

KEONG HONG HOLDINGS LIMITED

Unaudited Financial Statement for the Full Year Ended 30 September 2020

PART I - INFORMATION REQUIRED FOR HALF-YEAR AND FULL YEAR ANNOUNCEMENT

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.

	Group 2nd Half Year ended			Group 12 Months ended		
	30/9/2020 Unaudited S\$'000	30/9/2019 Audited S\$'000	+(-) %	30/9/2020 Unaudited S\$'000	30/9/2019 Audited S\$'000	+(-) %
Revenue	21,338	85,821	(75.1)	82,942	162,560	(49.0)
Cost of sales	(7,110)	(58,175)	(87.8)	(52,161)	(126,324)	(58.7)
Gross profit	14,228	27,646	(48.5)	30,781	36,236	(15.1)
Other income	4,011	11,263	(64.4)	11,054	14,268	(22.5)
Administration expenses	(26,717)	(22,299)	19.8	(33,800)	(29,141)	16.0
Finance costs	(3,206)	(3,173)	1.0	(6,363)	(6,287)	1.2
Share of results of joint ventures, net of tax	2,120	8,107	(73.8)	6,880	15,984	(57.0)
Share of results of associates, net of tax	(15,851)	(4,617)	243.3	(21,954)	(6,798)	222.9
(Loss)/profit before income tax	(25,415)	16,927	n.m.	(13,402)	24,262	n.m.
Income tax expense	(3,001)	(6,278)	(52.2)	(5,428)	(7,386)	(26.5)
(Loss)/profit after tax for the financial year	(28,416)	10,649	n.m.	(18,830)	16,876	n.m.
Other comprehensive income: <i>Items that may be reclassified subsequently to profit or loss</i>						
Exchange differences on translating of foreign operations	726	24	2925.0	343	109	214.7
Share of other comprehensive income of joint venture and associates	6	(64)	n.m.	6	(222)	n.m.
<i>Items that may not be reclassified subsequently to profit or loss</i>						
Fair value loss on financial assets through other comprehensive income	(14,418)	(9,170)	57.2	(14,643)	(9,395)	55.9
Other comprehensive income for the financial year, net of tax	(13,686)	(9,210)	48.6	(14,294)	(9,508)	50.3
Total comprehensive income for the financial year	(42,102)	1,439	n.m.	(33,124)	7,368	n.m.
Profit attributable to:						
Owners of the parent	(28,070)	10,156	n.m.	(18,043)	16,306	n.m.
Non-controlling interests	(346)	493	n.m.	(787)	570	n.m.
	(28,416)	10,649	n.m.	(18,830)	16,876	n.m.
Total comprehensive income attributable to:						
Owners of the parent	(41,756)	946	n.m.	(32,337)	6,798	n.m.
Non-controlling interests	(346)	493	n.m.	(787)	570	n.m.
	(42,102)	1,439	n.m.	(33,124)	7,368	n.m.

n.m. denotes not meaningful

1(a) (ii) Profit for the financial year has been arrived at after charging/(crediting) the following:

	Group 2nd Half Year ended			Group 12 Months ended		
	30/9/2020	30/9/2019	+(-)	30/9/2020	30/9/2019	+(-)
	Unaudited S\$'000	Audited S\$'000	%	Unaudited S\$'000	Audited S\$'000	%
Amortisation of intangible assets	7	17	(58.8)	17	37	(54.1)
Allowance of inventory obsolescence	-	(4)	(100.0)	-	(4)	(100.0)
Amortisation of fair value for share options	137	128	7.0	283	256	10.5
Loss allowance/(reversal of loss allowance) on financial assets						
- Trade and other receivables	374	3,790	(90.1)	374	3,790	(90.1)
- Long-term interest in associates	134	1,382	(90.3)	92	1,382	(93.3)
- Corporate guarantee liability	(817)	643	n.m	(817)	643	n.m
Waiver of interest receivables from third parties	-	918	(100.0)	-	918	(100.0)
Depreciation of investment properties	326	314	3.8	640	619	3.4
Depreciation of property, plant and equipment	1,777	2,200	(19.2)	3,629	4,121	(11.9)
Depreciation of right-of-use assets	754	-	n.m	1,199	215	457.7
Gain on disposal of plant and equipment	(4)	(121)	(96.7)	(118)	(124)	(4.8)
Fair value loss/(gain)n on finance assets at FVTPL	7,660	(4,667)	n.m	7,660	(4,667)	n.m
Impairment loss on investment in associate	11,603	7,150	62.3	11,603	7,150	62.3
Impairment loss on investment in joint venture	138	-	n.m	138	-	n.m
Impairment loss on club membership	31	-	n.m	31	-	n.m
Dividend income from finance assets at FVOCI	(8)	(510)	(98.4)	(8)	(510)	(98.4)
Provision for onerous contract	2,716	-	n.m	2,716	-	n.m
Foreign exchange loss/(gain)	3,279	(2,344)	n.m	603	(2,127)	n.m
Interest income	(2,498)	(2,933)	(14.8)	(5,690)	(5,504)	3.4
Interest on borrowings	3,061	3,158	(3.1)	6,113	6,260	(2.3)
Interest on lease liabilities	145	15	866.7	250	27	825.9

