ASSETS

The AFS financial assets of S\$173.9 million as at 31 December 2016 comprised investments in listed equities, bonds, bank contingent convertibles and CLOs. The increase of S\$25.4 million from S\$148.5 million as at 31 December 2015 was mainly due to net purchase of bonds and bank contingent convertibles offset by the sale of Ascendos Investments Limited.

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The financial assets at fair value through profit or loss was S\$63.5 million as at 31 December 2016 compared to S\$53.9 million as of 31 December 2015 which comprised investments in a portfolio of bonds and bank contingent convertibles. The increase was mainly due to the net purchase of bonds and bank contingent convertibles during the year.

CASH AND CASH EQUIVALENTS

The lower cash and cash equivalents of S\$21.9 million as at 31 December 2016 compared to S\$29.1 million as at 31 December 2015 was mainly due to a net purchase of bonds and bank contingent convertibles during the year.

NET ASSET VALUE PER SHARE

The net asset value per share of the Group as at 31 December 2016 was 20.0 Singapore cents after the payment of 2015 final dividend of 0.75 Singapore cents per share, 2016 interim dividend of 0.75 Singapore cents per share and taking into account the new shares issued pursuant to the Scrip Dividend Scheme. If the 2015 final dividend was paid and the shares relating to the Scrip Dividend Scheme had been issued before 31 December 2015, the net asset value per share as at 31 December 2015 would have been 19.2 Singapore cents instead of 20.2 Singapore cents per share. After adjusting for the 2016 interim dividend and shares relating to the Scrip Dividend Scheme, the net asset value per share as at 31 December 2016 would have been 21.0 Singapore cents and the increase in net asset value per share would be 9.4%.

RETURN ON EQUITY

The Group achieved a slightly lower return on equity (computed based on net profit after tax over the average total equity) of 5.7% in 2016 as compared to 5.9% in 2015 mainly due to the increase in average total equity arising from the scrip dividend scheme.

INVESTMENT PORTFOLIO

GIL was incorporated in Bermuda on 24 April 2006 and is formed as a mutual fund company. Its objective is to invest in a diversified portfolio of assets except for direct investments in properties and commodities.

The Group's investment portfolio as at 31 December 2016 comprised the following assets:

LOAN PORTFOLIO AND SECURITISATION ASSETS

The Group is invested in a portfolio of USD and EUR denominated CLO. The CLO investments are in mezzanine and subordinated notes which are issued by securitisation vehicles that hold collateral consisting of mainly senior secured corporate loans. In addition, the Group is invested in a few Australian RMBS, which are securitisation vehicles that hold Australian residential mortgage loans.

BONDS

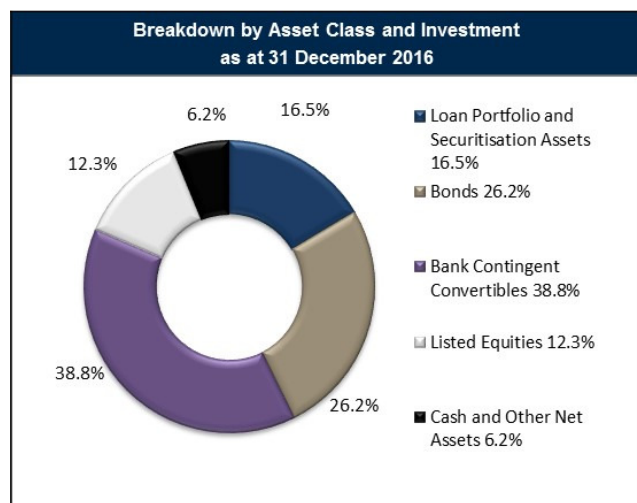
The Group is invested in a portfolio of mainly high yield bonds denominated in various currencies.

BANK CONTINGENT CONVERTIBLES

The Group is invested in a portfolio of Bank Contingent Convertible securities denominated in various currencies.

LISTED EQUITIES

GIL is invested in a portfolio of listed equities traded on various exchanges including Hong Kong, Singapore, Korea, US and Europe.



BUSINESS OUTLOOK¹

MACROECONOMIC OUTLOOK

The International Monetary Fund (“IMF”) maintained its projection for global economic growth for 2016 at 3.1% and its growth forecast for 2017 at 3.4% in the updated forecast released in January 2017, despite a cautious outlook for advanced economies following the Brexit vote and the surprise victory outcome of the US Presidential Election. There are uncertainties surrounding the negotiations between the UK and the European Union (“EU”) once the UK initiates the proceedings to leave the EU. In addition, the policy stance of the new US administration and its spillover effects on global trade and economy remain uncertain. Global oil prices have troughed in 2016 after OPEC and non-OPEC members came to an agreement to cut production.

