



KING WAN CORPORATION LIMITED

Incorporated in Singapore (Company Registration No. 200001034R)

Fourth Quarter & Full Year Results – Financial Statement And Related Announcement

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

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

KING WAN CORPORATION LIMITED

STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME

	N o t e	GROUP 12 MONTHS ENDED 31 MARCH			GROUP QUARTER ENDED 31 MARCH		
		2016	2015	Incr/ (Decre)	2016	2015	Incr/ (Decre)
		S\$	S\$		S\$	S\$	
Revenue		100,757,821	85,243,986	18%	22,189,974	23,763,897	-7%
Cost of Sales		(84,405,922)	(72,787,829)	16%	(18,803,594)	(20,567,518)	-9%
Gross Profit		16,351,899	12,456,157	31%	3,386,380	3,196,379	6%
Other Operating Income							
Dividend income		9,407	16,186	-42%	-	-	n.m
Gain on disposal of available- for-sale investments	1	-	270,465	n.m	-	-	n.m
Interest income	2	1,558,854	1,908,112	-18%	424,682	590,731	-28%
Management fees income		119,587	115,873	3%	37,347	36,744	2%
Rental income	3	882,827	1,001,495	-12%	207,330	267,020	-22%
Fee income from financial guarantees to associates	4	502,649	942,716	-47%	(78,585)	285,060	-128%
Sundry income	5	278,231	113,286	146%	193,571	83,457	132%
		3,351,555	4,368,133	-23%	784,345	1,263,012	-38%
Gains on disposal of associates	6	-	24,134,088	-100%	-	-	n.m
Administrative expenses	7	(7,560,192)	(9,424,493)	-20%	(2,490,273)	(1,988,240)	25%
Allowance for amount due from associates	8	(11,841,516)	(12,000,000)	-1%	(3,841,516)	(12,000,000)	-68%
Share of associates' results	9	(2,128,099)	(389,929)	446%	(3,528,232)	439,900	-902%
Loss of impairment on available for sale investments	10	(12,742,717)	-	n.m	(12,742,717)	-	n.m
Finance Costs	11	(1,371,946)	(736,507)	86%	(398,534)	(166,645)	139%
(Loss) Profit Before Income Tax		(15,941,016)	18,407,449	-187%	(18,830,547)	(9,255,594)	103%
Income Tax Expense	12	(1,953,070)	(1,326,680)	47%	(312,046)	(403,657)	-23%
(Loss) Profit For The Financial Period		(17,894,086)	17,080,769	-205%	(19,142,593)	(9,659,251)	98%
Other comprehensive (expense) income:							
<i>Items that may be reclassified subsequently to profit or loss</i>							
Exchange differences on translation of foreign operations		(55,765)	60,444	-192%	(41,233)	(368,246)	-89%
Reclassification adjustment of cumulative exchange differences to profit or loss upon disposal of associates	13	-	1,974,740	n.m	-	-	n.m
Fair value adjustment of available-for-sale investments	10	(13,048,271)	305,554	n.m	(4,613,749)	(9,814,218)	-53%
Reclassification to profit or loss from equity on impairment of available-for-sale investments	10	12,742,717	-	n.m	12,742,717	-	n.m
Total Comprehensive (Loss) Income attributable to equity holders of the Company		(18,255,405)	19,421,507	-194%	(11,054,858)	(19,841,715)	-44%

Fourth Quarter (4Q2016) and 12 Months ended 31 March 2016

Note 1 – There was no disposal of available-for-sale investments in the current period.

Note 2 – There was no interest income recognized on loans made to an associate (Dalian Shicheng Property Development (S) Pte Ltd (“DLSC Singapore”) in the current year.

Note 3 – Lower rental income as a result of lower occupancy at the workers’ dormitory operated directly by the Group.

Note 4 – Lower fee income from financial guarantees to associates due to repayment of bank borrowings by associates to banks.

Note 5 – Higher sundry income due to higher employment credits received.