n.m. denotes not meaningful

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group As at		Company As at	
	30/9/2020 Unaudited S\$'000	30/9/2019 Audited S\$'000	30/9/2020 Unaudited S\$'000	30/9/2019 Audited S\$'000
Non-current assets				
Property, plant and equipment	25,488	27,355	-	173
Investment properties	23,366	23,709	-	-
Right-of-use assets	7,415	-	124	-
Investments in subsidiaries	-	-	32,022	31,886
Investment in associates	30,204	57,463	7,123	5,610
Investments in joint ventures	31,656	23,982	-	-
Intangible assets	211	237	-	-
Financial assets at fair value through other comprehensive income	42,172	56,814	2,895	4,425
Financial assets at fair value through profit and loss	23,392	30,092	-	-
Other receivables	34,562	97,372	-	-
Deferred tax assets	592	493	-	-
Total non-current assets	219,058	317,517	42,164	42,094
Current assets				
Inventories	1,242	1,421	-	-
Trade and other receivables	115,000	52,826	68,437	71,747
Contract assets	17,001	22,424	-	-
Finance lease receivables	-	636	-	-
Prepayments	741	830	12	3
Fixed deposits pledged	532	529	-	-
Cash and cash equivalents	40,000	55,792	14,651	5,055
Total current assets	174,516	134,458	83,100	76,805
Total assets	393,574	451,975	125,264	118,899
Equity				
Share capital	25,048	25,048	25,048	25,048
Treasury shares	(3,303)	(3,303)	(3,303)	(3,303)
Other reserves	(15,267)	(1,256)	(1,900)	(653)
Retained earnings	180,987	202,555	2,577	8,801
Equity attributable to owners of the parent	187,465	223,044	22,422	29,893
Non-controlling interests	1,615	2,300	-	-
Total equity	189,080	225,344	22,422	29,893
Non-current liabilities				
Bank borrowings	7,399	7,699	-	-
Lease liabilities	6,220	397	79	99
Medium term notes	47,933	84,537	47,933	84,537
Provisions	512	506	-	-
Deferred tax liabilities	1	69	-	-
Total non-current liabilities	62,065	93,208	48,012	84,636
Current liabilities				
Trade and other payables	46,180	90,647	3,791	4,351
Contract liabilities	378	287	-	-
Bank borrowings	29,847	32,447	-	-
Medium term notes	51,019	-	51,019	-
Deferred income	666	-	-	-
Lease liabilities	984	118	20	19
Provisions	4,539	2,022	-	-
Current income tax payable	8,816	7,902	-	-
Total current liabilities	142,429	133,423	54,830	4,370
Total liabilities	204,494	226,631	102,842	89,006
Total equity and liabilities	393,574	451,975	125,264	118,899

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

Amount repayable in one year or less, or on demand

As at 30/09/2020 Unaudited		As at 30/09/2019 Audited	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
29,847	51,019	32,447	-

Amount repayable after one year

As at 30/09/2020 Unaudited		As at 30/09/2019 Audited	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
7,399	47,933	7,699	84,537

Details of collateral:

The Group's secured borrowings are secured by corporate guarantee, properties and project proceeds in respect of the Company's construction projects.

The unsecured borrowing relates to the following Fixed Rate Notes issued under the Keong Hong Holdings Limited Multicurrency Medium Term Note Programme:

Term Notes	Net Proceeds / Balance	Remark
The S\$85 million 5.75% 4-Year Fixed Rate Notes (Series 2 Term Notes), due on 15 September 2021.	51,019	The Series 2 Term Notes was issued on 15 September 2017. (See Note 1).
The S\$48 million 6.25% 3-Year Fixed Rate Notes (Series 3 Term Notes), due on 19 August 2023.	47,933	The Series 3 Term Notes was issued on 19 August 2020 September. (See Note 1).

Note 1:

On 22 July 2020, the Group launched an exchange offer exercise to invite holders of Series 2 Term Notes to exchange any or all outstanding Series 2 Term Notes for a like principal amount of 6.25% fixed rate notes due 2023 (Series 3 Term Notes) issued under Keong Hong Holdings Limited S\$200 million Multicurrency Medium Term Note Programme. In aggregate, S\$33.75 million of Series 2 Term Notes was accepted under the exchange offer and S\$33.75 million of Series 3 Term Notes was issued for the exchange. In addition, the Group also issued additional new Series 3 Term Notes with principal amount of S\$14.25 million. The aggregate amount of Series 3 term Notes issued for the exchange offer and addition new notes was \$48 million with net proceeds of S\$13.90 million.

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	
	2nd Half ended		12 Months ended	
	30/9/2020	30/9/2019	30/9/2020	30/9/2019
	Unaudited	Audited	Unaudited	Audited
	S\$'000	S\$'000	S\$'000	S\$'000
Operating activities				
(Loss)/profit before income tax	(25,415)	16,927	(13,402)	24,262
Adjustments for:				
Amortisation of intangible assets	7	17	17	37
Depreciation of right-of-use assets	754	-	1,199	-
Depreciation of investment properties	326	314	640	619
Depreciation of property, plant and equipment	1,777	2,200	3,629	4,121
Waiver of interest receivables from third parties	-	918	-	918
Loss allowance/(reversal of loss allowance)				
on financial assets				
- Trade and other receivables	374	3,790	374	3,790
- Long-term interest	134	1,382	92	1,382
- Financial guarantee contracts	(817)	643	(817)	643
Impairment loss on investment in associate	11,603	7,150	11,603	7,150
Impairment loss on investment in joint venture	138	-	138	-
Impairment loss on club membership	31	-	31	-
Allowance of inventory obsolescence	-	(4)	-	(4)
Gain on disposal of plant and equipment	(4)	(121)	(118)	(124)
Provision for onerous contract	2,716	-	2,716	-
Interest income	(2,498)	(2,933)	(5,690)	(5,504)
Interest expenses	3,206	3,173	6,363	6,287
Dividend income from financial assets at FVOCI	(8)	(510)	(8)	(510)
Amortisation of fair value for share options granted to employees	137	128	283	256
Loss/(gain) on unrealised foreign exchange	3,279	(2,344)	603	(2,127)
Fair value loss/(gain) on financial assets at FVTPL	7,660	(4,667)	7,660	(4,667)
Share of results of joint ventures, net of tax	(2,120)	(8,107)	(6,880)	(15,984)
Share of results of associates, net of tax	15,851	4,617	21,954	6,798
Operating cash flows before movements in working capital	17,131	22,573	30,387	27,343
Working Capital Changes:				
Inventories	118	393	179	348
Trade and other receivables	7,210	27,497	6,247	34,661
Contract assets	(1,919)	7,176	5,358	3,081
Prepayments	(74)	(82)	105	102
Provisions	3,776	4,924	5,551	3,677
Contract liabilities	(569)	(12)	(742)	287
Trade and other payables	(21,618)	(6,341)	(49,441)	(15,627)
Cash generated from operations	4,055	56,128	(2,356)	53,872
Income tax paid	(1,952)	(8,770)	(4,679)	(9,723)
Net cash generated from/(used in) operating activities	2,103	47,358	(7,035)	44,149

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 (Cont'd)