In the US, Gross Domestic Product (“GDP”) declined to 1.9% quarter-on-quarter (“q-o-q”) in 4Q 2016 after growing 3.5% q-o-q in 3Q 2016. The ISM Manufacturing Purchasing Manager Index (“PMI”) continued to expand to 54.5 in December from 51.7 in September 2016, while the ISM Non-Manufacturing PMI Index remained unchanged at 56.6 over the quarter. Meanwhile, headline inflation accelerated due to strong rebound in energy prices. The Consumer Price Index (“CPI”) gained 2.1% year-on-year (“y-o-y”) in December compared to 1.5% y-o-y in September 2016. The US unemployment rate improved to 4.7% in December from 4.9% in September despite the participation rate falling from 62.9% to 62.7%. The improvement in the unemployment rate suggests underlying strength in the labour market. Citing near full employment and inflation nearing the 2% target, the Federal Reserve (“the Fed”) decided to raise the Fed Funds Rate by 25 basis points at the December meeting. Fed officials are projecting three rate hikes in 2017 given improvement in the business and consumer sentiment.

In the Eurozone, economic data continued to indicate lacklustre growth but inflation is rising due to the rebound in energy prices. Eurozone GDP rose 1.8% y-o-y in 4Q 2016, the same as in 3Q 2016. The Markit Eurozone Composite PMI, which tracks sentiment among purchasing managers at manufacturing and service sectors, rose strongly to 54.4 in December from 52.6 in September 2016. The Consumer Confidence Indicator improved from -8.2 to -5.1. Inflation rose to 1.1% y-o-y in December from 0.4% y-o-y in September. During its December policy meeting, the European Central Bank (“ECB”) kept interest rates unchanged due to weaker outlook as well as increasing geopolitical risks. The ECB also extended the maturity of the Quantitative Easing (“QE”) programme from March to December 2017, but will be reducing the monthly asset purchases from €80 billion to €60 billion from April 2017 onwards. In the UK, the impact from Brexit remains a major uncertainty to its economy. The Bank of England maintained its monetary policy stance in December in order to support growth.

In China, economic indicators were generally mixed. The country’s GDP grew at 6.8% y-o-y in 4Q 2016 compared to 6.7% y-o-y in 3Q 2016, indicating that the economy has stabilised. The Caixin Manufacturing PMI rose to 51.9 in December from 50.1 in September 2016, suggesting that investment activities continue to recover. The Caixin Services PMI rebounded strongly from 52.0 to 53.4. Industrial output was growing at 6.0% y-o-y in December, slightly lower than 6.1% y-o-y in September. Private consumption remained relatively constant, with retail sales growing at 10.9% y-o-y in December 2016 compared to 10.7% y-o-y in September 2016. Exports growth deteriorated less sharply to -6.2% y-o-y compared to -10.4% y-o-y, while import growth increased sharply to 3.1% y-o-y from -1.6% y-o-y. The CPI picked up to 2.1% y-o-y in December from 1.9% y-o-y in September 2016. The People’s Bank of China (“PBOC”) has begun to tighten liquidity in open market operations as well as using non-traditional tools such as the medium-term lending facility (“MLF”), reflecting their intention to contain rising financial risks and capital outflow. Going forward, the PBOC is expected to maintain its current tone of monetary policy with a tightening bias. The Chinese government is likely to continue their supportive policy for infrastructure investment, which is one pillar of economic growth for China in 2017. The supply side structural reforms will continue so as to improve efficiency and to reduce excess capacity in selective industries.

Currency

The Singapore dollar nominal effective exchange rate (S\$NEER) over the quarter declined marginally. Continuing the trend from 3Q16, S\$NEER Index fell slightly from 124.26 on 7th October to 123.61 as of 30th December. The weakness was largely contributed by the expectation of near-term weakness in domestic inflation and growth. In 4Q16, SGD, with the exception of EUR, JPY and KRW, weakened against most major currencies – SGD depreciated against GBP by 0.33%, USD by 5.91%, AUD by 0.40% and CNY by 1.66%. Over the same period, the SGD strengthened against EUR by 0.57%, JPY by 7.97% and KRW by 3.15%.

In its quarterly Recent Economic Developments in Singapore report released in early December, the Monetary Authority of Singapore (“MAS”) noted growth of the economy is expected to remain modest due to lacklustre external demand and weak global trade. According to the Ministry of Trade and Industry (“MTI”), the Singapore economy grew by 2.9% year-on-year (“y-o-y”) in the fourth quarter of 2016, stronger as compared to the 1.2% y-o-y growth in the previous quarter. On a quarter-on-quarter seasonally adjusted annualized (“q-o-q SAA”) basis, real GDP expanded by 12.3%, in stark contrast

to the 0.4% contraction in 3Q16. For the whole of 2016, the Singapore economy expanded by 2.0%, similar to the 1.9% growth in 2015.

