
**UNAUDITED THIRD QUARTER FINANCIAL STATEMENTS ANNOUNCEMENT FOR
THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2019**

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

The contact person for the Sponsor is Ms Tay Sim Yee, at 1 Robinson Road #21-00, AIA Tower, Singapore 048542, telephone (65) 6232-3210.

Following the adoption of the new Singapore Financial Reporting Standards International ("**SFRS(I)**") on 1 June 2018, in particular SFRS(I) 15, SLB Development Ltd. (the "**Company**") and together with its subsidiaries, the "**Group**") has restated its comparative financial figures. Please refer to Section 5 of this announcement for more details on the new standards.

UNAUDITED THIRD QUARTER FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2019

PART 1 - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

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 -----					
	Third quarter ended			Nine months ended		
	28.2.2019	28.2.2018	Increase / (Decrease)	28.2.2019	28.2.2018	Increase / (Decrease)
	S\$'000	S\$'000 (Restated)	%	S\$'000	S\$'000 (Restated)	%
Revenue	7,664	32,915	(76.72)	37,208	104,632	(64.44)
Cost of sales	(3,340)	(25,349)	(86.82)	(25,440)	(85,064)	(70.09)
Gross profit	4,324	7,566	(42.85)	11,768	19,568	(39.86)
Other operating income	132	335	(60.60)	467	8,181	(94.29)
Sales and marketing expenses	(653)	(1,052)	(37.93)	(3,033)	(3,020)	0.43
Administrative expenses	(584)	(664)	(12.05)	(2,592)	(802)	>100.00
Other operating expenses	(226)	(83)	>100.00	(766)	(289)	>100.00
Finance costs	(991)	(2,156)	(54.04)	(1,778)	(2,477)	(28.22)
Share of results of joint ventures and associates	(4,645)	634	n.m.	(7,276)	1,955	n.m.
(Loss)/Profit before taxation	(2,643)	4,580	n.m.	(3,210)	23,116	n.m.
Taxation	(575)	(767)	(25.03)	(1,297)	(2,478)	(47.66)
(Loss)/Profit for the period, net of taxation	(3,218)	3,813	n.m.	(4,507)	20,638	n.m.
Other comprehensive income:						
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Foreign currency translation (loss)/gain	217	215	0.93	(391)	198	n.m.
Other comprehensive income for the period, net of tax	217	215	0.93	(391)	198	n.m.
Total comprehensive income for the period	(3,001)	4,028	n.m.	(4,898)	20,836	n.m.
(Loss)/Profit attributable to:						
Owners of the Company	(3,454)	1,912	n.m.	(6,516)	14,479	n.m.
Non-controlling interests	236	1,901	(87.59)	2,009	6,159	(67.38)
	(3,218)	3,813	n.m.	(4,507)	20,638	n.m.
Total comprehensive income attributable to:						
Owners of the Company	(3,237)	2,127	n.m.	(6,907)	14,677	n.m.
Non-controlling interests	236	1,901	(87.59)	2,009	6,159	(67.38)
	(3,001)	4,028	n.m.	(4,898)	20,836	n.m.

n.m. means not meaningful

1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year.

	Third quarter ended			Nine months ended		
	28.2.2019	28.2.2018	Increase / (Decrease)	28.2.2019	28.2.2018	Increase / (Decrease)
	S\$'000	S\$'000 (Restated)	%	S\$'000	S\$'000 (Restated)	%
Interest income	109	18	>100.00	225	150	50.00
Rental income from development property/investment property	-	72	n.m.	22	247	(91.09)
Depreciation of plant and equipment	(36)	(3)	>100.00	(89)	(5)	>100.00
Fair value gain on investment property	-	-	-	-	7,041	n.m.
Fair value gain on derivative financial liability	-	-	-	91	449	(79.73)
Gain on disposal of plant and equipment	-	-	-	38	-	n.m.
Interest expense	(991)	(2,156)	(54.04)	(1,778)	(2,477)	(28.22)
Foreign exchange (loss)/gain	53	107	(50.47)	(174)	138	n.m.

n.m. means 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			Company	
	As at	As at	As at	As at	As at
	28.2.2019	31.05.2018	01.06.2017	28.2.2019	31.05.2018
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Non-current assets</u>		(Restated)	(Restated)		
Plant and equipment	560	293	4	554	284
Other investment	4,088	-	-	-	-
Investment property	-	-	31,050	-	-
Investment in subsidiaries	-	-	-	23,822	23,822
Investment in joint ventures and associates	3,112	16,966	38,923	4,076	4,076
	7,760	17,259	69,977	28,452	28,182
<u>Current assets</u>					
Development properties	116,020	78,574	66,116	-	-
Contract assets	18,815	76,736	27,092	-	-
Trade receivables	23,191	20,353	10,766	-	-
Other receivables and deposits	193	6,226	59	13	-
Prepayments	49	16	-	28	16
Capitalised contract costs	1,210	218	1,384	-	-
Amounts due from a related company	-	-	10	-	-
Amounts due from joint ventures and associates	120,380	119,653	51,885	51,551	50,574
Amounts due from subsidiaries	-	-	-	94,369	87,962
Amounts due from non-controlling interests	2,223	-	-	-	-
Amounts due from holding company	-	-	35,717	-	-
Cash and cash equivalents	34,652	51,102	26,284	22,131	21,685
	316,733	352,878	219,313	168,092	160,237
<u>Current liabilities</u>					
Trade and other payables	3,081	5,198	3,499	-	-
Accruals	3,239	5,273	2,480	610	432
Contract liabilities	-	1,502	-	-	-
Amounts due to related companies	4,183	10,715	17,986	101	285
Amounts due to joint ventures and associates	2,742	12,850	18,805	2,150	-
Amounts due to subsidiaries	-	-	-	2,528	9,800
Amounts due to holding company	183	112	60,124	183	112
Amounts due to non-controlling interests	13,546	12,762	9,776	-	-
Finance lease obligations	47	-	-	47	-
Bank loans	9,440	82,138	10,000	-	-
Provision for taxation	5,583	4,314	2,803	-	-
	42,044	134,864	125,473	5,619	10,629
Net current assets	274,689	218,014	93,840	162,473	149,608
<u>Non-current liabilities</u>					
Investment in associates	8,754	-	-	-	-
Amounts due to holding company	33,783	33,783	-	33,783	33,783
Finance lease obligations	183	-	-	183	-
Bank loans	79,187	35,490	96,724	-	-
	121,907	69,273	96,724	33,966	33,783
Net assets	160,542	166,000	67,093	156,959	144,007