	Group		Group	
	2nd Half ended		12 Months ended	
	30/9/2020	30/9/2019	30/9/2020	30/9/2019
	Unaudited	Audited	Unaudited	Audited
	S\$'000	S\$'000	S\$'000	S\$'000
Investing activities				
Cash advance to associates	(1,112)	(11,869)	(8,300)	(11,869)
Investment in associate	(1,513)	-	(1,513)	-
Investment in joint ventures	-	-	(330)	(1,175)
Purchase of property, plant and equipment	(2,748)	(11,703)	(2,760)	(11,865)
Purchase of investment property	-	(37)	(23)	(37)
Purchase of intangible assets	(22)	-	(22)	-
Purchase of right-of-use assets	(17)	-	(17)	-
Proceeds from finance lease receivables	567	68	636	135
Proceeds from disposal of property, plant and equipment	3	233	160	233
Loan to associates	(2,797)	(16,616)	(2,797)	(31,136)
Loan to joint ventures	(700)	(2,450)	(2,748)	(4,550)
Loan to third parties	(271)	-	(1,231)	(2,560)
Repayment of loan from associate	(1,777)	9,047	292	14,447
Interest received	39	395	191	736
Dividend received from joint venture	-	-	8,171	-
Dividend received from financial assets	8	510	8	510
Net cash used in investing activities	(10,340)	(32,422)	(10,283)	(47,131)
Financing activities				
Fixed deposit pledged with financial institutions	(2)	(2)	(3)	(2)
Repayment of non-trade amounts due to a director and non controlling interest of subsidiary	-	(2,987)	-	(2,987)
Proceeds from obligation under lease	(35)	(45)	-	-
Proceeds from loans & borrowings	5,263	11,075	16,723	17,922
Repayment of loans & borrowings	(2,501)	(14,330)	(19,623)	(18,486)
Net proceeds from medium term note	13,904	-	13,904	-
Exercise of share options	-	180	-	180
Dividends paid	-	(586)	(3,525)	(5,276)
Repayment of obligation under lease	(594)	(44)	(957)	(156)
Interest paid	(2,816)	(3,088)	(5,840)	(6,049)
Net cash generated from/ (used in) financing activities	13,219	(9,827)	679	(14,854)
Net change in cash and cash equivalents	4,982	5,109	(16,639)	(17,836)
Cash and cash equivalents at the beginning of	33,654	50,034	55,792	73,399
Exchange difference on cash and cash equivalent	1,364	649	847	229
Cash and cash equivalents at end of the financial period	40,000	55,792	40,000	55,792

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 (Cont'd)

Cash and cash equivalents comprised of:

	30/9/2020	30/9/2019
	Unaudited	Audited
	S\$'000	S\$'000
Fixed deposits, cash and bank balances	40,532	56,321
Fixed deposits pledged	<u>(532)</u>	<u>(529)</u>
	<u>40,000</u>	<u>55,792</u>

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

	Share capital S\$'000	Treasury shares S\$'000	Foreign currency translation accounts S\$'000	Share option reserve S\$'000	Merger reserve S\$'000	Fair value reserve S\$'000	Other reserve S\$'000	Retained earnings S\$'000	Equity attributable to owners of the parent S\$'000	Non-controlling interests S\$'000	Total S\$'000
Group (Unaudited)											
Balance at 1 October 2019	25,048	(3,303)	494	1,747	(4,794)	178	1,119	202,555	223,044	2,300	225,344
Loss for the financial period	-	-	-	-	-	-	-	(18,043)	(18,043)	(787)	(18,830)
Other comprehensive income for the financial period:											
Exchange differences on translating foreign operations	-	-	343	-	-	-	-	-	343	-	343
Fair value loss on financial assets at FVOCI	-	-	-	-	-	(14,643)	-	-	(14,643)	-	(14,643)
Share of other comprehensive income of joint venture	-	-	-	-	-	-	6	-	6	-	6
Total comprehensive income for the period	-	-	343	-	-	(14,643)	6	(18,043)	(32,337)	(787)	(33,124)
Contribution by and distribution to owners of the parents:											
Dividends	-	-	-	-	-	-	-	(3,525)	(3,525)	-	(3,525)
Non-controlling interests share of fair value adjustments on acquisition of subsidiary	-	-	-	-	-	-	-	-	-	102	102
Share option expense	-	-	-	283	-	-	-	-	283	-	283
Total transactions with owners of the parent	-	-	-	283	-	-	-	(3,525)	(3,242)	102	(3,140)
Balance at 30 September 2020	25,048	(3,303)	837	2,030	(4,794)	(14,465)	1,125	180,987	187,465	1,615	189,080

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

	Share capital S\$'000	Treasury shares S\$'000	Foreign currency translation accounts S\$'000	Share option reserve S\$'000	Merger reserve S\$'000	Fair value reserve S\$'000	Other reserve S\$'000	Retained earnings S\$'000	Equity attributable to owners of the parent S\$'000	Non-controlling interests S\$'000	Total S\$'000
Group (Unaudited)											
Balance at 1 April 2020	25,048	(3,303)	111	1,893	(4,794)	(47)	1,119	209,057	229,084	1,961	231,045
Loss for the financial period	-	-	-	-	-	-	-	(28,070)	(28,070)	(346)	(28,416)
Other comprehensive income for the financial period:											
Exchange differences on translating foreign operations	-	-	726	-	-	-	-	-	726	-	726
Fair value loss on financial assets at FVOCI	-	-	-	-	-	(14,418)	-	-	(14,418)	-	(14,418)
Share of other comprehensive income of joint venture	-	-	-	-	-	-	6	-	6	-	6
Total comprehensive income for the period	-	-	726	-	-	(14,418)	6	(28,070)	(41,756)	(346)	(42,102)
Contribution by and distribution to owners of the parents:											
Share option expense	-	-	-	137	-	-	-	-	137	-	137
Total transactions with owners of the parent	-	-	-	137	-	-	-	-	137	-	137
Balance at 30 September 2020	25,048	(3,303)	837	2,030	(4,794)	(14,465)	1,125	180,987	187,465	1,615	189,080