Note 6 – In the last financial year, there was a gain on disposal of associates arose as a result of completion of divestment of the Group’s two Thailand associates, Environment Pulp & Paper Company Ltd (“EPPCO”) and Ekarat Pattana Company Ltd (“EPC”).

Note 7 - Included in administration expenses are the following:

		GROUP 12 MONTHS ENDED			QUARTER 3 MONTHS ENDED		
		31.3.2016 S\$	31.3.2015 S\$	Increase/ (Decrease) S\$	31.3.2016 S\$	31.3.2015 S\$	Increase/ (Decrease) S\$
Allowance for doubtful trade receivables	i	214,852	798,154	(583,302)	473,604	758,924	(285,320)
Bad debts written off		-	44,994	(44,994)	-	44,994	(44,994)
Loss on disposal of plant and equipment		77,402	11,668	65,734	42,789	1,380	41,409
Change in fair values of held-for trading investments		28,580	76,103	(47,523)	(6,539)	32,211	(38,750)
JTC rental		258,814	248,803	10,011	65,038	61,075	3,963
Property tax		130,000	130,000	-	32,500	32,500	-
Directors remuneration	ii	1,485,828	3,112,309	(1,626,481)	420,502	(169,291)	589,793
Directors fees		176,000	176,000	-	43,999	43,997	2
Staff related expenses		2,014,212	2,041,325	(27,113)	618,900	654,358	(35,458)
Depreciation		1,185,146	1,187,450	(2,304)	284,403	305,977	(21,574)

i. Trade amounts due from main contractors for mechanical & electrical engineering contracts which were previously provided for allowance and which were subsequently collected and written back during the period reduced the amount of allowance of doubtful trade receivables in the current year.

ii. There was no provision for profit sharing for Executive Directors in view of the net losses in the current financial year.

Note 8 - Allowance was made in connection with the Group’s real estate development business in Dalian, China. In view of the continuing depressed real estate market in Dalian, China, the Group made allowance for doubtful receivables due from its associate, DLSC Singapore amounting to an aggregate of S\$10.70 million for the financial year ended 31 March 2016. An allowance was also made for the loans made to an associate in the ship ownership and chartering business where business conditions had remained lull.

Note 9 – The share of losses from associates had arisen mainly from the share of start-up expenses for the new dormitory business in Singapore and share of operating expenses for associates dealing in investment properties. Further losses were from the ship ownership and chartering associate which is facing a tougher operating environment. There was also an increase in the losses recognized from the Group’s property development associates in Singapore from the ongoing residential development projects.

Note 10 – The impairment recognized on available-for-sale investments relates to the marking of the Kaset Thai International Sugar Corporation Public Company Limited (“KTIS”) shares (listed on the Stock Exchange of Thailand) held by the Group to market values as at financial year end. The shares had decreased in value due to a lower closing price and weakening of the Thai Baht against the Singapore Dollar.

Note 11 - There was higher utilization of bank facilities to finance the Group’s business activities.

Note 12 – The effective tax rate for the current period was higher due to adjustments made for losses that were not tax deductible.

Note 13 – The reclassification of exchange differences in the previous corresponding period had arisen from the completion of divestment of the Group’s two Thailand associates, EPPCO and EPC.