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.

<i>Cont'd</i>	Group			Company	
	As at 28.2.2019	As at 31.05.2018	As at 01.06.2017	As at 28.2.2019	As at 31.05.2018
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Equity attributable to owners of the Company</u>		(Restated)	(Restated)		
Share capital	146,216	146,216	33,649	146,216	146,216
Merger reserve	(30,288)	(30,288)	(31,288)	-	-
Foreign currency translation reserve	(273)	118	(67)	-	-
Retained earnings/(accumulated losses)	31,753	38,269	62,064	10,743	(2,209)
	147,408	154,315	64,358	156,959	144,007
Non-controlling interests	13,134	11,685	2,735	-	-
Total equity	160,542	166,000	67,093	156,959	144,007

The Company was incorporated on 17 October 2017. Hence, there is no balance sheet as at 1 June 2017.

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

Amount repayable in one year or less, or on demand

As at 28.2.2019		As at 31.05.2018	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
9,487	-	82,138	-

Amount repayable after one year

As at 28.2.2019		As at 31.05.2018	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
79,370	-	35,490	-

Details of any collateral

As at 28 February 2019,

- (i) the Group's bank borrowings of S\$88.6 million (31 May 2018: S\$117.6 million) are secured by (i) the Group's development properties; (ii) corporate guarantees from the Company and the holding company in the ratio of the shareholdings held by the Group in the respective subsidiaries, associates and joint ventures; and (iii) the assignment of rights, titles and benefits with respect to the development properties;
- (ii) the Company's and the Group's finance lease obligations of S\$0.2 million (31 May 2018: S\$ Nil) are secured by the Company's motor vehicle.

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			
	Third quarter ended		Nine months ended	
	28.2.2019 S\$'000	28.2.2018 S\$'000	28.2.2019 S\$'000	28.2.2018 S\$'000
		(Restated)		(Restated)
<u>Cash flows from operating activities</u>				
Profit/(loss) before taxation	(2,643)	4,580	(3,210)	23,116
<u>Adjustments for:-</u>				
Depreciation of plant and equipment	36	3	89	5
Foreign exchange loss/(gain)	(53)	(107)	174	(138)
Fair value gain on investment property	-	-	-	(7,041)
Fair value gain on derivative financial liability	-	-	(91)	(449)
Gain on disposal of plant and equipment	-	-	(38)	-
Interest income	(109)	(18)	(225)	(150)
Interest expense	991	2,156	1,778	2,477
Share of results of joint ventures and associates	4,645	(634)	7,276	(1,955)
Operating cash flows before changes in working capital	2,867	5,980	5,753	15,865
<u>Changes in working capital:-</u>				
Development properties	1,812	452	(30,693)	(589)
Trade receivables	(947)	15,353	(2,837)	483
Contract assets	(5,624)	(12,007)	57,921	(41,989)
Contract liabilities	-	-	(1,227)	-
Other receivables and deposits	(42)	(5)	(49)	(55)
Prepayments	26	(854)	(33)	(920)
Capitalised contract costs	(124)	502	(992)	934
Trade payables, other payables and accruals	350	967	(5,506)	(1,061)
Balances with related companies	(2,832)	879	(6,532)	7,987
	(7,381)	5,287	10,052	(35,210)
Cash flows (used in)/from operations	(4,514)	11,267	15,805	(19,345)
Income tax paid	(26)	(1,072)	(28)	(2,156)
Interest paid and capitalised in development properties	66	1,216	(658)	(75)
Net cash flows (used in)/from operating activities	(4,474)	11,411	15,119	(21,576)
<u>Cash flows from investing activities</u>				
Interest received	128	14	196	40
Dividend income from associates	-	-	8,440	1,273
Dividend income from joint ventures	-	-	6,500	17,710
Purchase of plant and equipment	-	(27)	(237)	(29)
Sale proceed from disposal of plant and equipment	-	-	168	-
Repayment of loans due from/(loans to) associates	980	(21,752)	320	(26,382)
Repayment of loans due from joint ventures	-	-	-	10,894
Investment in associates	-	(840)	-	(2,440)
Additions to investment property	-	-	-	(9)
Additions to other investment	(4,088)	-	(4,088)	-
Net cash flows from/(used in) investing	(2,980)	(22,605)	11,299	1,057