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

	Share capital S\$'000	Treasury shares S\$'000	Foreign currency translation accounts S\$'000	Share option reserve S\$'000	Merger reserve S\$'000	Fair value reserve S\$'000	Other reserve S\$'000	Retained earnings S\$'000	Equity attributable to owners of the parent S\$'000	Non-controlling interests S\$'000	Total S\$'000
Group (Unaudited)											
Balance at 1 October 2018	25,048	(3,303)	385	1,311	(4,794)	5,788	1,341	192,217	217,993	1,533	219,526
Cumulative effects of adopting SFRS(I) 15	-	-	-	-	-	-	-	7,518	7,518	(9)	7,509
	25,048	(3,303)	385	1,311	(4,794)	5,788	1,341	199,735	225,511	1,524	227,035
Cumulative effects of adopting SFRS(I) 9	-	-	-	-	-	3,785	-	(8,210)	(4,425)	-	(4,425)
	25,048	(3,303)	385	1,311	(4,794)	9,573	1,341	191,525	221,086	1,524	222,610
Profit for the financial period	-	-	-	-	-	-	-	16,306	16,306	570	16,876
Other comprehensive income for the financial period:											
Exchange differences on translating foreign operations	-	-	109	-	-	-	-	-	109	-	109
Fair value loss on financial assets at FVOCI	-	-	-	-	-	(9,395)	-	-	(9,395)	-	(9,395)
Share of other comprehensive income of joint venture	-	-	-	-	-	-	(222)	-	(222)	-	(222)
Total comprehensive income for the period	-	-	109	-	-	(9,395)	(222)	16,306	6,798	570	7,368
Contribution by and distribution to owners of the parents:											
Dividends	-	-	-	-	-	-	-	(5,276)	(5,276)	-	(5,276)
Exercise of share option	-	-	-	180	-	-	-	-	180	-	180
Non-controlling interests share of fair value adjustments on acquisition of subsidiary	-	-	-	-	-	-	-	-	-	206	206
Share option expense	-	-	-	256	-	-	-	-	256	-	256
Total transactions with owners of the parent	-	-	-	436	-	-	-	(5,276)	(4,840)	206	(4,634)
Balance at 30 September 2019	25,048	(3,303)	494	1,747	(4,794)	178	1,119	202,555	223,044	2,300	225,344

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

	Share capital S\$'000	Treasury shares S\$'000	Foreign currency translation accounts S\$'000	Share option reserve S\$'000	Merger reserve S\$'000	Fair value reserve S\$'000	Other reserve S\$'000	Retained earnings S\$'000	Equity attributable to owners of the parent S\$'000	Non-controlling interests S\$'000	Total S\$'000
Group (Unaudited)											
Balance at 1 April 2019	25,048	(3,303)	470	1,439	(4,794)	5,563	1,183	193,677	219,283	1,712	220,995
Cumulative effects of adopting SFRS(I) 9	-	-	-	-	-	3,785	-	(8,210)	(4,425)	-	(4,425)
Cumulative effects of adopting SFRS(I) 15	-	-	-	-	-	-	-	7,518	7,518	(9)	7,509
	25,048	(3,303)	470	1,439	(4,794)	9,348	1,183	192,985	222,376	1,703	224,079
Profit for the financial period	-	-	-	-	-	-	-	10,156	10,156	493	10,649
Other comprehensive income for the financial period:											
Exchange differences on translating foreign operations	-	-	24	-	-	-	-	-	24	-	24
Fair value loss on financial assets at FVOCI	-	-	-	-	-	(9,170)	-	-	(9,170)	-	(9,170)
Share of other comprehensive income of joint venture	-	-	-	-	-	-	(64)	-	(64)	-	(64)
Total comprehensive income for the period	-	-	24	-	-	(9,170)	(64)	10,156	946	493	1439
Contribution by and distribution to owners of the parents:											
Dividends	-	-	-	-	-	-	-	(586)	(586)	-	(586)
Exercise of share option	-	-	-	180	-	-	-	-	180	-	180
Non-controlling interests share of fair value adjustments on acquisition of subsidiary	-	-	-	-	-	-	-	-	-	104	104
Share option expense	-	-	-	128	-	-	-	-	128	-	128
Total transactions with owners of the parent	-	-	-	308	-	-	-	-	(278)	104	(174)
Balance at 30 September 2019	25,048	(3,303)	494	1,747	(4,794)	178	1,119	202,555	223,044	2,300	225,344

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

	Share capital S\$'000	Treasury Shares S\$'000	Share option reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total S\$'000
Company (Unaudited)						
Balance at 1 October 2019	25,048	(3,303)	1,747	(2,400)	8,801	29,893
Loss for the financial year	-	-	-	-	(2,699)	(2,699)
Other comprehensive income for the financial year:						
Fair value loss on financial assets at FVOCI	-	-	-	(1,530)	-	(1,530)
Total comprehensive income for the period	-	-	-	(1,530)	(2,699)	(4,229)
Contribution by and distribution to owners of the parent:						
Dividends	-	-	-	-	(3,525)	(3,525)
Exercise share option	-	-	-	-	-	-
Share option expense	-	-	283	-	-	283
Total transactions with owners of the parent	-	-	283	-	(3,525)	(3,242)
Balance at 30 September 2020	25,048	(3,303)	2,030	(3,930)	2,577	22,422
Company						
Balance at 1 October 2018	25,048	(3,303)	1,311	-	7,585	30,641
Cumulative effects of adopting SFRS(I) 9	-	-	-	(1,650)	(1,919)	(3,569)
	25,048	(3,303)	1,311	(1,650)	5,666	27,072
Profit for the financial year	-	-	-	-	8,411	8,411
Other comprehensive income for the financial year:						
Fair value loss on financial assets at FVOCI	-	-	-	(750)	-	(750)
Total comprehensive income for the year	-	-	-	(750)	8,411	7,661
Contribution by and distribution to owners of the parent:						
Dividends	-	-	-	-	(5,276)	(5,276)
Issuance of treasury shares	-	-	180	-	-	180
Grant of share options to employees	-	-	256	-	-	256
Total transactions with owners of the parent	-	-	436	-	(5,276)	(4,840)
Balance at 30 September 2019	25,048	(3,303)	1,747	(2,400)	8,801	29,893