Singapore's headline inflation turned positive in December for the first time in two years, as the December CPI-All items inflation statistic from MTI came in at 0.2% compared to 0% in November. For the whole of 2016, headline inflation remained at -0.5%, similar to 2015. MAS Core Inflation, which excludes the cost of accommodation and private road transport, eased to 1.2% in December from 1.3% in November, primarily due to decline in retail goods inflation. For the whole of 2016, MAS Core inflation rose to 0.9% from 0.5% in 2015. The subdued growth outlook for Singapore's economy is expected to keep inflationary pressures modest in spite of the higher expected imported inflation given the rise in oil prices.

Notwithstanding a rebound in economic growth in the fourth quarter, the MAS reaffirmed its neutral policy stance in the October meeting.

TARGETED ASSET CLASSES

Loan Portfolio and Securitisation Assets

Spreads on senior CLO tranches in US and Europe continued to tighten in 4Q 2016, driven by abundant liquidity and strong demand, while spreads on junior mezzanine CLO tranches remained wide relative to historical averages. 4Q 2016 saw a surge in US refinancing deals as CLO managers sought to issue deals before the deadline for the implementation of US risk retention rules in December. US CLO new issuance totalled US\$26.3 billion in 4Q 2016 and US\$72.4 billion overall in 2016, down from US\$98.5 billion in 2015. EUR CLO new issuance increased €5.0 billion in 4Q 2016, bringing total issuance to a post-2007 high of €16.8 billion in 2016, up from €13.8 billion in 2015. The price of the Palmer Square CLO Debt Index, which tracks the value of US mezzanine CLO debt tranches, gained 2.54% in USD terms in 4Q 2016.

Improving macroeconomic conditions, the continued hunt for yield and the increase in investors coming into the CLO space, along with lower CLO issuance due to risk retention rules will likely continue to compress spreads for this asset class in 2017.

Bonds

Monetary policy amongst the world's major central banks continues to diverge; the ECB announced its intention to trim its bond buying programme from March 2017, but avoided suggestions that the move constituted tapering, while the Bank of Japan ("BOJ") held its rates steady on the back of an improving economic outlook. Over in Asia, the credit markets posted negative returns during the quarter as US Treasury yields rose and the Fed hiked its key interest rates. Going forward, despite concerns over interest rate normalisation in the US, an overall accommodative monetary stance by the BOJ and the ECB is expected to remain in place. Expectations are for a deceleration in the pace of new issues after many years of supply increases, while the move towards a looser fiscal and regulatory landscape in the US should be supportive for credit markets.

The JP Morgan Asia Credit Index, which tracks the Asian bond markets, posted a loss of 2.78% in USD terms in 4Q 2016. The JP Morgan US Liquid Index, which tracks the investment grade US-Dollar denominated corporate bond market, lost 3.01% in USD terms in the same period.

Bank Contingent Convertibles

The European Banking Authority easing of regulatory language on bank capital levels in 4Q16 has materially lowered the mandatory coupon cancellation risk for Additional Tier 1 Bank Contingent Convertibles ("Bank CoCos") and points to a more constructive stable regulatory environment for 2017. Continued derisking and recapitalization of bank balance sheets over the quarter have improved bank capital adequacy levels, supporting the credit fundamentals of Bank CoCos. The US Department of Justice settlement reduced legacy litigation issues of some banks which improved risk sentiment within the sector. Bank earnings reported in Q3 highlighted that fundamentals remain robust, with sound asset quality, ample liquidity and improving capitalisation despite some ongoing idiosyncratic conduct costs. Trading revenues of investment banks saw strong performance from increased market volatility following Brexit.

Banks' operating environment is turning constructive with the impending loosening of US regulations improving the outlook of bank earnings. The ECB continuing its asset purchase programme albeit at a slower pace remains supportive of European banks' funding liquidity and asset quality.

The Bank of America Merrill Lynch Contingent Capital Index, which tracks the global CoCo debt markets, gained 3.33% in USD terms in 4Q 2016.

Listed Equities

Developed markets followed a V-shaped trajectory with stocks declining in the lead up to the US Presidential Elections, before rebounding to end the quarter strongly. Despite a surprise victory outcome at the elections, investors assumed a

risk-on approach, backed by the notion of a directional shift towards a looser fiscal and regulatory landscape, which in turn boosted growth and inflation expectations. Globally, financial stocks outperformed as rising bond yields eased concerns over banks' profitability, while stocks in the resource sectors surged on the back of supportive Chinese macroeconomic data and higher crude oil prices after OPEC agreed production cuts. Moving forward, volatility in equity markets is likely to remain elevated, driven by continuing monetary policy divergence amongst major global central banks, as well as uncertainties from policy changes under the new administration in the US.

The MSCI World Index, which tracks the global equity markets, climbed 1.48% in USD terms in 4Q 2016.