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			
	Third quarter ended		Nine months ended	
	28.2.2019 S\$'000	28.2.2018 S\$'000	28.2.2019 S\$'000	30.11.2017 S\$'000
		(Restated)		(Restated)
<u>Cash flows from financing activities</u>				
Interest paid	(1,063)	(2,156)	(1,707)	(2,477)
Proceeds from bank loans	-	2,381	57,187	28,892
Repayment of bank loans	(4,350)	(2,000)	(86,188)	(10,000)
Repayment of finance lease obligations	(12)	-	(19)	-
Dividend paid on ordinary shares to the then shareholder of subsidiaries	-	-	-	(38,365)
Dividend paid to non-controlling interests of subsidiaries	-	-	(560)	-
Repayment of loans due to non-controlling interests of a subsidiary	(466)	-	(12,762)	-
Loans from/(to) non-controlling interests of subsidiaries	(1,585)	-	11,323	-
Repayment of loans due to related companies	-	(5,000)	-	(5,008)
(Repayment of loans due to)/loans from associates	202	2,676	(7,758)	7,255
(Repayment of loans due to)/loans from joint ventures	1,000	-	(2,350)	(13,210)
Loans from holding company	-	19,727	-	52,739
Net cash flows (used in)/from financing activities	(6,274)	15,628	(42,834)	19,826
Net (decrease)/increase in cash and cash	(13,728)	4,434	(16,416)	(693)
Cash and cash equivalents at beginning of the period	48,417	21,157	51,102	26,284
Effect of exchange rate changes on cash and cash equivalents	(37)	-	(34)	-
Cash and cash equivalents at end of the period	34,652	25,591	34,652	25,591
Breakdown of cash and cash equivalents at end of the period:				
Cash at bank and on hand	19,569	17,584	19,569	17,584
Fixed deposits	15,083	8,007	15,083	8,007
Total	34,652	25,591	34,652	25,591

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 immediate preceding financial year.

	Attributable to owners of the Company				Non-controlling interests	Total equity
	Share capital	Merger reserve	Translation reserves	Retained earnings		
	S\$ '000	S\$ '000	S\$ '000	S\$ '000	S\$ '000	S\$ '000
GROUP						
Balance at 1 June 2018	146,216	(30,288)	118	25,227	(1,357)	139,916
Effects of adoption of SFRS(I)15	-	-	-	13,042	13,042	26,084
At 1 June 2018, restated	146,216	(30,288)	118	38,269	11,685	166,000
(Loss)/profit for the period, net of taxation	-	-	-	(6,516)	2,009	(4,507)
<u>Other comprehensive income</u>						
Foreign currency translation gain	-	-	(391)	-	-	(391)
Other comprehensive income for the period, net of taxation	-	-	(391)	-	-	(391)
Total comprehensive income for the period	-	-	(391)	(6,516)	2,009	(4,898)
<u>Contribution by and distribution to owners</u>						
Dividends paid to non-controlling interests of subsidiaries	-	-	-	-	(560)	(560)
Total transactions with owners in their capacity as owners	-	-	-	-	(560)	(560)
Balance at 28 February 2019	146,216	(30,288)	(273)	31,753	13,134	160,542

	Attributable to owners of the Company				Non-controlling interests	Total equity
	Share capital	Merger reserve	Translation reserves	Retained earnings		
	S\$ '000	S\$ '000	S\$ '000	S\$ '000	S\$ '000	S\$ '000
GROUP						
Balance at 1 June 2017	33,649	(31,288)	(67)	59,720	(28)	61,986
Effects of adoption of SFRS(I)15	-	-	-	2,344	2,763	5,107
At 1 June 2017, restated	33,649	(31,288)	(67)	62,064	2,735	67,093
Profit for the period, net of taxation	-	-	-	14,479	6,159	20,638
<u>Other comprehensive income</u>						
Foreign currency translation gain	-	-	198	-	-	198
Other comprehensive income for the period, net of taxation	-	-	198	-	-	198
Total comprehensive income for the period	-	-	198	14,479	6,159	20,836
<u>Contribution by and distribution to owners</u>						
Capital contribution	-	1,000	-	-	-	1,000
Dividends on ordinary shares paid to the then shareholders of subsidiaries	-	-	-	(38,365)	-	(38,365)
Total transactions with owners in their capacity as owners	-	1,000	-	(38,365)	-	(37,365)
Balance at 28 February 2018	33,649	(30,288)	131	38,178	8,894	50,564

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 immediate preceding financial year (cont'd)

	Share capital	(Accumulated losses) / Retained earnings	Total equity
Company	S\$ '000	S\$ '000	S\$ '000
Balance at 1 June 2018	146,216	(2,209)	144,007
Profit for the period, net of taxation	-	12,952	12,952
Other comprehensive income for the period, net of taxation	-	-	-
Total comprehensive income for the period	-	12,952	12,952
Balance at 28 February 2019	146,216	10,743	156,959

	Share capital	(Accumulated losses) / Retained earnings	Total equity
Company	S\$ '000	S\$ '000	S\$ '000
Balance at date of corporation, 17 October 2017	- ⁽¹⁾	-	- ⁽¹⁾
Loss for the period, net of taxation	-	(2,209)	(2,209)
Other comprehensive income for the period, net of taxation	-	-	-
Total comprehensive income for the period	-	(2,209)	(2,209)
<u>Contribution by and distribution to owners</u>			
Issuance of new shares pursuant to the Restructuring Exercise	93,649	-	93,649
Issuance of new shares pursuant to the IPO	54,740	-	54,740
Listing expenses	(2,173)	-	(2,173)
Total transactions with owners in their capacity as owners	146,216	-	146,216
Balance at 28 February 2018	146,216	(2,209)	144,007