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the

immediately preceding financial year

KING WAN CORPORATION LIMITED (GROUP)
STATEMENT OF FINANCIAL POSITION

	As at 31.3.2016	As at 31.3.2015
	S\$	S\$
<u>ASSETS</u>		
Current Assets:		
Cash and cash equivalents	5,567,519	11,350,261
Trade receivables	9,031,859	13,057,089
Other receivables and prepayments	48,412,406	165,178
Construction work-in-progress	13,202,057	10,074,530
Inventories	1,119,163	1,259,445
Held-for-trading investments	584,277	612,858
Total current assets	77,917,281	36,519,361
Non-current assets		
Property, plant and equipment	4,294,644	5,343,386
Other receivables	36,185,370	72,166,145
Available-for-sale investments	31,392,803	44,441,074
Investment in associates and a joint venture	2,509,922	3,702,791
Total non-current assets	74,382,739	125,653,396
Total assets	152,300,020	162,172,757
<u>LIABILITIES AND EQUITY</u>		
Current Liabilities		
Bank borrowings	24,480,995	18,944,832
Trade payables	13,055,373	13,690,633
Bills payables	22,455,370	19,569,738
Provision for rectification costs	988,383	1,408,227
Other payables	4,627,470	4,510,974
Construction work-in-progress	3,969,455	3,038,404
Income tax payable	1,956,952	1,453,352
Current portion of finance leases	270,636	278,702
Total current liabilities	71,804,634	62,894,862
Non-current liabilities		
Finance leases	239,618	510,254
Bank borrowings	3,619,475	384,374
Deferred tax liabilities	214,859	214,859
Total non-current liabilities	4,073,952	1,109,487
Capital and reserves		
Share capital	46,813,734	46,813,734
Retained earnings	29,506,795	50,892,450
Foreign currency translation reserve	100,905	156,670
Revaluation reserve	-	305,554
Total equity	76,421,434	98,168,408
Total liabilities and equity	152,300,020	162,172,757

KING WAN CORPORATION LIMITED (COMPANY)

STATEMENT OF FINANCIAL POSITION

	As at 31.3.2016	As at 31.3.2015
	S\$	S\$
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	401,002	440,523
Amount due from subsidiaries	7,107,146	16,711,981
Other receivables and prepayments	11,700	20,034
Total current assets	7,519,848	17,172,538
Non-current assets:		
Investment in subsidiaries	26,142,151	26,389,213
Investment in associates and a joint venture	1,990,592	2,831,953
Available-for-sale investments	24,207,866	34,269,751
Property, plant and equipment	4,522	9,638
Total non-current assets	52,345,131	63,500,555
Total assets	59,864,979	80,673,093
<u>LIABILITIES & EQUITY</u>		
Current liabilities:		
Other payables	3,796,203	3,157,562
Income tax payable	40	95,000
Amount due to a subsidiary	10,409,298	6,124,298
Total current liabilities	14,205,541	9,376,860
Capital and reserves:		
Share capital	46,813,734	46,813,734
Retained earnings	(1,154,296)	24,246,878
Revaluation reserve	-	235,621
Total equity	45,659,438	71,296,233
Total liabilities and equity	59,864,979	80,673,093

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

Amount repayable in one year or less, or on demand

31.3.2016		31.3.2015	
Secured	Unsecured	Secured	Unsecured
\$270,636	\$46,936,365	\$278,702	\$38,514,570

Amount repayable after 1 year

31.3.2016		31.3.2015	
Secured	Unsecured	Secured	Unsecured
\$239,618	\$3,619,475	\$510,254	\$384,374

Details of any collateral

Secured liabilities refer to assets purchased under finance lease agreements. Unsecured liabilities refer to banking facilities guaranteed by the Company.