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

	Share capital S\$'000	Treasury Shares S\$'000	Share option reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total S\$'000
Company (Unaudited)						
Balance at 1 April 2020	25,048	(3,303)	1,893	(2,625)	3,291	24,304
Loss for the financial period	-	-	-	-	(714)	(714)
Other comprehensive income for the period:						
Fair value loss on financial assets at FVOCI	-	-	-	(1,305)	-	(1,305)
Total comprehensive income for the period	-	-	-	(1,305)	(714)	(2,019)
Contribution by and distribution to owners of the parent:						
Exercise share option	-	-	-	-	-	-
Share issue expenses	-	-	137	-	-	137
Total transactions with owners of the parent	-	-	137	-	-	137
Balance at 30 September 2020	25,048	(3,303)	2,030	(3,930)	2,577	22,422
Company						
Balance at 1 April 2019	25,048	(3,303)	1,439	(225)	439	23,398
Cumulative effects of adopting SFRS(I) 9	-	-	-	(1,650)	(1,919)	(3,569)
	25,048	(3,303)	1,439	(1,875)	(1,480)	19,829
Profit for the financial period	-	-	-	-	10,281	10,281
Other comprehensive income for the period:						
Fair value loss on financial assets at FVOCI	-	-	-	(525)	-	(525)
Total comprehensive income for the period	-	-	-	(525)	10,281	9,756
Contribution by and distribution to owners of the parent:						
Dividends	-	-	-	-	-	-
Issuance of treasury shares	-	-	180	-	-	180
Grant of share options to employees	-	-	128	-	-	128
Total transactions with owners of the parent	-	-	308	-	-	308
Balance at 30 September 2019	25,048	(3,303)	1,747	(2,400)	8,801	29,893

1(d)(ii) Details of any changes in the company's share capital arising from right issue, bonus issue, subdivision, consolidation, 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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.

	Number of issued shares (excluding Treasury Shares)	Share capital (\$)
As at 1 October 2019	235,010,000	25,048,000
Movement	-	-
As at 30 September 2020	235,010,000	25,048,000

As at 30 September 2020, there were 6,455,000 outstanding options issued under Employee Share Option Scheme (the "ESOS") (30 September 2019: 6,705,000), which are convertible into 6,455,000 (30 September 2019: 6,705,000) shares. The total number of issued shares excluding treasury shares of the Company was 235,010,000 as at 30 September 2020 and 30 September 2019 respectively. Save for the options, the Company did not have any outstanding convertibles as at 30 September 2020 and 30 September 2019.

As at 30 September 2020, the Company held 7,555,000 treasury shares (30 September 2019: 7,555,000 treasury shares) representing 3.11% (30 September 2019: 3.11%) of the total number of issued shares (including treasury shares) of 242,565,000 shares. The Company does not have any subsidiary holdings as at the periods ended 30 September 2020 and 30 September 2019.

1(d)(iii) To show the 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

	30/09/2020 Unaudited	30/09/2019 Audited
Total number of issued shares	242,565,000	242,565,000
Treasury shares	(7,555,000)	(7,555,000)
Total number of issued shares, excluding treasury shares	235,010,000	235,010,000

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

Movement of treasury shares:

	Number of Treasury Shares
As at 1 October 2019	7,555,000
Sales, transfers, disposals and/or cancellation	-
As at 30 September 2020	7,555,000

1(d)(v) A statement showing all sales, transfers, cancellation and/ or use of subsidiary holdings as at the end of the current financial period reported on (cont'd)

There is no subsidiary holdings.

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

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion

No.

(a) Updates on the efforts taken to resolve each outstanding audit issue

Not applicable.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed

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 financial results for the current financial year reported on have been presented using the same accounting policies and methods of computation as in the Company's most recently audited financial statement as set out in the annual report for the financial year ended 30 September 2019.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

The Group has adopted all accounting standards that are effective from 1 October 2019. The adoption of the accounting standards did not have any material impact on the financial statements, except as described below:

SFRS(I) 16 Leases

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

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for and the effect of the change (cont'd)

SFRS(I) 16 requires lessees to recognise most leases on the statement of financial position. At commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e. the lease liability) and an asset representing the right-to-use the underlying asset during the lease term (i.e. the right-of-use asset). The standard allows exemption for short-term leases and leases of low value assets. Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

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

Upon adoption of SFRS(I) 16 on 1 October 2019, the Group recognised right of use assets of S\$7.6 million and lease liabilities of S\$7.6 million.

6. Earnings per ordinary share of the group for the current period reported on 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).**

	Group		Group	
	2nd Half Year ended		12 Months ended	
	30/09/2020 Unaudited	30/09/2019 Audited	30/09/2020 Unaudited	30/09/2019 Audited
(Loss)/Profit attributable to owners of the parent (S\$'000)	(28,070)	10,156	(18,043)	16,306
(i) Earnings per share ("EPS") – Basic (Singapore cents) ⁽¹⁾	(11.94)	4.33	(7.68)	6.95
Weighted average number of ordinary shares ⁽⁴⁾	235,010,000	234,683,913	235,010,000	234,553,836
(ii) Earnings per share ("EPS") – Diluted (Singapore cents) ⁽²⁾	(11.94) ⁽³⁾	4.32	(7.68) ⁽³⁾	6.92
Weighted average number of ordinary shares ⁽⁴⁾	235,010,000	235,358,934	235,010,000	235,792,393

Notes:

- (1) The calculation for the basic EPS for the relevant financial periods is based on the weighted average number of ordinary shares of the Company.
- (2) The calculation for the diluted EPS is based on the weighted average number of ordinary shares of the Company after adjusting for lapsed Options and dilution assuming the options are fully exercised into ordinary shares of the Company.
- (3) No adjustment was made as the Group was in a loss-making position for 2H2020 and 12M2020. As such, the potential ordinary shares to be converted arising from the option as at 2H2020 and 12M2020 were anti-dilutive.
- (4) The figure was computed taking into account the shares bought back during the relevant financial periods, if any.

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

	Group		Company	
	30/09/2020 Unaudited	30/09/2019 Audited	30/09/2020 Unaudited	30/09/2019 Audited
Net asset value per ordinary share (Singapore cents)	79.77	94.91	9.54	12.72
Number of issued shares excluding treasury shares at the end of the financial year	235,010,000	235,010,000	235,010,000	235,010,000

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.