⁽¹⁾ Denotes less than S\$1,000

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State 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 Shares	S\$'000
Issued and fully paid ordinary shares as at 28 February 2019 and 30 November 2018	913,000,000	146,216

There are no outstanding convertibles, treasury shares or subsidiary holdings held by the Company as at 28 February 2019 and 28 February 2018.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 28.02.2019	As at 31.05.2018
Total number of issued shares	913,000,000	913,000,000

There are no treasury shares held by the Company as at 28 February 2019 and 31 May 2018.

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

Not applicable as there are no treasury shares held by the Company as at 28 February 2019.

1(d)(v) A statement showing all sales, transfer, disposals, cancellations and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable as there are no subsidiary holdings held by the Company as at 28 February 2019.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard).

The figures have not been audited nor 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.

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 Section 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those adopted in the most recently audited financial statements for the financial year ended 31 May 2018.

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 the Singapore Financial Reporting Standards (International) SFRS(I) that are effective for annual periods beginning on or after 1 June 2018. In adopting SFRS(I), the Group is required to apply all of the specific transition requirements in SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)*. The Group has also concurrently applied SFRS(I) 15 *Revenue from Contracts with Customers* and SFRS(I) 9 *Financial Instruments*.

The Group has applied the changes in accounting policies retrospectively to each reporting period/year presented, using the full retrospective approach. The Group also applied practical expedients for completed contracts where completed projects that begin and end within the same year or are completed contracts at 1 June 2017 are not restated.

There is no material impact on the financial statements in adopting SFRS(I) and applying specific transition requirement under SFRS(I) 1 and SFRS(I) 9, except for the effects of the adoption of SFRS(I)15, which are discussed below.

SFRS(I) 15 Revenue from contracts with customers

(a) Sale of development properties – timing of revenue recognition

Prior to 1 June 2018, the Group recognises revenue from industrial development properties based on the Completion of Contracts method upon the transfer of significant risk and rewards of ownership of the goods to the customer, i.e. upon TOP and handing over the property units to the purchasers. With the adoption of SFRS(I) 15, the performance obligation for the sale of industrial development properties are satisfied over time as the Group is restricted contractually from directing the property for another use as they are being developed and has an enforceable right to payment for performance completed to date. Revenue and cost of units sold is now recognised over time using the percentage of completed method.

(b) Commission paid to property agents on the sale of development properties

The Group pay sales commissions to property agents on the sale of development properties and such commissions are currently recognised as an expense when incurred. With the adoption of SFRS(I) 15, such commissions are capitalised as incremental costs to obtain a contract with a customer and will be expensed to profit or loss in accordance with the percentage of completion.

(c) Borrowing costs relating to development properties

In March 2019, the IFRS Interpretations Committee (IFRSIC) issued an update on the decisions reached by the IFRSIC and concluded its views that borrowing costs relating to development properties that are ready for its intended sale (i.e. ready for launch) should not be capitalised and instead, be expensed when incurred. Following the update of the agenda decision by IFRSIC, the Group has ceased capitalization of the borrowing costs relating to the development properties that are ready for its intended sale.

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.**

SFRS(I) 15 Revenue from Contracts with Customers (Cont'd)

The financial effects of these retrospective adjustments arising from adopting SFRS(I) 15 on the Group's financial statements for the nine months ended 28 February 2019 and 28 February 2018 are as follows:

Consolidated Income Statements

	Group					
	Nine months ended					
	28.2.2019			28.2.2018		
	Before adoption of SFRS(I) 15* S\$ '000	Effects of adoption of SFRS(I) 15 S\$ '000	Currently reported S\$ '000	Before adoption of SFRS(I) 15* S\$ '000	Effects of adoption of SFRS(I) 15 S\$ '000	Restated S\$ '000
		Increase / (Decrease)		Increase / (Decrease)		
Revenue	233,763	(196,555)	37,208	-	104,632	104,632
Cost of sales	(188,674)	(163,234)	(25,440)	-	85,064	(85,064)
Gross profits	45,089	(33,321)	11,768	-	19,568	19,568
Sales and marketing expenses	(4,332)	(1,299)	(3,033)	(2,234)	786	(3,020)
Finance costs	(1,733)	45	(1,778)	(479)	1,998	(2,477)
Profit/(loss) before taxation	28,857	(32,067)	(3,210)	6,332	16,784	23,116
Taxation	(6,747)	(5,450)	(1,297)	255	(2,733)	(2,478)
Profit/(loss) for the period, net of taxation	22,110	(26,617)	(4,507)	6,587	14,051	20,638
Profit/(loss) attributable to:						
Owners of the Company	7,059	(13,575)	(6,516)	7,313	7,166	14,479
Non-controlling interests	15,051	(13,042)	2,009	(726)	6,885	6,159
	22,110	(26,617)	(4,507)	6,587	14,051	20,638
Total comprehensive income attributable to:						
Owners of the Company	6,668	(13,575)	(6,907)	7,511	7,166	14,677
Non-controlling interests	15,051	(13,042)	2,009	(726)	6,885	6,159
	21,719	(26,617)	(4,898)	6,785	14,051	20,836
Basic earnings per share (cents)	0.77	(1.48)	(0.71)	0.80	0.79	1.59

* Prepared based on Singapore Financial Reporting Standards before adoption of SFRS(I) 15.