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

**KING WAN CORPORATION LIMITED
STATEMENT OF CASHFLOWS**

	GROUP 12 MONTHS ENDED		GROUP QUARTER ENDED	
	31.3.2016	31.3.2015	31.3.2016	31.3.2015
	S\$	S\$	S\$	S\$
Operating Activities				
<i>Profit before income tax</i>	(15,941,016)	18,407,449	(18,830,548)	(9,255,594)
Adjustments for				
Loss on disposal of plant and equipment	77,402	11,668	42,789	1,380
Gain on disposal of available-for-sale investments	-	(270,465)	-	-
Net allowance for doubtful trade receivables	214,852	798,154	473,604	758,924
Bad debts written off on other receivables	-	44,994	-	44,994
Reversal of allowance for inventories obsolescence	(4,828)	(31,484)	(4,828)	(31,484)
Loss on impairment of available-for-sale investments	12,742,717	-	12,742,717	-
Change in fair values on investments held for trading	28,580	76,103	(6,539)	32,211
Depreciation	1,185,146	1,187,450	284,403	305,977
Dividend income from other investments	(824,217)	(1,343,152)	-	-
Gain on disposal of associates	-	(24,134,088)	-	-
Interest expense	1,371,946	736,507	398,534	166,645
Interest income	(1,558,854)	(1,908,112)	(424,682)	(590,731)
Provision for rectification costs	180,714	505,779	75,514	203,607
Share of associates' results	2,128,099	389,929	3,528,232	(439,900)
Fee income from financial guarantee to associates	(502,649)	(942,716)	78,585	(285,060)
Allowance for amounts due from associates	11,841,516	12,000,000	3,841,516	12,000,000
Trade receivables written off	-	-	-	(12,161)
<i>Operating profit before working capital changes</i>	10,939,408	5,528,016	2,199,297	2,898,808
Construction work-in-progress	(2,196,475)	8,152,441	1,634,364	2,735,807
Inventories	145,109	(214,180)	(76,181)	(44,386)
Other payables	9,753	857,228	(1,086,703)	(2,297,674)
Other receivables and prepayments	(140,060)	(6,269)	(99,243)	(81,050)
Trade payables and bill payables	2,250,371	6,950,390	(4,672,219)	5,852,884
Provision for rectification costs utilised	(600,558)	(84,416)	(524,362)	(84,416)
Trade receivables	3,810,378	(4,564,657)	5,263,255	512,839
<i>Cash from operations</i>	14,217,926	16,618,553	2,638,208	9,492,812
Income tax paid	(1,449,469)	(1,559,589)	(70,306)	(176,260)
Interest paid	(1,371,946)	(736,507)	(398,534)	(166,645)
<i>Net cash from operating activities</i>	11,396,511	14,322,457	2,169,368	9,149,907
INVESTING ACTIVITIES				
Investment in associates	-	(190,000)	-	-
Loans to associates	(22,817,239)	(14,721,153)	(3,537,950)	(5,280,996)
Dividends received from available for sales and held-for-trading investments	824,217	1,343,152	-	-
Interest received	37,464	41,300	7,278	5,374
Purchase of held-for-trading investments	-	(250,000)	-	-
Proceeds from sale of held-for-trading investments	-	41,558	-	-
Proceeds from the disposal of available-for-sale investments	-	1,498,965	-	-
Proceeds from the disposal of property, plant and equipment	8,630	49,275	7,140	386
Purchase of property, plant and equipment	(222,435)	(703,330)	(89,208)	(25,481)
<i>Net cash used in investing activities</i>	(22,169,363)	(12,890,233)	(3,612,740)	(5,300,717)
FINANCING ACTIVITIES				
Dividends paid	(3,491,769)	(7,681,911)	(201)	-
Dividends refunded	201	-	201	-
Repayments of finance leases	(278,702)	(274,649)	(66,600)	(66,137)
Net proceeds from bank borrowings	8,771,263	8,829,206	1,787,830	(370,794)
<i>Net cash from (used in) financing activities</i>	5,000,993	872,646	1,721,230	(436,931)
<i>Net effect of exchange rate changes</i>	(10,883)	-	(10,883)	-
NET CHANGE IN CASH AND CASH	(5,782,742)	2,304,870	266,975	3,412,259

EQUIVALENTS

CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD

11,350,261 9,045,391 5,300,544 7,938,002

CASH AND CASH EQUIVALENTS AT END OF PERIOD

a 5,567,519 11,350,261 5,567,519 11,350,261

Note a

Cash and cash equivalents consist of cash, bank balances and fixed deposits, less bank overdrafts as follows:

		31.3.2016	31.3.2015
		S\$	S\$
Cash and Bank Balances		5,567,519	11,350,261
Fixed Deposits		-	-
Bank Overdraft		-	-
Net		5,567,519	11,350,261