Summary

Despite improvement in the financial markets in 2016, the global macro environment remains challenging going into 2017. With the new US administration, there is likely to be a change in economic direction for the US although the degree of this change remains uncertain. In Europe, political events will take centre stage in 2017 as voters head into the polls in Germany, France and the Netherlands and potentially Italy should early elections be triggered. Populist EU parties are gaining more support after the Brexit vote and Trump's victory in the US Presidential Election. Rising political risks could derail meaningful structural reforms and fiscal stimulus programs. In the UK, the Parliament has voted overwhelmingly in favour of allowing the government to begin Brexit negotiations. Brent Crude was up 15.82% over the quarter after OPEC and non-OPEC members agreed to a production cut. However, headwinds to the oil and gas sector remain as the return of US shale oil production could limit the upside of oil prices.

In view of market volatility amidst a challenging economic and political environment, the Company will take a cautious stance and selective approach in its investment.

¹ Sources include research publications by brokerage house, banks, information service providers, associations and media.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Group Quarter ended 31 Dec 16 S\$'000	Group Year to date 31 Dec 16 S\$'000	Group Quarter ended 31 Dec 15 S\$'000	Group Year to date 31 Dec 15 S\$'000
Revenue				
Dividend income	97	1,306	414	2,695
Interest income	4,679	16,725	4,079	13,838
Net gain on sale of investments	309	14,933	198	14,417
Net gain/(loss) on financial assets designated as fair value through profit or loss	941	1,812	327	(2,700)
Other income	-	307	-	-
Total revenue	6,026	35,083	5,018	28,250
Expenses				
Management fees	(532)	(1,982)	(500)	(1,948)
Incentive fees	(615)	(615)	-	(2,840)
Net foreign exchange loss (net of hedges)	(1,466)	(2,455)	(387)	(2,560)
Finance costs	-	(1)	(1)	(3)
Other operating expenses	(523)	(2,157)	(577)	(2,129)
Total expenses	(3,136)	(7,210)	(1,465)	(9,480)
Net impairment expense	(2,553)	(10,752)	(11,613)	(1,606)
Profit/(Loss) before tax	337	17,121	(8,060)	17,164
Income tax expense	(1)	(61)	(33)	(263)
Profit/(Loss) after tax	336	17,060	(8,093)	16,901
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss				
Available-for-sale financial assets				
- Fair value gain/(loss)	3,906	7,758	(629)	(8,979)
- Reclassification to profit or loss	825	1,647	11,682	(2,159)
Currency translation differences arising from consolidation				
- Gain/(loss)	5,082	567	(864)	7,726
Other comprehensive income for the period after tax	9,813	9,972	10,189	(3,412)
Total comprehensive income for the period attributable to shareholders	10,149	27,032	2,096	13,489
Basic earnings per share (cents per share)	0.02	1.14	(0.56)	1.22
Diluted earnings per share (cents per share)	0.02	1.14	(0.56)	1.22

STATEMENT OF FINANCIAL POSITION

	Group As at 31 Dec 16 S\$'000	Group As at 31 Dec 15 S\$'000	Company As at 31 Dec 16 S\$'000	Company As at 31 Dec 15 S\$'000
ASSETS				
Non-current assets				
Investments in subsidiaries	-	-	92,435	121,631
Loans and receivables	53,957	57,727	53,957	-
Available-for-sale financial assets	128,122	96,425	128,122	74,355
Financial assets at fair value through profit or loss	63,002	53,946	63,002	53,946
	<u>245,081</u>	<u>208,098</u>	<u>337,516</u>	<u>249,932</u>
Current assets				
Cash and cash equivalents	21,889	29,110	20,687	13,228
Available-for-sale financial assets	45,799	52,083	41,884	46,674
Financial assets at fair value through profit or loss	490	-	490	-
Other assets	3,230	4,437	3,195	4,339
	<u>71,408</u>	<u>85,630</u>	<u>66,256</u>	<u>64,241</u>
Total Assets	<u>316,489</u>	<u>293,728</u>	<u>403,772</u>	<u>314,173</u>
LIABILITIES				
Intercompany payables	-	-	87,285	20,465
Other liabilities	5,718	1,514	5,716	1,494
Total Liabilities	<u>5,718</u>	<u>1,514</u>	<u>93,001</u>	<u>21,959</u>
Net assets attributable to shareholders	<u>310,771</u>	<u>292,214</u>	<u>310,771</u>	<u>292,214</u>
EQUITY				
Share capital	549,432	535,837	549,432	535,837
Capital reserve	(65,846)	(65,846)	(65,846)	(65,846)
Available-for-sale financial assets revaluation reserve	12,996	3,591	10,357	(2,948)
Translation reserve	14,593	14,026	-	-
Accumulated losses	(200,404)	(195,394)	(183,172)	(174,829)
Total Equity	<u>310,771</u>	<u>292,214</u>	<u>310,771</u>	<u>292,214</u>
Net asset value per share (S\$ per share)	<u>0.200</u>	<u>0.202</u>	<u>0.200</u>	<u>0.202</u>