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.

SFRS(I) 15 Revenue from Contracts with Customers (Cont'd)

Statement of Financial Position

	Group					
	As at 31.05.2018			As at 01.06.2017		
	Before adoption of SFRS(I) 15* S\$ '000	Effects of adoption of SFRS(I) 15 S\$ '000	Restated S\$ '000	Before adoption of SFRS(I) 15* S\$ '000	Effects of adoption of SFRS(I) 15 S\$ '000	Restated S\$ '000
		Increase / (decrease)			Increase / (decrease)	
<u>Non-current assets</u>						
Deferred tax assets	1,139	(1,139)	-	533	(533)	-
Investment in associates and joint ventures	17,498	(532)	16,966	39,455	(532)	38,923
<u>Current assets</u>						
Development properties	243,568	(164,994)	78,574	120,745	(54,629)	66,116
Contract assets	-	76,736	76,736	-	27,092	27,092
Capitalised contract costs	-	218	218	-	1,384	1,384
<u>Current liabilities</u>						
Trade and other payables	128,325	(123,127)	5,198	36,747	(33,248)	3,499
Accruals	3,755	1,518	5,273	2,178	302	2,480
Contract liabilities	-	1,502	1,502	-	-	-
Provision for taxation	2	4,312	4,314	2,182	621	2,803
Net current assets	190,259	27,756	218,015	87,668	6,172	93,840
Net assets	139,916	26,084	166,000	61,986	5,107	67,093
Retained earnings	25,227	13,042	38,269	59,720	2,344	62,064
Non-controlling interests	(1,357)	13,042	11,685	(28)	2,763	2,735
Total equity	139,916	26,084	166,000	61,986	5,107	67,093
Net assets value per share (cents)	15.47	1.43	16.90	18.08⁽¹⁾	0.34	18.42⁽¹⁾

(1) For comparative and illustrative purposes, the net assets of the Group as at 31 May 2017 and the issued and paid up share capital of the Company has been adjusted for the effect of the Restructuring Exercise as described in the Offer Document (including the allotment and issuance of 60,000,000 ordinary shares of the Company pursuant to the capitalisation of loans and advances extended by the then shareholder to the Company of S\$60,000,000) and Share Split, assuming these events have occurred since the beginning of the earliest period presented.

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.**

	Group		Group	
	3rd quarter ended		Nine months ended	
	28.2.2019	28.2.2018	28.2.2019	28.2.2018
Earnings per ordinary share ("EPS") attributable to equity holders of the Group		(Restated)		(Restated)
(a) Based on the weighted average number of ordinary shares in issue (cents)	(0.38)	0.28	(0.71)	2.15
(b) On a fully diluted basis (cents)	(0.38)	0.28	(0.71)	2.15
Group's (loss)/profit for the period attributable to owners of the Company used in the computation of basic and diluted EPS	S\$'000 (3,454)	S\$'000 (Restated) 1,912	S\$'000 (6,516)	S\$'000 (Restated) 14,479
Weighted average number of ordinary shares excluding treasury shares for computing basic and diluted EPS	('000) 913,000	('000) 675,000 ⁽¹⁾	('000) 913,000	('000) 675,000 ⁽¹⁾

(1) For comparative and illustrative purposes, the issued and paid up share capital of the Company of 675,000,000 shares (after Restructuring Exercise and Share Split) is assumed to have occurred since the beginning of the earliest period presented.

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

	Group		Company	
	28.2.2019	31.05.2018	28.2.2019	31.05.2018
Net asset value per ordinary share (cents)	16.15	(Restated) 16.90	17.19	15.77
Number of issued shares excluding treasury shares ('000)	913,000	913,000	913,000	913,000

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

A. Comprehensive Income Statements

3Q2019 vs 3Q2018 (restated)

The Group reported S\$7.7 million revenue for third quarter ended 28 February 2019 ("**3Q2019**"), a decrease of S\$25.2 million or 76.7% compared to S\$32.9 million registered in the corresponding period ended 28 February 2018 ("**3Q2018**"). The decrease in revenue was mainly due to lower revenue contribution from our industrial property development project, T-Space @ Tampines in 3Q2019 as the project was substantially completed in June 2018. The development projects which contributed to the revenue this quarter were T-Space @ Tampines and Mactaggart Foodlink.

The Group's cost of sales decreased by S\$22.0 million or 86.8% from S\$25.3 million in 3Q2018 to S\$3.3 million in 3Q2019. The cost of sales was primarily associated with the development costs recognised for the industrial property development projects, namely T-Space @ Tampines and Mactaggart Foodlink. The decrease was mainly due to lower progress of percentage of completion achieved in 3Q2019 as compared to 3Q2018.

The Group's gross profits decreased by S\$3.3 million or 42.9% from S\$7.6 million in 3Q2018 to S\$4.3 million in 3Q2019 mainly due to lower revenue recognised in 3Q2019.

Other operating income decreased by S\$0.2 million or 60.6% from S\$0.3 million in 3Q2018 to S\$0.1 million in 3Q2019 mainly due to the absence of rental income from Mactaggart Foodlink.