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

STATEMENT OF CHANGES IN EQUITY

GROUP	SHARE CAPITAL	RETAINED EARNINGS	INVESTMENT REVALUATION RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE	TOTAL
	S\$	S\$	S\$	S\$	S\$
Balance as at 1 April 2014	46,813,734	41,493,592	-	(1,878,514)	86,428,812
Dividends paid	-	(7,681,911)	-	-	(7,681,911)
Total Comprehensive Income for the Period	-	17,080,769	305,554	2,035,184	19,421,507
Balance as at 31 March 2015	46,813,734	50,892,450	305,554	156,670	98,168,408
Balance as at 1 April 2015	46,813,734	50,892,450	305,554	156,670	98,168,408
Dividends paid	-	(3,491,569)	-	-	(3,491,569)
Total Comprehensive Loss for the Period	-	(17,894,086)	(13,048,271)	(55,765)	(30,998,122)
Reclassification to profit and loss from equity on impairment of available-for-sale investments	-	-	12,742,717	-	12,742,717
Balance as at 31 March 2016	46,813,734	29,506,795	-	100,905	76,421,434

COMPANY	SHARE CAPITAL	RETAINED EARNINGS	INVESTMENT REVALUATION RESERVE	TOTAL
	S\$	S\$	S\$	S\$
Balance as at 1 April 2014	46,813,734	16,783,293	-	63,597,027
Dividends paid	-	(7,681,911)	-	(7,681,911)
Total Comprehensive Income for the Period	-	15,145,496	235,621	15,381,117
Balance as at 31 March 2015	46,813,734	24,246,878	235,621	71,296,233
Balance as at 1 April 2015	46,813,734	24,246,878	235,621	71,296,233
Dividends paid	-	(3,491,569)	-	(3,491,569)
Total Comprehensive Loss for the Period	-	(21,909,605)	(10,061,885)	(31,971,490)
Reclassification to profit and loss from equity on impairment of available-for-sale investments	-	-	9,826,264	9,826,264
Balance as at 31 March 2016	46,813,734	(1,154,296)	-	45,659,438

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any against the total number of issued shares excluding treasury shares 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.

There are no changes in the Company's share capital since the end of the previous period reported on.

As at 31 March 2016, the Company does not have any outstanding convertibles or treasury shares (as at 31 March 2015 : Nil).

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.

The total number of issued shares as at the end of 31 March 2016 is 349,176,870 (as at 31 March 2015 : 349,176,870).

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

As at 31 March 2016, the Company does not have any treasury shares.

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

The figures have not been audited or reviewed.

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

The Group has applied the same accounting policies and methods of computation in this announcement as those of the audited financial statements for the financial year ended 31 March 2015, as well as all the applicable Financial Reporting Standards ("FRS") which became effective for the financial year beginning on or after 1 April 2015. The adoption of those new and revised FRSs has no material effect on the financial statements for the current period.

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 the new and revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 April 2015. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group's and Company's accounting policies and has no material effect on the amounts reported for the current period or prior years.

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

	Group		Group	
	12 months ended		Quarter ended	
	31.3.2016	31.3.2015	31.3.2016	31.3.2015
(i) Basic earnings per share (in cents)	(5.12)	4.89	(5.48)	(2.77)
Weighted Average Number of Shares	349,176,870	349,176,870	349,176,870	349,176,870
(ii) Diluted earnings per share (in cents)	(5.12)	4.89	(5.48)	(2.77)
Weighted Average Number of Shares	349,176,870	349,176,870	349,176,870	349,176,870

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

	Group		Company	
	As at		As at	
	31.3.2016	31.3.2015	31.3.2016	31.3.2015
Net Asset Value Per Ordinary Share (in cents)	21.89	28.11	13.08	20.42
Number of Shares	349,176,870	349,176,870	349,176,870	349,176,870

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.

Fourth Quarter ended 31 March 2016 (4Q2016)

The Group's revenue for 4Q2016 recorded S\$22.19 million, a decrease of 7% compared to the corresponding quarter last year (4Q2015). The decrease was due to lower recognition of revenue from ongoing Mechanical and Electrical (M&E) contracts during the quarter. Gross profit margin had improved from 13.5% to 15.3% due to a stronger set of order book.