Review of the performance

Revenue

In 2nd Half of the financial year ended 30 September 2020 ("**2H2020**"), revenue decreased by 75.1% to S\$21.3 million as compared to S\$85.8 million in 2nd Half of the financial year ended 30 September 2019 ("**2H2019**"). The decrease was due to loss of revenue from suspension of construction works as a result of the imposition of Circuit Breaker ("CB") measures on 7 April 2020 by the government in response to the Covid-19 pandemic. We resumed our construction activities gradually after the CB was ended on 1 June 2020, but the output level was significantly lower compared to pre-Covid period due to the implementation of Safe Management Measures, including safe distancing requirement and staggered timings for work on designated zones.

For 12 months ended 30 September 2020 ("**12M2020**"), revenue decreased by 49.0% to S\$82.9 million as compared to S\$162.6 million in the previous corresponding year ended 30 September 2019 ("**12M2019**"). The decrease was due mainly to significant lower revenue recognition from construction projects as a result of suspension of construction works due to the CB and Safe Management Measures that are required to be implemented at work sites.

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.**
- (Cont'd)**

Gross Profit & Gross Profit Margin

In tandem with the decrease in revenue, gross profit decreased by 48.5% in 2H2020 to S\$14.2 million as compared to S\$27.6 million in 2H2019. For 12M2020, gross profit decreased by 15.1% to S\$30.8 million as compared to S\$36.2 million in 12M2019. Gross margin for 12M2020 was 37.1% compared to 22.3% in 12M2019. The increase in gross margin was mainly due to realisation of cost savings upon finalisation and settlement of accounts with subcontractors with regards to some of the construction projects.

Other Income

Other income decreased by 64.4% or S\$7.3 million to S\$4.0 million in 2H2020. The decrease was mainly due to absence of foreign exchange gain of S\$2.3 million and fair value gain of S\$4.7 million on loan receivables recorded in 2H2019.

For 12M2020, other income decreased by 22.5% or S\$3.2 million to S\$11.1 million, which was due mainly to absence of foreign exchange gain of S\$2.1 million and fair value gain of S\$4.7 million on loan receivables recorded in 12M2019. The decrease was offset by government grants of approximately S\$3.2 million received under the Jobs Support Scheme, foreign worker levy rebates and BCA Construction Restart Booster.

Administration Expenses

Administration expenses increased by 19.8% from S\$22.3 million in 2H2019 to S\$26.7 million in 2H2020. For 12M2020, administration expenses increased by 16.0% to S\$33.8 million compared to S\$29.1 million in 12M2019. The increase was mainly due to fair value loss of S\$7.7 million on financial assets and the additional impairment loss of S\$4.5 million on investment in an associate. Both the fair value loss of and impairment loss were related to the Group's investment in hospitality sector in Singapore and Maldives. The increase was offset by net reversal of S\$0.5 million from expected credit loss ("ECL") in both reporting periods compared to expected credit loss of S\$5.8 million recorded in 12M2019, and the absence of S\$1.2 million write-off in other receivables recorded in 12M2019.

Finance Costs

For 2H2020 and 12M2020, finance costs increased by 1.0% and 1.2% to S\$3.2 million and S\$6.4 million respectively.

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.**
- (Cont'd)**

Share of Results of Joint Ventures/Associates

For 12M2020, the Group recorded a net loss of S\$15.1 million from joint ventures and associates as compared to a net gain of S\$9.2 million in 12M2019. The net loss of S\$15.1 million in 12M2020 was mainly attributable to share of loss from associate for the hotel investments in Maldives as the country's tourism sector has been severely affected by the Covid-19 pandemic which led to operating loss and impairment loss in the associate.

(Loss)/Profit before Income Tax

As a result of significantly lower revenue, higher share of loss from associates, the Group suffered a net loss before tax of S\$25.4 million in 2H2020 and net loss before tax of S\$13.4 million in 12M2020. Before impairment and fair value losses, the Group recorded a net operating loss before tax of S\$6.5 million in 2H2020 and a net operating profit of S\$5.5 million for 12M2020.

Review of Financial Position

Non-Current Assets

Property, plant and equipment decreased from S\$27.4 million as at 30 September 2019 to S\$25.5 million as at 30 September 2020 due to depreciation expenses incurred in the current reporting period and reclassification of certain plant and equipment to right of use assets amounted to S\$1.0 million. Investment properties decreased from S\$23.7 million as at 30 September 2019 to S\$23.4 million as at 30 September 2020 due to unrealized foreign currency loss on translation of foreign operation which was partially offset by depreciation expenses.

Current Assets

Trade and other receivables increased by S\$62.2 million from S\$52.8 million as at 30 September 2019 to S\$115.0 million as at 30 September 2020. The increase was mainly due reclassification of loan to a JV from other receivables under non-current assets to trade and receivables under current assets as such amount was expected to be received in the next 12 months.

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.**
- (Cont'd)**

Current Liabilities

As at 30 September 2020, current liabilities increased by S\$9.0 million to S\$142.4million compared to S\$133.4 million as of 30 September 2019. The increase was mainly due to reclassification of S\$51.0 million Series 2 term Notes from non-current liabilities to current liabilities as the Term Notes are due in the next 12 months. The increase was offset by a decrease of S\$44.5 million in trade and other payables which was in line with the decrease in construction activities during the reporting period.

The working capital of the Group improved from S\$1.0 million as at 30 September 2019 to S\$32.1 million as at 30 September 2020

Non-Current Liabilities

Non-current liabilities decreased by S\$31.1 million from S\$93.2 million as at 30 September 2019 to S\$62.1 million as at 30 September 2020 due mainly to the reclassification of S\$51.0 million medium term note from non-current liabilities to current liabilities, and was offset by the principal amount received from the issuance of additional new notes under the Series 3 Term Notes issued on 19 August 2020 and the recognition of additional lease liabilities of S\$5.9 million arising from the adoption SFRS(I) 16 *Leases*.