CONSOLIDATED STATEMENT OF CASH FLOWS

	Group Quarter ended 31 Dec 16 S\$'000	Group Year to date 31 Dec 16 S\$'000	Group Quarter ended 31 Dec 15 S\$'000	Group Year to date 31 Dec 15 S\$'000
Cash flows from operating activities				
Operating costs paid	(1,253)	(4,890)	(895)	(7,913)
Interest income received	4,292	15,967	4,014	12,939
Dividend income received	156	1,255	463	2,646
Settlement of forward contracts	-	2,465	(2,660)	(2,660)
Other Income received	307	307	-	-
Income tax paid	(2)	(61)	(34)	(263)
Net cash inflow from operating activities	3,500	15,043	888	4,749
Cash flows from investing activities				
Purchase of financial assets	(41)	(81,418)	(12,050)	(158,952)
Loan repayments received	250	3,665	516	6,439
Proceeds from disposal of financial assets	5,543	65,020	26,054	150,887
Net cash inflow/(outflow) from investing activities	5,752	(12,733)	14,520	(1,626)
Cash flows from financing activities				
Dividends paid	(4,010)	(8,476)	(3,317)	(5,997)
Net cash outflow from financing activities	(4,010)	(8,476)	(3,317)	(5,997)
Net increase/(decrease) in cash and cash equivalents	5,242	(6,166)	12,091	(2,874)
Cash and cash equivalents at beginning of period	16,592	29,110	16,227	31,252
Effects of exchange rate changes on cash and cash equivalents	55	(1,055)	792	732
Cash and cash equivalents at end of period	21,889	21,889	29,110	29,110

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Changes in shareholders' equity of the Group for the quarter and year ended 31 December 2016	Share capital S\$'000	Capital reserve¹ S\$'000	Available-for-sale financial assets revaluation reserve S\$'000	Translation reserve S\$'000	Accumulated losses S\$'000	Total S\$'000
Total equity at 1 January 2016	535,837	(65,846)	3,591	14,026	(195,394)	292,214
Total comprehensive income for the 9 months ended 30 September 2016	-	-	4,674	(4,515)	16,724	16,883
Transactions with equity holders in their capacity as equity holders:						
Dividends for the period	-	-	-	-	(22,070)	(22,070)
Issuance of new shares pursuant to Scrip Dividend Scheme, net of share issuance expenses	6,381	-	-	-	-	6,381
Total equity at 30 September 2016	542,218	(65,846)	8,265	9,511	(200,740)	293,408
Total comprehensive income for the 4th quarter ended 31 December 2016	-	-	4,731	5,082	336	10,149
Transactions with equity holders in their capacity as equity holders:						-
Issuance of new shares pursuant to Scrip Dividend Scheme, net of share issuance expenses	7,214	-	-	-	-	7,214
Total equity at 31 December 2016	549,432	(65,846)	12,996	14,593	(200,404)	310,771

Changes in shareholders' equity of the Group for the quarter and year ended 31 December 2015	Share capital S\$'000	Capital reserve¹ S\$'000	Available-for-sale financial assets revaluation reserve S\$'000	Translation reserve S\$'000	Accumulated losses S\$'000	Total S\$'000
Total equity at 1 January 2015	521,393	(65,846)	14,729	6,300	(191,854)	284,722
Total comprehensive income for the 9 months ended 30 September 2015	-	-	(22,191)	8,590	24,994	11,393
Transactions with equity holders in their capacity as equity holders:						
Dividends for the period	-	-	-	-	(20,441)	(20,441)
Issuance of new shares pursuant to Scrip Dividend Scheme, net of share issuance expenses	7,330	-	-	-	-	7,330
Total equity at 30 September 2015	528,723	(65,846)	(7,462)	14,890	(187,301)	283,004
Total comprehensive income for the 4th quarter ended 31 December 2015	-	-	11,053	(864)	(8,093)	2,096
Transactions with equity holders in their capacity as equity holders:						
Issuance of new shares pursuant to Scrip Dividend Scheme, net of share issuance expenses	7,114	-	-	-	-	7,114
Total equity at 31 December 2015	535,837	(65,846)	3,591	14,026	(195,394)	292,214

¹ Following the change in the Company's functional currency from United States Dollar to Singapore Dollar on 1 January 2012, cumulative currency translation differences which had arisen up to the date of the change of functional currency were reallocated to capital reserve and accumulated losses.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY OF THE COMPANY