Sales and marketing expenses decreased by S\$0.4 million from S\$1.1 million in 3Q2018 to S\$0.7 million in 3Q2019 mainly due to lower sales commission recognised for the industrial property development, T-Space @ Tampines in 3Q2019, offset by the incurrence of showflat expenses for the Group's industrial property development, Pei Fu Industrial Building in 3Q2019.

Administrative expenses decreased marginally in 3Q2019 as compared to 3Q2018.

Other operating expenses increased by approximately S\$0.1 million from S\$0.1 million in 3Q2018 to S\$0.2 million in 3Q2019 mainly due to maintenance fees and property tax incurred on unsold development units for T-Space @ Tampines.

Finance costs decreased by S\$1.2 million from S\$2.2 million in 3Q2018 to S\$1.0 million in 3Q2019 due to decrease in interest charged on bank loans as a result of full repayment of bank loans financing T-Space @ Tampines in 3Q2019, offset by an increase in interest charged on loans from holding company in 3Q2019.

Share of results of joint ventures and associates decreased from share of profits of approximately S\$0.6 million in 3Q2018 to share of losses of approximately S\$4.6 million in 3Q2019 mainly due to share of losses from associates of S\$4.5 million in 3Q2019. The share of losses from associates of S\$4.5 million in 3Q2019 was mainly due to the effect of borrowing costs adjustments made to Affinity @ Serangoon and Riverfront Residences in accordance with the SFRS (I) 15 as mentioned in Section 5.

The Group's tax expense decreased by S\$0.2 million or 25.0% from S\$0.8 million in 3Q2018 to S\$0.6 million in 3Q2019. The decrease in income tax expense was mainly due to decrease in profits recognised in 3Q2019 from T-Space @ Tampines.

As a result of the above, the Group registered a net loss attributable to owners of the Company of S\$3.5 million in 3Q2019 compared to net profits of S\$1.9 million in 3Q2018.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

A. Comprehensive Income Statements (cont'd)

9M2019 vs 9M2018 (restated)

The Group reported S\$37.2 million revenue for the nine months ended 28 February 2019 ("9M2019"), a decrease of S\$67.4 million or 64.4% compared to S\$104.6 million registered in the corresponding period ended 28 February 2018 ("9M2018"). The decrease in revenue was mainly due to lower revenue contribution from the Group's industrial property development project, T-Space @ Tampines in 9M2019 as the project was completed in June 2018. The development projects which contributed to the revenue in 9M2019 were T-Space @ Tampines and Mactaggart Foodlink.

The Group's cost of sales decreased by S\$59.7 million or 70.1% from S\$85.1 million in 9M2018 to S\$25.4 million in 9M2019. The cost of sales was primarily associated with the development costs recognised for the industrial property development projects, namely T-Space @ Tampines and Mactaggart Foodlink. The decrease was mainly due to lower progress of percentage of completion achieved in 9M2019 as compared to 9M2018.

The Group's gross profits decreased by S\$7.8 million or 39.9% from S\$19.6 million in 9M2018 to S\$11.8 million in 9M2019 mainly due to lower revenue recognised in 9M2019. The gross profit margin increased from 18.7% in 9M2018 to 31.6% in 9M2019 mainly due to higher average selling price achieved in 9M2019.

Other operating income decreased by S\$7.7 million or 94.3% from S\$8.2 million in 9M2018 to S\$0.5 million in 9M2019 mainly due to absence of fair value gain on investment property of S\$7.0 million recognised from Mactaggart Foodlink upon reclassification from investment property to development property in 9M2018.

Administrative expenses increased by S\$1.8 million from approximately S\$0.8 million in 9M2018 to S\$2.6 million in 9M2019 mainly due to staff costs arising from the transfer of employees from the property development business segment of the holding company and absence of professional fees in 9M2018 prior to the Company's listing on Catalist.

Other operating expenses increased by approximately S\$0.5 million from S\$0.3 million in 9M2018 to S\$0.8 million in 9M2019 mainly due to foreign exchange loss, maintenance fees and property tax incurred on unsold development units for T-Space @ Tampines.

Finance costs decreased by S\$0.7 million from S\$2.5 million in 9M2018 to S\$1.8 million in 9M2019 due to decrease in interest charged on bank loans of S\$1.5 million as a result of full repayment of bank loans financing T-Space @ Tampines, offset by an increase in interest charged on loans from holding company of S\$0.8 million in 9M2019.

Share of results of joint ventures and associates decreased from share of profits of S\$2.0 million in 9M2018 to share of losses of S\$7.3 million in 9M2019 mainly due to increase in share of losses from associates by S\$6.9 million and decrease in share of profits from joint ventures by S\$2.4 million in 9M2019. The increase share of losses from associates of S\$6.9 million in 9M2019 is mainly due to effect of borrowing costs adjustments made to Affinity @ Serangoon and Riverfront Residences in accordance with SFRS (I) 15 as mentioned in Section 5. The decrease in share of profits from joint ventures was mainly due to completion of a residential development project, Spottiswoode Suites in June 2017.

The Group's tax expense decreased by S\$1.2 million or 47.7% from S\$2.5 million in 9M2018 to S\$1.3 million in 9M2019. The decrease in income tax expense was mainly due to decrease in profits recognised in 9M2019 from T-Space @ Tampines.