The Group's net loss for 4Q2016 was S\$19.14 million, compared to a loss of S\$9.66 million in the last corresponding period (4Q2015). The increase in losses was a result of impairment recognized on the shares of Kaset Thai International Sugar Corporation Public Company Limited ("KTIS"), which are listed on the Stock Exchange of Thailand and held by the Group as at financial year end. The shares had decreased in value due to a lower closing price and weakening of the Thai Baht against the Singapore Dollar. There was also higher share of losses from associates during the quarter due to the underperformance of associates involved in real estate development in Singapore, the ownership and chartering of vessel and share of expenses for the associates involved in dormitory operations and investment properties.

12 Months ended 31 March 2016 (FY2016)

The Group's revenue for FY2016 recorded S\$100.76 million, a 18% increase compared to FY2015. The increase was brought about by the higher recognition of revenue from increased ongoing Mechanical and Electrical (M&E) contracts. Gross profit margin for the works completed in FY2016 was 16.2%, which was higher than the 14.6% achieved in FY2015.

The Group's net loss after income tax was S\$17.89 million, compared to a profit of S\$17.08 million achieved in FY2015. Besides the impairment losses recognized on the KTIS' shares as at financial year end, allowances were also made in connection with the Group's real estate development business in China for an aggregate of S\$10.70 million. Further allowances were made for the loans made to an associate in the ship ownership and chartering business where business conditions had remained lull.

There was also the absence of a one-time net gain from the completion of divestment of the two associates in

Thailand achieved in the last financial year.

Earnings Per Share (EPS) and Net Asset Value Per Share (NAV)

EPS for 4Q2016 was -5.48 cents, compared to -2.77 cents in 4Q2015, while EPS for FY2016 was -5.12 cents, compared to 4.89 cents in FY2015.

NAV for the Group stood at 21.89 cents per share at 31 March 2016, a decrease from 28.11 cents per share at 31 March 2015. This was due mainly to a reduction in investment revaluation reserve as a result of downward adjustment to the fair value of the available-for-sale investments held by the Group, as well as losses during the financial year.

Balance Sheet Review

The Group's equity base stood at S\$76.42 million as at 31 March 2016, a decrease from S\$98.17 million as at 31 March 2015.

Total current assets amounted to S\$77.92 million, higher than the S\$36.52 million as at 31 March 2015. The increase was due mainly to a portion of the amounts due from associates being receivable within 12 months from 31 March 2016.

Non-current assets decreased to S\$74.38 million from S\$125.65 million. The decrease was caused by a portion of the amounts due from associates being reclassified as current receivable and a reduction in the fair values of the available-for-sale investments held by the Group.

Current liabilities increased to S\$71.80 million from S\$62.89 million and were due to higher bank borrowings and bill payables at year end, to finance both the Group's M&E activities and Group's investments.

Non-current liabilities increased by S\$2.96 million due to increased bank borrowings to finance the Group's investments.

The debt-equity ratio has increased to 0.67 as at 31 March 2016 as compared to 0.40 as at 31 March 2015 due to the increased bank borrowings and a lower equity base.

Cashflows & Liquidity

Fourth Quarter ended 31 March 2016 (4Q2016)

Net cash from operating activities amounted to S\$2.17 million, lower than the S\$9.15 million in the last corresponding quarter (4Q2016). Main decreases had resulted from lower inflows from construction work-in-progress and higher outflows in the servicing of trade and bills payables.

Net cash used in investing activities amounted to S\$3.61 million, lower than the S\$5.30 million used in 4Q2015. The lower cash outflow was due to lower loan amounts extended to associates of the Group during the current quarter

Net cash from financing activities amounted to S\$1.72 million in 4Q2016 compared to an outflow of S\$0.44 million in 4Q2015. The inflows were due mainly to higher proceeds from bank borrowings in the current quarter as compared to the last corresponding quarter.