Changes in shareholders' equity of the Company for the quarter and year ended 31 December 2016	Share capital S\$'000	Capital reserve¹ S\$'000	Available-for-sale financial assets revaluation reserve S\$'000	Accumulated losses S\$'000	Total S\$'000
Total equity at 1 January 2016	535,837	(65,846)	(2,948)	(174,829)	292,214
Total comprehensive income for the 9 months ended 30 September 2016	-	-	9,068	7,815	16,883
Transactions with equity holders in their capacity as equity holders:					
Dividends for the period	-	-	-	(22,070)	(22,070)
Issuance of new shares pursuant to Scrip Dividend Scheme, net of share issuance expenses	6,381	-	-	-	6,381
Total equity at 30 September 2016	542,218	(65,846)	6,120	(189,084)	293,408
Total comprehensive income for the 4th quarter ended 31 December 2016	-	-	4,237	5,912	10,149
Transactions with equity holders in their capacity as equity holders:					
Issuance of new shares pursuant to Scrip Dividend Scheme, net of share issuance expenses	7,214	-	-	-	7,214
Total equity at 31 December 2016	549,432	(65,846)	10,357	(183,172)	310,771

Changes in shareholders' equity of the Company for the quarter and year ended 31 December 2015	Share capital S\$'000	Capital reserve¹ S\$'000	Available-for-sale financial assets revaluation reserve S\$'000	Accumulated losses S\$'000	Total S\$'000
Total equity at 1 January 2015	521,393	(65,846)	581	(171,406)	284,722
Total comprehensive income for the 9 months ended 30 September 2015	-	-	(13,513)	24,906	11,393
Transactions with equity holders in their capacity as equity holders:					
Dividends for the period	-	-	-	(20,441)	(20,441)
Issuance of new shares pursuant to Scrip Dividend Scheme, net of share issuance expenses	7,330	-	-	-	7,330
Total equity at 30 September 2015	528,723	(65,846)	(12,932)	(166,941)	283,004
Total comprehensive income for the 4th quarter ended 31 December 2015	-	-	9,984	(7,888)	2,096
Transactions with equity holders in their capacity as equity holders:					
Issuance of new shares pursuant to Scrip Dividend Scheme, net of share issuance expenses	7,114	-	-	-	7,114
Total equity at 31 December 2015	535,837	(65,846)	(2,948)	(174,829)	292,214

1. Refer to note on page 14

ACCOUNTING POLICIES APPLICATION

Accounting policies and methods of computation applied in preparation of these figures that are not stated in this report are the same as those used in the most recently audited annual financial statements of the Group and the Company.

DIVIDENDS

On 23 February 2017, the Company has declared a final dividend of 0.75 Singapore cents per share for financial year ended 31 December 2016 amounting to S\$11.64 million. This dividend will be paid on or about 25 April 2017.

The Company paid an interim dividend of 0.75 Singapore cents per share for the financial year ended 31 December 2016 amounting to S\$11.22 million on 12 October 2016.

Ordinary Shares	Group 2016	Group 2015
<u>Interim Dividend</u>		
Dividend per Share (cents)	0.75	0.75
Dividend amount (S\$'000)	11,222	10,432
<u>Final Dividend</u>		
Dividend per Share (cents)	0.75	0.75
Dividend amount (S\$'000)	11,638	10,848
Total Dividend (S\$'000)	22,860	21,280

For the financial year ended 31 December 2016, the Company has obtained the Inland Revenue Authority of Singapore's confirmation that it is a tax resident of Singapore.

The Company has also received confirmation from Inland Revenue Authority of Singapore that it is a tax resident of Singapore for the financial year 2017.

Dividends paid in 2016 and 2017 are exempt from tax (one-tier) when received in the hands of Shareholders.

CHANGES IN SHARE CAPITAL

The movement in the number of issued and fully paid-up ordinary shares for the year ended 31 December 2016 is as follows:

Company	Number of shares '000	Share capital at par value S\$'000	Share premium reserve S\$'000	Share capital S\$'000
Issued and fully paid shares				
Opening balance as at 1 January 2016	1,446,434	14,464	521,373	535,837
Movements from 1 January 2016 to 30 September 2016	49,856	499	5,882	6,381
Total share capital as at 30 September 2016	1,496,290	14,963	527,255	542,218
Movements from 1 October 2016 to 31 December 2016	55,485	555	6,659	7,214
Total share capital as at 31 December 2016	1,551,775	15,518	533,914	549,432

On 28 April 2016, the Company issued and allotted 49,856,073 new ordinary shares at an issue price of 12.80 Singapore cents per share to eligible shareholders who have elected to participate in the Scrip Dividend Scheme.

On 13 October 2016, the Company issued and allotted 55,485,500 new ordinary shares at an issue price of 13.00 Singapore cents per shares to eligible shareholders who have elected to participate in the Scrip Dividend Scheme.

NET ASSET VALUE

	Group As at 31 Dec 16	Company As at 31 Dec 16	Group As at 31 Dec 15	Company As at 31 Dec 15
Total net asset value (S\$'000)	310,771	310,771	292,214	292,214
Total number of ordinary shares in issue used in calculation of net asset value per share ('000)	1,551,775	1,551,775	1,446,434	1,446,434
Net asset value per ordinary share (S\$ per share)	0.200	0.200	0.202	0.202

Net asset value per ordinary share is derived by dividing the net assets as disclosed in the statement of financial position of the Company and the Group by the number of ordinary shares in issue as at the end of the accounting period.