As a result of the above, the Group registered a net loss attributable to owners of the Company of S\$6.5 million in 9M2019 compared to net profits of S\$14.5 million in 9M2018.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

B. Financial Position Statements

Non-current assets

Plant and equipment increased by S\$0.3 million from S\$0.3 million as at 31 May 2018 to S\$0.6 million as at 28 February 2019 mainly due to additions of vehicle and software equipment of S\$0.5 million, partially offset by disposal of vehicle of S\$0.1 million and depreciation charge for the period of S\$0.1 million.

Other investment of S\$4.1 million in 3Q2019 was in relation to the Group's investment of a 9.99% equity stake in a unit trust named AM Crossroads Equity Unit Trust (the "Fund"). The Fund owns 50% of the Crossroads Homemaker Centre, a large retail centre situated on a land size of 143,520 sqm over 4 separate lots located in the Sydney metropolitan suburb of Casula, for the purposes of refurbishment and/or redevelopment of part or whole of the retail centre for income enhancement and sale at the end of initial investment terms. The investment is in line with the Group's plan to expand overseas and explore new opportunity to undertake property development projects in overseas.

Investment in joint ventures and associates decreased by S\$22.6 million from S\$17.0 million as at 31 May 2018 to a negative of S\$5.6 million (resulting from S\$3.1 million as presented under non-current assets less S\$8.7 million as presented under non-current liabilities) as at 28 February 2019 mainly due to dividend income received from the joint ventures and associates of S\$6.5 million and S\$8.4 million respectively in 9M2019 and share of losses of joint ventures and associates of S\$7.3 million in 9M2019.

Current assets

Development properties increased by S\$37.4 million or 47.6% from S\$78.6 million as at 31 May 2018 to S\$116.0 million as at 28 February 2019 mainly due to acquisition costs incurred for Pei-Fu Industrial Building at 24 New Industrial Road, offset by decrease in development properties for T-Space @ Tampines and Mactaggart Foodlink as a result of the sale of development units at these developments.

Contract assets decreased by S\$57.9 million or 75.5% from S\$76.7 million as at 31 May 2018 to S\$18.8 million as at 28 February 2019 mainly due to decrease in contract assets from T-Space @ Tampines, offset by increase in contract assets from Mactaggart Foodlink.

Trade receivables increased by S\$2.8 million or 13.9% from S\$20.4 million as at 31 May 2018 to S\$23.2 million as at 28 February 2019 mainly due to increase in trade receivables of S\$6.2 million from T-Space @ Tampines and GST receivable of S\$4.6 million, offset by decreases in trade receivables of (i) S\$7.0 million from Mandai Foodlink and (ii) S\$0.9 million from Mactaggart Foodlink.

Other receivables and deposits decreased by S\$6.0 million or 96.9% from S\$6.2 million as at 31 May 2018 to S\$0.2 million as at 28 February 2019 mainly due to reclassification of deposit paid for the purchase of Pei-Fu Industrial Building at 24 New Industrial Road to development properties upon legal completion of acquisition in November 2018.

Capitalised contract costs increased by S\$1.0 million from S\$0.2 million as at 31 May 2018 to S\$1.2 million as at 28 February 2019 mainly due to increase in sales commission paid for the sale of development units at Mactaggart Foodlink.

Amounts due from joint ventures and associates increased by S\$0.7 million or 0.6% from S\$119.7 million as at 31 May 2018 to S\$120.4 million as at 28 February 2019 mainly due to an increase in loans to associates to finance the development expenditure for the development properties, namely Riverfront Residences and Lorong 24 Geylang held jointly through the associates, offset by repayment of loan due from an associate.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

B. Financial Position Statements (cont'd)

Current assets (cont'd)

Amount due from non-controlling interests increased by S\$2.2 million as at 28 February 2019 as compared to 31 May 2018 mainly due to loans to non-controlling interests in 3Q2019.

Current liabilities

Trade and other payables and accruals decreased by S\$4.2 million or 4.0% from S\$10.5 million as at 31 May 2018 to S\$6.3 million as at 28 February 2019 mainly due to decreases in (i) GST payable of S\$2.0 million, (ii) sales commission payable for T-Space @ Tampines and Mactaggart Foodlink of S\$2.8 million, (iii) deposits received from purchasers upon signing the option to purchase the development units at Mactaggart Foodlink amounting to S\$2.2 million; offset by increase in deferred interest income from associates of S\$1.2 million.

Contract liabilities decreased by S\$1.5 million as at 28 February 2019 as compared to 31 May 2018 mainly due to progress of percentage of completion for sold development units at Mactaggart Foodlink.

Amounts due to related companies decreased by S\$6.5 million or 61.0% from S\$10.7 million as at 31 May 2018 to S\$4.2 million as at 28 February 2019 mainly due to repayment of amounts due to related companies in 9M2019.

Amounts due to joint ventures and associates decreased by S\$10.2 million or 78.7% from S\$12.9 million as at 31 May 2018 to S\$2.7 million as at 28 February 2019 mainly due to repayment of loans due to joint ventures and associates in 9M2019.

Amounts due to non-controlling interests increased by S\$0.7 million or 6.1% from S\$12.8 million as at 31 May 2018 to S\$13.5 million as at 28 February 2019 mainly due to increase in loan from non-controlling interests of S\$13.5 million, offset by repayment of loan to non-controlling interests of S\$12.8 million in 9M2019.

Current portion of bank loans decreased by S\$72.7 million or 88.5% from S\$82.1 million as at 31 May 2018 to S\$9.4 million as at 28 February 2019 mainly due to repayment of interest-bearing land and construction loans of S\$81.8 million for the Group's industrial development project, T-Space @ Tampines offset by S\$9.4 million of current bank loan reclassified from non-current bank loans as at 28 February 2019.