Review of Cash Flow Statement

For 12M2020, the Group generated a positive operating cash flow of S\$30.4 million before movements in working capital. After taking into account changes in working capital, comprising mainly of a decrease of S\$6.2 million in trade and other receivables, decrease of S\$5.4 million in contract assets and a decrease of S\$49.3 million in trade and other payables, the Group recorded a net cash outflow of S\$7.0 million from operating activities after income tax payment of S\$4.7 million.

Net cash used in investing activities of S\$10.3 million in 12M2020 was mainly attributable to loans and advances extended to associates and joint ventures of S\$13.8 million, investment in associates and joint ventures of S\$1.8 million, and was partially offset by loan repayment of S\$0.3 million from associate and dividend amount of S\$8.2 million received from a joint venture.

Net cash generated from financing activities of S\$0.7 million in 12M2020 was mainly due to bank loan and interests repayments of S\$25.5 million, repayment of obligation under lease of S\$1.0 million, dividend payment of S\$3.5 million, and partially offset by net proceeds from Series 3 Term Notes of S\$13.9 million and net proceeds of S\$16.7 million from bank borrowings.

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

Not applicable as no forecast or prospect statement has been previously disclosed to shareholders.

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

Overview

The Covid-19 pandemic has brought about a global recession from which Singapore has not been spared. Singapore's economy, while rebounding in the third quarter of 2020 from its worst ever performance in the second quarter of 2020, shrank by 5.8% on a year-on-year basis¹. This was an improvement over the contraction of 13.3% in the preceding quarter as the economy exited the Circuit Breaker (CB) that was implemented between 7 April to 1 June. The construction sector, however, remained weak owing to the slow resumption of construction activities due to the longer time taken to clear the foreign workers who reside in dormitories for work, as well as the challenges faced by firms in meeting the safe management measures required at worksites for a safe restart. The sector shrank by 46.6% in the third quarter of 2020, compared to the previous year, extending the 60.0% contraction in the second quarter, due to declines in both public sector and private sector construction works¹. Given the significant uncertainties in the global economy with many countries facing a further wave of Covid-19 infections, likelihood of further job losses in Singapore and overall weak market sentiment, the Ministry of Trade and Industry (MTI) has downgrade Singapore's GDP growth forecast for 2020 to between -6.5% to -6.0%¹.

The Covid-19 pandemic has completely changed the Group's operating landscape, and this has a material adverse impact on our business and financial performance, which is reflected in our FY2020 financial results.

In the months ahead, the Group will continue to face unprecedented challenges in our operating environment as there is much uncertainty on the economic recovery trajectory in both the global and domestic economies. Nevertheless, with a healthy order book standing at S\$223.9 million, we are confident of our resilience in overcoming difficulties. We will continue to adapt to the evolving situation, and will focus on managing cash flow and conserving cash resources while keeping vigilant for positive growth opportunities.

Building Construction

The Group's current construction projects consist of National Skin Centre, Punggol Regional Sports Centre, Sky Everton condominium, Wilshire Residences condominium, The Antares condominium and Seaside Residences condominium.

Our construction activities were put to a halt from 7 April 2020 to 1 June 2020 during the CB period, and were only able to resume progressively in August as dormitories housing migrant workers were cleared only in August. We have to ensure our worksites meet BCA's and MOM's Covid-Safe Restart criteria, which involved developing Safe Management Measures and monitoring plan on how to minimise mixing of workers, including clear segregation and staggering of workers working on different activities both

¹ Ministry of Trade and Industry, "MTI Forecasts GDP Growth of "-6.5 to -6.0 Per Cent" in 2020 and "+4.0 to +6.0 Per Cent" in 2021", 23 November 2020.

10. A commentary at the date of the announcement of the 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. (Cont'd)

Building Construction

on site and in the dedicated accommodation. It took tremendous effort to make sure these measures are well implemented and adhered to. Our staff and workers at construction sites will also have to undergo swab tests once every two weeks.

Additionally, the border control measures implemented in Singapore and overseas have also caused a disruption to the supply chain of raw materials. As a result, we expect some delays in most of our ongoing construction projects as well as escalation in construction costs due to labour and raw materials shortages and the implementation of the Covid-Safe Restart measures.

On a positive note, we were awarded the BCA's Construction Excellence Award (Merit) 2020 for our *Parc Life Executive Condominium* and BCA Green Mark Award (Platinum) for the National Skin Centre.

Property Development and Investment

Despite the recession, the property market, has held up fairly well. Prices of residential properties rose by 0.8% in the third quarter of 2020 compared with the 0.3% increase in the previous quarter. Developers sold 3,517 completed and uncompleted units in the third quarter of 2020 compared with only 1,713 units sold in the previous quarter and 3,218 units in the same period last year². It was the highest number of transactions recorded for the past two years, which analysts attribute to pent up demand after the CB period, a low interest rate environment and government stimulus measures supporting the economy. However, it is unlikely that this level of demand can be sustained especially in light of the new government measures restricting the reissuance of property purchase options.

We expect to obtain TOP of Seaside Residences in the next few months; the project has attained sales to date of more than 98.4%, with 13 units unsold while The Antares has registered sales of 59 units.

Our investment portfolio comprising tenanted office buildings in Minamihorie, Osaka and in Honmachi, Osaka continue to enjoy high occupancy rates of 100% and 72% respectively.

Hotel Development and Investments

The Group's hotel investments have been severely affected as international travel and tourism has ground to a halt affecting the tourism receipts of Singapore and Maldives. While borders are gradually reopening, it will take some time for tourism to rebound to pre-Covid 19 levels. According to Singapore Tourism Board, international tourist arrivals in Singapore in the first nine months of 2020 plunged to 2.7 million, down from 14.3 million for the same period last year³

² Urban Redevelopment Authority, "Release of 3rd Quarter 2020 real estate statistics", 23 October 2020.

³ Singapore Tourism Board, www.stb.gov.sg

10. **A commentary at the date of the announcement of the 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. (Cont'd)**

Hotel Development and Investments

The Maldives, which closed its borders since March, has reopened to international travels with little or no restrictions since 15 July 2020. Our two Maldivian hotel properties, which were temporary closed from April to June, have since reopened - the Mercure Maldives Kooddoo Hotel in August 2020 and the Pullman Maldives Maamutaa Resort in October 2020. Although both hotels were operating at low occupancies since reopening, we continue to see an increase in bookings in the upcoming months.