12 Months ended 31 March 2016 (FY2016)

Net cash from operating activities for FY2016 amounted to S\$11.40 million compared to S\$14.32 million in FY2015. The lower net cash inflow was attributable to a decrease in construction work-in-progress, lower inflows from trade and bill payables. The decreases were partly reduced by higher operating receipts during the year.

Net cash used in investing activities for FY2016 amounted to S\$22.17 million, higher than the S\$12.89 million used in FY2015. This was a result of loans to associates to finance their business during the current year. There was also absence of proceeds from the disposal of available-for-sale investments in the current year.

Net cash from financing activities amounted to S\$5.00 million in FY2016 compared to S\$0.87 million in FY2015 due to lower dividend paid out in the current financial year.

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

No forecast had been issued.

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

The Mechanical and Electrical (M&E) business segment is expected to remain challenging in the next 12 months with higher competition for projects available in the market. Nevertheless, M&E business will remain the core business of the Group and will continue to contribute positively to the Group's results for the next 12 months.

As at the date of this Announcement, the Group has approximately S\$164.5 million worth of M&E engineering contracts on hand, with completion dates ranging from years 2016 to 2018.

The ship chartering business is expected to remain challenging in the next reporting period and the next 12 months with chartering rates expected to remain low.

The newly commenced dormitory operations is expected to pick up on its occupancy rate once the project is fully completed in the first half of FY2017. However, the associate is expected to face pressures on rental rates in view of the unfavourable economic conditions.

11. Dividend

- (a) Current Financial Period Reported On**
Any dividend declared for the current financial period reported on?

No.

- (b) Corresponding Period of the Immediately Preceding Financial Year**
Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount per Share	1.0 cents per ordinary share
Dividend Rate	N.A
Tax Rate	1 tier tax exempt

- (c) Date payable**

Not applicable.

- (d) Books closure date**

Not applicable.

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

No dividend has been declared or recommended.

13. If the Group has obtained a general mandate from shareholders for interested person transactions ("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 does not have any interested person transaction and no IPT mandate has been obtained.

14. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720 (1).

The Company confirms compliance with Rule 720(1).

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

15. Segmented revenue and results for business or geographical 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

2016

	Plumbing & Sanitary S\$	Electrical S\$	Toilet Rental S\$	Investment Holdings S\$	Others S\$	Elimination S\$	Consolidated Total S\$
Revenue							
External Sales	56,885,087	39,556,648	3,508,278	814,810	-	(7,002)	100,757,821
Segment Results	8,705,888	1,858,260	93,073	(26,851,055)	-	119,730	(16,074,104)
Unallocated Expenses							(1,739,074)
Net Other Operating Income							3,244,108
Finance Costs							(1,371,946)
Profit Before Income Tax							(15,941,016)
Income Tax Expense							(1,953,070)
Loss for the Financial Year							(17,894,086)
Other Information							
Capital expenditures additions	9,112	9,112	27,012	-	177,198	-	222,434
Depreciation	16,075	16,075	273,090	-	879,906	-	1,185,146
Amortisation of financial guarantee liability	-	-	-	-	1,002,083	(499,434)	502,649
Loss on impairment on available-for-sale investments	-	-	-	12,742,717	-	-	12,742,717
Allowance for loans to associates	-	-	-	11,841,516	-	-	11,841,516
Allowance for Doubtful Debts	148,469	20,409	45,974	-	-	-	214,852
Assets							
Segment Assets	17,746,831	4,846,050	2,799,870	118,195,264	-	(1,076)	143,586,939
Unallocated Corporate Assets							8,713,081
Consolidated Total Assets							152,300,020
Liabilities							
Segment Liabilities	23,115,302	16,735,536	3,999,781	0	-	(3,111,986)	40,738,633
Unallocated Corporate Liabilities							35,139,953
Consolidated Total Liabilities							75,878,586