* The net asset value per share of the Group as at 31 December 2016 was 20.0 Singapore cents after the payment of 2015 final dividend of 0.75 Singapore cents per share, 2016 interim dividend of 0.75 Singapore cents per share and taking into account the new shares issued pursuant to the Scrip Dividend Scheme. If the 2015 final dividend was paid and the shares relating to the Scrip Dividend Scheme had been issued before 31 December 2015, the net asset value per share as at 31 December 2015 would have been 19.2 Singapore cents instead of 20.2 Singapore cents per share. After adjusting for the 2016 interim dividend and shares relating to the Scrip Dividend Scheme, the net asset value per share as at 31 December 2016 would have been 21.0 Singapore cents and the increase in net asset value per share would be 9.4%.

EARNINGS PER SHARE

	Group Quarter ended 31 Dec 16	Group Year to date 31 Dec 16	Group Quarter ended 31 Dec 15	Group Year to date 31 Dec 15
Basic earnings per share				
Earnings used in calculation of basic earnings per share (S\$'000)	336	17,060	(8,093)	16,901
Weighted average number of shares in issue used in calculation of basic earnings per share ('000)	1,544,538	1,492,344	1,439,184	1,385,890
Basic earnings per share (cents per share)	0.02	1.14	(0.56)	1.22
Diluted earnings per share				
Earnings used in calculation of diluted earnings per share (S\$'000)	336	17,060	(8,093)	16,901
Weighted average number of ordinary shares in issue used in calculation of diluted earnings per share ('000)	1,544,538	1,492,344	1,439,184	1,385,890
Diluted earnings per share (cents per share) ¹	0.02	1.14	(0.56)	1.22

¹ In future periods, shares may be issued to the Manager in lieu of management fees otherwise payable in cash. This will have a dilutive effect on earnings per share.

SEGMENT REPORTING

The Board has determined the operating segments of the Group from an asset class perspective namely operating lease assets, loan portfolio and securitisation assets, listed equities, bonds and bank contingent convertibles. Geographical classification is assessed by reference to the country of exposure for the year ended 31 December 2016.

For the financial year ended 31 December 2016, a new operating segment called bank contingent convertibles was determined. This segment was previously grouped under bonds for the financial year ended 31 December 2015. The comparative figures for the year ended 31 December 2015 have been reclassified to conform with the current classification.

UNAUDITED FINANCIAL REPORT
For the quarter and year ended 31 December 2016



	Operating Lease Assets	Loan Portfolio and Securitisation Assets			Listed Equities			Bonds				Bank Contingent Convertibles		Others ¹ (mainly Singapore)	Total
		Europe S\$'000	Europe S\$'000	North America S\$'000	Australia S\$'000	Europe S\$'000	Asia S\$'000	North America S\$'000	Europe S\$'000	Asia S\$'000	North America S\$'000	Others S\$'000	Europe S\$'000	Others S\$'000	S\$'000
2016															
Group for the year ended 31 December 2016															
Total segment revenue from continuing activities	11,538	2,486	1,801	682	91	1,992	-	1,350	4,384	3,926	791	5,112	789	141	35,083
Segment profit/(loss) from continuing activities before tax	11,512	(17)	2,166	695	(554)	(3,823)	(286)	960	3,831	1,336	806	7,074	923	(7,502)	17,121
Other segment items															
Dividend income	-	-	-	-	91	1,215	-	-	-	-	-	-	-	-	1,306
Interest income	-	2,486	1,966	244	-	-	-	1,095	2,170	1,756	713	5,356	797	142	16,725
Net gain/(loss) on sale of investments	11,538	-	(165)	437	-	777	-	604	1,301	364	77	-	-	-	14,933
Net gain/(loss) on financial assets designated as fair value through profit or loss	-	-	-	-	-	-	-	(349)	914	1,500	-	(244)	(9)	-	1,812
Net impairment expense	-	(2,115)	-	-	(641)	(6,000)	(286)	-	-	(1,710)	-	-	-	-	(10,752)
Net foreign exchange loss (net of hedges)	(5)	(389)	366	13	(4)	185	-	(387)	(552)	(879)	15	1,962	134	(2,914)	(2,455)
Other income	-	-	-	-	-	-	-	-	-	307	-	-	-	-	307
As at 31 December 2016															
Total segment assets	-	20,344	28,925	1,901	1,617	31,271	5,400	16,450	32,023	22,346	12,114	110,646	11,389	22,063	316,489
Total segment liabilities	-	-	-	-	-	(6)	-	-	(32)	-	-	-	-	(5,680)	(5,718)

¹ Relates to corporate function and the assets comprise mainly uninvested cash and cash equivalents.