11. **Dividend**

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? **None.**

(b) Corresponding Period of the Immediately Preceding Financial Year

Name of Dividend	Interim	Final
Type of Dividend	Cash	Cash
Dividend Amount per share (Singapore cents)	0.25	1.50
Tax rate	Tax exempt (one-tier)	Tax exempt (one-tier)

(c) Date payable

Not applicable.

(d) Books closure date.

Not applicable.

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

The widespread of COVID-19 pandemic and the measures taken by governments to contain and fight the pandemic have caused serious disruptions to businesses. While the Groups was profitable in the first half of FY2020, our performance in the second half was severely affected by the suspension of construction works during the CB, loss in construction productivity due to the implementation of Safe Management Measures, as well as the impairment and fair value losses suffered as a result of the pandemic. There is uncertainty on how wide the outbreak will spread and how long it will last, the operating environment is therefore expected to remain challenging in the months ahead. In view of these challenges, the directors therefore do not recommend an interim dividend as it is critical for the Group to conserve its cash resources so as to sustain its business operations.

13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions (“IPT”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate for IPT.

Name of interested person	Aggregate value of all interested person transactions conducted during the financial year (excluding transactions below \$100,000 and transactions conducted under the Shareholders’ Mandate pursuant to Rule 920	Aggregate value of all interested person transactions conducted under shareholders’ mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	S\$’000	S\$’000
WongPartnership LLP ⁽¹⁾	103	Nil

(1) Mr Leo Zhen Wei Lionel, our non-executive director, is a partner in WongPartnership LLP.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer’s most recently audited annual financial statements, with comparative information for the immediately preceding year.

(a) By Activities

	Buildings and Construction \$’000	Property Development \$’000	Investment Property \$’000	Investment holding \$’000	Total \$’000
2020					
Revenue	81,191	-	1,751	-	82,942
Profit from operations					
Share of results from joint ventures, net of tax	-	6,880	-	-	6,880
Share of results from associates, net of tax	-	(21,954)	-	-	(21,954)
Interest Income	5,367	-	-	323	5,690
Interest expense	(954)	-	(129)	(5,280)	(6,363)
Depreciation and amortisation	(4,795)	-	(640)	(50)	(5,485)
Income tax expenses	(5,424)	-	-	(4)	(5,428)
Reportable segment profit/(loss) before income tax	11,429	(13,519)	488	(11,800)	(13,402)
Net profit/(loss) for the financial year after tax	6,005	(13,519)	488	(11,804)	(18,830)
Other information:					
Capital expenditure	2,834	-	23	-	2,857
Investment in joint ventures	-	31,656	-	-	31,656
Investment in associates	-	30,204	-	-	30,204
Segment assets	341,054	-	27,213	25,307	393,574
Segment liabilities	91,151	-	10,499	102,844	204,494

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer’s most recently audited annual financial statements, with comparative information for the immediately preceding year. (Cont’d)

(a) By Activities (Cont’d)

	Buildings and Construction \$'000	Property Development \$'000	Investment Property \$'000	Investment holding \$'000	Total \$'000
2019					
Revenue	160,857	-	1,703	-	162,560
Profit from operations					
Share of results from joint ventures, net of tax	-	15,984	-	-	15,984
Share of results from associates, net of tax	-	(6,798)	-	-	(6,798)
Interest Income	5,120	-	-	384	5,504
Interest expense	(1,026)	-	(135)	(5,126)	(6,287)
Depreciation and amortisation	(4,108)	-	(619)	(50)	(4,777)
Income tax expenses	(7,332)	-	-	(54)	(7,386)
Reportable segment profit/(loss) before income tax	27,218	265	1,102	(4,323)	24,262
Net profit/(loss) for the financial year after tax	19,886	265	1,102	(4,377)	16,876
Other information:					
Capital expenditure	12,090	-	37	-	12,127
Investment in joint ventures	-	23,982	-	-	23,982
Investment in associates	-	57,463	-	-	57,463
Segment assets	407,954	-	27,292	16,729	451,975
Segment liabilities	126,449	-	11,162	89,020	226,631

(b) Geographical segment information:

	2020 \$'000	2019 \$'000
Revenue		
Singapore	77,145	116,381
Maldives	4,046	44,476
Japan	1,751	1,703
Total Revenue	82,942	162,560
Non-current Assets		
Singapore	94,624	108,423
Maldives	351	615
Japan	23,366	23,708
Total Non-current Assets	118,341	132,746

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by operating segments.

For Building and Construction Segment, net profit after tax decreased from S\$19.8 million in 12M2019 to S\$6.0 million in 12M2020 as a result of lower revenue contribution in 12M2020. Investment Property Segment registered a net profit after tax of S\$0.5 million in 12M2020 compared to net profit of S\$1.1 million in 12M2019 due mainly to unrealized foreign currency gain on translation of foreign operation in 12M2019. Net loss after tax for Investment Holdings Segment increased from S\$4.4 million to S\$11.8 million in 12M2020 due mainly to fair value loss on loan receivables.

16. A breakdown of sales

	<u>Group</u>		Increase / (Decrease) %
	FY2020 S\$'000	FY2019 S\$'000	
Sales reported for first half year	61,604	76,739	(19.7)
Profit after tax before deducting non-controlling interests reported for first half year	9,586	6,227	53.9
Sales reported for second half year	21,338	85,821	(75.1)
Profit after tax before deducting non-controlling interests reported for second half year	(28,416)	10,649	n.m.

17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	FY2020 \$'000	FY2019 \$'000
Ordinary Shares		
- Interim	-	586
- Final	-	3,525
Total	-	4,111

* No dividend will be declared for FY2020.

18. Confirmation pursuant to Rule 704(13) of the Listing Manual of the SGX-ST.

Pursuant to Rule 704(13) of the Listing Manual of the SGX-ST, the Company confirms that, for the financial year ended 30 September 2020, there is no persons occupying managerial positions in the Company or any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

19. Confirmation pursuant to Rule 720 (1) of the Listing Manual SGX-ST.

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

By Order of the Board

Leo Ting Ping Ronald
Executive Chairman and Chief Executive Officer
26 November 2020