Primary reporting format-Business Segments – 2015

2015

	Plumbing & Sanitary S\$	Electrical S\$	Toilet Rental S\$	Investment Holdings S\$	Others S\$	Elimination S\$	Consolidated Total S\$
Revenue							
External Sales	60,216,205	20,069,910	3,632,850	1,326,966	-	(1,945)	85,243,986
Segment Results	3,641,338	507,313	159,758	13,071,124	-	936,000	18,315,533
Unallocated Expenses							(4,113,412)
Net Other Operating Income							4,941,835
Finance Costs							(736,507)
Profit Before Income Tax							18,407,449
Income Tax Expense							(1,326,680)
Profit for the Financial Year							17,080,769
Other Information							
Capital expenditures additions	7,705	7,705	367,005	-	582,524	-	964,939
Depreciation	17,129	17,129	263,590	-	889,602	-	1,187,450
Amortisation of financial guarantee liability	-	-	-	-	1,266,911	(324,195)	942,716
Allowance for Doubtful Debts	643,393	154,473	288	-	-	-	798,154
Allowance for loans to associates	-	-	-	12,000,000	-	-	12,000,000
Assets							
Segment Assets	19,756,791	3,954,350	5,200,913	120,310,011	-	(2,001,076)	147,220,989
Unallocated Corporate Assets							14,951,768
Consolidated Total Assets							162,172,757
Liabilities							
Segment Liabilities	23,573,107	13,501,683	4,439,591	370,719	-	(3,275,842)	38,609,258
Unallocated Corporate Liabilities							25,395,091
Consolidated Total Liabilities							64,004,349

SEGMENTAL REPORTING

Secondary reporting format – Geographical Segments

	Revenue		Non Current Asset	
	Latest 12 months to 31-Mar-16 S\$	Latest 12 months to 31-Mar-15 S\$	Latest 12 months to 31-Mar-16 S\$	Latest 12 months to 31-Mar-15 S\$
Singapore	100,757,821	85,243,986	73,975,967	125,188,670
Thailand	-	-	406,772	464,726
TOTAL	100,757,821	85,243,986	74,382,739	125,653,396

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Please refer to Item 8.

17. A breakdown of sales

	Group		
	2016	2015	%increase/(decrease)
	S\$	S\$	
Sales reported for the first half year	52,316,992	39,888,530	31%
Net profit after tax for the first half year	7,109,404	26,654,641	-73%
Sales reported for the second half year	48,440,829	45,355,456	7%
Net profit after tax for the second half year	(25,003,490)	(9,573,872)	161%

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

Total Annual Dividend (*Refer to Para 16 of Appendix 7.2 for the required details*)

	Latest Full Year 2016	Latest Full Year 2015
Ordinary	-	S\$5,936,027
Preference	-	-
Total:	-	S\$5,936,027

19. Disclosure of person occupying a managerial position in the Issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the Issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held if any, during the year
Chua Kim Hua	76	a) Brother of Chua Hai Kuey b) Father of Chua Eng Eng	Executive Chairman - February 2000	No change
Chua Hai Kuey	65	a) Brother of Chua Kim Hua b) Uncle of Chua Eng Eng	Executive Director - February 2000	No change
Chua Eng Eng	46	a) Daughter of Chua Kim Hua b) Niece of Chua Hai Kuey	Executive Director - November 2000 Managing Director - August 2002	No change No change
Chua Yan Peng	62	a) Niece of Chua Kim Hua, Chua Hai Kuey b) Cousin of Chua Eng Eng	Director - February 2000	No change
Chua Ling Kang	53	a) Nephew of Chua Kim Hua, Chua Hai Kuey, b) Cousin of Chua Eng Eng	Senior Project Manager - 1995	No change
Chua Yean Cheng	45	a) Daughter of Chua Kim Hua b) Niece of Chua Hai Kuey c) Sister of Chua Eng Eng	Human Resource and Admin Manager - July 2011	No change

BY ORDER OF THE BOARD

Catherine Lim Siok Ching
Company Secretary

26 May 2016