Non-current liabilities

Non-current bank loans increased by S\$43.7 million from S\$35.5 million as at 31 May 2018 to S\$79.2 million as at 28 February 2019 mainly due to bank loans of S\$57.2 million drawn down for the acquisition of Pei-Fu Industrial Building at 24 New Industrial Road in November 2018.

C. Cash Flow Statements

Overall, cash and cash equivalents decreased by S\$16.4 million from S\$51.1 million as at 31 May 2018 to S\$34.7 million as at 28 February 2019, due to net cash flows from operating activities of S\$15.1 million and investing activities of S\$11.3 million; offset by net cash used in financing activities S\$42.8 million respectively.

Net cash flows from operating activities of S\$15.1 million in 9M2019 was mainly due to operating cash flows before changes in working capital of S\$5.8 million and net working capital inflows of S\$9.4 million after payment of interest charges and income tax.

Net cash flows from investing activities of S\$11.3 million in 9M2019 was mainly due to dividend income received from joint ventures and associates of S\$6.5 million and S\$8.4 million respectively, partially offset by payment for other investment of S\$4.1 million in 9M2019.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

C. Cash Flow Statements (cont'd)

Net cash used in financing activities of S\$42.8 million in 9M2019 was mainly due to (i) repayment of bank loans of S\$86.2 million, of which S\$81.8 million for T-Space @ Tampines and S\$4.4 million for Mactaggart Foodlink; (ii) repayment of loans to non-controlling interests of S\$12.8 million; (iii) repayment of loans to joint ventures and associates of S\$10.1 million and (iv) dividend paid to non-controlling interests of S\$0.6 million, partially offset by loans from non-controlling interests of S\$11.3 million and proceeds from bank loans of S\$57.2 million.

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

No forecast or prospect statement has previously been disclosed.

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.**

According to the news release published by the Ministry of Trade and Industry Singapore on 15 February 2019, Singapore's economy grew by 3.2 per cent in 2018 and GDP growth for 2019 forecast at "1.5 to 3.5 per cent". With the various property cooling measures implemented, the Group expects the residential property market to remain challenging.

The Group will continue to monitor the property market closely and take appropriate action when necessary. The Group is cautious when seeking opportunities to replenish its land bank and will continue to explore business opportunities in the region through acquisition, joint venture and/or strategic alliances that will complement its property development business.

11. Dividend

a. Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

No.

b. Corresponding Period of the Immediately Preceding Financial Year.

No.

c. Date payable.

Not Applicable.

d. Books closure date.

Not Applicable.

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

No dividend has been declared or recommended for the financial period ended 28 February 2019 as the Group intends to conserve the Group's cash position.

13. If the Group has obtained a general mandate from shareholders for IPTs, 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 had sought renewal of the general mandate from shareholders for the Interested Person Transactions ("IPTs") in the Annual General Meeting held on 25 September 2018.

The aggregate value of all interested person transactions during the 9 months ended 28 February 2019 were as follows:

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under 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 S\$100,000)	
	Total value of the transaction	Based on issuer's effective interest pursuant to Catalyst Rule 909(1)	Total value of the transaction	Based on issuer's effective interest pursuant to Catalyst Rule 909(1)
	S\$'000	S\$'000	S\$'000	S\$'000
<i>Construction services by related companies</i>				
Lian Beng Construction (1988) Pte Ltd ⁽¹⁾	-	-	2,901	1,480
L.S. Construction Pte Ltd ⁽¹⁾	-	-	6,168	1,234
<i>Interest expenses to holding company</i>				
Lian Beng Group Ltd	772	772	-	-

Notes:

- (1) Lian Beng Construction (1988) Pte Ltd and L.S. Construction Pte Ltd are wholly-owned subsidiaries of the Company's controlling shareholder, Lian Beng Group Ltd.

14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)

The Company confirms that it has procured the undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

15. Use of Proceeds

The Company raised gross proceeds from the Invitation of approximately S\$54.7 million (the "**Gross Proceeds**"). As at the date of this announcement, the Gross Proceeds have been utilised as follows:

Purpose of the IPO Proceeds	Amount allocated S\$'000	Amount utilised as at the date of this announcement S\$'000	Balance as at the date of this announcement S\$'000
Acquisition of new land sites and buildings for development, redevelopment and overseas expansion of its business	18,000	13,125 ⁽¹⁾	4,875
Funding of existing property development projects in the pipeline and other general working capital	18,377	15,919	2,458
Repayment of bridging loan	15,000	15,000	-
Payment of listing expenses	3,363	3,363	-
Total	54,740	47,407	7,333

Notes:

(1) The amount utilised is to fund the acquisition of the Pei-Fu Industrial Building which was announced by the Company on 24 April 2018

The above utilisation of Gross Proceeds is in line with the intended use of proceeds as set out in the Offer Document dated 11 April 2018.

16. Confirmation pursuant to Rule 705(5) of the Catalist Listing Manual

On behalf of the Board of Directors of the Company, we, the undersigned, do hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the unaudited consolidated financial statements of the Group and the Company for the nine months ended 28 February 2019 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Ong Lay Koon
Non-independent Non-Executive Chairman
12 April 2019

Ong Eng Keong
Executive Director and Chief Executive Officer