UNAUDITED FINANCIAL REPORT
For the quarter and year ended 31 December 2016



	Operating Lease Assets	Loan Portfolio and Securitisation Assets			Listed Equities			Bonds				Bank Contingent Convertibles		Others ¹ (mainly Singapore)	Total
	Europe S\$'000	Europe S\$'000	North America S\$'000	Australia S\$'000	Europe S\$'000	Asia S\$'000	North America S\$'000	Europe S\$'000	Asia S\$'000	North America S\$'000	Others S\$'000	Europe S\$'000	Others S\$'000	S\$'000	S\$'000
2015															
Group for the year ended 31 December 2015															
Total segment revenue/(loss) from continuing activities	500	623	1,744	1,519	(935)	14,922	4,286	820	1,036	(326)	341	2,907	673	140	28,250
Segment profit/(loss) from continuing activities before tax	500	(227)	1,741	9,279	(1,216)	8,123	2,858	1,146	1,483	(1,956)	455	3,487	(1,591)	(6,918)	17,164
Other segment items															
Dividend income	500	-	-	-	74	1,574	467	-	80	-	-	-	-	-	2,695
Interest income	-	3,061	1,522	1,519	-	-	-	1,047	2,014	1,385	341	2,136	673	140	13,838
Net gain/(loss) on sale of investments	-	(2,437)	221	-	(1,009)	13,348	3,819	-	202	273	-	-	-	-	14,417
Net gain/(loss) on financial assets designated as fair value through profit or loss	-	-	-	-	-	-	-	(226)	(1,259)	(1,985)	-	770	-	-	(2,700)
Net reversal of impairment expense/ (Net impairment expense)	-	-	-	10,121	(221)	(5,849)	(1,409)	-	(840)	(531)	-	-	(2,877)	-	(1,606)
Net foreign exchange loss (net of hedges)	-	(851)	(2)	(2,361)	(60)	(947)	(19)	326	1,287	(1,098)	114	580	613	(142)	(2,560)
As at 31 December 2015															
Total segment assets	22,070	16,775	31,530	5,496	1,981	45,297	5,244	19,229	38,482	17,996	10,805	43,454	6,113	29,256	293,728
Total segment liabilities	-	-	-	-	-	-	-	-	-	(432)	-	-	-	(1,082)	(1,514)

¹ Relates to corporate function and the assets comprise mainly uninvested cash and cash equivalents.

BREAKDOWN OF REVENUE AND OPERATING PROFIT AFTER TAX

	Group S\$'000
<hr/>	
Financial period from 1 January to 30 June 2016 (unaudited)	
Total revenue for the financial period from 1 January to 30 June 2016	21,747
Operating profit after tax for the financial period from 1 January to 30 June 2016	12,346
Financial period from 1 July to 31 December 2016 (unaudited)	
Total revenue for the financial period from 1 July to 31 December 2016	13,336
Operating profit after tax for the financial period from 1 July to 31 December 2016	4,714
Financial year from 1 January to 31 December 2016 (unaudited)	
Total revenue for the financial period from 1 January to 31 December 2016	35,083
Operating profit after tax for the financial period from 1 January to 31 December 2016	17,060
<hr/>	
	Group S\$'000
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Financial period from 1 January to 30 June 2015 (unaudited)	
Total revenue for the financial period from 1 January to 30 June 2015	19,352
Operating profit after tax for the financial period from 1 January to 30 June 2015	12,303
Financial period from 1 July to 31 December 2015 (unaudited)	
Total revenue for the financial period from 1 July to 31 December 2015	8,898
Operating profit after tax for the financial period from 1 July to 31 December 2015	4,598
Financial year from 1 January to 31 December 2015	
Total revenue for the financial period from 1 January to 31 December 2015	28,250
Operating profit after tax for the financial period from 1 January to 31 December 2015	16,901

AUDIT OR REVIEW

The figures in this report have not been audited or reviewed.

INTERESTED PERSON TRANSACTIONS

The Company has not obtained a general mandate from shareholders for interested person transactions.

CONFIRMATION OF THE BOARD PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

On behalf of the Board of Directors of Global Investments Limited, we, the undersigned hereby confirm to the best of our knowledge that nothing has come to their attention which may render these financial statements to be false or misleading in any material respect.

CONFIRMATION PURSUANT TO RULE 720(1) OF THE LISTING MANUAL

The Company confirms that it has procured the undertakings from all its Directors in the format set out in Appendix 7.7 pursuant to Rule 720(1) of the Listing Manual.

CONFIRMATION PURSUANT TO RULE 704(13) OF THE LISTING MANUAL

Pursuant to Rule 704(13) of the Listing Manual, the Company confirms that there are no persons occupying managerial positions in the Company or in any of its principal subsidiaries who are relatives of a director, chief executive officer or substantial shareholder of the Company.

On behalf of the Board of Directors

Boon Swan Foo
Chairman
23 February 2017

Jason See Yong Kiat
Manager Nominated Director
23 February 2017